

Digital frontiers: the new banking imperative

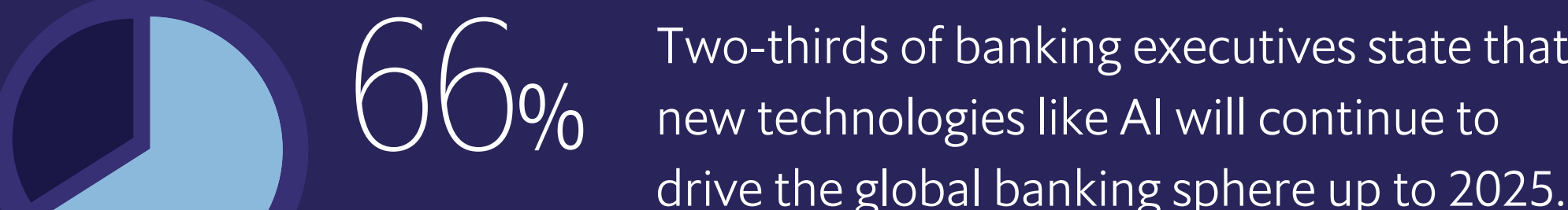
The shift towards more digitally focused banking models has become a defining feature of the modern banking age. But what do banks and their customers hope to achieve, and what are the technological, investment and regulatory implications? To understand the challenges and opportunities that retail, corporate and private banks face, the Economist Intelligence Unit surveyed 305 senior banking executives (49% of whom were C-suite) based in Europe, North America, Africa and the Middle East, Latin America and Asia Pacific. Our key findings are presented below.

01

The digital challenge

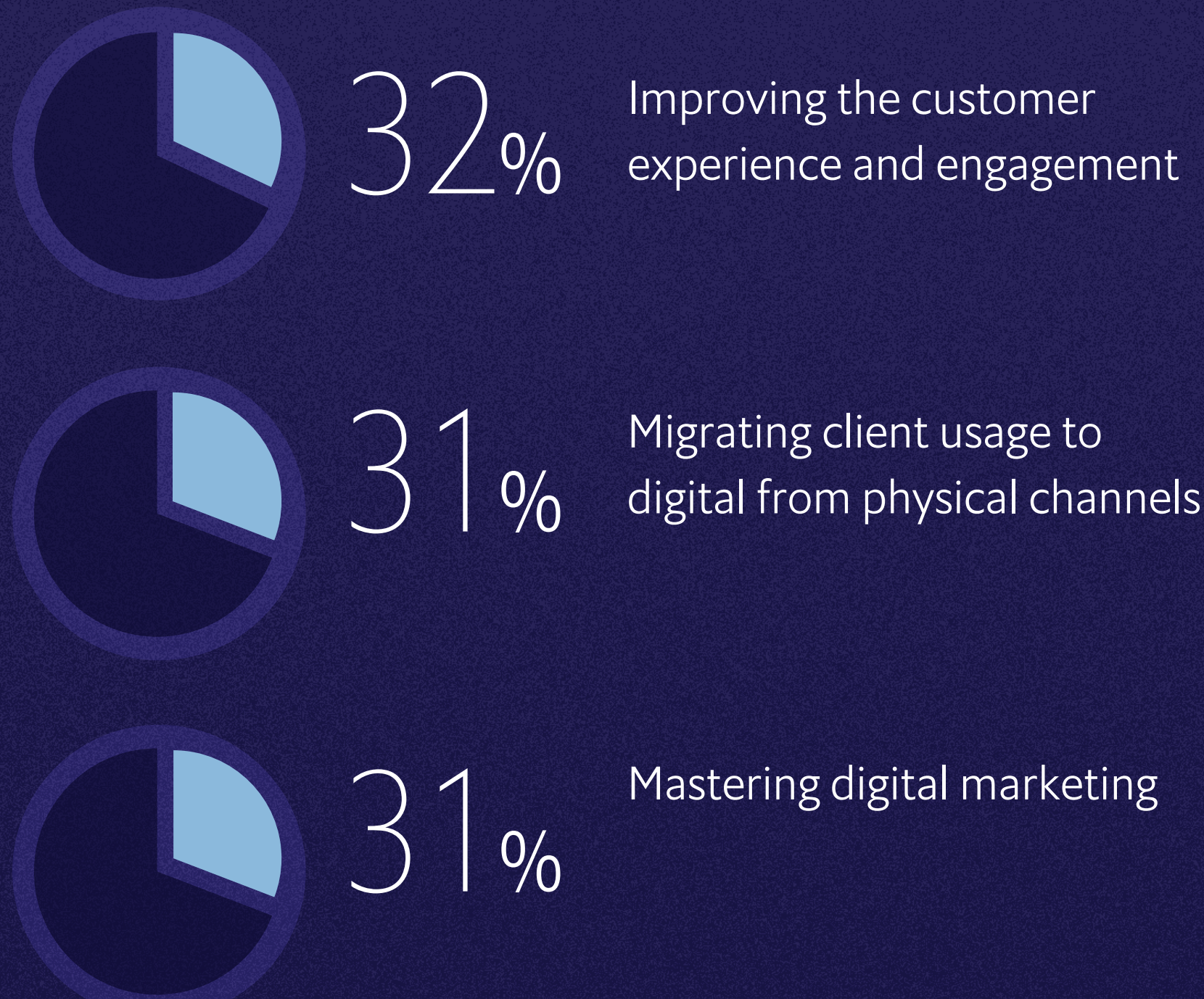
Unlocking value from Artificial Intelligence (AI) will separate winners from losers, according to 77% of banking executives surveyed during the covid-19 pandemic.

AI will play a key role in the digital shift over the next five years.



Strategic priorities of banks will be shaped by the pace at which they adopt these new technologies.

Top three priorities up to 2025:

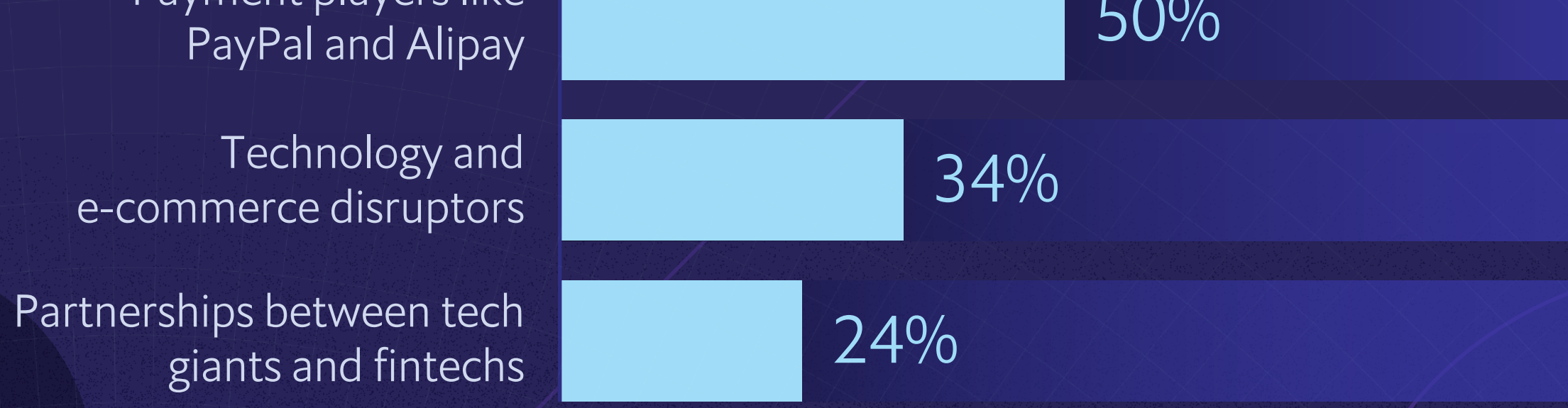


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Harnessing new technologies

In the deployment of new technologies, banks will compete with ever-present disruptors.

Top three cited competitors:



As a result, the ‘platformisation’, or platform-based services, of banking will strengthen.



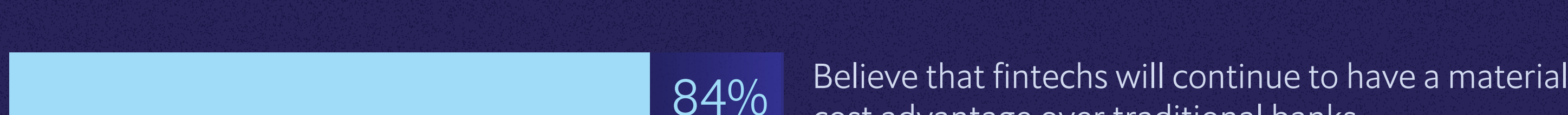
Agility will also be an important consideration:



...as will innovation strategies:



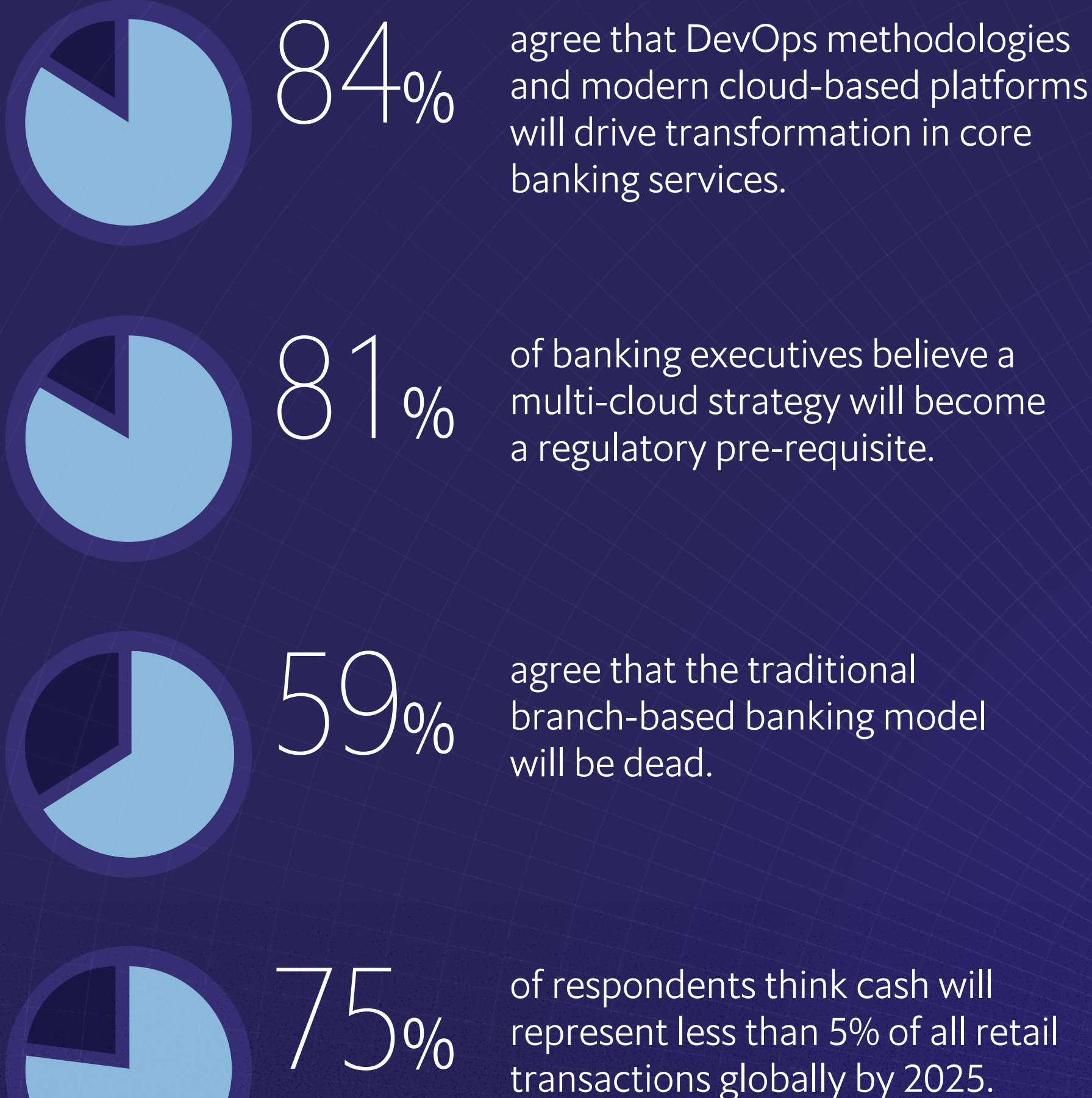
As a result:



03

The future: unlocking value

Banks and their clients increasingly have high expectations for a digitally-enabled future.



Overall, customers stand to benefit from the digital shift, but some regions are better placed than others.

