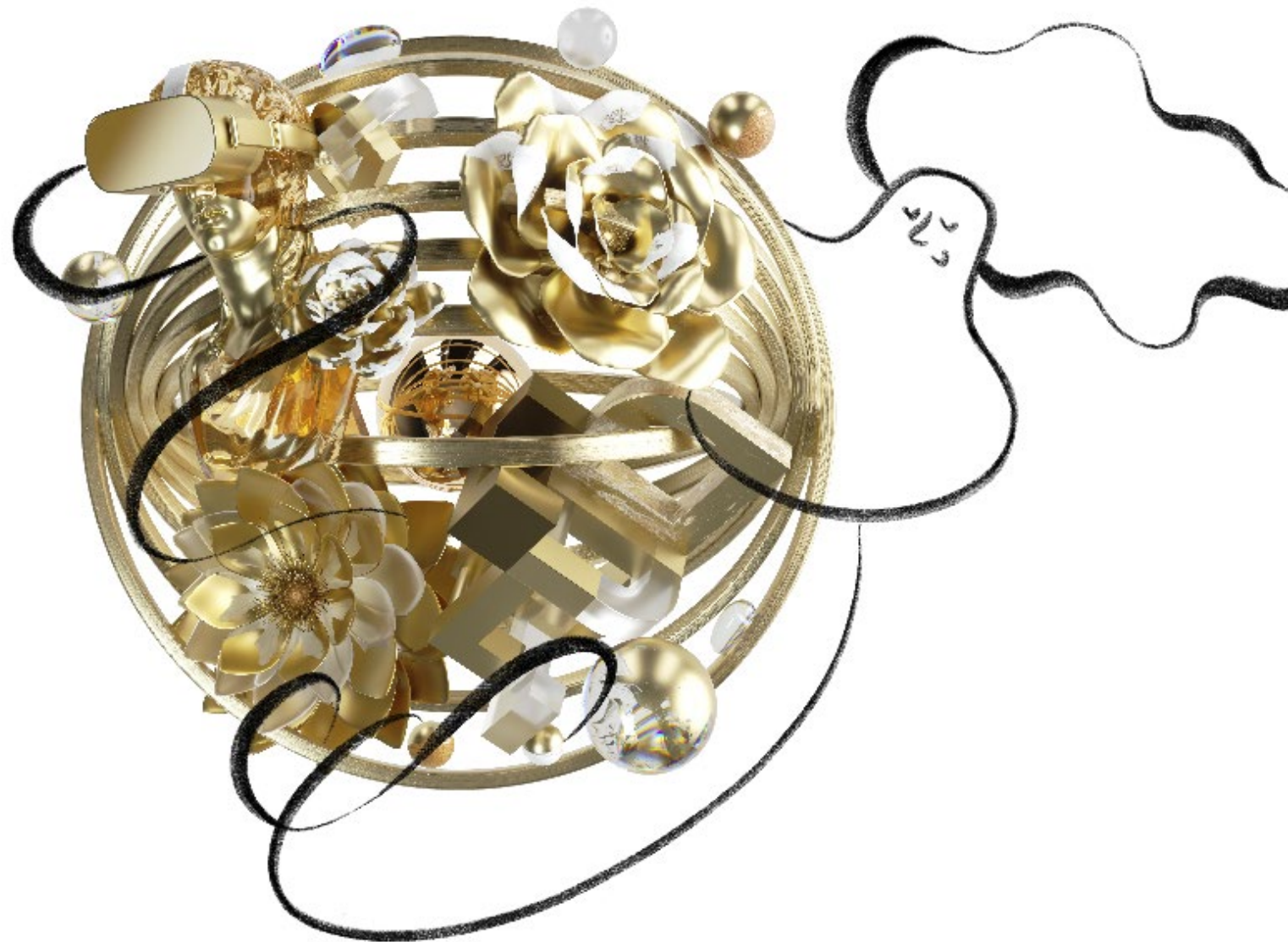


# Digital Banking Maturity Study 2022

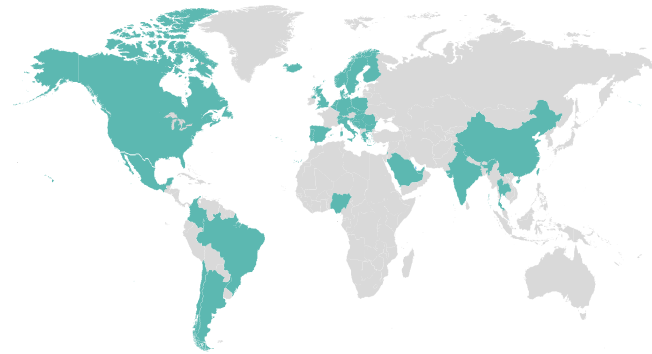
Challenges and opportunities for banks:  
A Swiss perspective

**Deloitte.**



# The Deloitte Digital Banking Maturity Study is the biggest benchmark in the world for digital banking channels.

In its fifth edition, Deloitte investigated 304 banks in 41 countries around the globe – among them 10 banks from Switzerland. It has become evident over the past two years that while all the Swiss banks have improved their maturity scores, the Digital Champions<sup>1</sup> continue to innovate at a much faster pace. Swiss banks therefore risk losing ground.



41 countries

304 banks

1200 functions



10 banks  
from Switzerland

<sup>1</sup>Best 10% of banks out of 304 banks assessed

## About the study

To conduct an in-depth assessment of bank's digital maturity, our researchers used a mystery shopper approach to obtain real account holder insights and assess more than 1,200 functionalities in the digital channels (public website, e-banking and mobile app) of each bank. In combination with survey-based market research into customer needs and a detailed user experience (UX) analysis, the study provides unique insights into the strategies and best practices of digital leaders.

Switzerland has lost its leading position in the group of "Digital Champions" and is now only ranked 21st globally. The analysis explains why Swiss banks are falling behind and what steps they should take to improve their position.

## Key findings for Switzerland at a glance



### Finding 1

Swiss banks are innovating at a slower speed than the Digital Champions



### Finding 2

Swiss banks lack a state-of-the-art, fully digitalized end-to-end process for opening accounts



### Finding 3

Weaknesses in digital sales limit opportunities for growth



### Finding 4

Swiss banks offer too few integrated services beyond banking



### Finding 5

Challenger banks are leading the way when it comes to user experience and innovation



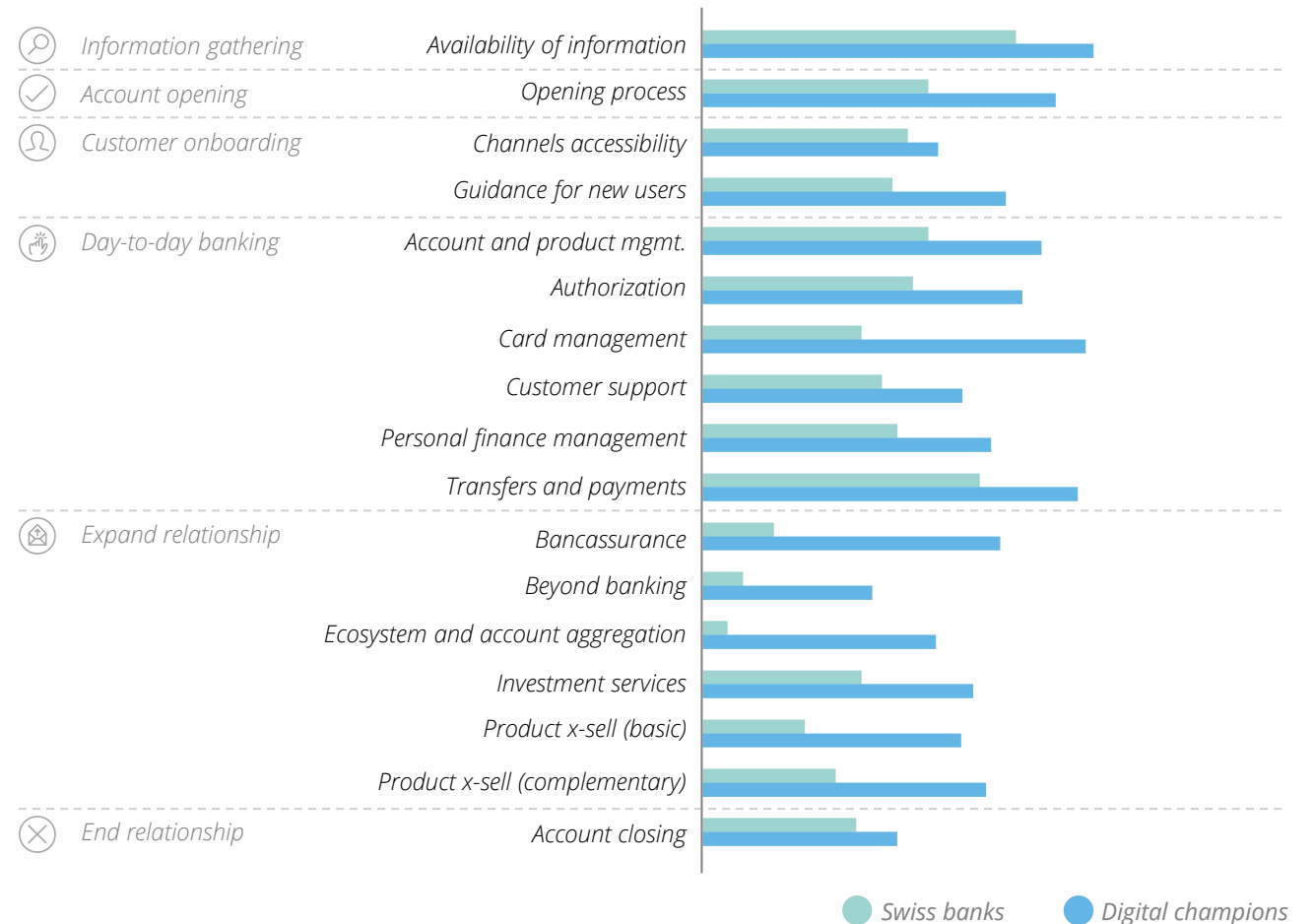
## Finding 1

# Swiss banks are innovating at a slower speed than the Digital Champions group

Swiss banks were able to improve their average Digital Banking Maturity Score across all analyzed functional categories. However, most of the Digital Champions innovated by enabling more functionalities across all digital channels at a much faster pace, causing Switzerland to fall in the ranks from 18th in 2020 to 21st in 2022. In the current study, only one of the 30 Digital Champions is from Switzerland. Swiss banks risk failing to keep up with the rising expectations of customers in terms of ensuring a satisfying user experience and a sufficient range of functionalities to best address their daily needs.

The Swiss banks are lagging in all categories compared to the digital champions which are innovating at a faster pace

DBM score by sub-category<sup>1</sup>



<sup>1</sup>Data for 30 banks classified as Digital champions and 10 Swiss banks which were covered in 2022 edition. Some categories (data input facilitation, real-time validation, information on status of application) include more than one feature



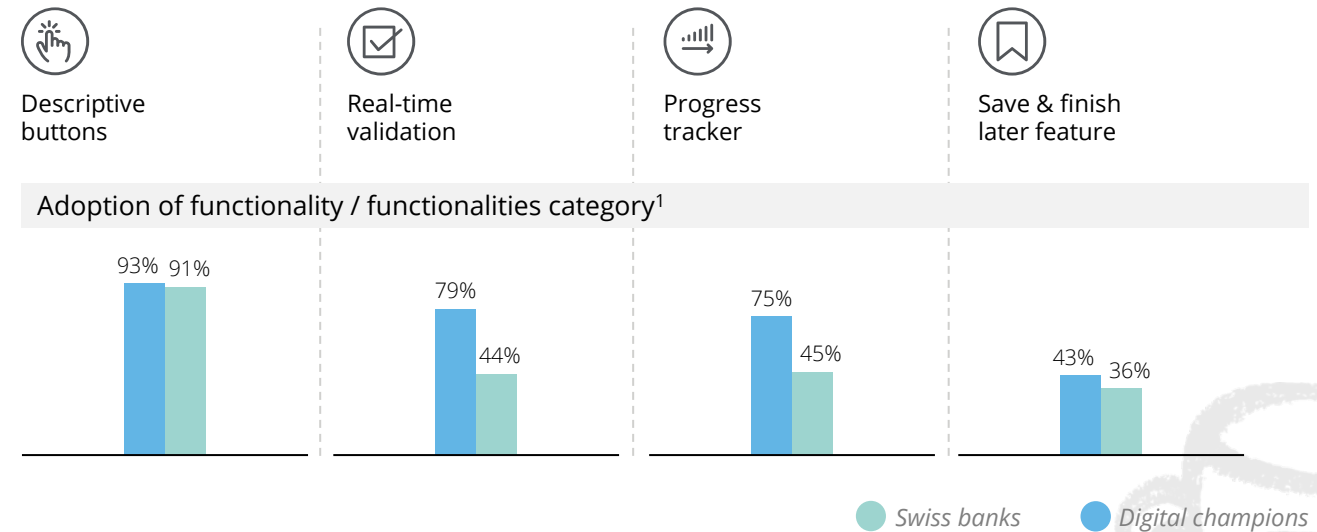
## Finding 2

# Swiss banks lack a state-of-the-art, fully digitalized end-to-end process for opening accounts

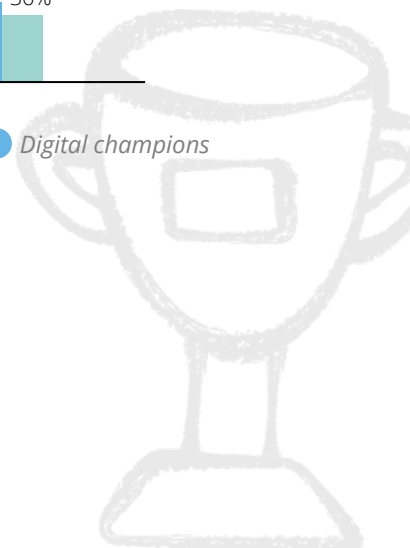
Today, consumers expect a streamlined digital banking experience that is easy to use and instantly available. They want to open an account in just a few minutes, from wherever they are located, and start using it immediately. They want to be able to view their account balance and transactions and receive updates in real time. Swiss banks are often unable to provide customers with such a seamless experience when opening an account. Their mobile and internet channels lack functionality compared to Digital Champions. For example, real-time validation of inputs and progress tracking is available only at a rudimentary level. As a result, Swiss banks risk losing customers during the onboarding process.

Across the account opening process, Swiss banks fall short in the provision of digital functionalities

% of functionalities offered by banks



<sup>1</sup>Data for 30 banks classified as Digital champions and 10 Swiss banks which were covered in 2022 edition. Some categories (data input facilitation, real-time validation, information on status of application) include more than one feature





## Finding 3

# Weaknesses in digital sales limit opportunities for growth

Digital channels offer an important opportunity for banks to cross-sell and upsell products to their existing customers. The performance of Swiss banks was compared with the global Digital Champions for each of three product categories: Transactional products, savings and investment, and credit.

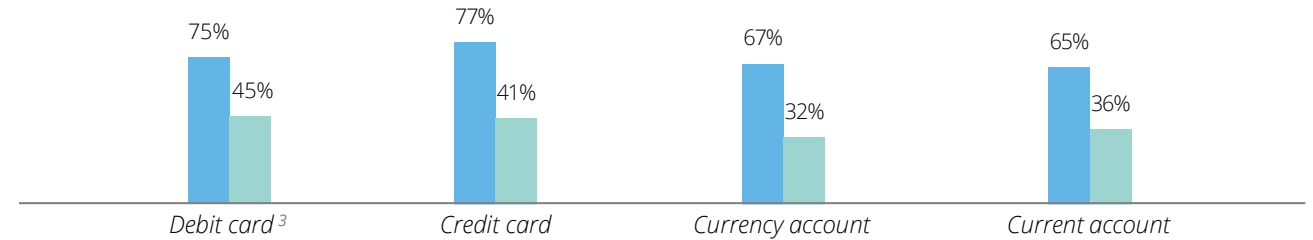
Compared to the Digital Champions, Swiss banks fall short in all three product categories.



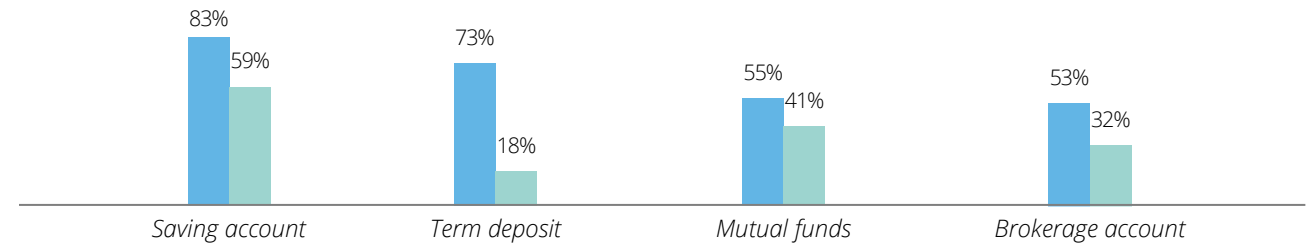
## Swiss banks fall short in all three product categories

*% of banks offering fully end-to-end product opening method in mobile or internet channels<sup>1</sup>*

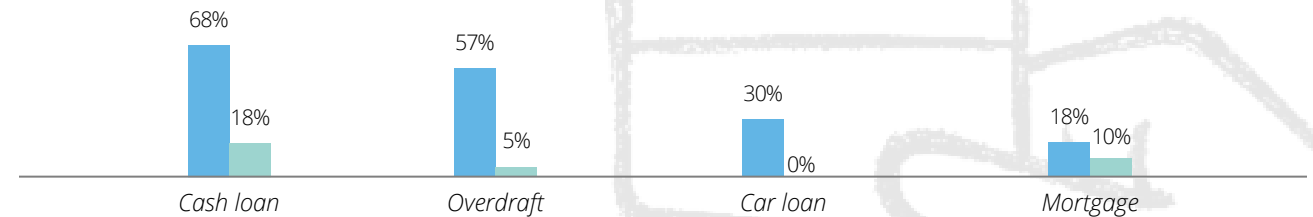
### Transactional



### Saving & investment



### Credit



● Swiss banks ● Digital champions<sup>2</sup>

<sup>1</sup>Result is an average for mobile and internet channels

<sup>2</sup>Data for 304 banks which were covered in 2022 edition, including 30 Digital champions

<sup>3</sup>For some Digital champions a debit card is issued automatically with an account. This lowers the actual score.



## Finding 4

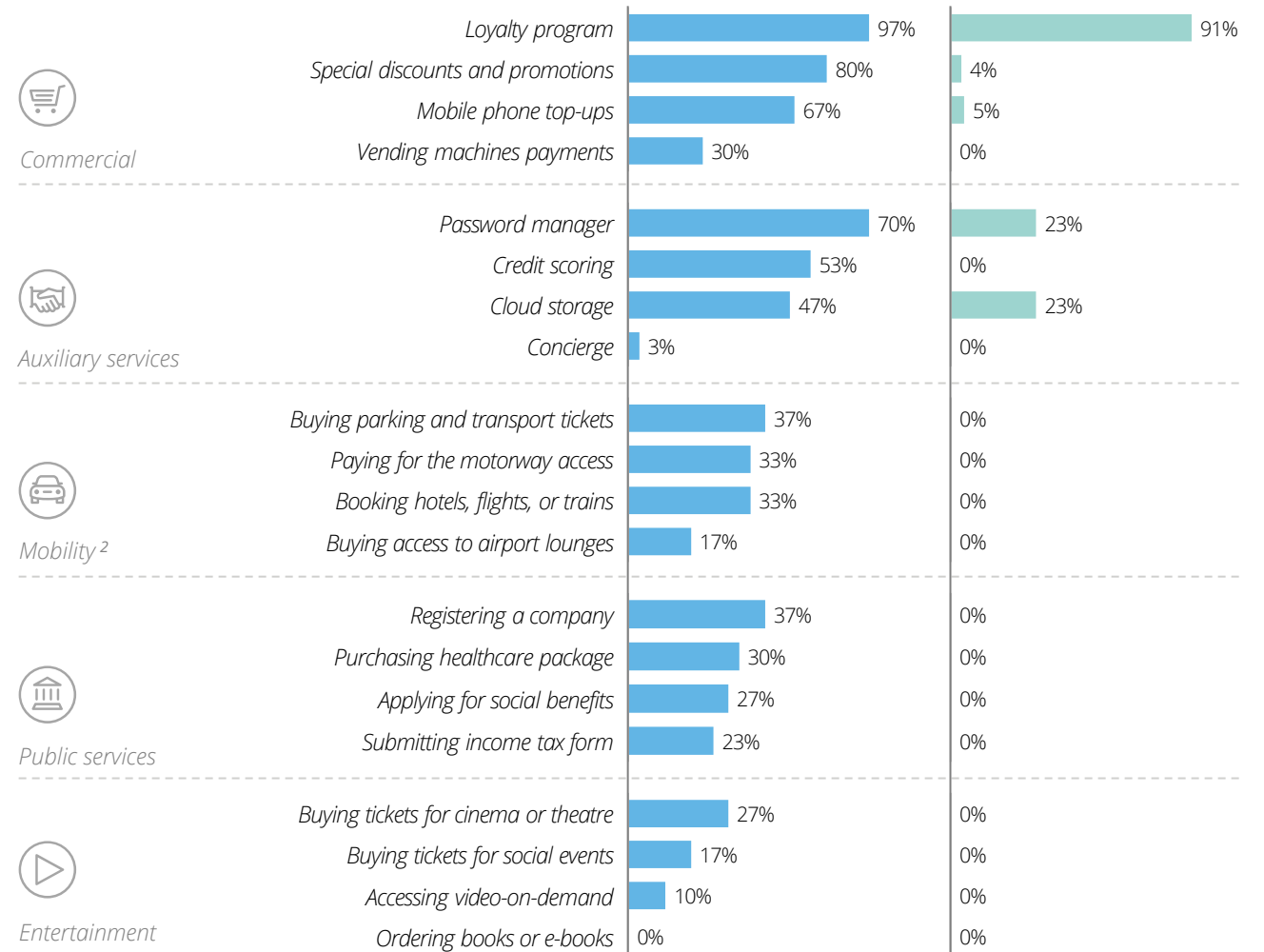
# Swiss banks offer too few integrated services beyond banking

To compete in the market, and boost customer engagement and loyalty, banks should look to offer more than just traditional banking services to their clients. They need to provide innovative functionalities and solutions.

It was observed that Digital Champions offer a range of functionalities beyond banking, relating to commercial services, mobility or even entertainment services. Swiss banks, however, offer only a very limited number of banking-related commercial and auxiliary services. As a result, they are missing out on opportunities to improve client engagement and to develop an infrastructure for data-driven, personalized customer engagement and marketing efforts.

### Swiss banks offer services only in the commercial and auxiliary realm

Top Value Added Services by category, % of banks offering given functionality<sup>1</sup>



● Swiss banks ● Digital champions

<sup>1</sup>Data for 30 banks classified as Digital champions and other banks which were covered in 2022 edition  
<sup>2</sup>Some functionalities might be offered via 3rd party applications (i.e. Twint)



## Finding 5

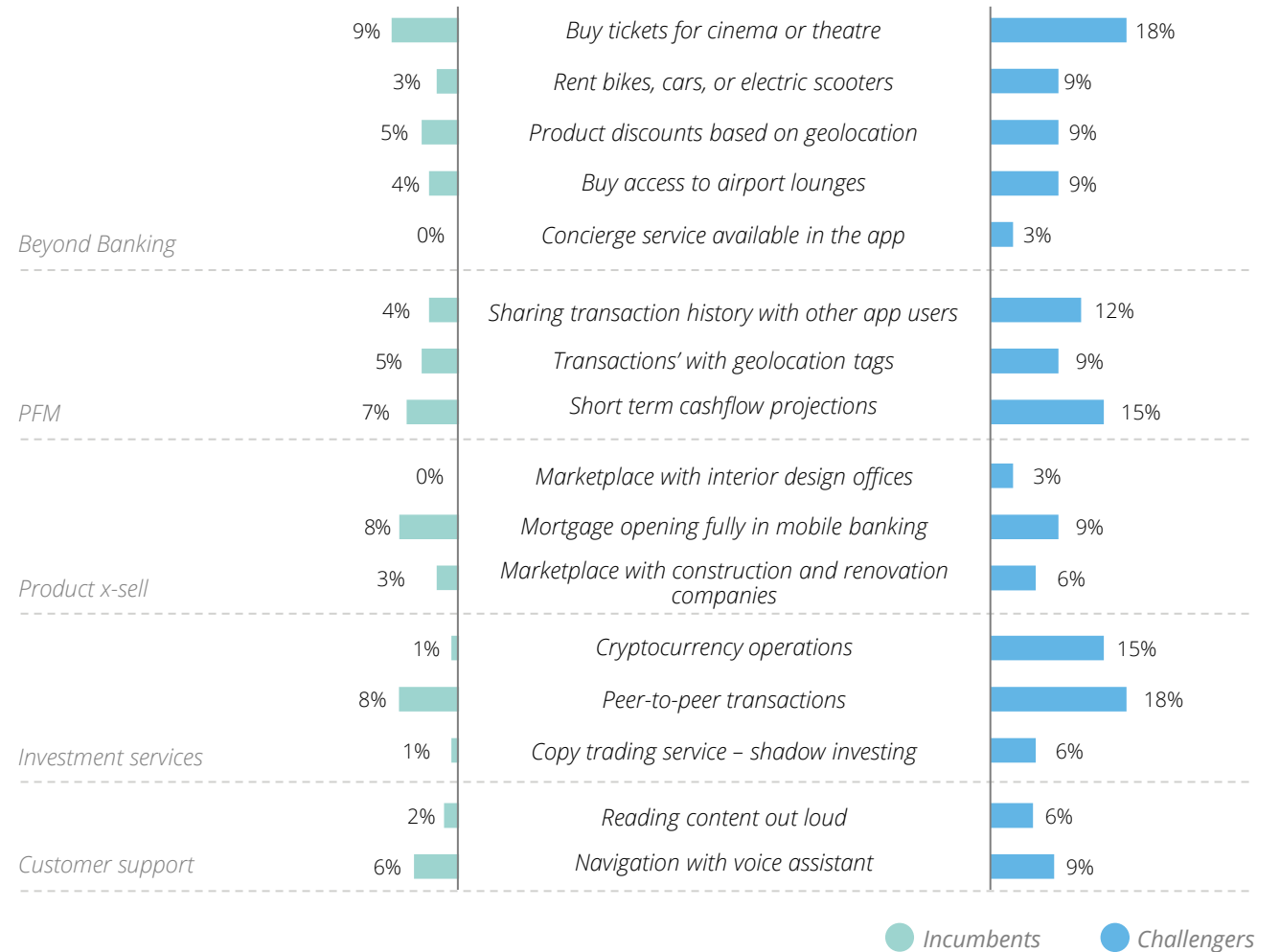
# Challenger banks are leading the way when it comes to user experience and innovation

When it comes to user experience and usability, challenger banks score better than traditional banks across all functionalities. With products that are purely app-based, they succeed in creating a seamless digital experience. In addition, challenger banks attract customers with highly innovative features, and can meet customer expectations much faster than their competitors.

Challenger banks are also leading the way when it comes to usability. They benefit from the irreversible trend towards digital and mobile banking among a new generation of banking clients. While the banking industry as a whole continues to expand its digital offerings, it is primarily the challenger banks that are introducing innovative functionalities.

### Challengers are more likely to differentiate themselves by adopting innovative solutions

% of banks offering given functionality<sup>1</sup> for selected innovative functionalities<sup>2</sup>



<sup>1</sup>Data for 270 banks classified as Incumbents and 34 banks classified as Challengers which were covered in 2022 edition  
<sup>2</sup>Innovative functionalities implemented in less than 10% of surveyed banks



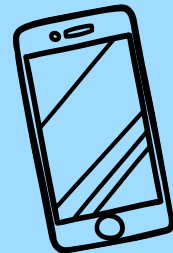
# Three imperatives for Swiss banks to reclaim a leading position



## **Invest more in an end-to-end user experience to match Digital Champions**

In order to take the full advantage of digital channels for cross-selling and upselling, Swiss banks need to learn from Digital Champions and invest in a digital end-to-end experience. The onboarding process is a critical step for winning

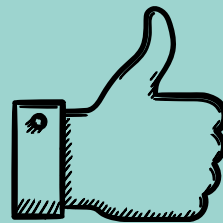
customers, but often it is not a smooth digitized process. This must be a top priority for banks looking to provide a streamlined and integrated customer experience, as customer experience does not stop at the front door.



## **Develop a holistic touch-point strategy with a focus on mobile**

Swiss customers are adopting new banking and investment practices, with mobile devices becoming the primary means of interaction. A crucial starting point for Swiss banks is the consolidation of applications that are needed for clients

to interact with their bank: Today, customers must often use a multitude of mobile apps for banking and investing or revert to the desktop internet channel, which can be confusing, time-consuming and for sure not appealing.



## **Think beyond banking to increase client engagement**

Swiss banks need broaden their product range beyond traditional banking services. They can draw inspiration from Digital Champions which offer a variety of products and services to address all their customers' personal finance needs.

# Contacts

We would be happy to further discuss the results of our study with you. Our digital banking experts are available to answer any of your questions. Please do not hesitate to reach out to us.



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