

## **BANKING BEYOND 2015: WHO WILL GAIN MORE MOMENTUM?**

*Five core competencies that will reshape the competitive landscape*

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### **Trusted Brands: What Banking Activities Will Yield a Persistent Client Experience?**

Retailers, media, and service providers will keep pitching commoditized financial offerings, from simple banking products to complex structured finance transactions, thus furthering their influence on consumer and corporate buying decisions. To prevail over third-parties, banks must build on fields of competitive advantage (e.g., market niches and specialized functions) and reaffirm their brand value.

### **Client Relationships: How Will Banks Regain the Confidence of their Clients?**

As an interconnected world faces more financial uncertainty and volatility, transparency and trust will be decisive. Banks must develop a deeper understanding of the needs, preferences, and opportunities for each client or prospect. Using crisper business analytics (particularly in dynamic segments such as Gen Y/Z), banks will tailor financial solutions that add visible value to the specific client situation.

### **Delivery Channels: Will High-Tech Branches Prevail over Personal Gadgets?**

Better information will allow account, relationship, product, and service managers to deliver a more personalized touch. Beyond branches and contact centers, clients will demand an extended presence from their banks. Banks must tap advanced multimedia, location and social web technologies, both at branches and on mobile devices, to be always top of mind, inviting, and ready to serve proactively.

### **Sustainable Economic Purpose: How Will Banks Revitalize Productive Lending?**

Risk management will stand out as the fundamental banking competency. To price in a competitive and dependable manner, banks must improve their capital structure, risk modeling and lending processes. Risk analyses should rapidly gauge internal and external information that relates to transactions and contracts. Banks must favor loan products that fulfill productive purposes and support genuine growth.

### **Ingenuity: Will Banks Tap Process and Technology Innovation to Reinvent Themselves?**

Heated competition within and outside the banking industry will widen the gap between leaders and laggards. As financial transactions and workflows get embedded in interlocked client service chains, technology and process innovation will be a polarizing factor. To thrive in an environment dominated by real-time networks, banks will need to further automate and transform their operating models.