

# Digital Transformation Checklist: Apply the **Top Five** Digital and Data Trends in Banking

## CHECKLIST

Powerful forces are reshaping the retail banking and payments industry. Shifts in digital, mobile, cloud, data and analytics technologies are rapidly redefining customer expectations just as regulators in many countries are relaxing controls to encourage digital innovation. As a result, large, full-service banks are being challenged by agile, “digital first” competitors who are aggressively pursuing customers by addressing their needs in new and distinct ways. To compete, banks need to radically transform themselves and innovate for the future. This checklist will help you align your transformation with the top digital and data trends that are shaping retail banking.



### **The Growth of Online Banking**

**Opportunity:** Focus on delivering personalized online banking experiences instead of transactional capabilities.

More banking is happening online instead of at retail branches and most retail banking transactions can now be performed over the web. With transactional capabilities in place, digital banking leaders are shifting their focus from developing features to creating seamless and personalized user experiences that increase customer retention and drive revenue growth.



### **Mobile Banking Gets Going**

**Opportunity:** Use technologies embedded in mobile devices to create richer customer experiences.

As smartphones become more sophisticated, banks are finding new ways to deliver value to customers. For example, smartphone cameras enable mobile check deposits and messaging platforms support customer service and commerce-related interactions. In fact, the rise of messaging in business-related conversations is a trend that some analysts are calling “Conversational Commerce.” Banks are now taking advantage of mobile messaging to engage directly with customers and provide an array of services including updating account profiles, setting up new subscription plans, transferring money and more.



## Mobile Payments Make Inroads

**Opportunity:** Use the latest mobile payment technologies to deliver frictionless commerce.

The concept of payment is changing and evolving with the mass adoption of mobile devices. Consumers can now use their mobile devices to make payments with mobile wallets, person-to-person transfers and “invisible” automatic payments that are triggered upon consumption of a service. To remain mobile payment leaders, banks will need to keep up with rapid, significant and disruptive technological changes, such as developments in payment card tokenization, e-commerce, mobile, virtual currencies, near-field communication (NFC) and other proximity payment devices.



## Data-Driven Personalized Experiences

**Opportunity:** Aggregate and analyze structured and unstructured data to deliver personalized and contextualized customer experiences.

At any given moment, millions of banking interactions are occurring simultaneously on the web, on mobile devices, on social media, at ATMs, at branches and in call centers. This volume of operational data, combined with data drawn from social media, presents digital teams at retail banks with new opportunities to create personalized, relevant, preapproved financial products and spending-related offers.



## Changing Customer Demographic: The Millennial Influence

**Opportunity:** Redefine the service relationship you have with millennials to balance automation and personal touch.

Millennials — those born between 1980 and 2000 — are pressuring banks to improve online channels and create a more personalized “overall financial hub.” Millennials are demanding more self-service functionality and automation while also requiring a live presence and using the convenience of messaging to chat with a human, if needed. These demands are radically transforming how banks must operate and interact with customers.

Learn more about how these trends are shaping customer needs.



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