

The Way We Bank Now: Help at Hand

Summer 2016



The voice of banking

About the BBA

The BBA is the leading trade association for the UK banking sector with 200 member banks headquartered in over 50 countries with operations in 180 jurisdictions worldwide. Eighty per cent of global systemically important banks are members of the BBA. As the representative of the world's largest international banking cluster, the BBA is the voice of UK banking.

We have the largest and most comprehensive policy resources for banks in the UK and represent our members domestically, in Europe and on the global stage. Our network also includes over 80 of the world's leading financial and professional services organisations. Our members manage UK banking assets of more than £7 trillion, employ more than 400,000 individuals nationally and contribute almost £80 billion to UK economic output each year.

Our largest retail banks finance more than 8 million household mortgages and provide almost 600,000 loans to small and medium-sized businesses in the UK.

For more information on becoming a member and working with the BBA, visit: www.bba.org.uk/membership or contact: Richard Adler, Relationship Director, richard.adler@bba.org.uk

About EY

EY is one of the largest professional services organizations in the world, employing over 212,000 people. We are a leader in serving the financial services industry, with a globally connected team of 26,000 people focused on financial services and nothing else.

We help our clients become truly digital institutions that deliver tangible benefits to shareholders and customers. We can help you navigate the complexities of digital transformation, and reduce the risks and excessive costs. We bring you the benefits of a strategic vision rooted in deep operational experience.

Our industry experience and technical expertise – of innovation, strategy, customer experience, analytics, regulation, operations, technology including robotics and automation, finance, tax, risk and cybersecurity – can address your needs across the digital agenda.

We are helping our clients to transform organizational capabilities, build next-generation marketing functions, transform processes such as mortgage origination, consumer lending, onboarding and KYC end-to-end, and build digital and analytic solutions across sales, marketing, operations, cybersecurity and tax.

What does it take to be a truly digital institution? Find out more at ey.com/fs.

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Foreword

Anthony Browne
Chief Executive of the BBA



How time has flown. It's hard to believe that the *Way We Bank Now* is now in its third year.

The seed for our exploration of consumer-friendly banking technology was planted in my head a few years ago by a senior colleague who was astonished by how quickly her customers were embracing banking apps developed for smartphones and tablets. The pace of this adoption, she said, was far faster than the rise of internet banking a decade before.

We soon found customers loved this technology and millions were downloading and using these apps. Our first look at this area also found that millions of us were signing up to receive helpful text alerts warning us if we were straying close to the red, leaving us at risk of incurring a fee. Contactless cards were booming too, and many of us were choosing to talk to our bank on messenger or social media.

This is very much a consumer-led revolution. Customers are harnessing new technologies because it's fast and convenient, allowing us to manage our money when and where we please. It's helpful innovation that also reduces stress. Lloyds Banking Group research featured in this report tells us that 86% of people who manage their money online worry less because they find it easier to keep track of their finances.

Of course, this is all part of a wider wave of change sweeping through society. Millions of us are using Facebook and WhatsApp to stay in touch with

friends, Strava and other fitness applications to track our fitness or Uber to hail a cab. Such services have become part of the daily routines for many of us. Banks would be failing their customers if they ignored these profound and widespread social changes.

I am thankful to CACI for providing the BBA with new data for this year's report which estimates the number of customers interactions with their bank on average per month in 2011, 2016, 2021. Fascinatingly, this data shows how customers are interacting more and more with their bank – in 2016, customers interacted with their bank 3.5 times a month, up from 2.3 times in 2011. With more ways to access your bank than ever before, perhaps it is little surprise that this trend is estimated to continue over the next five years – rising to 6.3 times a month by 2021.

Since our *Way We Bank Now* work began this revolution in the way we spend, move and manage our money has continued apace. This year's report explores the latest technological innovations introduced by our banks, including video banking we can do from our sofa and personal finance management tools that give us more insights and – if we want it – help managing our finances. We've also taken a look at how banks are using data to help customers get faster lending decisions and encourage small businesses to grow. And there is a section on the new tech-focused start-up banks now competing for our customers.

I'm enormously grateful to EY for their continuing support of the *Way We Bank Now* and our members' digital experts, many of whom have given up time to share their insights in some wide-ranging interviews. Some of the buzzwords of this year's conversations include "artificial intelligence", "PFM dashboards" and "omni-channel". All of these approaches will have a hand in making banking faster and even more convenient for customers in the future.

I was very struck this year by how much this technology can help some of the most vulnerable people in our society. This may seem counter-intuitive. After all, many of us assume that new smartphones and other technology only appeal to customers of a certain demographic. Biometric security features to help mild dementia sufferers struggling to remember their passwords and video banking servicing connecting deaf customers with staff well-versed in sign language are just two examples of how technology may help all customers more easily manage their finances. There are many other examples.

The technology you will read about on the following pages allows banks to help customers in ways that have never been possible before – not just to perform functions they have always done more conveniently. This is not innovation for innovation's sake. This is change designed to make customers' money go further and simultaneously strengthen trust and confidence in the banking industry – our overarching aim here at the BBA.

Banks have long competed against one another over interest rates on loans and savings accounts. Now the new battleground is offering the best app or video-banking service.

Who is the big winner of this great contest? It's us – the customer.

Foreword

Robert Cubbage

Partner, UK Banking & Capital Markets Leader, EY



We are delighted to again join the BBA in showcasing the significance of customer adoption of technology and innovation in UK banking in the third edition of the *Way We Bank Now*.

For this report our leaders in digital, Peter Neufeld and David Ebstein, and FinTech, Imran Gulamhuseinwala, have shared their insights on the trends shaping retail banking.

Last year's report found that mobile phone apps were set to become the UK's number one way to bank and one year on there is no denying we are living in a 'mobile-first' decade. However, it's not just the mobile phone revolutionising our financial lives. Internet banking, branches, payments and the ever-growing UK FinTech industry (which we've estimated generated around £6.6billion in revenues and attracted £524 million in investment in 2015 alone),¹ are all constantly evolving to make almost all areas of financial management simpler, more accessible and more dynamic for consumers.

For example, we take a look at the new challenge of 'omni-channel banking'. Not only are the channels available to customers becoming more numerous and less defined but more and more they do not belong to the banks, meaning banks will need to ensure they have the flexibility to react quickly to new channels with a consistent customer experience. It's a challenging but truly transformational time for banking.

Banks have crucial decisions to make about how they are interacting with their customers in this new 'mobile-first' decade. Transformation is not without its challenges, but banks that can make the most of the new opportunities available to engage with their customers through digital, and the use of analytics and technology will be highly competitive in the new environment.

We see their main challenges as:

- Banks need to invest to continue to be differentiated high-value service providers or they risk becoming commoditised service providers.
- However, they also face difficulties in bringing legacy infrastructure in line with their new aspirations and creating an organisational environment that attracts top talent to achieve their aims.
- Achieving the required level of responsiveness and innovation requires a fundamental shift in culture and leadership approach, in an environment optimised for minimising and managing risks.

We thank the BBA for allowing us to contribute to this timely and topical report which looks not only at how customer interactions with their banks are changing but at the alternative and non-bank models coming to the market.

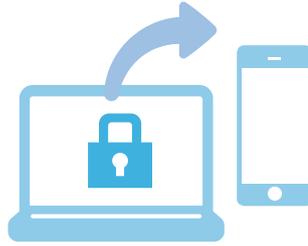
At the end of the day, it's all about the customer. And banks that can provide holistic, supportive and service-driven customer journeys will succeed.

Industry trends²



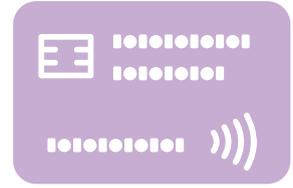
40,000

App downloads a day in 2015 – a 25% rise on the previous year.



4.3m

Internet banking logins a day in 2015 – a 2% fall since 2014 as customers migrate to apps.



15m

Contactless cards issued in 2015 – a rise of 54% from 2014.



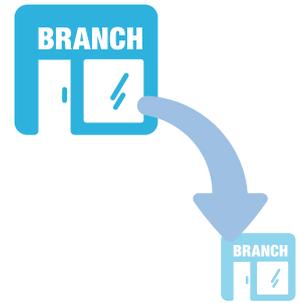
250%

Annual rise in spending using contactless cards with £1.1bn spent in March 2016.



11m

Banking app logins a day during 2015 – a 50% rise from 2014.



71

Average branch visits per day in 2016 – a 32% fall since 2011. (CACI latest figures)³

347m



Number of payments done using banking apps in 2015 – a rise of 54% since 2014.*



417m



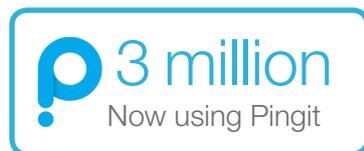
Number of payments done using internet banking in 2015 – a 2% rise since 2014.*

*This reflects data from 8 of the BBA's main bank and building society members who provide digital payments.

Bank trends



Fees avoided over the 2015 Christmas period by HSBC customers using text balance alerts.⁴



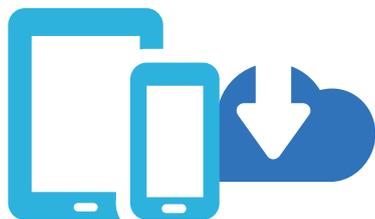
Number of people registered for Barclays' mobile phone payments service Pingit up to September 2015.⁵



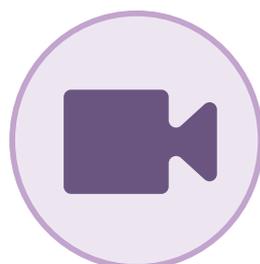
14,000

Miles covered each week by NatWest and RBS's fleet of mobile branches, making 780 stops a week, as of June 2016.⁶

£1bn



Investment by Lloyds Banking Group for digital banking technology over three years (2015–2017).⁷



400

Nationwide branches fitted with video banking services by November 2015.⁸



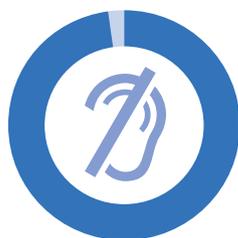
4,000

Customers a day on average that download Santander's mobile banking app, as of June 2016.⁹



455,000

Average number of payment a day made using RBS's app in 2015.¹⁰



98%

Proportion of Barclays cash machines fitted with hearing jacks to help the blind and partially sighted, as of today.¹¹



Number of Lloyds Banking Group customers now banking through their mobile.¹²

How a banking revolution unfolded 2014



March: First BBA *Way We Bank Now* report, supported by EY, launched – showing use of banking apps has doubled in a year.

March: Nationwide is the first BBA member to offer 24/7 customer service via social media with Nationwide's Twitter team to answer customer queries around the clock.



April: Lloyds Bank launched the Lloyds Bank UK Digital Index, the UK's first annual measure of small business and charities' digital capability.

July: Taxi driver Ian Cable became the first London cabbie to only accept payment by smart phone.

August: Barclays extended mobile phone payments service Pingit to offer transactions to India.

August: BBA data showed bank customers used internet banking for 6.9 billion transactions during 2013 – up from 5 billion in 2009.



September: Contactless bank card payments accepted on London Underground and most of the capital's transport network.

September: Lloyds Bank launched an online appointment booking system, offering customers the ability to book appointments in all Lloyds Bank branches.

November: RBS, NatWest, Ulster Bank and Isle of Man Bank customers join Paym.

November: Nationwide became the first financial services provider in the UK to bring real-time balance access to smart watches.

December: Barclays expanded cheque-imaging pilot to 1m customers.

2015

January: BBA research showed 2.3 million people between 70 and 100 year old were using internet banking.

February: Barclays launched Twitter payments through Pingit.

March: Halifax trialed biometrics with heartbeat authentication to verify customers' identities.

March: Department for Transport announced plans to introduce contactless payments, on buses, trains and other forms of transport across the country.

March: Launch of the midata initiative giving customers greater clarity to assess the best bank account for their needs.

April: Lloyds Bank unveiled video and infographic enabled terms and conditions for web banking.

June: BBA research showed contactless card technology has saved customers 90 years of time since their introduction.

June: Lloyds Bank launched cheque-imaging pilot system with 1,700 staff.





July: Apple Pay launched in the UK.

July: Santander launched “KITTi” app, a virtual cash kitty to help groups of people manage a shared pot of money.

July: Nationwide expanded the Quick Balance feature to Apple Watch.

September: Contactless card transactions limit rose from £20 to £30.

September: Challenger bank Fidor launched its UK current account and savings bond service.

October: Metro Bank opened its second drive-thru branch in Southall, West London.

October: Nationwide launched phone service offering specialist support for cancer sufferers.

November: 24/7 real-time Faster Payments limit raised from £100,000 to £250,000.



March: RBS unveils Luvo artificial intelligence trial to help staff serve business customers.

March: Lloyds and Halifax extend home video mortgage advice after successful trial run in 2015.

March: App-only bank Mondo moves into public beta opening up the opportunity for customers to test their offering and also, had the fastest crowdfunding round ever – raising £1 million in 96 seconds.

April: Barclays becomes the latest bank to offer Apple Pay as a way to pay.

April: App-only Atom Bank launches savings account, saying other products coming soon.

April: Santander announces collaboration with Kabbage to provide online working capital solutions for small businesses.

May: Barclays becomes the first UK bank to announce contactless payments for both debit and credit cards via Android phones.

May: UK monthly contactless card spending reaches record £1.5 billion.

May: Santander launches employee pilot of international payments app that uses Ripple's blockchain technology.

May: Clydesdale and Yorkshire Bank launched B, a ‘smart’ money management app with linked savings and current accounts.

2016



January: HSBC begins pilot of Nudge app to help customers keep their spending on track.

January: Barclays announces the “Barclays Collect” service, allowing business customers to book their cash collection online, from mobile or desktop straight from their door.

February: HSBC announces fingerprint and voice recognition security will be fitted to its app.

March: Santander voice banking allows its Smartbank app users to ask for details of their spending habits.



PART ONE

Here and Now

“For me mobile is all about removing anxiety from banking. ‘Will I have enough money to get to the end of the month? Will I regret this payment? Could I be getting a better deal elsewhere?’ The ability to allow customers to check their financial position before they make a payment is a wonderful gift.”

Nick Williams, Managing Director, Consumer Digital, Lloyds Banking Group

“There is still a fundamental role for branches in retail banking. I think the organisations that will be successful will not be binary. They won’t be the ones that focus entirely on digital at the expense of the branch. Similarly, they also won’t be ones that remain focused only on the branch at the expense of technology.”

Martyn Atkinson, Director of Digital and Change, Metro Bank

“There is a clear move towards mobile. But would I, as a customer, expect to complete a mortgage application end-to-end on my mobile? Maybe I wouldn't – maybe that's something I want to do in the privacy of my home, on a laptop or desktop. Putting a process like that on the app could make it feel bloated. Could we keep it as responsive as we know customers want? So, just as banking in a branch will still have its place, I think specific banking use cases on a PC or laptop will do, too.”

George Charalambous, Head of Digital Transformation, HSBC Retail Banking and Wealth Management

“The future is around creating consistently great customer experiences that add value to the lives of our customers. It's important to involve customers in the process to help determine what these are.”

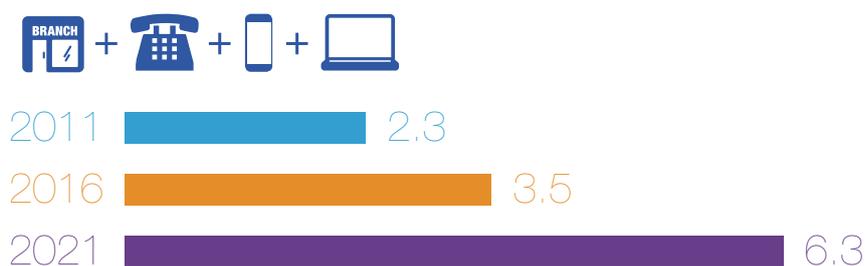
Michelle Kent, Director of Digital, Santander UK

Here and Now

This first section of our report looks at changing customer habits and major innovations in consumer banking technology over the past year. We explore the boom and evolution of mobile apps, video banking and new forms of payment. We consider how technology can help vulnerable customers and why branches and internet banking are here to stay. We also hear from EY on *'Banks Beyond Banking'* as they explore what the new era of digital innovation in banking means for banks and how their role is evolving going forward.

Data provided by CACI shows trends in how customers interact with their bank. For example, customer bank branch interactions declined from 476 million in 2011 to 278 million in 2016; in 2016, this equates to 71 average branch visits per day – a 32% fall since 2011. This decline is forecasted to continue over the next five years; in 2021, CACI estimates that customer bank branch interactions will be 185 million a year which equates to 51 average branch visits per day.

Estimated number of customer interactions per month on average¹³



Source: CACI data kindly provided to the BBA, June 2016.

Looking at all the various ways customers can access their banking, from their PC to their mobile to visiting a branch, an interesting observation is how existing and new digital ways of accessing your bank mean that customers are now – and in future – able to interact more and more with their bank. In 2011, customers interacted with their bank on average 2.3 times a month, in 2016 it is 3.5 times and by 2021, CACI estimates it will be 6.3 times. Bringing the customer more ways to access and manage their money in more ways than ever before.

The mobile banking boom

In the past year, more and more of us have turned to banking apps to manage our finances. More than 40,000 of these applications were downloaded a day in 2015 – a 25% rise on the year before. Our latest industry figures show there were nearly 11 million logins a day to banking apps in 2015 – a 50% rise on the year before.

Anyone who doubts just how much mobile banking has become part of the daily routine for millions of us should consider just how frequently customers login to their apps. Some BBA members have reported that the average customer now logs in to check their balance or make a payment 36 times a month. In April, the number of Lloyds Banking Group customers who logged into their mobile app during a single day passed seven million for first time.¹⁴



This technology is making it easier to squeeze routine banking tasks into busy lives. Many financial chores that could only be done by trudging off to the nearest high street branch can now be done without taking a step out of your way.

Who is using this technology? Halifax's Digital Dashboard¹⁵ research has noted some interesting differences between the sexes when it comes to the adoption of technology. The bank found that 64% of male customers were using desktop computers for internet banking – compared with 58% of women. Meanwhile, 30% of women are using an iPad or other tablet to bank. For men, that figure stands at 23%.

However, the use of smartphones to make transactions is equally popular among women and men. That said, women tend to check their balance 16 times a month using their app – compared with 14 occasions for men, according to the Halifax data.

When are the popular times to bank in this way? Research by TSB found that 45% of mobile or internet banking is done while customers are in front of the TV. Around 18% is done at work, 17% in bed and 11% while commuting.¹⁶

So, why have banking apps proved so popular? Firstly, they do help customers manage their finances more easily around their day-to-day life. This technology is making it easier to squeeze routine banking tasks into busy lives. Many financial chores that traditionally had to be done by trudging off to the nearest high street branch can now be done without taking a step out of your way.

The apps themselves are usually fast and easy, allowing us to check our balances in, say, three seconds rather than the 30 seconds necessary to login to internet banking or perhaps 10 minutes to travel to the nearest cash machine to check. Features such as fingerprint ID started to appear on mobile apps last year, allowing people to access their banking app with just a tap or two of their screen – even faster than keying in a four-digit passcode.

Apps have certainly evolved since they first appeared four years ago. The popularity of apps has soared as the range of tasks they allow us to do has increased and become even more helpful. Early iterations often only allowed customers to check their balance and transfer funds between their own accounts. Making payments to friends and retailers became fairly standard a couple of years ago.

Earlier this year RBS upgraded its app to allow customers to apply for a personal loan or credit card or manage their overdraft while on the move. The three million customers that use the bank's app can also now set up a savings account and cancel their direct debits from their mobiles.

HSBC, which last year saw the number of logins to its app eclipse the number of logins to its internet banking service for the first time, has made some striking innovations to the First Direct app in recent months.

Customers can now see imminent payments in and out of their accounts, such as a salary cheque or mortgage payment.

"Around half of the enquiries our contact centres get are from customers wanting to know the timing of those payments – so we knew that this would be a feature that would be helpful," says George Charalambous, Head of Digital Transformation at HSBC Retail Banking and Wealth Management.

Another reason for their popularity may be that banking apps and other forms of online banking actually help reduce financial stress. According to research by Lloyds Banking Group, 86% of people who manage their money online worry less because they find it easier to keep track of their finances.¹⁷

"For me, mobile is all about removing anxiety from banking," explains Nick Williams, Managing Director, Consumer Digital, Lloyds Banking Group. "That's what Uber has done with getting a taxi, where the two big anxieties are 'will my cab turn up where I am?' and 'will I have the money to pay for it?' – Uber shows me where my cab is and gives me the means to pay.

"Similarly, people have anxieties about their money. 'Will I have enough money to get them to the end of the month? Will I regret this payment? Could I be getting a better deal elsewhere?' The ability to allow customers to check their financial position before they make a payment is a wonderful gift."

"When you think that financial concerns are one of the prime causes of poor mental health – you start to realise that this technology has great potential to improve many people's lives."

So will PCs gather dust?

Nearly 80% of all payments by Halifax customers were made digitally in the final quarter of 2015, with 62% of these now made from a smartphone or tablet. Halifax found that payments from a mobile or tablet had grown by 11% since the same quarter a year before. Over the same period, transactions carried out from a desktop computer had fallen by 9%.

Nevertheless, internet banking will remain an important part of how millions of us choose to bank.

For those who work on a desktop computer or live in areas where 4G or even 3G network coverage is limited, internet banking may still be more convenient.

Another reason why internet banking looks set to remain a fixture relates to the simplicity of banking apps. Customers want apps that are fast, uncluttered and easy to use on compact screens. They are not looking for applications weighed down with functions that they don't want to use on the move.

"There is a clear move towards mobile," says Charalambous. "But would I, as a customer, expect to complete a mortgage application end-to-end on my mobile? Maybe I wouldn't – maybe that's something I want to do in the privacy of my home, on a laptop or desktop.

"Putting a process like that on the app could make it feel bloated. Could we keep it as responsive as we know customers want? So, just as banking in a branch will still have its place, I think specific banking use cases on a PC or laptop will do too."

This explains why banks continue to refresh internet banking services – as well as those designed for smartphones and tablets. As part of a wide-ranging strategy to use technology to help make customers' financial lives simpler, faster and less paper-based, HSBC has overhauled how mortgage applications are completed. It is now possible to apply for a home loan entirely online – and receive the decision within an hour of starting the process. The record is less than 30 minutes.

As part of the same strategy, Charalambous is now looking at making the way customers open accounts as "frictionless" as possible. In an age when many people are accustomed to setting up a Facebook profile in three minutes, a lengthy process to open a bank account can seem tiresome.

"Banking is clearly very different from social media," says Charalambous. "There are important regulatory obligations to be met in terms of Know Your Customer and anti-money laundering legislation. But we should still be able to get to a place where opening an account within ten minutes is possible for many people."



The bank that comes to you

Since 1946, remote parts of Scotland have been visited by RBS's mobile bank branches, which have allowed customers to deposit cheques, pay bills and do a range of other banking tasks without having to travel miles.

Gradually extended to parts of England and Wales, the bank's 38 vans now serve more than 357 communities, making 780 stops and covering 14,000 miles a week.

Each mobile branch has two qualified bank staff. The vans are fitted with satellite technology to ensure that the iPads, telephones and computers inside can remain online in remote areas.

Angus McMurchy, who works out of the bank's Ullapool branch, says the service can be particularly valuable for customers suffering from a disability or illness that makes it hard to make it to a branch.

"We do some ad-hoc stops where and when required," says McMurchy. "Each Tuesday we drive to a care home in Aultbea and serve a blind customer who uses a wheelchair and whose local branch is in Largs."

"We have done this for two years. Her husband approached me to say he was dying of cancer and he was worried that she wouldn't be able to get to the designated stop when he died. I said 'no problem' – we will go to her."

Nice to see you

Last year's *Way We Bank Now* report highlighted the popularity of Nationwide Now, a high-speed, high-definition video-conferencing service introduced into 160 of the bank's branches.

Initially used by mortgage customers, the facility has allowed thousands of people to complete their home loan applications from start to finish via a video link. Documents can be swiftly transferred through scanners and printers, with branch staff on hand to help explain the technology – or even just serve up a cup of tea.

There are numerous advantages for customers. Many branches, especially those in remote areas, do not have their own mortgage advisers. In the past, a customer may have had to travel some way to another branch to meet a member of staff with expertise in home loans.

Last summer, first-time buyers Jillian and Martin from Oban in Scotland used the Nationwide Now service to quickly arrange a mortgage. After putting in their offer on a Friday, they were able to arrange their mortgage by the following Tuesday.

"You're sitting there the whole time thinking someone else is going to jump in and get the house we wanted," says Jillian. "So to just speed that whole process up and get your formal offer in – it was perfect."

Nationwide Now's rollout has continued in recent months. It is now available in more than 400 branches and customers can now use the service to speak with personal banking managers and financial planning managers.

More banks are also rolling out video banking services. Barclays began offering this service to its Premier customers in December 2014.¹⁸ Lloyds Bank and Halifax customers can now discuss their mortgage applications without leaving their home using their PC, laptop or tablet computer. This service is available six days a week, between 8am and 8pm on weekdays and 9am and 2pm on Saturdays.

"Customers want greater choice, convenience and value – whether that's in a branch or online – and they want these things in a time and place that suits them," says David Oldfield, Group Director, Retail and Consumer Finance at Lloyds Banking Group.

"For those who are unable or choose not to visit a branch but who still prefer to have a face-to-face conversation this video service is a fantastic channel for them to use. It enables us to connect more customers to our mortgage experts in the way that is most convenient for them."

The service is also being offered in 16 branches, which enables customers to discuss their home loan application even when no mortgage adviser is close at hand.

New ways to pay

Digital wallet technology uses the near-field communication technology inside mobile phones and tablet computers to make payments. Perhaps the best known of these platforms is Apple Pay. Customers from 17 banks in the UK are currently using this technology which lets them pay for goods and services in more than 400,000 places using an iPhone, iPad or Apple Watch.



Tapping a card reader is something millions of us have become comfortable with in recent years. There were 15 million contactless cards issued in 2015 – a rise of 54% on the year before.

In May 2016, Google launched its equivalent service in the UK, Android Pay. Many banks are ready for their customers to make use of this technology too.

Tapping a card reader in this way is something millions of us have become comfortable with in recent years. There were 15 million contactless cards issued in 2015 – a rise of 54% on the year before.

The Department for Transport is looking at ways to make sure public transport networks across the country follow the lead of London's bus and Tube network. A quarter of pay-as-you-go journeys are now made using this technology.

In all, more than 300 million journeys on Transport for London's network have completed using contactless debit and credit cards since the launch in 2012, with more than 1 million journeys now made each day using contactless. It's impossible to calculate the vast number of man hours saved by contactless technology not just in tube stations, but in coffee houses, bars, pubs, sandwich shops and tens of thousands of other places that accept this way to pay.

Contactless card readers can also be fitted to many coin-operated machines. In the United States, Mastercard has been involved in a project to fit launderette washing machines with readers to accept tap payments. Some parking meters and snack vending machines are also starting to be equipped with this technology. Nearly three quarters of the world's payment terminals will be contactless enabled by 2019 up from 28% in 2014 according to recent estimates.¹⁹

Another fast-growing form of payment is Paym, which allows customers to send money to friends, family and registered businesses from their smartphone in a similar way to a text message.

Launched two years ago, more than 3 million people have already registered for the service. At least £146 million has been transferred in this way so far, with transaction volumes doubling every six months. The average payment has recently dipped below £50, suggesting that the platform is starting to be used for smaller transactions.

Will all these methods of payments last? Nick Williams, Managing Director, Consumer Digital at Lloyds Banking Group, explains that customers will decide – based on what they find most convenient and useful.

“For some purchases cash is still the easiest option – for others a tap of a debit card is even easier than waking up your mobile phone. If you think about using the Tube, all the readers are on the right, but most people wear a watch on their left wrist so paying with a smartwatch is not a natural action.

“Then again, a bit of plastic isn't going to give me all those instant insights into my financial position that an app can. Convenience for the customer is what will win.”

Help for businesses

Around 60% of Lloyds Banking Group's business customers are using internet or mobile banking. The group's small business app is now very similar to that enjoyed by personal customers.

“I suspect this is a developing area where more innovation is needed,” Williams says. “A lot of small businesses take payments when they're out and

about, say, cleaning windows or visiting clients. They rely on accepting cheques and cash, which places a burden on them to take time to pay that money in.”

Earlier this year pilots began of a new initiative which aims to help save small business customers the time and hassle of making deposits.

The Barclays Collect service enables customers to use their smartphone or desktop computer to book a secure vehicle to deposit coins, notes and cheques without visiting a branch. This is free for deposits of £5,000 or more, with modest charges for sums below this level. Trials began in Birmingham, Manchester, Leeds, Enfield and Bradford.

New Harvest Wholesale took part in the pilot. “We used to visit the bank three times a week,” says Ben Luk, who works for the Birmingham-based catering firm. “It was a struggle finding the time with all the other demands of running a business.

“We find it simple to arrange the collections using the online booking system. They arrived on time and collection itself now takes under 30 seconds. It’s reassuring to know cash is now being securely transferred into our account.”

Back in April, Santander announced a new service that will give small business customers faster access to working capital loans of between £500 and £100,000 a year. The bank is harnessing a range of information such as credit histories, payments data and social media posts – used by the online lender Kabbage to make same-day lending decisions, with approval given within a matter of minutes. These decisions previously took between two and 12 weeks.

Nathan Bostock, Chief Executive of Santander UK, said: “With SMEs comprising 99% of the UK private sector, having fast and secure access to funds would ensure they can continue to make an important contribution to the UK economy. Our collaboration with Kabbage aims to provide UK businesses with the ability to draw down funds as and when required, whether it would be covering a short-term funding need or enabling them to seize growth opportunities as they arise.”

Helping vulnerable customers

It would be easy to think that new banking technologies are only popular with a certain type of customer. However, the beneficiaries of this innovation include some of the most vulnerable members of society.

Nationwide has worked hard to make sure that their mobile bank app makes the most of Apple Voiceover software, which converts text on the screen to speech. The building society is also looking at what can be done to best help the 850,000 people in the UK believed to be suffering from dementia. Biometric security features may be much easier for such customers than remembering pin numbers and passwords.

In recent years, banks have been introducing innovative, new technologies that help vulnerable customers. For example, Barclays and Lloyds Banking Group have introduced thousands of talking ATMs. More than 98% of its cash machines now have ear jacks to help the blind and partially sighted. Meanwhile, these banks’ SignVideo initiative allows customers to converse with a member of staff trained in British sign language from any branch. Amongst others, Barclays and RBS have also introduced innovative solutions to help vulnerable customers – Barclays introduced 12 different

designs of high-visibility debit cards and RBS has introduced an accessible debit card for to help visually impaired customers.

More recently, the same bank has trialled beacon technology, whereby a customer who needs extra support can choose to alert a branch in advance of their intention to visit. When the customer arrives the app on their mobile phone alerts staff and there is no need for an explanation of what additional assistance may be necessary. The bank has also been developing text-to-speech software which converts webpages and other written materials to spoken English.

In the future, Santander plans to include vulnerable customers within their customer research and pilots for all new digital services before their launch. Michelle Kent, Director of Digital at Santander UK, said the bank had recently noticed that it could be challenging for visually impaired customers to make payments using the app before it timed out.

“As a result, we will be extending the timeframe for how long it could take vulnerable customers to make a successful payment in our new app, and including a requirement that the app does not ‘time out’ whilst the customer is using it,” Kent says.

However, not all customers want to bank from their smartphone, tablet or PC. “Digital is great, but we do need to remember that there are around seven million people who do not use the internet,” says Kate Room, Head of Customer Diversity and Vulnerability at Nationwide.

“The vast majority of people are moving online but often some of the most vulnerable people aren’t. That’s why it’s so important there is a good mix of services to support all our customers.”

A good example of this is Nationwide’s partnership with the charity Macmillan Cancer Support. Since its launch last year, more than 750 of the building society’s customers suffering from the illness have used the phone-based services which provide expert help to support those coping with the financial aspects of serious illness. There are plans to extend the service to sufferers of stroke, heart disease and other life-limiting conditions.

Nationwide’s work in this area has strong parallels with the BBA’s Bereavement Principles, launched in March of this year. This new code of six principles aims to relieve the stress and bureaucracy endured by families handling the estate of a deceased customer. The principles include allowing funeral costs to be met from a deceased customer’s estate and improving training to help staff show empathy.

[Here to stay: the evolution of bank branches](#)

Introduced in 1871 to give staff time off, bank holidays were soon adopted by many other industries. In 2015, RBS broke with tradition and began opening dozens of its branches on these public holidays. Millions of us still don’t work on those days, potentially making this a convenient time for us to talk about a mortgage application or have a wider conversation about finances. Metro Bank stores and many Barclays branches also open on these public holidays.

Opening on these days shows how banks continue to recognise that branches remain an integral part of banking in the 21st century. Nevertheless, it is hard to deny that fewer of us are using our banks’

high street outlets. As the CACI data shows, there were 278 million customer bank branch interactions in 2016, down from 476 million in 2011; this equates to 71 average branch visits per day in 2016 – a 32% fall since 2011. That equates to 71 average branch visits per day in 2016 – a 32% fall since 2011. RBS has seen a 43% decline in branch transactions since 2010.

Of course this decline in branch use is partly due to the advent of phone banking, internet banking and mobile apps. This technology allows customers to perform a range of tasks when and where they please. No longer are they obliged to take time out of their day to visit a branch to pay in a cheque when an electronic payment can be used instead.

Despite this, few bank experts believe the app will sound the death knell for bank branches. Almost all of the bank executives interviewed for this report said that while they expected the number of high street outlets would continue to fall, the branch still has a vital role in retail banking in the 21st century.

“What the customer wants is choice,” says Martyn Atkinson, Director of Digital and Change at Metro Bank, the challenger bank which continues to grow its network of “stores” across the UK.

In October last year Metro Bank opened its second drive-thru branch in Southall, West London. Open 362 days a year and staffed by two cashiers, the store allows customers to deposit cash and cheques as well as perform a range of other counter services from the comfort of their car. A drive-thru store was opened in Slough in 2013 and proved popular. The challenger currently has more than 40 stores across the UK and plans to have at least 110 by 2020.

“There is still a fundamental role for branches in retail banking,” Atkinson says. “But I think the organisations that will be successful will not be binary. They won’t be the ones that focus entirely on digital at the expense of the branch. Similarly, they also won’t be the ones that remain focused only on the branch at the expense of technology.

“There will always be moments in your financial life when you want to speak to someone face-to-face, particularly for those bigger moments in life – such as taking out a mortgage. Human contact helps engender trust.”

While some branches have closed, thousands are being refurbished. Nationwide is in the midst of a £500 million programme to upgrade hundreds of its branches. RBS have significantly invested in their branch network over recent years, refurbishing over half of their branches; in 2015 alone, they refurbished over 320 branches. With demand falling for cashiers, banks are taking out tills and making more space for meeting rooms and other areas where customers can talk more easily to staff.

Similarly, Barclays is using underutilised areas in branches above or behind the main banking halls for its Eagle Labs programme. Anyone can make use of these centres to help improve their digital skills – customers, non-customers, school children, the elderly, and community groups. The Labs also have 3D printers, laser cutters and other equipment designed to help budding manufacturers make their own prototypes.

The first five Eagle Labs opened in Cambridge, Bournemouth, Birmingham and Brighton back in March. Up to 20 more are planned by the end of 2016.



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'Banks beyond banking': reaching out across customers' lives

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The BBA's analysis paints a compelling picture of how people are seeking a more immersive and long-term experience from the financial brands they interact with, including banks – and how they are using digital to meet those demands. But over the coming years, as digital increasingly shapes customers' expectations and interactions with businesses of all types, what are the implications for banks themselves?

We believe the impacts will be felt across all areas of the bank – from customer relationships to infrastructure, and from talent to collaborations with third parties. These pervasive implications mean banks will need to think about the role they want to play going forward and where they want to invest, while also considering their core purpose as an organisation. Put simply, to compete successfully, tomorrow's banks will need to be radically different from today's.

Elevating the focus from transactions to aspirations...

In what ways? One important difference is that they'll need to look 'beyond banking'. This begins with recognising that the people buying their products or services have wider considerations in mind than the purchase itself. If the customer is buying an ISA, they'll probably be thinking about their retirement planning or children's education. With a mortgage it'll be buying a new home and the associated concerns. To be truly customer-centric, banks must look further and wider than the immediate transaction to understand a customer's surrounding journey, needs and aspirations.

This shift has profound implications. Banks' primary functions have already changed dramatically over the past 50 years – witness the passing of the traditional archetype of the local bank manager. In the next five years, change will accelerate further as banks accompany their customers along more stages of their life journeys. For example, rather than selling a mortgage when a customer asks for it, banks could provide an ongoing lifestyle solution that helps them plan for their first home in the years before the purchase.

...means adopting a new view of the customer

To achieve this depth and durability of customer engagement and intimacy, banks need to adopt a new view of customer relationships. Successful banks will see each customer as a unique individual whom they advise, guide and influence to help them realise their life goals, and whose interests and values overlap with their own. They achieve this by making the most of the opportunities provided by digital, analytics and technology. Adopting this new view of customers will be pivotal to banks' future success.

Opportunities for differentiation abound...

The good news for banks is that opportunities to be differentiated and get closer to the customer are plentiful and these opportunities cut across both retail customers and small and medium-sized enterprises (SMEs).

By way of example on the retail side, consider the process of applying for a mortgage. As anyone who has been through the process will know, there's a wide range of personal information to be submitted. It's often a long and tortuous process involving substantial toing-and-froing. Banks have the opportunity to use digital to centralise, streamline and optimise this process from start to finish so it takes a fraction of the time.

At the same time, SME customers – usually defined as companies employing 250 people or less – offer further rich opportunities for banks to achieve differentiation and deliver added value. Of the total of almost 5.4 million private sector businesses operating in the UK, over 99% are SMEs, collectively accounting for 60% of private sector employment.²⁰ Put simply, SMEs are the engine of the UK economy. And there's great potential for banks to provide these entrepreneurial businesses with the advice, capabilities and networks they need to overcome long-standing barriers.

For instance, many smaller 'store-front' businesses don't have their own IT department – but they all have a bank account. Banks are ideally placed to help SMEs access the digital capabilities or 'as-a-service' applications they need to accelerate their growth. What's more, banks can do this both by providing their own innovative offerings, and also by delivering solutions in collaboration with the UK's thriving and world-leading FinTech sector.

...enabled by banks' valuable assets

As banks look to engage more closely with customers and differentiate themselves more deeply, they have several assets that can help them. One is their established distribution infrastructure, both physical and digital. Another is their strong and trusted brands, underlined by their customers' willingness to entrust banks with caring for their most valued financial and information assets.

EY's 2016 Global Consumer Banking Survey (launching later this year), for which we surveyed over 55,000 people globally, reveals that while much has been said about customers' lack of trust in banks, the trust customers have in banks is at a similar level to that in other potential financial services providers, such as FinTech or major retailer and technology organisations. A further asset is their long-standing relationships, often going back through customers' lives or even into previous generations.

As an illustration of these relationships, consider a customer who's had a savings account with their bank for 25 years. When they opened that account, Google and Amazon didn't exist, while Apple was known for selling uniquely designed desktop computers. But their banking relationship has endured since those distant days. This underlines



The good news for banks is that opportunities to be differentiated and get closer to the customer are plentiful and these opportunities cut across both retail customers and SMEs.

the inherently long-term nature and perspective underlying banks' business: when it comes to making good financial choices, the banks' legacy of experience and mutually beneficial customer relationships gives them a depth of understanding and credibility that no-one else can match.

Banks' proven and long-established distribution infrastructure, brand and relationships are now supplemented by a newer and fast-growing asset: their wealth of data. Today, banks' digital services provide them with more information and deeper insight than ever before into their customers' lives. In 2015, customers in the UK logged on to mobile banking apps nearly 11 million times a day – that's a rise of 50% in just one year. The vast pool of customer data that can be derived from such interactions means banks can understand more accurately what customers are trying to achieve, and use digital to interact with them in a more meaningful and relevant way to help them make good financial decisions.

But not without challenges . . .

However, as banks seek to make the most of these assets they'll face challenges from both infrastructure and organisational perspectives. Banks' existing – and often ageing – infrastructure will need updating and upgrading significantly in the coming years, especially with the advent of technologies such as blockchain. If left unaddressed, banks' legacy infrastructure will become an increasing impediment to their agility, innovation and growth. The key message is that banks will need to bite the bullet and deal with this legacy infrastructure once and for all.

From an organisational perspective, banks can only succeed in differentiating themselves and becoming truly customer-centric if they have the right talent. This makes it imperative that banks understand the talent implications of their decisions, and prioritise a) the attraction of new talent, b) the re-skilling of existing talent and c) the effective use of people analytics.

But for the top talent of the future to be attracted to banks, to remain with them and to flourish with them, banks need to make changes to create environments that foster innovation, collaboration and responsiveness.

An even more radical shift for banks will be to move beyond a 'command and control' leadership approach to a style of leadership that empowers people to make decisions. It may go against the traditional risk-averse culture by focusing on controls and regulatory compliance within banking. However, if the former American General Stanley McChrystal was able to empower his soldiers and decentralise decision-making in a combat environment (as described in his book *Team of Teams*) then banks can do it too!

Focused effort now will create a bright future for banks

As this report shows, banks are already embracing new tools and technologies to meet the changing expectations of their customer base. If banks put focused effort into overcoming the challenges outlined, they are uniquely placed to become their customers' partners of choice

on the journey through their financial lives. There is a great opportunity that digital and going 'beyond banking' open up for banks: to crystallise an authentic, purpose-led vision of their role in their customers' lives, focused unerringly on helping them make better financial decisions. With this purpose in place, they can then harness digital as the driving force powering the way they translate the purpose into reality.

To secure their future, it's imperative that banks seize this central role in their customers' lives. In EY's view, it's equally vital for society as a whole that this happens. Now more than ever, consumers need advisors they can trust to help guide them through their increasingly complex financial lives – and if the banks don't take up the mantle, it's hard to see who else can or will.

As banks begin expanding beyond their traditional remit into ever more areas of their customers' lives, there are challenges ahead. For those that get the transition right, the challenges are far outweighed by the opportunities – and society as a whole also stands to benefit. Across and beyond banking, these are exciting times.

Conclusion

Log-ins by the billion. Payments by the million. There's no doubt many of us are harnessing the wide array of technologies banks now offer to spend, move and manage our money. According to research by Lloyds Banking Group, 96% of those of us surveyed who bank online said we value the ability to manage our money 24 hours a day, 7 days a week. And as many as 68% of all customers polled by TSB said quick, simple and easy services of this kind are the most important determinant when it comes to picking who looks after their money.²¹

A fast and useful app, reliable easy to use internet banking and a range of other technologies have become something customers expect and deserve in 2016.

PART TWO

Help at Hand

“The jump from a paper statement to how many of us see our spending online today isn’t that big. It’s kind of just putting a paper statement on screen, isn’t it? The next big jumps are adding transactions immediately – so you can keep track of your money in real time, not three days later – and offering insights into your spending.”

Tristan Thomas, Community Manager, Mondo

“A lot of people – myself included – never got any formal education about money at school, be that about tax or what an AER calculation actually means. We just go through life wanting to get things done, but for many of us managing money itself is not actually that interesting. So anything banks can do to make it easier for our customers to engage – and when needed – sooner rather later has got to be good.”

Edward Twiddy, Chief Innovation Officer, Atom Bank

“The traditional way lending works is that a customer sets up a current account with a bank, it can then see what your finances are like and can then make a decision about offering loans and other services to you. Data privacy and permission from the individual is vital but if a customer was willing for us to do so, we could use information based on their spending habits with other organisations to show what lending offers they would be right for. This really would be a profound shift in the business models of banks.”

Matt Hammerstein, Head of Customer and Client Experience, Barclays

“Technology, for all its faults, is never inconsistent. You can correct it once and then it’s corrected for everyone.”

Chris Popple, Managing Director of Digital and Omni Leadership, RBS

Help at Hand

Introduction

The last section of our report looked at the innovations in retail banking that are already with us. These are largely technologies that let us make payments and do other financial tasks we have always done – but whenever and wherever we please.

This section looks at the next generations of technologies that will allow banks to help customers in ways that they have not been able to do before. This is the world of data, alerts and innovations that will make it easier for us to manage our finances and gain a greater understanding of our spending habits – helping us to make better financial decisions and make our money go further.

The digital wizards hired by banks to dream up ways to help customers are certainly excited. An array of new technologies being tested by banks offers new ways to help customers.

“There is so much more experimenting going on by banks to develop new, consumer-friendly technology than ever before,” says Matt Hammerstein, Head of Customer and Client Experience at Barclays. “What we’re seeing is that when you put simple, intuitive technology in front of a customer they really love it. It’s not just about technology – it’s just as much about design. Banks are having to become much more customer-



The digital wizards hired by banks to dream up ways to help customers are certainly excited. An array of new technologies being tested by banks offers new ways to help customers.



This is not innovation for innovation's sake. It's technology designed to make managing our finances easier and make our money go further. Often this is assistance that turns our mobile phone into our own financial assistant we take with us wherever we are – help truly at hand.

focused about creating ways of managing our money, designing processes around what the customer wants and needs.”

This is a world where new apps make it easier to understand whether we can afford to buy that new suit. Artificial intelligence can help us get fast, accurate answers to our questions. Better use of data to get us that loan transferred into our current account in seconds – not days. This is a world where security features let us identify ourselves with a fingerprint or selfie in a few seconds rather than having to remember a range of passwords or pincodes.

Millions of customers have already embraced mobile apps and other innovations offered by their banks. We expect some of these developments to become just as valued as the ATM and phone banking has been in the past. This is not innovation for innovation's sake. It's technology designed to make managing our finances easier and make our money go further. Often this is assistance that turns our mobile phone into our own financial assistant we take with us wherever we are – help truly at hand.

Clarity that helps you manage your money

One of the greatest advantages of internet and mobile banking is that it allows us to keep tabs on our current account balances much more easily. According to Lloyds Banking Group research, online customers typically check their bank balances three times as frequently as those who rely on paper statements, cash machines or other methods to keep track of their finances.²²

However, the format in which most of us look at the payments in and out of our accounts has changed little since those days when the postman would drop a bank statement through our letterbox once a month or fortnight.

Tristan Thomas, Community Manager at the new start-up Mondo, says technology now allows banks to offer far greater transparency and insights into their customers' finances.

“The jump from a paper statement to what you can get with many banks now is not that big,” says Thomas. “It's kind of putting a paper statement on screen, isn't it? We've all had those bank statements where there is something on there that is indecipherable. That's why we spend a lot of time automatically and manually working through our customers' card statements translating obscure terms or numbers into shops or places where our customers have been.”

But easy to understand bank statements is just the start of what this financial information can be used for. “The next big jump is doing two things,” Thomas says. “Adding transactions immediately – so you can keep track of your money in real time, not three days later. Secondly, it's offering insights into your spending.”

Thomas is enthusiastic about how these sorts of insights can help customers live better financial lives. “For us it is easy to see when your salary comes into your account and when the bills and recurring subscriptions typically come out,” he says. “So we can give little reminders, nudges to your phone if you haven't got enough funds in your account ahead of a bill – helping you to avoid missing a direct debit.”

Thomas admits that this technology may not initially be for everyone, but makes a powerful case to suggest it has greater appeal for vulnerable customers. “My dad doesn’t need to keep track of his money as much. However, for a generation of people who live on their phone and perhaps want and need more help with budgeting we think these services have real appeal.”

Halifax recently launched Balance Extra, an online banking feature which provides a simple view of the amount of money customers actually have available to them before their next pay day. By automatically deducting forecasted debits, such as Standing Orders and Direct Debits alongside pending transactions, customers are given greater insight into their personal cash flow, enabling them to manage their money more accurately without having to manually work out the total amount of money leaving their account.

Santander has introduced similar services – often referred to as Personal Financial Management or PFM tools – over the past year to make it easier for customers to analyse their spending habits.

Last July the bank launched “Spendlytics”, an app that uses clear, colourful charts and graphs to break down a customer’s debit or credit card spending into categories, such as food and drink, travel and clothes. Customers can choose to view their spending by week, month or year. The app has already been downloaded more than 100,000 times.

Santander has also now equipped its Smartbank app with “voice banking” features which lets customers keep track of their spending without having to trawl through their statements. The first stage of this technology, which went live in March, allows customers to ask questions and issue commands, such as: “How much did I spend on New Year’s Eve”, “How much did I spend at Tesco this week” or “Show my transactions from the past week”.

The second phase, due to be launched at a later stage, will allow customers to make payments, set up account alerts and report lost cards by talking to their phone.

Santander hopes customers will find this type of interaction natural, convenient and helpful. However, the bank also suggests that it could be a useful tool for those customers who prefer to bank from home and find speaking easier than typing or using online banking.

Why good design matters

Banks are not just working at displaying their customers spending more clearly. Digital displays allow us to see much more than just a current balance and a few recent transactions. They can even convey the “mood” of your finances.

Customers of Atom Bank can tailor-make the look and feel of their app, by picking a unique blend of colours. The innovative design of Atom’s app also aims to encourage customers to understand more easily when they need to do something with their finances.

Once a customer has logged-in, the background of the app gently changes colour in a soothing way. “It’s like the app is gently breathing back at you,” explains Edward Twiddy, the challenger bank’s Chief Innovation



Last July Santander launched “Spendlytics”... The app has already been downloaded more than 100,000 times.

Officer. “It’s as if it’s saying to you that everything is just ticking over, everything’s fine.”

However, when there is something for the customer to do that breathing quickens to a steady rhythmic pulse. This “call to action” could, for instance, be alerting the customer that the fixed-rate on a savings account or mortgage is about to expire.

Then, if there is something actually costing the customer money – or risks doing so – the app’s display throbs more stridently. “The idea of these calls to action is to show customers what will happen next in their finances,” he says. “It comes from a state of mind where we are deliberately setting out not to try and trip people up and make them pay fees and charges they don’t need to pay.”

There are strong parallels between Atom’s app and HSBC’s Nudge, a service being piloted which aims to help customers achieve their financial goals.

The bank commissioned behavioural scientists at the London School of Economics and Political Science (LSE) to examine the barriers and pitfalls customers can face when sticking to their financial plans. The research found that automatic messages to their phones could encourage customers to keep their finances on track.

Professor Paul Dolan, from the LSE’s Department of Social Policy and author of the book *Happiness by Design: Finding Pleasure and Purpose in Everyday Life*, said: “Just as personal trainers can be effective in helping individuals stick to their exercise goals, financial institutions can play an important role in helping their customers follow through with their good financial intentions.”

Five hundred HSBC customers have taken part in the three-month Nudge pilot, which consists of 38 different types of alert being sent to customers’ smart phones. These messages include notifications about how much customers are spending or saving, compared with people in a similar income bracket. Overall, 40,000 nudges were sent during the trial with an 85% positive feedback rating.

There will be those who may be sceptical that customers want these sorts of prods about our finances. However, millions of us have already signed up to receive text alerts from our banks warning us if we are close to dipping into the red or breaching our overdraft limit.

In 2015, banks were typically sending as many as 1.3 million texts a week. Customers at HSBC have already saved £85 million in overdraft charges since the introduction of this service. Around £800,000 of penalty charges were avoided by the bank’s customers over the last Christmas and the New Year period alone.

In May this year, Clydesdale and Yorkshire Bank launched B, a ‘smart’ money management app with linked savings and current accounts. The app is designed to give customers a quick, easy, yet immersive and integrated banking and money management experience. Customers are able to seamlessly do all of the basics such as check balances and transactions, and set-up and make payments from their phone or tablet. At the same time, the app adds value by enabling a customer to more clearly see where they are spending their money, project future danger periods, get helpful hints

and tips on how to change spending habits, easily create and track savings goals, track against budgets and much more. Activities which in the long run enable a customer to make the most out of their finances.

Santander UK offers its customers 18 different types of alerts for its current accounts, credit cards and savings products to help them track and manage their finances. The most popular are those stating when a balance has fallen below a certain level or those giving a weekly balance.

Michelle Kent, UK Director of Digital at Santander UK, said: “We’ve recently improved the process for setting up and using our alerts services and made them more visible within online banking. The number of customers opting into this service has since increased dramatically.”

It’s important that banks don’t simply introduce new technological innovations without explaining their merits to customers. “Often there will be early adopters who will quickly pick up new services from the start,” Kent says. “But there are often many other customers who may find a new service very helpful, but need to see it explained or given clear guidance on how to use it.”

“Our use of alerts is about providing information to help customers make better decisions. In the future those customers who want to will be able to sign up to services that allow them to set financial goals. We can then use push notifications to give them the ability to know when they are hitting those targets or doing activity that might prevent them from hitting those goals.”

Metro Bank has plans to introduce an alert service to customers’ phones when they have been billed twice for the same amount from the same place. Martyn Atkinson, Director of Digital and Change at Metro Bank, cites the case of someone buying their groceries at Tesco who was charged £179 twice because the supermarket cashier thought the first attempt had not worked.

“As well as sending an alert notifying the customer that they have been charged twice we can also provide a note explaining our customer’s statutory rights to get their money back,” Atkinson says. “Alerts like these help show how we can look out for our customers. We’ve got protecting their interests at heart.”

The challenger Mondo, which plans to launch a current account later this year but remain app-only, already offers a series of alerts when customers travel overseas. An alert is sent when the customer arrives overseas stating the exchange rate. At the end of the trip, customers are sent an itemised bill setting out what they have spent, where and in both currencies.

Who wouldn’t appreciate help of this kind? Nevertheless, Atkinson says banks must take great care that such services are optional.

“I think there is a clear appetite from customers for these sorts of alerts,” he says. “We have a lot of customers who are living close to the wire and rely on benefits. Being able to see their balances in real time is very important because they are making decisions on a daily basis whether they can afford to buy something.”

On the other hand, such alerts can offer similar help to the better off. “Using current account balance data it’s possible to identify people who

have, say, £200 to £300 surplus in a current account not offering the best rate of interest at the end of each month,” Atkinson says.

“We can then draw our customer’s attention to a range of savings options where their money can be put to better use.”

“If you don’t want this sort of engagement with your bank, there must be a really easy way to opt out.”

Using data to make better, faster decisions

Banks hold vast amounts of information about our daily spending habits. In recent years the speed at which computers can process this information has accelerated significantly. All this data and enhanced processing power gives banks the opportunity to make better, faster and more personalised decisions about lending to individuals and businesses.

One of the key shifts that has already begun is that banks are making proactive decisions about how much a customer can borrow – before someone applies for credit.

Take Barclays, for example. Between 45% and 50% of all personal unsecured lending applications are now made and completed using the bank’s digital channels. The reason these decisions are so fast is that the bank already has a clear history of the customer’s income and spending habits. Often it has already come to a decision about what an appropriate borrowing limit would be.

This pre-screening means customers can often receive loans far faster than ever before. By making an application through Barclays’ app, the funds can frequently be in the applicant’s account after just six steps on the mobile screen.

“We’ve now started to introduce this process with unsecured small business lending on loans of up to £50,000,” says Matt Hammerstein, Head of Customer and Client Experience at Barclays. “And there is certainly scope to take this a lot further.”

Hammerstein says Barclays is also looking at the possibility of harnessing spending data held by other organisations. This could significantly expand the number of people to whom the bank could offer credit.

“The traditional way lending works is that a customer sets up a current account with a bank, which can then see what your finances are like and can then make a decision about offering loans and other services to you,” says Hammerstein.

“Data privacy and permission from the individual is vital, but if a customer was willing for us to do so we could use information based on their spending habits with other organisations to show what lending offers they would be right for.”

Banks are also starting to use spending data to help customers make their money go further. Santander UK introduced its Retailer Offers platform in 2014. This allows the bank’s credit and debit card users to gain cash back on their purchases. The retailers participating in the scheme include supermarkets, clothes shops, hotel chains, car hire providers and many others. Halifax, Bank of Scotland and Lloyds Bank also offer similar propositions, ‘Cashback Extras’ and ‘Everyday Offers’.

“The offers you receive are based on your transactions,” says Michelle Kent, Director of Digital at Santander UK. “This service is so much more convenient for customers than keeping a clutch of different loyalty cards or money-off vouchers. It is much more seamless and frictionless – and the cashback is paid into your account automatically,” says Kent.

Santander UK’s app already allows those subscribing to Retailer Offers to see the location of the nearest outlets of retailers the customers has chosen to receive cash back from. In time the bank will be able to offer push notifications to customers’ smartphones notifying when there are special offers in nearby stores.

“This is a data-driven, highly personalised service based on customers’ spending habits,” Kent adds. “It’s another way we can give value back to our customers and increase engagement.”

More than 1 million customers have already signed up to use the service.

Digital innovation helping small businesses

Imagine for a minute that you run your own deli. Since you launched your business 10 years ago you have seen your customers’ demands evolve and a whole host of new competitors emerge, from online delivery services to weekend pop-ups.

But running your business is a full time job, so how are you supposed to find the time to stay in control of your incomings and outgoings, keep track of the competition and find new ways to grow your customer base? Wouldn’t it be great if you could get a summary of customer spending and visits, and compare this to other local delis? You could then make sure to stay on top of your financials while designing a loyalty scheme which attracts new customers and encourages existing customers to spend more with you.

A new insights tool just launching from Barclays is bringing the power of a market research department to time-starved small businesses. SmartBusiness uses data and analytics in a smart yet simple way, to bring client data to life and provide relevant and actionable insights to help customers identify opportunities to manage and grow their business.

Using anonymised sector data, SmartBusiness customers can see how they stack up against similar businesses in their area and track how their business is performing over time. Users with a Barclaycard terminal can also access insights to give them a better understanding of their customers such as demographics, loyalty and spending behaviour.

“Of course this is all anonymised data – we would never permit anyone’s individual spending to be identifiable.” However, this service has led to a challenge – and an opportunity – for the bank’s small business advisers.

“Many of these firms have never had this sort of data before and often don’t employ the sort of people who can decide what to do with it,” Hammerstein adds. “So a lot of them want help from us to make sense of this information to grow their businesses. That’s help we will need to make sure our advisers can appropriately deliver.”

Artificial intelligence – genuine help

These are the buzzwords on many bank technologists' lips. Artificial Intelligence is a catch-all term used to define a wide range of automated processes.

Several banks are already piloting this technology with messenger services. Telecoms companies, banks and many other businesses have used messenger services to put their staff in touch with consumers for many years. Earlier this year RBS began piloting a new platform which allows customers to talk to their bank in a fast, secure form similar to WhatsApp – the social network used by millions of people around the world each day.

The trial – known as Luvo – began with about 1,200 staff working with small businesses being able to ask simple questions such as “my customer has lost their card – what steps do they need to take now?” or “my customer has locked their PIN – how do they unlock it?”.

Chris Popple, Managing Director of Digital and Omni Leadership at RBS, says that in 30% of cases Luvo was able to answer the question, in cases where it could not do so the caller was passed on to someone who could provide an answer – usually within 30 to 60 seconds.

There are many advantages to this technology. It can get customers very fast answers to straightforward questions without having to take a detour out of their way by going through the rigmarole of visiting a branch or waiting on the phone to get through to their bank. It also frees up staff from dealing with basic enquiries, allowing them to devote more time to help customers who need greater assistance.

Popple identifies another advantage – more precise and accurate answers for customers. “Technology, for all its faults, is never inconsistent. You can correct it once and then it’s corrected for everyone.”

This is just one of many potential uses of artificial intelligence in retail banking. Another widely talked about use could be training bank systems to learn more about their customers – so the right marketing information is sent to the right customers at the right time.

One example could be information about the latest mortgage rates. Sending automated messages with details of these offers to customers who’ve recently signed a fixed-rate deal is likely to be of no use to them. It may in fact simply irritate the recipient. So, using sophisticated IT that removes people from such mailshots and instead focuses on those who are approaching the end of their fixed-rate deal may be much more helpful for the customer.

In the longer term it is possible banks could use artificial intelligence to develop “robo-advice” banking services to help manage their clients’ investment portfolios. This may allow such advice to be provided much more cheaply for the customer. However, most of the bank executives interviewed for this report said that such technology remains in its infancy.

The omni-channel challenge

Plugging artificial intelligence into online banking could be revolutionary, Popple argues. “Wouldn’t it be great if when you are already logged into your internet banking you could just click on a button and start

a conversation with a member of staff without having to identify yourself again?”

One of the buzzwords in the banking industry at the moment is “omni-channel”, and bank technologists are working to make the various different ways we bank work together in greater harmony.

The reason for this is that banks recognise that millions of us want to switch between mobile apps, branches, phone banking, internet banking and other ways of managing our finances. Research by Halifax last summer found that 45% of customers are operating in this multi-channel fashion.²³

Digital experts point to impressive examples from other industries. Take a football mad couple sitting in front of their TV watching Leicester City on a Saturday afternoon. When their teenage daughter calls and expects to be picked up from train station there should be fewer rows over which parent pulls themselves away from the screen and drives to the station. The father can now take his iPad with him and carry on watching the game using SkyGo from the station carpark. If his iPad runs out of battery when the train is delayed, he can then use the same service to watch the final minutes from his mobile.

Similarly, when Mum is interrupted by a weekend work call whilst she is searching Amazon for a Valentine’s present for her husband she can log onto Amazon on her smartphone the next morning and be reminded about the item she was just about to buy – ready to purchase without having to find the intended gift again.

This is the world of “omni-channel”; the smooth integration between different devices and platforms. It is this sort of smooth integration between different ways of banking that many technologists are now striving to replicate.

What does this mean in practical terms? It could mean for instance a customer logging onto their online banking and looking into the details of a mortgage, then pushing a button on the web page screen and being connected directly with an adviser over the phone who can then answer some queries specific to the customer without he or she having to go through the fuss of identifying themselves again.

While talking to this member of staff the customer could book an appointment at a local branch to discuss the mortgage in more detail and complete the paperwork. However, if the customer is unable to make the appointment they can rearrange the appointment using their mobile app and instead opt to complete the forms with the help of a member of staff using video-banking later in the week.

This is banking much more on the customer’s terms. It would give us as customers more flexibility – especially if it saves us the chore of repeatedly identifying ourselves and remembering a multitude of different pass codes and PIN numbers.

There are enormous time savings for the banks too – which in turn benefit customers. If call centre staff are not spending three minutes at the start of a call confirming the identity of a customer, times spent on hold become shorter and more time can be spent directly on helping the customers who need the most support.



The proliferation of channels also means the concept of 'omni-channel' for banks will increasingly extend beyond just how call centres, branches, online and mobile work together in a consistent way, to joining them all around a single view of the customer.

Channels come and go – but the customer experience remains key

David Ebstein, Partner, EMEA Head of Digital for Financial Services, EY
Peter Neufeld, Partner, EMEA Head of Customer Experience & Design for Financial Services, EY

Today we're living in a world where our lives are increasingly connected, and technology innovation is advancing at pace. From smart wearable devices to driverless cars to the 'smart home', the potential channels through which we can all be connected just keep expanding.

What does this mean for the delivery of banking and other financial services? As channels keep increasing, consumers will continue to find new, often unforeseen ways to manage their financial lives – and banks will see more opportunities to engage with and serve their customers.

As customers' channel usage evolves...

The proliferation of channels also means the concept of 'omni-channel' for banks will increasingly extend beyond just how call centres, branches, online and mobile work together in a consistent way, to joining them all around a single view of the customer. The key will be using the right blend of channels in the right way in order to create the best customer experience for the individual.

Achieving the right blend is complicated by the rapid ongoing change in the channels themselves. What we are seeing is a fundamental shift from a few clearly defined channels that are owned by banks and have been stable over time, to a multitude of channels not necessarily owned by banks and constantly evolving. This new landscape reflects the fact that digital is a shifting ecosystem of numerous channels, constantly being dialled up and down within different customers' journeys.

Further complicating things is the diverse nature of the customer base of any given bank. EY's 2016 Global Consumer Banking Survey shows that the understanding of digital channels on one hand, and financial products and services on the other, varies widely across different customer groups. Thirty-three per cent of surveyed customers in the UK say they would not trust a bank without branches, whereas over 50% consider digital their primary banking channel. Meanwhile, the level of financial savvy varies widely, with some customers saying they have a detailed understanding of financial products, whereas others need extensive advice and hand-holding. This suggests that banks need to find different ways of engaging with different types of customers, across the increasing diversity of channels.

...need to be responsive and agile

For banks, it is no longer a question of simply setting up and running a fixed array of channels, such as mobile, call centre and branches. It is about adapting to an environment where the different channels favoured and used by customers emerge, grow, evolve and even disappear

regularly. Banks need to manage all this change without losing sight of the overall aim of creating the experience customers want.

We can see these shifts happening all around us. The original iPhone was launched less than a decade ago, the iPad in 2010. In the years since then, as was highlighted in last year's report, the ease and convenience provided by smart mobile devices has seen customers shift their channel usage dramatically from online to mobile banking. Many banks' mobile services took just 18 months to attract the same number of users that took years to reach with online services. Experience shows that most mobile banking customers simply stop logging into their online accounts – and only use it for activities that their bank's mobile app doesn't support.

Three imperatives for a successful channel strategy . . .

As banks strive to ensure their channels reflect and support this type of behavioural shift among customers, EY's view is that three imperatives will come to the fore to drive success.

The first is the need for *flexibility in the technology platform*. To be able to dial channels up and down quickly in response to customer demand, banks' IT infrastructure needs to be able to adapt at pace. This may require systems to be upgraded and updated for the digital age.

The second imperative is the need to *think deeply about how the bank uses each channel to create an overall customer experience*. Today's customers expect and demand a consistent experience across all channels and touch points. A disconnect or inconsistency between any two channels will undermine the entire end-to-end experience. So it's vital that every channel is integrated to contribute to the experience as a whole.

The third imperative is the need to be *externally orientated and form an ecosystem of partners*. In a world where the channels used by customers are increasingly beyond a bank's control, banks will increasingly rely on carefully assembled partnerships to interact with customers and bring services to market.

. . . while staying laser-focused on the customer experience

When planning out how to fulfil these three imperatives, banks need to remember that the key is creating a holistic customer experience, and giving customers as much choice as possible about how they navigate through the journey.

A vital part of this is ensuring the experience is relevant: the best time to talk to a client about a junior ISA probably isn't every time they log into their mobile banking app, but on the day they post a photo of their newborn son on Facebook. That's the kind of radical transformation in omni-channel customer relationships and interactions that's now approaching us.

At its root, success in an omni-channel world isn't about channels. It's all about the customer. The banks that turn that message into reality will have the edge in the banking market of the future.

FinTech

Britain's bank customers are in demand. Three very different parties want their business.

Long-established banks are offering us more ways to manage our finances than ever before and new tools, alerts and services to help our money go further. Then there is a new generation of challenger banks, working hard to attract us with a fresh approach to financial services often moulded by new technology. Meanwhile, a diverse range of FinTech start-ups from Shoreditch to Johannesburg are using state-of-the-art IT and hoping to devise the WhatsApp, Uber or Strava of banking.

"It's like they are trying to make banking enjoyable – even fun," says Imran Gulamhuseinwala, Head of FinTech at EY. "The FinTech industry is creating some delightful technology which makes managing your finances so much more stimulating."

"Apps you can customise. PFM tools that allow you to look at your spending in real-time."

All around the world thousands of entrepreneurs, IT whizzes and former bankers are trying to devise new apps, widgets and other IT features that will make managing our finances easier, faster or more helpful.

"Five years ago the thinking from a lot of people in the FinTech sector was 'we're going to take over from the banks'," admits Gulamhuseinwala. "That has certainly changed – they've realised that banks have the customers. Similarly banks have realised that it's easier for FinTech players to innovate as they are smaller and more agile."

FinTechs are increasingly working with banks – either selling banks their wares, which are then integrated into the bank's own systems, or forming a partnership with a bank, whereby the FinTech firm is publicly known to be providing a service for the bank.

However, Gulamhuseinwala argues that a new generation of FinTech banks is starting to emerge; institutions with their own bank licenses, offering customers standalone financial products, including current and saving accounts and investment services.

"These are really exciting businesses which are well-funded and have good profiles," he says. "Atom Bank is essentially trying to do with mobile banking what First Direct did with telephone banking 30 years ago. It's a particularly exciting time in the UK which now has official FinTech "hub" status. A recent benchmark we completed for HM Treasury found that the UK ranked higher than California and New York on the strength of its FinTech ecosystem."

Gulamhuseinwala also identifies another group of FinTechs which will gradually offer customers more and more niche services that include foreign currency and insurance. "They nibble away at many services offered by existing banks rather than trying to get the customer to move their current account over straight away," he says.

"The moment when the customer decides to pay their salary into one of these businesses is the real Rubicon."

It is impossible today to pick the brands that will emerge triumphant from this fascinating, ongoing revolution in the way we spend, move and manage our money. As difficult as it would have been 15 years ago to have chosen the brands which would be global, household names in the year 2016.

There is a clear winner from this contest. In fact there are millions of us. You, me and many millions of other retail banking customers.

It's not just that there are more providers competing to offer us a bank account, mortgage or other form of credit. The choice in the way we bank has never been greater as digital experts in all three of these types of companies talk more to customers about what they want from their bank.

Some of the digital experts interviewed for this report believed that the rates of interest on financial products will remain the most important factor for customers when choosing their bank.

One executive argued that he thought the majority of those in their late teens who are off to university will still choose where to bank on the same criteria as their parents.

Even though this generation is said to be more enthralled with their smartphones than any other, this banker felt the bank offering the best overdraft or the student railcard will continue to win the most business. "The product is the hook – the technology is the gravy on top," he said.

Others interviewed for this report disagreed – and passionately. Several cited research by the challenger bank Tandem that said that nearly a third of 2,000 26–36 year-olds surveyed said that they would switch their bank simply on the strength of a mobile app.

"The quality of what it feels like to bank will become everything," an executive at another bank said. "Why am I going stay with a bank that wastes my time with clunky, unhelpful technology?"

There may be different views about this future, but there are signs that these three parties are now working more closely together.

Nick Williams, Managing Director, Consumer Digital, Lloyds Banking Group, says that the customer is the big winner of closer collaboration between banks and FinTech firms.

"Banks have scale, large numbers of customers," says Williams. "FinTech organisations have agility. Bring the two together and you have the powerful capability of producing some really, innovative solutions.

"Always start with the customer and what is their need. I have come across a lot of solutions in the FinTech world looking for a problem. The ones that are really good are those who understand what the customers want to do and have found a really neat way to do it."

Some of us call the generation of new current account providers "Challengers". Others prefer the term "Neobank". Meet some of the new high-tech providers who want to help manage your money.

Atom Bank

App-only Atom Bank began offering savings accounts in April and says that current accounts and mortgages will follow by the end of the year. The Durham-based bank's app includes an array of unique features, allowing customers to personalise the colours of their display, incorporating selfies and pulsing when the customer needs to take a financial decision.





In their own words: “Our approach will be to constantly evolve and extend our offering, with monthly updates to our app and dedication to providing a better value, more transparent and much more innovative banking experience.” Mark Mullen, Chief Executive.²⁴

Fidor

Founded in Germany in 2009, Fidor launched its UK current account in September 2015. A debit card followed a few months later. The bank prides itself on its “community-based model” where its customers and community members are given a pivotal role in existing policies and future products and services. It aims for both personal and business customers to be able to complete their transactions within 60 seconds.

Fidor increased the interest rate paid on its UK current account according to how many likes its British arm received on Facebook – capping the rate at 0.5% once the bank had 10,000 likes. With 100,000 German customers, the bank hopes to win 50,000 here in the coming years.

In their own words: “We’re putting the community at the heart of Fidor. This personalised approach to banking gives every customer a voice in how our bank is run, as well as giving them unprecedented control – setting their own interest rates, or naming the current account that the bank will use are just some of the options we’ve explored.” Matthias Kroner, CEO.²⁵



Mondo Bank

This bank, which aims to be “as smart as your phone”, will also exist only in an app format. The mobile application will allow customers to view their spending broken down by retailer, category or time period. The prototype app allows customers to freeze their bank card themselves if they temporarily leave it in a bar or mislay it. In the future, Mondo hopes to provide aggregator services which allow customers to weave in all aspects of their financial lives – including loyalty cards – to give a more complete picture of their finances.

In their own words: “We are trying to be the Facebook for banking. We’re there for the people who want to get things done with a single swipe.” Tom Blomfield, CEO.²⁶

Nutmeg



“An expertly-managed portfolio was once the preserve of the few,” Nutmeg says. “We believe it should be available to all.” Founded in 2011, Nutmeg is in the first wave of new “robo-advisers” which pick stocks and asset classes for their customers – rather than providing a platform where investors can trade manually. Customers of this internet-based investment firm fill out a survey assessing their attitude to investment risk. After choosing the client’s portfolio Nutmeg’s investment team regularly rebalances the customer’s portfolio to manage risk in response to changes in the market.

In their own words: “I thought: this is crazy. There must be hundreds of people out there, thousands, millions, who want the posh investment service but don’t want to pay extortionate fees.” Nick Hungerford, Founder.

Starling

Billed as “a smarter bank for an ever-changing world” Starling will be an mobile first bank, without branches. It aims to give clear, intuitive money management on the go and provide customers notice “well before you run into any trouble” with “options, not charges”. The bank recently secured £48 million of investment from a US backer.

In their own words: “Our current account is for people who find that every other part of their life can be delivered through their mobile phone. It’s an attitude, not an age group.” Anne Boden, Founder.²⁷

Tandem

Five thousand “co-founders” will be awarded shares in this start-up in return for helping to design its products and services. The bank – which received its banking license last November – pledges to “anticipate and fix problems before they start”. It promises to be free from “sneaky fees”, “vanishing offers” and “bad hold music”.

In their own words: “Tandem Bank will be a highly-disruptive player in the banking world, with a sharp focus on helping to improve people’s lives by providing tools and services that provide more control and visibility to their personal finances.” Ricky Knox, Chief Executive.²⁸

Zopa

Set up in 2004 and launched in 2005, Zopa is the world’s oldest and Europe’s largest peer-to peer lender. This internet-only operation pools money from investors and lends it to borrowers in the form of unsecured personal loans. More than £1.5billion has been lent on the platform from its launch to June 2016.

In their own words: “We were inspired by what eBay had done to retail. We thought well, that was a really interesting inspiration. Let’s see if we can apply similar technology to the world of lending and borrowing.” Giles Andrews, Founder.

STARLING

TANDEM



Conclusion – How do you want to bank today?

How do you want to pay the plumber who popped round to fix your leaking tap this morning? You could use internet banking on your PC or just your mobile phone, either with an app or Paym. You could give the plumber a cheque too, who could either pay it in when they next visit a branch or Post Office. Or they maybe able to scan the cheque in with their mobile phone and save themselves a trip into town.



We all have our own priorities when it comes to managing our finances. Now we have more choice about how and where we manage our money. That choice is giving us as customers more helpful insights and better control of our finances. Flexibility to manage our money on our terms – when and where we want.

How do you want to talk to your mortgage adviser today? Book an appointment in a local branch, have a chat over the phone for a few minutes at work, or may be a video call from your sofa when you get home from work?

Who do you want to bank with? The place where you opened a current account after you left school, the bank which pays you the most interest on your savings, the provider with a branch round the corner from your office, or the internet-only start-up with an app that makes your financial position easier to understand?

Few of us will answer those three questions in the same way. We all have our own priorities when it comes to managing our finances. Now we have more choice about how and where we manage our money. That choice is giving us as customers more helpful insights and better control of our finances. Flexibility to manage our money on our terms – when and where we want.

With a wave of new challenger banks and FinTech start-ups hungry for our custom, banks of all shapes and sizes will have to remain focused on giving us the banking services we want and deserve – or risk losing our business.

Banks know this. But they also know that innovation and data brings with it the opportunity for these institutions to offer new help and tailor-made guidance to make our money go further.

Here at the BBA we will continue to explore what you as customers want from your banks – what sort of technologies you value the most, and those which you would like banks to develop further in the years ahead.

The possibilities are certainly endless. A notification that your monthly pay cheque has just arrived? An alert saying that your bank has negotiated a 10% discount for you in your favourite retailer? Suggestions on which energy providers could offer you lower bills?

This is innovation that could in time make banking more personal than it has ever been.

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