DATA ‣ EXPERIENCE ‣ GROWTH

The Ultimate Guide to the FUTURE OF BANKING

MX

Faster and **Faster**

At the rise of modern banking in the Italian Renaissance, the industry was grounded in the physical: physical vaults, physical locations, physical currencies, and face-to-face relationships. Banking stayed that way, more or less, for centuries.

Then came the invention of the computer, along with the internet and mobile devices. Within decades we saw the rise of ATMs, core systems, data architecture, electronic payments, online banking, mobile banking, remote deposit capture, and more. We quickly shifted from a focus on the physical to a focus on the digital.

What's most notable here is the pace of change, which (barring a catastrophe) will likely continue to increase as we leverage yesterday's inventions to power tomorrow's creations and reap exponential progress in technology.

This pace can feel overwhelming, which is exactly why we created this ultimate guide. We first look at data from an original survey of more than 1,000 random U.S. consumers. Then, based on this data, we offer three suggestions to prepare you for the future. We want you to walk away from this guide with a clear plan of action.

Let's look at what we discovered from our survey.

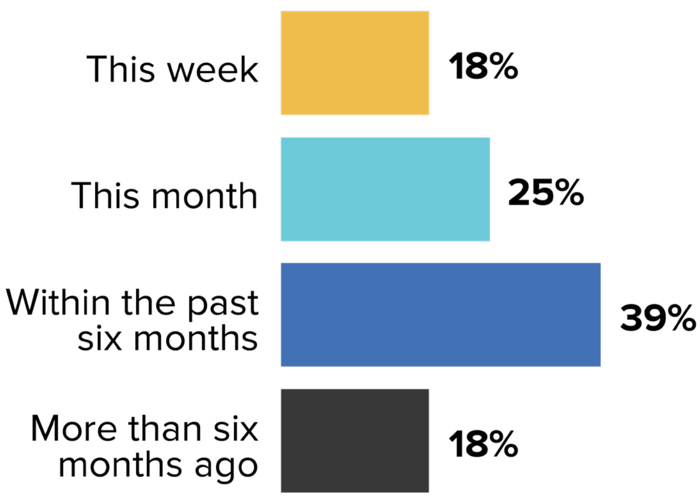
"We built an industry on the physical distribution of paper in a localized world, and we're now having to **get to grips** with the digital distribution of **data in a networked world**."

CHRIS SKINNER
Author of *Digital Bank*

Views on the
Future of Banking

To start, we asked consumers when was the last time they stepped inside a physical branch of a financial institution.

When was the last time you stepped inside a physical branch of a financial institution?

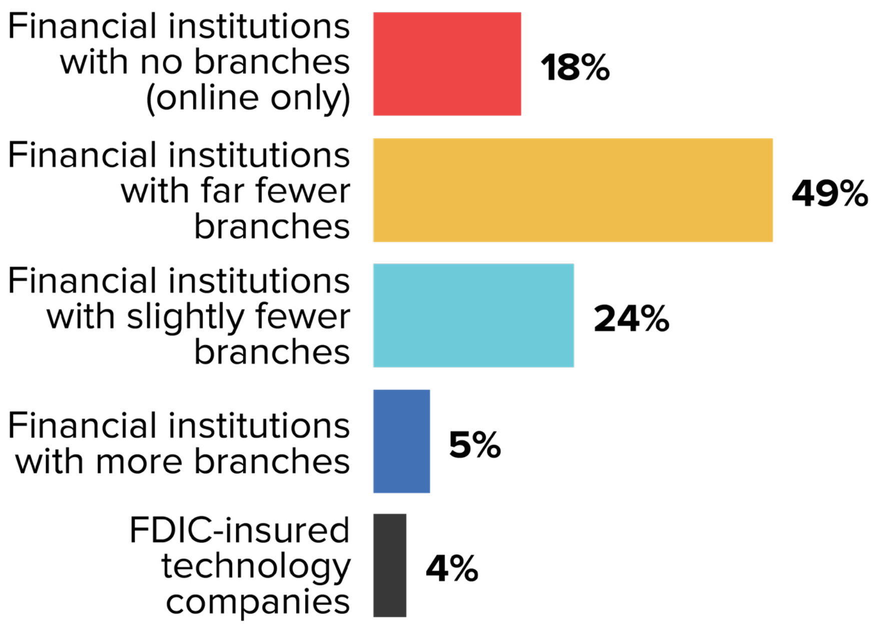


Source: MX Research Survey of 1,000+ US Consumers

More than 82% of respondents said they've stepped into a branch in the past six months, which is somewhat good news for traditional financial institutions since it signifies that at some level, people still use physical branches (more on that in a moment).

82% of respondents said they've stepped into a branch in the past six months is somewhat good news for **traditional financial institutions**.

Which of the following do you feel is most likely to be the future of banking?



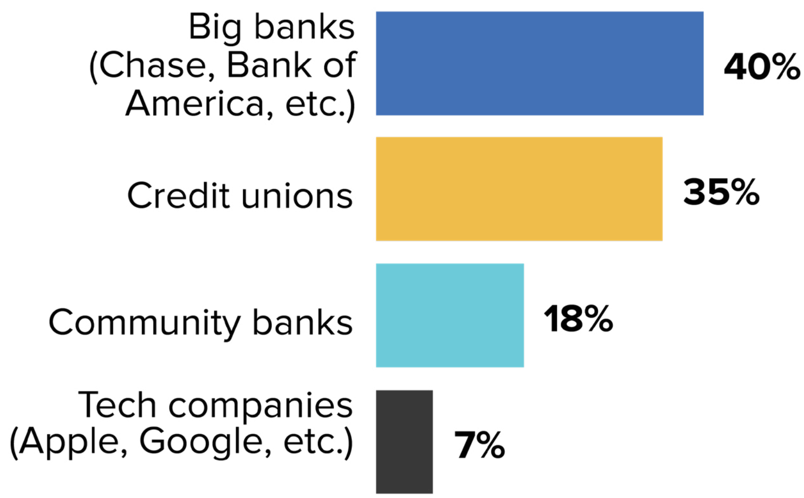
Source: MX Research Survey of 1,000+ US Consumers

People still believe that bank branches will **play a role** in the **future of banking**.

We then asked consumers to estimate whether they thought that the future of banking would consist of digital financial institutions with no branches, financial institutions with far fewer branches, financial institutions with somewhat fewer branches, financial institutions with more branches, or FDIC-insured technology companies (i.e., standalone fintech firms such as PayPal).

When we asked which type of organization people trust most to securely manage their financial data, people overwhelmingly chose credit unions, community banks, or big banks. Only 7% chose tech companies.

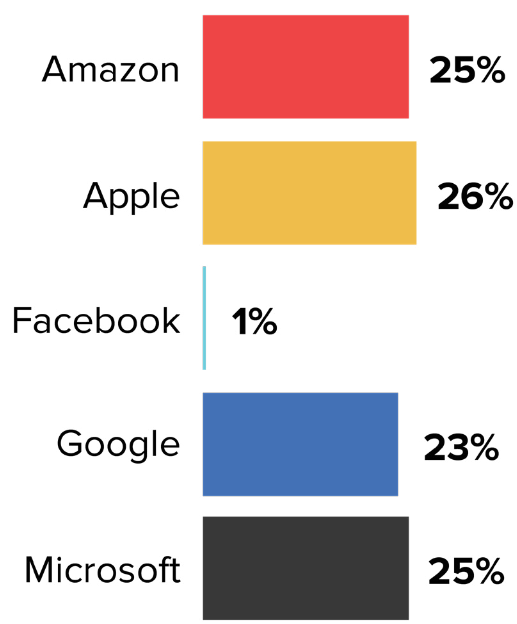
Which organization would you trust most to securely manage your financial data?



Source: MX Research Survey of 1,000+ US Consumers

In a similar vein, when we asked people to choose whether they would trust Amazon, Apple, Facebook, Google, or Microsoft to manage their financial data, people showed they overwhelmingly *don't* trust Facebook.

Which of the following tech companies would you trust most to manage your financial data?



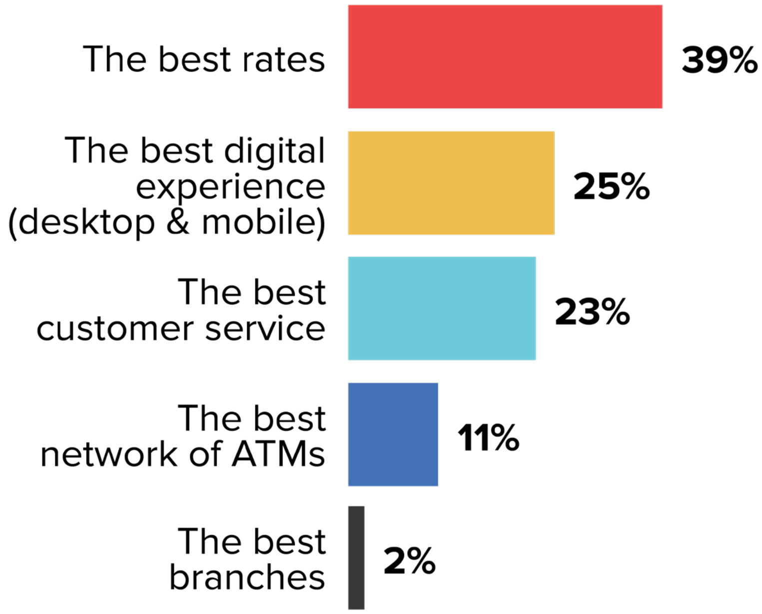
Source: MX Research Survey of 1,000+ US Consumers

At any rate, despite the fact that people tend to trust financial institutions with their money far more than they trust tech companies, there are reasons to be wary of anyone who thinks physical branches represent the future of banking.

For instance, when we asked people what they want most from their financial institution, only 2% said they want the best branches while more than 10 times as many (25%) said they want the best digital experience. In addition, the responses show that 39% of people value the best rates aboveanything else.

People value the **best rates** above **anything else**.

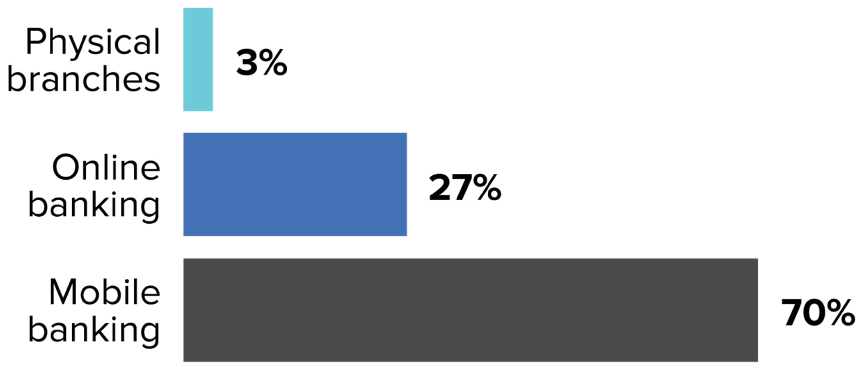
What do you want most from your financial institution?



Source: MX Research Survey of 1,000+ US Consumers

When asked whether they felt physical branches or digital banking (online and mobile) represented the future of banking, 97% of respondents chose digital.

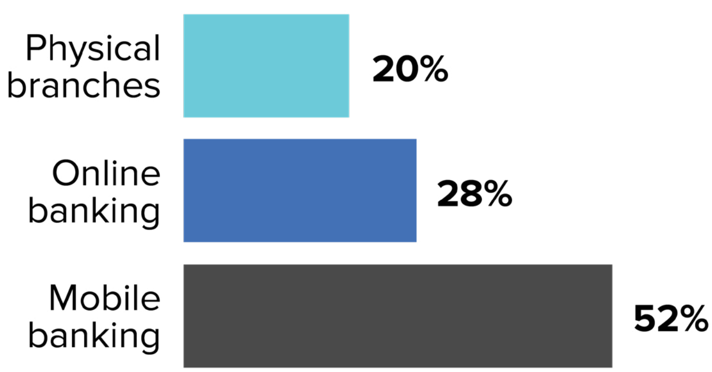
Which of the following do you feel represents the future of banking?



Source: MX Research Survey of 1,000+ US Consumers

And 80% said they wish their financial institutions would invest more money in digital.

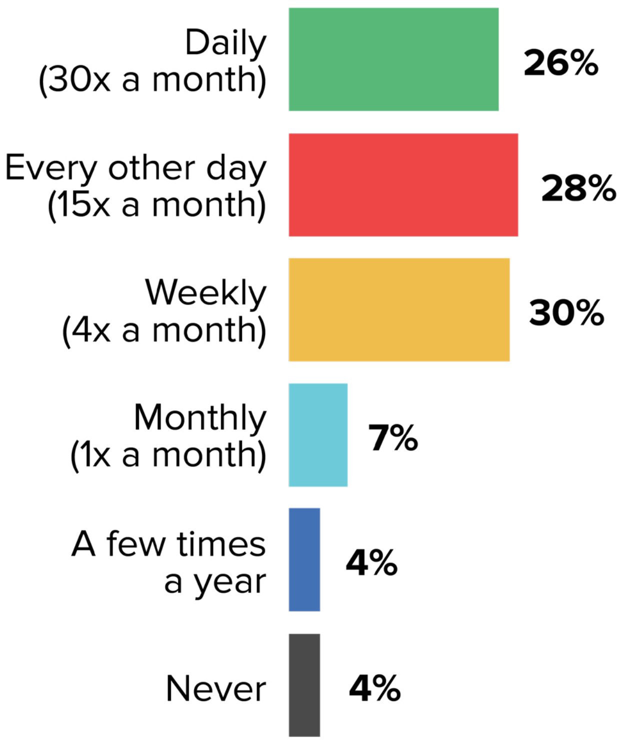
Which of the following do you wish your financial institution would invest more money in?



Source: MX Research Survey of 1,000+ US Consumers

In addition, more than 80% say they use mobile banking at least weekly — and more than half say they use it every *1-2 days*. (That's *far* more often than the 18% who said they visited a branch in the past week.)

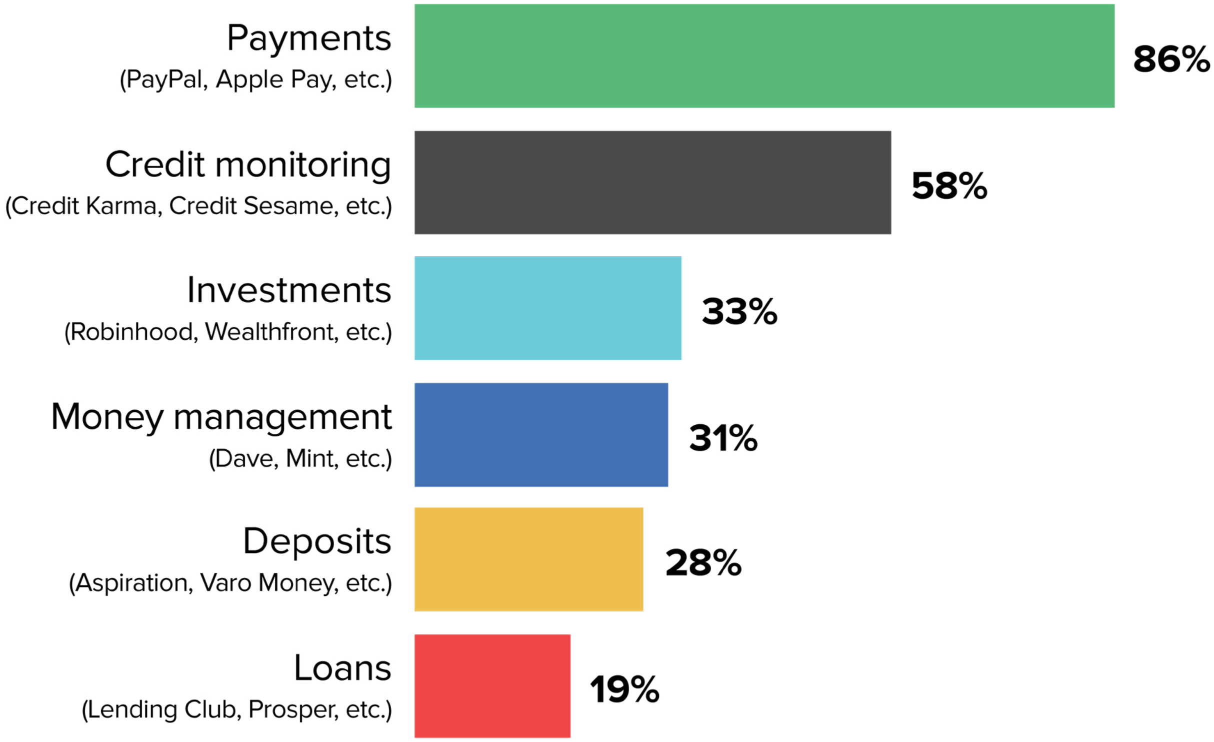
How often do you use mobile banking?



Source: MX Research Survey of 1,000+ US Consumers

Finally, consumers already feel comfortable using a range of banking services through technology companies — particularly when it comes to payments and credit monitoring.

Which of the following banking activities do you feel comfortable doing through a tech company? (Check all that apply.)



Source: MX Research Survey of 1,000+ US Consumers

Taken together, this data should give traditional financial institutions pause. What happens when a national fintech or digital-only bank uses their lack of overhead to offer far better than average rates, an optimal digital experience, and instant customer assistance — all directly within a mobile app? Those who perfect this approach are well positioned to lead the future.

So, how do you help your financial institution prepare?

Although it might seem logical to jump straight to selecting the best technology, that approach could lock your institution into long-term contracts with technology providers that aren't flexible enough to give your customers what they want or need.

Because of this, it's best to start with your mission and culture before you make any additional technological improvements.

We suggest taking these three steps:

1. Commit to live your **mission.**
2. Evolve your **culture** beyond a legacy mindset.
3. Invest in **technology** that will position your institution for the future.

1. Commit to Live **Your Mission**

Before you can win the future of banking, you have to know where you stand today.

If you're like most financial institutions, your official corporate messaging asserts that you exist to help your customers or members. That's a good start. You and your organization know that you can't exist without serving your account holders.

In most cases, then, the problem isn't a matter of improving your messaging. It's a matter of matching your messaging with your your day-to-day actions.

It's a matter of living your mission.

One way to do this is to invite a team of employees to work as internal anthropologists, taking field notes about how your organization does and does not fulfill your mission. This team should observe the physical space (branches, ATMs), the digital space (online, mobile), interactions (face-to-face, phone), and more. Their goal is not to be cynical, nor to tell you what you want to hear. Their goal is to collect a range of neutral observations.

The biggest hurdle for this team will likely be figuring out how to witness firsthand the way account holders interact with your digital products since it will require your employees to watch customer behavior in real time. This process is the secret behind the successful rise of Intuit, among the first companies to send employees out to observe how their customers used their software in real time. Their “Follow Me Home” program paid employees to watch new customers navigate the onboarding process, noting moments that were cumbersome or problematic so those moments could be streamlined.

It will take effort, but you can implement this same experience at your institution or partner with fintech companies that implement usability testing techniques as they develop their software. You might already know that your end users are dissatisfied with your digital experience from getting one or two star reviews in the app store. But do you know which aspects of your experience are tripping up these users? Usability testing can teach you.

Once your team has gathered their observations, invite them to showcase what they found. It’s essential to just listen and couple their qualitative insights with quantitative insights (NPS score, app reviews, branch traffic rates, digital logins, etc.). At that point, you can spell out what your current strategy looks like, even if it doesn’t match the ideal or what was expected.

You might find that you’re not fully living your organization’s mission, or you might find that your mission needs to change. Either way, you’ll be clear about how you function today. You’ll know what your plan of action actually is, rather than just what you believe it is.

Creating a better corporate strategy might simply be a matter of figuring out how to actually live the principles you’ve already outlined. It might be a matter of being honest about hypocrisy within your organization — moments where employees from top to bottom speak about values but fail to actually live up to them.

You might find that you’re not **fully living your organization’s mission**, or you might find that **your mission needs to change**.

It's a matter of

LIVING

your mission

In light of this shift toward digital, it's critical that you keep the following question in mind whenever you discuss your ongoing strategy:

"If you were to build an ideal banking experience from scratch today, would you do X?"

This single question immediately clarifies whether a decision will move you closer to becoming a bank of the future or whether it will keep you in the past. Ask yourself, "What challenges do our customers face?" And then ask, "Does this particular strategy or technology help me address those challenges more effectively?"

All of this requires a willingness to evolve your internal culture beyond a legacy mindset.

2. Evolve Beyond a **Legacy Mindset**

Before we dive in here, it's crucial to distinguish between people with a legacy mindset (i.e., those who resist adapting to changing business models) and those with a legacy skill set (i.e., those who want to adapt but don't yet have the skills). You can help either group evolve, but you have to first know which you're dealing with.

For those with a legacy skill set, start by investing in reskilling and training. Help these team members get the skills they need around financial literacy and data literacy to successfully develop into successful employees for years to come. (For more on this topic, see our Ultimate Guide to Automation.)

For those with a legacy mindset, start with listening. Find the people who frequently hold up new initiatives, and really listen. Pinpoint their fears and valid concerns. Note that **to a certain degree, a legacy mindset is simply human nature**. We know what has worked in the past and trust it will work again. As a result, we're wired to resist change. We're naturally risk averse, preferring a known discomfort to an unknown comfort.

This aversion to risk is perhaps especially true in banking, which is rightly rooted in security, trust, and stability. Financial institutions, no matter how innovative, can't "move fast and break things." They're dealing with other people's financial lives.

The problem is that those with a legacy mindset don't realize that the best way to enjoy security, trust, and stability is precisely via innovation rather than stagnation. You'll need the latest digital innovation to get ahead of digital security threats and win over digital-hungry customers.

In this same vein, holding tightly to the past makes less sense the further we get into the digital age where what worked yesterday will not necessarily work well today. For instance, our research shows that 86% of U.S. consumers say that they interact with their financial institution via digital channels more frequently than physical channels. In other words, if you're fixated on physical channels at the expense of digital channels, you're ignoring 86% of your base. That's a tough strategy to win with.

Think of it this way. It's likely that no one in your institution, even those with a legacy mindset, would be okay with interior design that hasn't been updated since the 1980s — worn carpet, faded wallpaper, perhaps a hole in the ceiling. And yet how much more important is it to polish the digital experience, given that the vast majority of consumers use it *far* more often than the physical experience? Is your digital storefront riddled with bugs and outdated technology?

A clear sign of a legacy mindset is a fixation on processes that bring an immediate and direct ROI without concern for long-term viability. It's a mindset that's antithetical to digital-first companies such as Amazon, which consistently makes decisions that don't result in monetary gain for years, but end up winning in the long run. And the results are tangible. Just look at how Amazon's market value has skyrocketed 5,092% since 2006 compared to a 98% decline for JCPenney, a 67% decline for Macy's, and bankruptcy for Sears.

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How much more important is it to **polish the digital experience**, given that **the vast majority of consumers** use it more often than the physical experience?

REACH OUT

See how other leaders in banking are doing things, and (perhaps more importantly) build goodwill by sharing what you're doing.

How do you avoid a disastrous response to digital competitors? One way is to learn from leaders who have navigated the digital transformation in other industries. For instance, Best Buy now embraces showrooming and in-store experiences, coupled with a strong digital presence, and has seen a rise in market capitalization over the last decade. Similarly, Home Depot has successfully expanded and integrated their online presence, adding how-to videos, location-based data, an in-store app, and more. And Dominoes focused on creating a more delicious core product and streamlined digital ordering, resulting in one of the fastest growing market capitalizations of the past decade. Each of these companies have successfully embraced digital transformation.

In addition to looking outside of banking, network with people from other institutions within the industry. Don't get holed up in your own bank or credit union. Reach out. See how other leaders in banking are doing things, and (perhaps more importantly) build goodwill by sharing what you're doing. The key to creating an adaptive culture is to focus on partnerships — a wide-ranging integration of the smartest players in the market.

Above all, you can't afford to lock yourself in to a single mode of doing things (or a single mode of thinking). You'll end up hampering yourself a decade from now, inhibiting future growth and potentially the long term ability to compete. The future of banking belongs to those with an adaptive mindset.

3. **Invest in Technology** That Will Position Your Institution **for the Future**

Once you and your organization have committed to truly live your mission and have implemented an adaptive mindset, then you can start to think about new technology.

Unfortunately, too many leaders in banking still go wrong even here. They leap ahead to cutting-edge front end products such as chat bots or voice-assisted devices before they've laid down the proper foundation of clean data. The truth is, if your data isn't fully enhanced — including being cleansed, categorized, classified, and contextualized — the technology of the future won't work. (For more on this topic, check out our Ultimate Guide to Digital Transformation.)

In addition to building on a foundation of clean data, financial institutions should pay careful attention to how they roll out their technology. Too many institutions automatically choose the same provider for their core, middleware, and frontend — which ends up limiting them in the long run. These institutions get stuck with stodgy partners because they get into 7-year contracts and believe it's too hard to switch, especially because of the core.

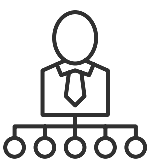
If you want to innovate, the vast majority of the technology you offer should not come from your core provider. You don't want to be over-reliant on any single partner. Instead, you want the flexibility you need to actually bring to life your adaptive mindset.

If you've unwittingly locked yourself into a technology situation that does more harm than good, the best way forward is to take away control from a single provider piece by piece. Get into contracts where you have the freedom to test out a concept and only keep it if the concept proves useful. Expand the power of your middleware so you have more control to offer new products and keep pace with technological innovation. Prepare for the future by building toward more flexible partnerships and technologies.

Another approach to implementing new technology is to build or buy a greenfield bank — a concept named after the undeveloped land outside of urban areas, land that tends to be cheaper for new development than established downtown areas. (Think of developing a new business in Times Square, for instance, with its astronomical cost per square foot.)

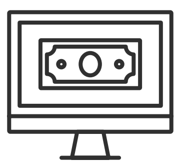
There are many examples of the greenfield approach in the financial services industry. Santander built Openbank, HSBC built Direct Savings, Barclays built Online Savings, and BBVA acquired Simple. It also happens with fintech incubators, which could be replicated with a network of smaller banks or credit unions. This approach enables traditional financial services companies to tinker with new ideas without having to be tied to legacy software.

3 steps to launch a digital bank with an existing bank,
from Mark Bailie, former Group COO of Royal Bank of Scotland
and current CEO of the banking app Bó



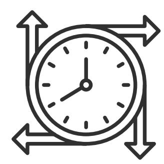
1ST

you need the backing of your CEO and chairman. "Unless the CEO is driving the vision, there's no point in starting."



2ND

the digital bank must be separated from the core business, while still having executive-level sponsorship.



3RD

the digital bank must fit with the "existing risk appetite framework" and work in the long-term.

Mark Bailie, former Group COO of Royal Bank of Scotland and current CEO of the banking app Bó, suggests three ways to launch a digital bank within an existing bank. First, he says you need the backing of your CEO and chairman. "Unless the CEO is driving the vision, there's no point in starting." Second, the digital bank must be separated from the core business, while still having executive-level sponsorship. And third, the digital bank must fit with the "existing risk appetite framework" and work in the long-term.

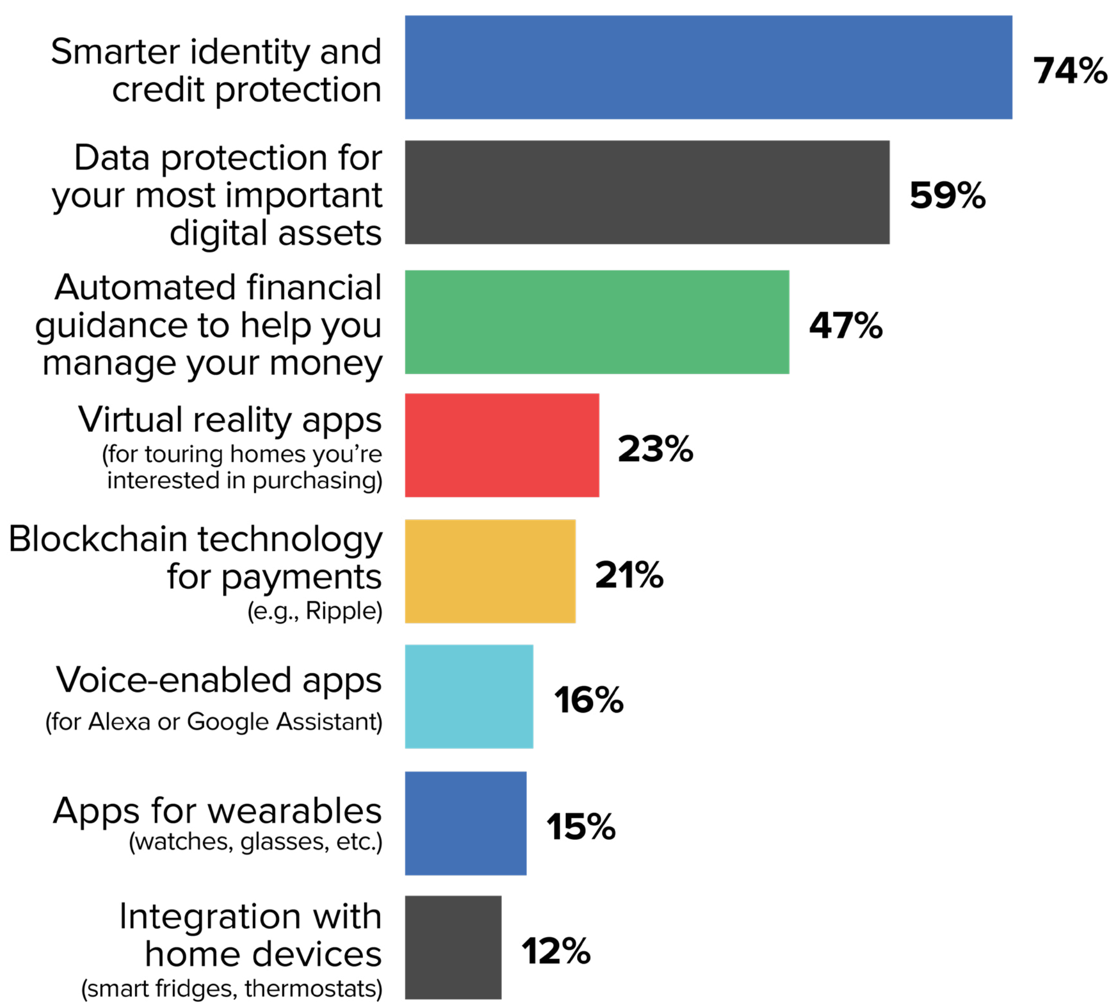
If you are a smaller financial institution, you might join with others to launch a digital bank (similar to how credit unions leverage CUDL today), or you might open up an arm of your institution that empowers people to lend to each other, similar to Lending Club and Prosper. Existing partners can share a balance sheet with other players — Affirm (POS), Fundera (SME), and Kabbage (SME). Other institutions might follow suit, creating a network used as a lender of last resort or creating a credit card platform.

The Tech That **Consumers Demand**

With the foundation of data, a flexible technology stack, and a greenfield approach, you're now well positioned to start looking at specific tech solutions.

We asked consumers to select any future technologies they would be interested in using, and found that people overwhelmingly want smarter identity and credit protection, data protection for their most important digital assets, and automated financial guidance.

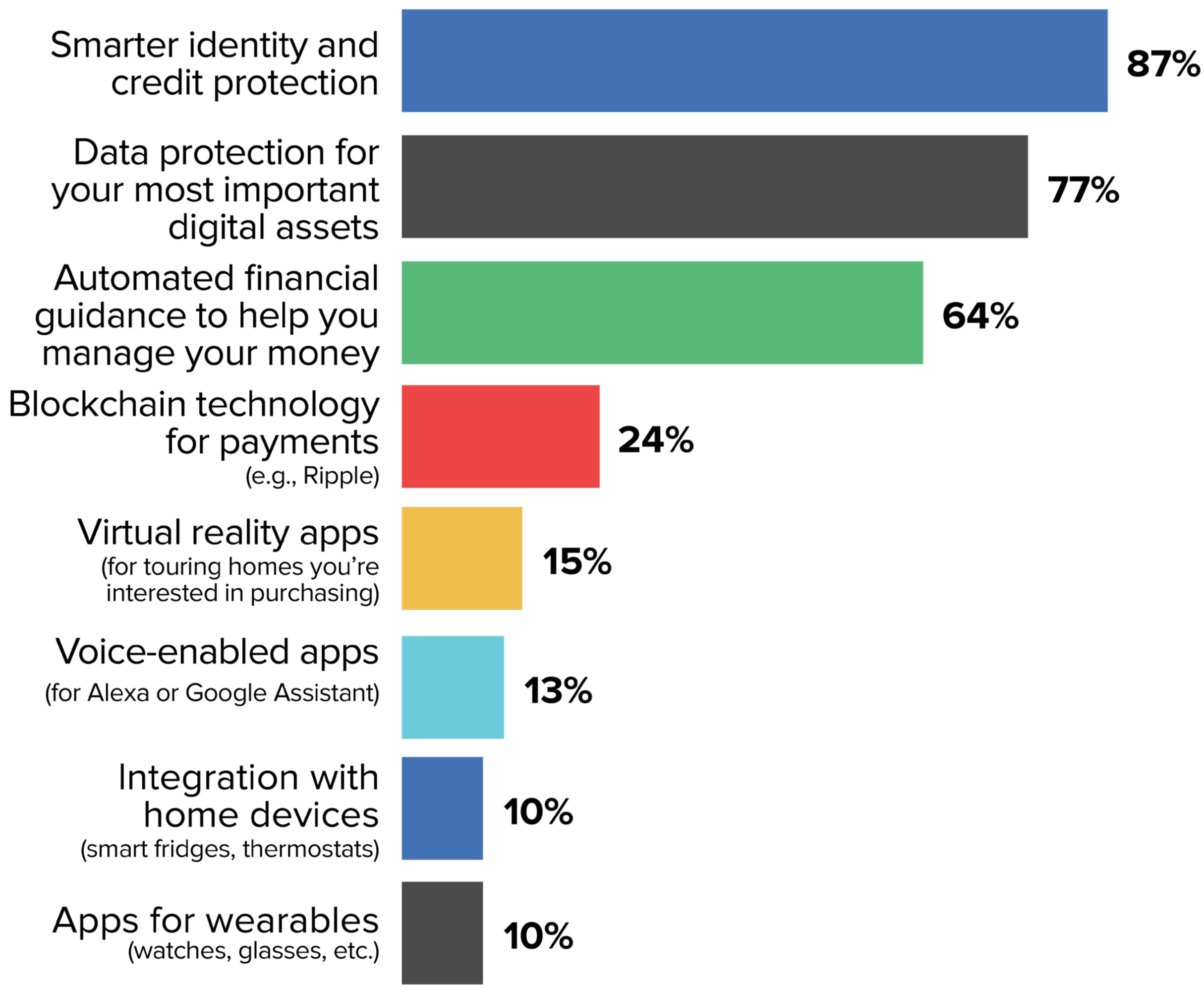
Thinking of the future of banking, which of the following would you be interested in using if your financial institution offered it? (Check all that apply.)



Source: MX Research Survey of 1,000+ US Consumers

This was particularly true when we asked them to only choose three of the options we listed.

Which three (3) of the following technologies would you *most* value at a financial institution?



Source: MX Research Survey of 1,000+ US Consumers

Let's look at each technology solution in detail.

Smarter Identity and Credit Protection

Data breaches are increasingly common, and consumers are right to worry. According to findings from Javelin Strategy & Research, there were nearly 17 million victims of identity fraud in 2017 — a record high. And according to Arkose Labs, the third quarter of 2019 saw a 30% increase in overall fraud, with a 70% increase in "bot-driven account registration fraud."

As we showed above, consumers overwhelmingly trust financial institutions with their financial data more than they trust technology companies (particularly Facebook). A full 64% of consumers say they either completely trust or somewhat trust their financial institutions with their data, while only 15% say they either somewhat distrust or completely distrust them.

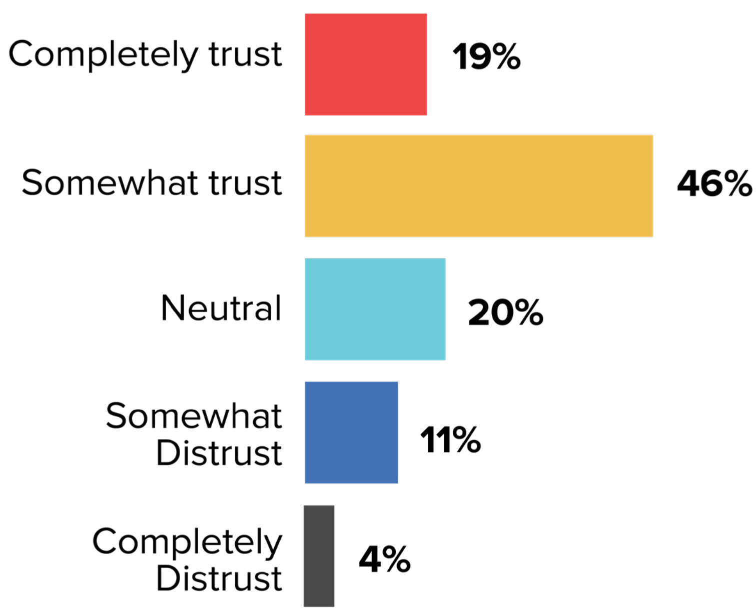
There were nearly

17

MILLION

victims of identity fraud in 2017 — a record high.

How much do you trust your financial institution with your data?

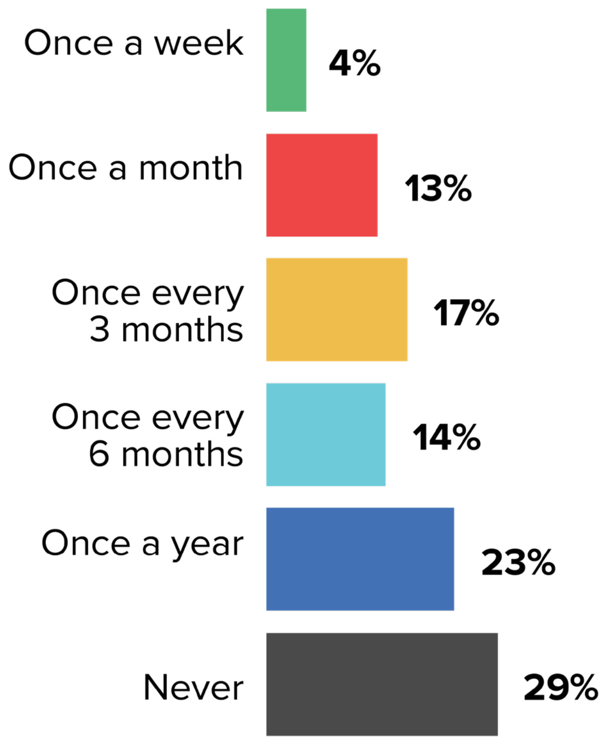


Source: MX Research Survey of 1,000+ US Consumers

And yet, there's always room for improvement. Offering heightened identity and credit protection can help move consumers closer to completely trusting financial service companies.

One way to do this is to start with clean data. After all, if your customers can't understand their transactions — if they have to wade through a string of unclear transaction descriptions — they'll feel frustrated. It's an experience 70% of consumers have had.

How often do you feel frustrated by an unclear bank transcription description - such that you can't figure out what it's referring to?



Source: MX Research Survey of 1,000+ US Consumers

But this experience of confusion or perceived fraud doesn't just hurt consumers. It also hurts financial institutions. After all, when people worry about a transaction, they contact the call center, needlessly using up your resources. Offering smart identity and credit protection — rooted in clean data — is an effective way to avoid these issues.

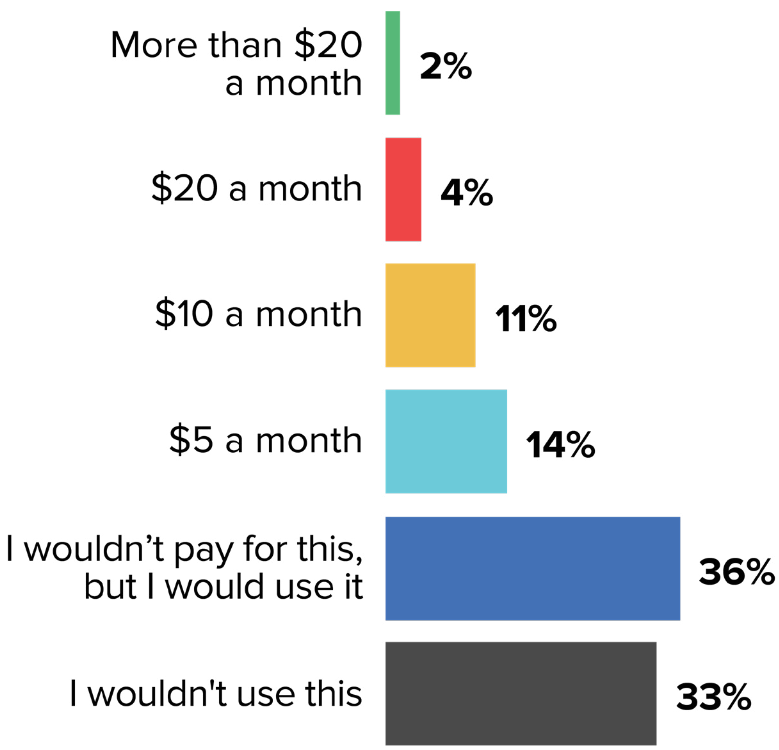
If your customers can't **understand their transactions they'll feel frustrated**.

Data Protection for Digital Assets

Similar to expressing an interest in smarter identity and credit protection, people want a safe way to store their most valuable digital assets. Chris Skinner, author of Digital Bank, says that a major value proposition of banks will be securely storing people's most important digital assets.

When we asked people about this service, 31% said they'd pay at least $5 a month for it and nearly 40% said that though they wouldn't pay for the service, they would use it. This signifies that this service has the potential to become a differentiator for the bank of the future.

If a bank offered to securely store your most important digital assets (photos, tax records, confidential documents), what price would you pay for such a service?



Source: MX Research Survey of 1,000+ US Consumers

To do offer data protection for digital assets, financial institutions might partner with fintech companies such as EverSafe, CertainSafe, and Johnson Controls, which specialize on this front. They can also expand internal data solutions by applying the same safeguards for financial data and allow customers to upload digital assets such as photos, tax records, and confidential documents.

Financial institutions should **automatically guide customers toward financial health & away** from financial disasters.

Automated Financial Guidance

Just as new cars include lane sensors, vehicle avoidance indicators, and cameras to give warnings so people can avoid accidents, financial institutions should likewise automatically guide customers toward financial health and away from financial disasters.

There have always been people who, despite their best efforts, don't keep a budget. Even those who do keep a budget struggle to do it actively. It's either too much work, or their expenses and income change so dramatically month to month that it's impossible to permanently lay down consistent restraints. It all leads to financial anxiety.

This is where automated financial guidance comes into play. Through the use of advanced algorithms, customers can view their expenses in terms of fixed costs (such as rent, food, and loans), investments (particularly retirement accounts), short-term savings goals (such as vacations), and money that is available to spend. From there, they can get automated insights and nudges on how they can consistently develop financial strength in their day-to-day decisions.

If your financial institution could give you a better deal on a product (e.g., mortgage, auto loan, savings account, etc.) than what you currently have, would you want them to tell you?

Source: MX Research Survey of 1,000+ US Consumers

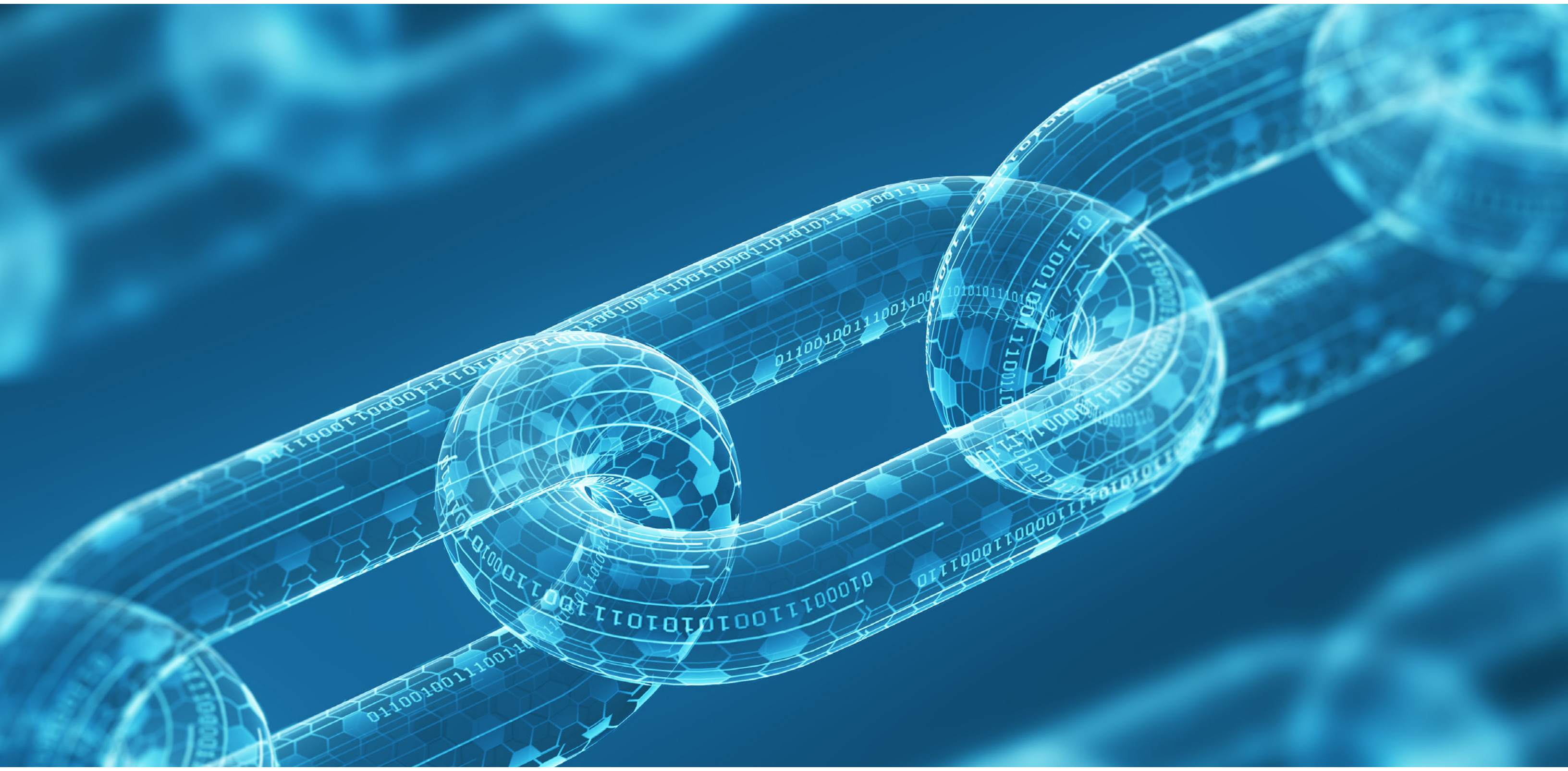
MX Pulse gives financial institutions such a product — a newsfeed of personalized insights to empower users to be financially strong. Users can view a list of everything they currently subscribe to (and might be surprised to know how much it all adds up). They can also see notifications about how they're doing in real time and even see offers for products that might be a better fit for them, a feature that 94% of consumers say they want.

Blockchain

Perhaps nothing about the future of banking has been more controversial and hyped than blockchain technology and cryptocurrencies. Federal governments are wary because these technologies enable people to exchange goods outside of the official monetary system, and financial institutions are wary because many proponents of these technologies aim to sidestep the traditional banking system completely.

And yet some financial institutions have found ways to integrate blockchain into their product offerings. For instance, Santander offers Ripple, a blockchain technology that enables them to offer lower costs on cross-border remittance, and ING released Zero-Knowledge Range Proof, a form of blockchain that adds an element of confidentiality to a public blockchain ledger.

Financial institutions can also use blockchain for payments, trade finance, identity protection, and proof of authenticity via real estate documents, deeds, and contracts. Time will tell what takes hold when it comes to blockchain technology, but it can only help to stay well informed as the technology develops.



Virtual Reality

At first glance, it may seem unnecessary for financial institutions to offer a virtual reality component to their list of technology-driven services (or customer facing services). After all, it's not likely that people want to step into a virtual world just to view their transactions or to see how much they owe on a loan.

And yet there are real use cases here. For instance, virtual reality can enable customers to tour a series of homes and decide in a matter of minutes whether or not they'd be interested in visiting the place in person. Imagine offering customers the ability to tour homes via an API with a company like Zillow and then being the financial institution that's top of mind in the moment they're looking for a mortgage.

Financial institutions can also use virtual reality as a way to encourage smarter savings. Say, for instance, that a customer is looking to save for a vacation but consistently feels unmotivated. Experiencing the place they want to visit — say Paris, France — might be just the thing they need to change their behavior and start saving. In this same vein, data has shown that people are more likely to save if they see an image of themselves that's been altered to look far older than they are. Virtual reality might be able to offer a similar benefit — only more pronounced. What happens when someone visualizes a retirement lifestyle they can easily afford instead of one where they're constantly struggling? Virtual reality can make goals feel real and therefore motivate behavior.

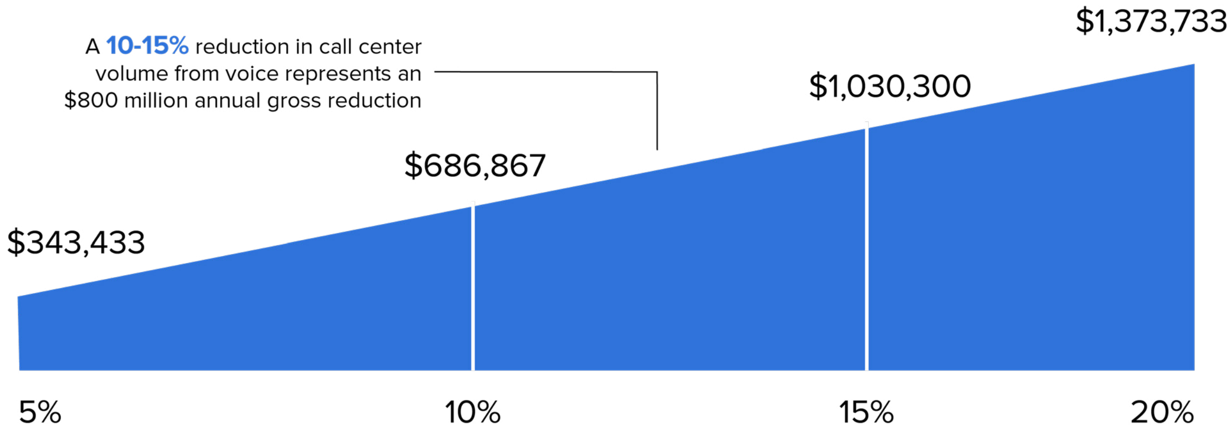
Financial institutions can also use virtual reality as a way to **encourage smarter savings.**

Chatbots and Voice-Assisted Banking

PricewaterhouseCoopers (PwC) estimates that voice-assisted banking coupled with machine learning could save financial institutions $3 billion by rerouting basic call center requests.

The Economic Benefit of Voice

$3 billion in cost reduction potential when rerouting basic request

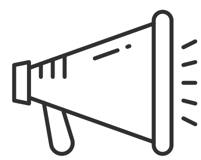


50% of call center time is spent on basic requests

Source: PwC, US Bureau of Labor Statistics, FDIC, FINRA, American Bankers Association, company reports

$2.3 BILLION

5% to 10% reduction in brand employee costs



$3 BILLION

In annual cost rationalization opportunities exist in US alone, from redirecting rudimentary customer requests

Of course, these innovations all require building on a foundation of data. If you don't have clean data, the best smartest voice-recognition software in the world isn't any help at all. You don't want to ask what you're last transaction was only to be told "CSI-308613/22120-CHV."

Jim Marous, co-publisher of The Financial Brand, believes that voice-assisted banking will eventually get so good it will ask us questions such as "What do you want to save for?" and "Your fixed expenses are 20% higher than the average for your area. Would you like tips for how to reduce those expenses?"

In this way, voice-assisted banking will be a personal digital concierge that thinks on behalf of customers and guides them to financial strength.

Apps for Wearables and the Internet of Things

To be agile enough for the future, you must build technology on a platform that can anticipate it and adapt to it quickly. One way to do this is to offer a native cross-platform framework that pulls from a single codebase. This way you'll have the ability to quickly release software for any device type and platform — from watches to in-home smart devices. Watches can embed much of your customers' mobile and online solution capabilities such as alerts and notifications, in-home smart devices (including automated thermostats) might be coupled with budgeting software to help customers hit price points based on their spending goals, and smart glasses (or perhaps contact lenses) may one day replace our phones as our most-used device.

The point is that you don't want to be locked into a situation where you have to recode for each new platform from scratch. It's far better for your long-term viability to use a single codebase that can adapt to a range of devices — *including (or perhaps especially) those that have not yet been invented.*

> "If banks can't offer something **more valuable than Amazon Prime**, then we're probably in the **wrong business**."
>
> **BRADLEY LEIMER**
> Co-founder of Unconventional Ventures

Ask yourself which benefits you can package for

$10

a month now that everyone offers free checking.

Prime Banking

As you expand into new territories not previously thought of as standard banking services, you might open up a premium subscription service similar to Amazon Prime. As Bradley Leimer, co-founder of Unconventional Ventures, says, "If banks can't offer something more valuable than Amazon Prime, then we're probably in the wrong business. I think we just need to retool our mindsets and put the customer at the heart of these decisions. What is at stake, in my opinion, is literally the future of the financial services model. The wolves are at the door."

Ask yourself which benefits you can package for a monthly subscription fee now that everyone offers free checking. One key benefit of this approach is that it sets the stage to offer — and be compensated for — benefits far beyond what is standard for typical financial institution. In other words, it brings the true agility that's essential for the future of banking.

For example, Utah Community Credit Union (UCCU) has developed a product called UCCU Prime, which gives members additional services such as up to $400 per claim in cell phone protection in the event their phone is broken or stolen, up $80 in coverage for roadside assistance, a $2,500 reimbursement in expenses in the event of stolen identity, $10,000 travel accidental death coverage, special deals for local businesses, travel discounts nationwide, debit card rewards, and more — all for $6 a month. As UCCU continues to give their members new offerings, they can add them to the bundle, opening up new revenue models for the credit union.

We might imagine other examples emerging in the future. For instance, say that a customer has the ability to pair their advanced smartfridge to their banking app. Their fridge can track what items they are running low on, scan all the grocery stores in the area for the best price, and send them recommendations for those exact items. From there, all the customer has to do is accept their selection, which is automatically delivered to their doorstep. In the eyes of the customer, the whole experience is seamless — driven by an integration of in-home smart technology and their banking app.

Conclusion: Data, Experience, and Growth

Given the original survey data and secondary research in this guide, we recommend that you:

1. Commit to live your mission.
2. Evolve your culture beyond a legacy mindset.
3. Invest in technology that will position your institution for the future.

Chances are that your mission is some iteration of providing exceptional service and helping people. That's terrific, but in itself that's not enough to differentiate you from the competition. To stand out, you have to commit to live your mission — to actively put the mission into practice at every level of the organization. As the pace of technological change continues, this will require you to evolve beyond a legacy mindset to an adaptive mindset, one that is ready for whatever the future may bring.

In the end, you should know that you don't have to do everything by yourself. You can do what you do best — whether it's increasing deposits, navigating the current regulatory framework, increasing loans, or something else entirely — and partner with other players who can guide you into the future of banking.

As we've pointed out throughout this guide, we recommend starting with data. Get the data clean, categorized, classified, and contextualized so you have the foundation in place to put that data to use. Given the increased choice and decreased friction in the digital age, the goal of all financial services companies must be to do what's in the best interest of the end user by empowering them to be financially strong. Put simply, that's the best way to win their long-term loyalty. (Otherwise, they'll bank elsewhere.)

Transformational growth starts with transformational experiences, transformational experiences start with transformational data, and transformational data starts with MX. While the transition to digital can feel overwhelming, know that you don't have to do it alone. Partners like MX can guide you every step of the way so you can confidently make the transition to digital.

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