

# Investments in digitalisation initiatives – Survey of financial service providers 2022

Report based on data 2019–2021 and planning/trend 2022

Zurich, 31 May 2022

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# Key findings 2022 – Focus topic ‘Digitalisation Initiatives’



## Strong growth of management focus and allocation of resources for digitalisation

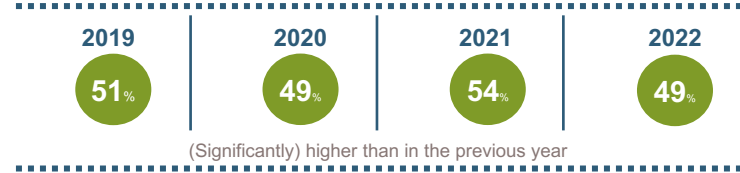
For more than 50% of the banks, management attention on digital transformation has been growing yearly since 2019. For at least 49% of the banks, the resources allocated to such initiatives have effectively been higher than in the previous year. A maximum of 14% of the banks state in individual years that this is lower than in the previous year.



## Focal points in digitalisation are customer service and process transformation

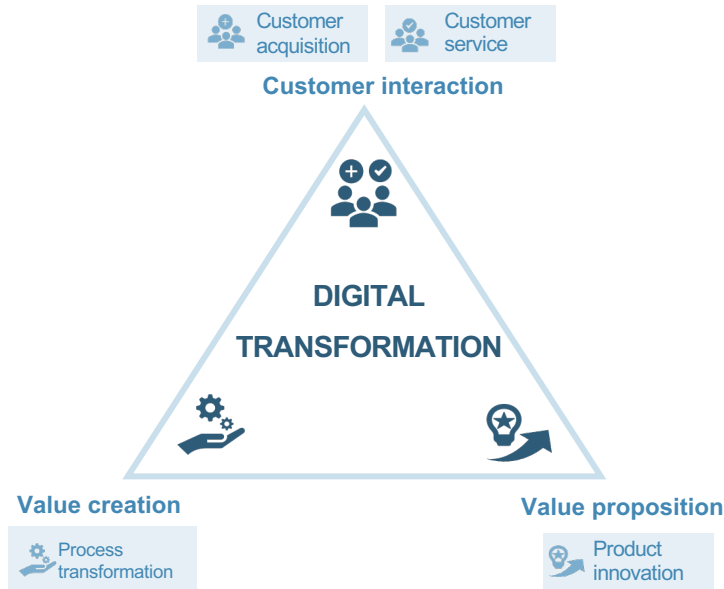
Overall, for about 2/3 of participating banks, the investment focus for digitalisation initiatives is on *customer service* or *internal process transformation*. Product innovation, on the other hand, has a low priority.

### Allocation of resources



	Rang 1			
	2019	2020	2021	2022
Retail	16%	44%	0%	40%
Privat	30%	40%	0%	30%

# Digital transformation: Optimising digitalisation maturity



Technical progress, cost pressure and customer expectations are changing the framework conditions. Companies are responding to this development by transforming their value chain.

## Definitions:

- **Digital transformation** is the **optimisation and redesign of business models** by means of integrating **advanced digital technologies**. The optimisation aims to have a positive impact on revenue, costs or quality.
- The optimisation of digitalisation maturity takes place in the dimensions of **value creation, value proposition** and **customer interaction**. The survey focus was on associated key areas: **customer acquisition, customer service, internal process transformation and product innovation**.
- **Digitalisation initiatives** are initiatives in which advanced digital technologies are used to optimise existing business models.

# Participants and perspectives of data collection for the Banks Survey 2021

## Participants:

A total of **35 banks** participated in this year's focus topic 'Investments in digitalisation initiatives'. Of these, 25 were retail banks and 10 private banks.

Participants in terms of size classes as follows:

<300 employees: 9, 301...600 employees: 9,

601...900 employees: 6, >900 employees: 11 banks.

## Perspectives:

The survey collected data on **management focus, allocation of resources** and **focus on initiatives to improve the level of digitalisation maturity**.

The emphasis of this survey was on a comparative assessment of the change compared to the previous year and the focus of resource allocation.

### 1 Management focus

Development of management attention on digitalisation initiatives in recent years.

Time period: 2019–2022, with reference to previous year.

### 2 Allocation of resources

Development of the allocation of resources for digitalisation initiatives in recent years.

Time period: 2019–2022, with reference to previous year.

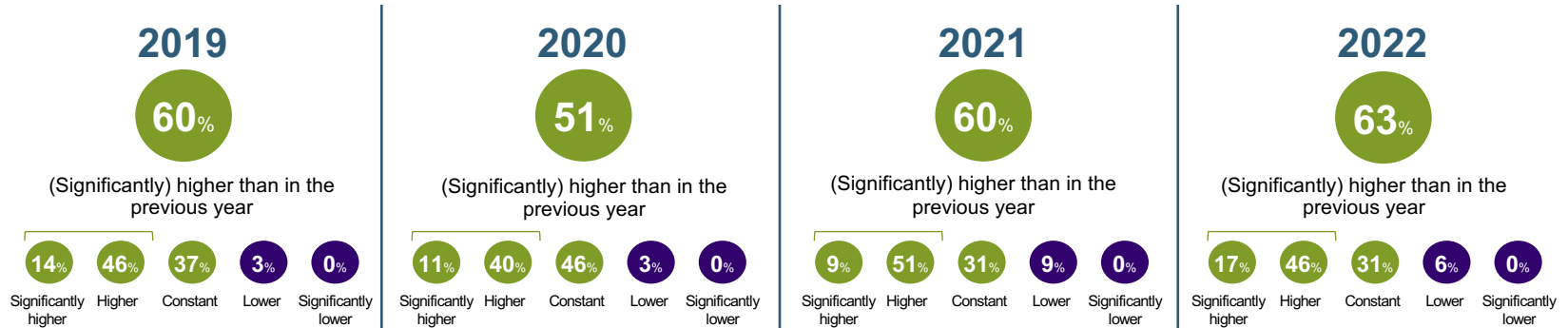
### 3 Focus on digitalisation initiatives

Investment focus in 2021 across 4 categories:

- **Customer acquisition:** new business and new customer acquisition goals.
- **Customer services:** projects with existing customers with the goals of customer satisfaction and loyalty.
- **Product innovation:** with the aim of offering new or improved products and services.
- **Process transformation (internally):** optimisation of internal processes according to cost, time or quality objectives.

# Relevance of initiatives for the improvement of digitalisation maturity – Management attention

How strong is the **management focus** on digitalisation initiatives compared to the previous year?

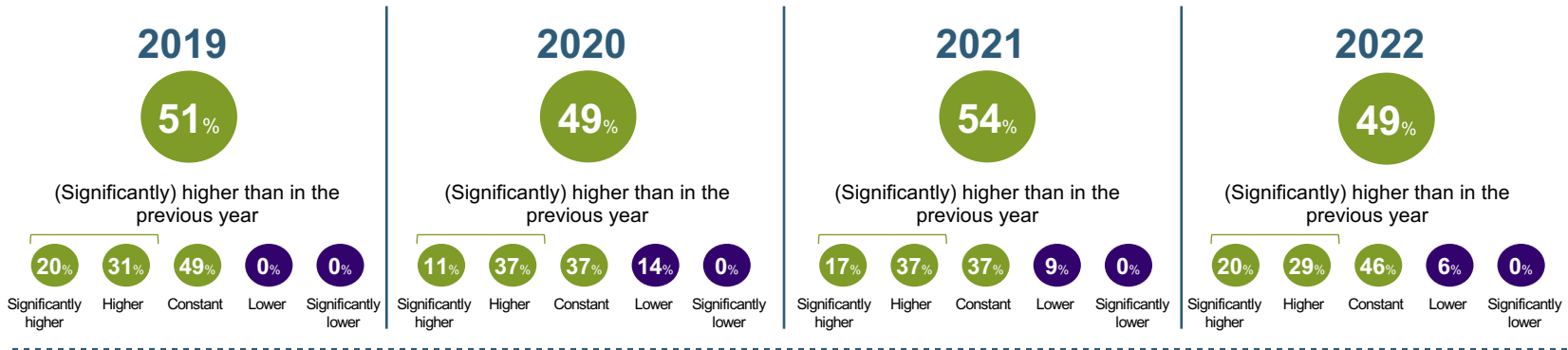


Since 2019, the management focus on digital transformation is generally **higher than in the respective previous year**. **Very rarely**, banks report that this is **lower** than in the previous year. No bank reported a significant reduction in management attention.



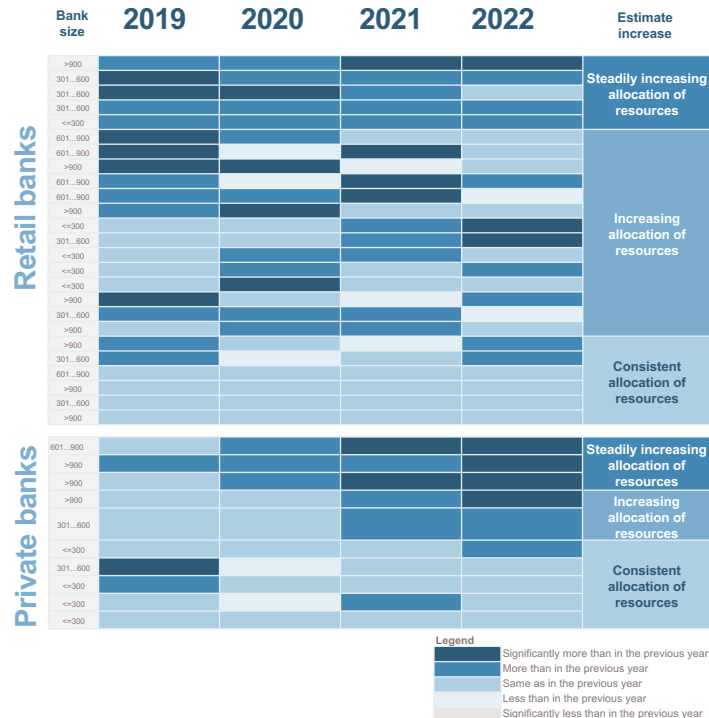
# Relevance of initiatives for the improvement of digitalisation maturity – Allocation of resources

How did the allocation of resources to digitalisation initiatives change compared to the previous year?



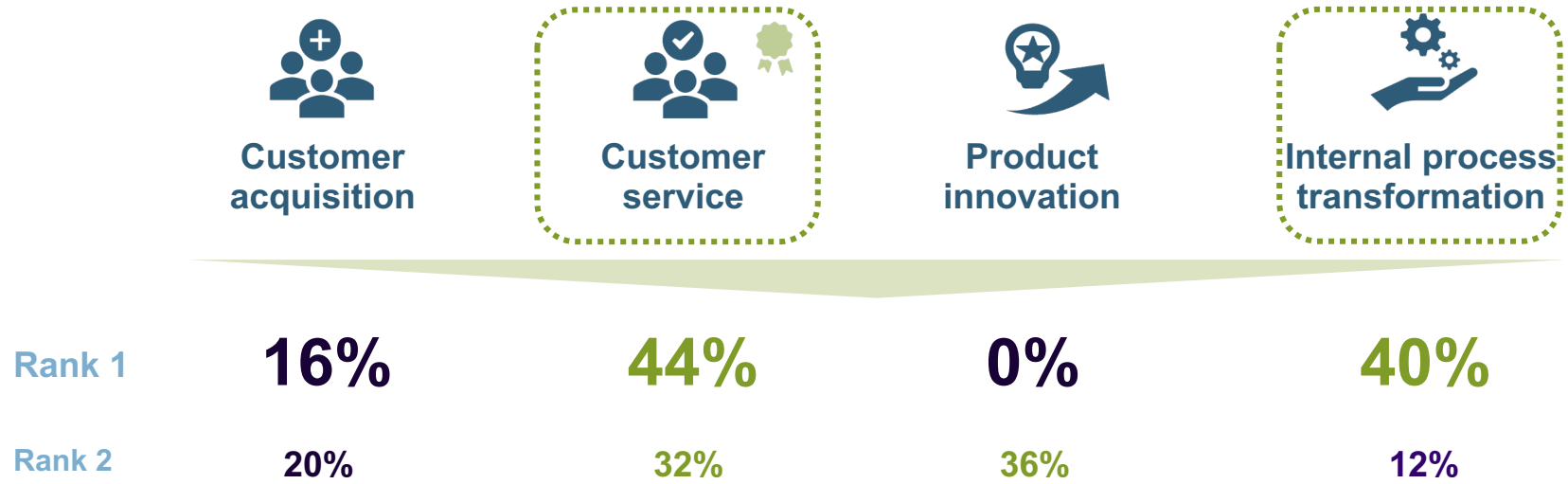
The increasing management attention is noticeable in the implementation: **Since 2019, at least 49% of participating banks have effectively spent (significantly) more on digital transformation than in the previous year.** A maximum of **14% of the banks** indicate for individual years that **fewer resources were allocated** than in the previous year.

# Increase in the allocation of resources for digitalisation initiatives since 2019



- Since 2019, **69% of the participating banks** (19 retail and 5 private banks) show **an average increase in terms of their allocation of resources for digitalisation**. **23%** of the banks show a **steadily increasing** allocation of resources.
- **Half of the participating banks** have invested more in each of the **pandemic years 2020/2021** than in the respective previous year. Nevertheless, **10 banks** have **reduced their investments** in individual years since 2019 (9 retail and 1 private bank), 8 of them in the pandemic years 2020/2021.
- While the allocation of resources at the **private banks** only increased significantly **in 2021**, a **stronger, more consistent increase** can be observed in **retail banks**.
- **Smaller banks** are **much more reluctant** to increase their allocation of resources than other banks. Around half report consistent allocation of resources.

# Investment focus for digitalisation initiatives – Rank 1 and 2 by bank type\* – Retail banks



Overall, **retail banks** focus their resources on **customer service** and **internal process transformation**. **Customer acquisition** and **product innovation** are of subordinated relevance for the allocation of resources.

\*Rank 1–4 to choose from





# Investment focus for digitalisation initiatives – Rank 1 and 2 by bank type\* – Private banks














	Customer acquisition	Customer service	Product innovation	Internal process transformation
Rank 1	30%	40%	0%	30%
Rank 2	40%	20%	10%	30%

**Private banks** as well focus their resources primarily on **customer service**. In contrast, **internal process transformation** and **customer acquisition** rank joint second. **Product innovation**, on the other hand, has lower priority when allocating resources.

\*Rank 1–4 to choose from

# Investment focus of digitalisation initiatives – Rank\* 1 + 2 by bank size

Investment focus	 Rank 1+2 at <300 banks	 Rank 1+2 at 301...600 banks	 Rank 1+2 at 601...900 banks	 Rank 1+2 at >900 banks
 Customer acquisition	●	●	33%	27%
 Customer services	●	39%	42%	45%
 Product innovation	●	●		●
 Internal process transformation	44%	●	●	●

-  – Small banks focus on investing in **internal process transformation**.
-  – Medium-sized and larger banks, on the other hand, focus more on **customer services** and, in some cases, **customer acquisition**.
-  – **Product innovation** tends to be less of a priority and is only mentioned as a primary focus by smaller banks.

\*Rank 1–4 to choose from. Here focus on rank 1 and 2. Green color: >25%.

What the Swiss banks are currently focusing on



Customer acquisition

Kundeninteraktion



Product innovation

Client-Lifecycle Management

Mobile Banking-App  
Beratungsapplikationen

Security E-Banking  
Internal onboarding

Innovative Anlagelösungen

Chatbots  
Front-Support  
Onboarding

State-of-the-art Payment

Digitaler Finanzcoach

E2E-Processes

Hypothesen via digitaler Partner

Mobile-App

Empfehlungen  
Digital Assets

Anlage-Prozess

Self Service

Open plattformen  
Tokenisierung  
Digitalisierung Filiale

Online-Abschluss

Blockchain

Robotic Process Automation

Automatisierungs-Lösungen

Video-Chat

Churn prediction  
Zusammenarbeit mit Partnern

Operational Excellence

Vertriebsunterstützung

Innov. Fondsparpläne

Sales Engine

Kooperationen



Customer service

Ausbau Online Banking  
Tracker-Zertifikate

Zahlungsverkehr  
Advanced analytics

Virtual workplace

Analytics for regulatories



Process transformation

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