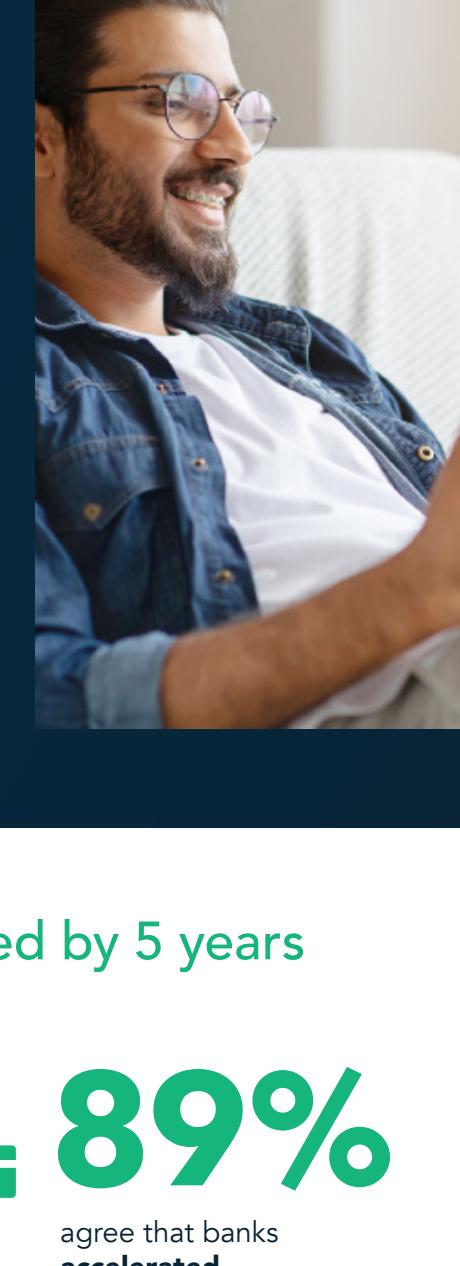


# Banks' digital adoption jumps 5 years into the future

Has it levelled the playing field for traditional and challenger banks?



## Digital adoption has accelerated by 5 years



of banks agree that more people are **banking online** than ever before



agree that banks **accelerated implementation** of technology by 5 years. Of those that agree:



think traditional banks will continue to **invest in digital adoption** and will not revert to physical services and processes once the pandemic is over



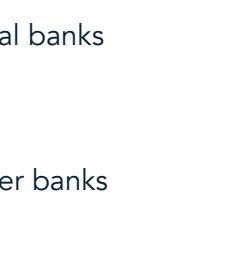
**93%**  
are traditional banks



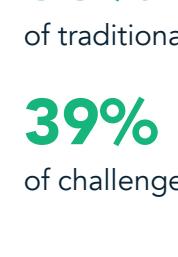
**87%**  
are challenger banks

## The gap is closing between traditional and challenger banks

Traditional retail banks were able to keep pace with nimble challenger banks in a new digital-first era.



**87%** of banks believe traditional banks are now more competitive



However, **90%** of banks don't believe challenger banks need to find a new platform to compete

## Data is king, but to different ends

**84%**

of all banks will invest in data analytics in the next **three to five years**



Providing digital services is a key differentiator for

**33%** of traditional banks

**65%** of challenger banks



Personalising customer service is a key point of differentiation for

**53%** of traditional banks

**65%** of challenger banks



Artificial intelligence is an important competitive tool for

**53%** of traditional banks

**39%** of challenger banks



Legacy systems are seen by some as a barrier to transformation

**87%** of traditional banks say legacy systems are a barrier to cloud adoption. In contrast, it's **not an issue** for challenger banks



The cost of cloud adoption is seen as a barrier for

**57%** of traditional banks

**7%** of challenger banks



However all banks must make **trust** a priority as they adopt tech.

**Meeting regulations** will be vital to achieve this.

**74%**

of banks see this as important over the **next 3 years**



of all banks are fully or partially outsourcing customer relationship processes (CRP). **This will rise to 87% in the next 3 years**



are already outsourcing money laundering process

**81%**

Technological innovation

**66%** Traditional banks  
**91%** Challenger banks

**71%**

Improved security

**80%** Traditional banks  
**65%** Challenger banks

**61%**

Better data management

**73%** Traditional banks  
**52%** Challenger banks

**Ultimately, the aim is to make banking fairer and simpler.**

Read the full report at: [sas.com/uk/banking-on-technology](http://sas.com/uk/banking-on-technology)