



Forrester: Banks Must Choose -- Own Customers Or Power Finance

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Changing customer expectations, an erosion of consumer trust, and regulatory influence will drive banking to be invisible, connected, insights-driven, and purposeful by 2030

CAMBRIDGE, Mass., Aug. 6, 2020 /PRNewswire/ -- In a new report, "[The Future Of Banking Is Built On Trust](#)," Forrester (Nasdaq: FORR) predicts that banks will have a stark choice: own customers or power finance. Few will manage both. Future banks will operate in different modes: direct to consumer, as-a-service, marketplace seller, and platform owner — all of which may operate concurrently. Yet no bank will do any of this alone.

In order to meet the needs of the future consumer and the rapidly changing financial landscape — driven by changing customer expectations, an erosion of consumer trust, and regulatory influence — four banking themes will be far more prominent by 2025 and table stakes by 2030 as consumers, banks, and collaborators help shape banking's next decade. Over the next 10 years:

- **Banking will become increasingly invisible and autonomous.** Leading banks will use technology and far deeper customer insight to insert financial services at the customer's moment of need, often at the expense of brand visibility. Distribution models are evolving to make use of marketplaces and technologies such as open APIs and 5G to connect finance with homes, machinery, vehicles, and other devices.
- **Banking will become increasingly connected.** Technologies, partnerships, ecosystems, and platforms will combine across multiple industries, sharing data and resources to deliver financial outcomes. Despite technologies like 5G enabling banks to integrate finance into devices and adjacent ecosystems, consumers will still expect blended human and digital experiences. As a result, banks will maintain the human touch, repurposing branches as engagement hubs.
- **Banks will finally unleash insights from customer data.** Banks worldwide have yet to capitalize on customer data. Over the next decade, quality of insights will be a key battleground on which banks differentiate — at one end is engaging personalization; at the other, autonomous finance. Consumers, in turn, will demand greater transparency and control over the use of their data for more personalized advice and engagement.
- **Future banks will be purposeful to match consumer values.** Consumers will prefer banks that align with their environmental and social values in a new, more purposeful age that sees local and cooperative principles aligning to matters of global responsibility. Purposeful banks will cultivate open cultures that allow them to focus on collaborating and readily participating in — or building — values-driven ecosystems

Resources:

- Read the Forrester blog, [The Future Of Banking Has Arrived](#).
- Read the Forrester blog, [The Future Of Banking: Invisible, Connected, Insights-Driven, And Purposeful](#).
- Check out Forrester's [European Financial Services Webinar Series](#).
- Visit the [Forrester COVID-19 Hub](#).

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