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Retail banking

10 moves to turn uncertainty into advantage

Introduction

Retail banking is at a defining crossroads. Shifting demographics, influences from other consumer-facing sectors, and accelerating technological advances are transforming customer expectations. At the same time, banks are navigating an increasingly crowded financial services ecosystem where collaboration—and competition—have blurred traditional lines and introduced new players. Layer in an ambiguous regulatory landscape, mounting fraud pressures and the ongoing need for cost vigilance, and the question isn't simply just how to stay competitive but how to thrive and excel in this evolving environment.

Thriving requires more than observation—it demands action, and the retail banks that proactively shape their future will be the ones that lead it. To not only attract but retain customers, banks must sharpen their value propositions, rethink internal operations, and invest in capabilities and people that help them connect in more meaningful ways. This is especially crucial as it becomes easier than ever for customers to change how they bank and who they bank with. Digital innovation, tailored service models, and strategic partnerships will be key, as will preparedness for regulatory changes and a strong technology infrastructure.

That's why now is the time to act—not with reactive or defensive measures but with forward-looking moves that are relevant and create real advantage. Deloitte has identified 10 strategic actions that can position retail banks to take control of their trajectory. The way we see it, the future of retail banking isn't something to brace for—it's something to define.

Contents

1. Personalize for a segment of one

Retail banking doesn't exist in a vacuum. Banking customers are conditioned by their experiences elsewhere—from streaming platforms recommending content, to fashion sites suggesting purchases, to health apps tailoring wellness plans. They expect products and services that are unique to them and offered at just the right time.

Yet when it comes to banking, most customers are underwhelmed by a one-size-fits-all experience. While over 70% of consumers rate tailored offerings as highly important for banks and other financial institutions,[1] only 14% of banks provide contextually relevant experiences,[2] and fewer than one in four consumers feel their bank proactively anticipates their needs.[3]

This lag isn't entirely surprising—traditional retail banking was designed for the masses. But today, people are radically redefining what "value" means in their brand relationships. Demographic and cultural changes in the US population have influenced banking needs. Consumers still need banks to handle basic transactions, but they now expect guidance, insights, and solutions matched to their unique circumstances.

To close this gap, banks should develop a distinctive value proposition that reflects the integrated nature of customers' financial needs. Many banks currently operate in silos with blinders between personal banking, mortgage lending, business banking, and wealth management accounts. Success in the hyper-personalized era demands breaking down those barriers and recognizing each customer as a whole person. Yes, Jane may be known to her bank only as a mortgage holder, but she's also launched a food truck on weekends, recently adopted a puppy, and is married to John—things that her bank would benefit from knowing.

To be more attuned to customers, retail banks need to apply advanced segmentation techniques that tap behavioral data life-stage insights and real-time patterns to illuminate the needs of particular subsegments, micro-segments, and ultimately, segments of one.

The payoff for banks that evolve to deliver hyper-personalized financial offerings is hard to ignore. Those that have done so are seeing 30% higher average deposit balances compared to those playing the old game of sign-up bonuses and promotional rates.[4] While "hot money" tactics attract deposits, they often do little to build lasting relationships. Banks that anticipate real needs and solve real problems with personalized guidance and offers will likely be primed to win in the long run.

As an estimated **$84 trillion in wealth** shifts from boomers to Gen X, millennials, and Gen Z,[5] banks must rethink relevance—tailoring offers to reflect distinct generational pain points, values, and engagement preferences.

Considerations for executives

- What steps are you taking to embed customer centricity into digital transformation and services?
- How can you improve segmentation to support an understanding of customers at the microsegment level?
- What deliberate choices can you make each day to support doing what's right for customers?

CMO COO CXO

2. Reduce channel friction

Today's consumers expect banking to be seamless across every touchpoint—but too often, they encounter a fragmented reality. While 77% of consumers prefer managing their accounts digitally,[6] 46% still visit branches,[7] highlighting a critical truth: digital and in-person experiences aren't competing forces, but complementary channels that must work in harmony.

Consider a common scenario: A customer visits a branch for loan guidance, later checks their application status online—only to find the mobile app offers no updates. When they call customer service, they must repeatedly verify their identity, only to learn the representative can't access their application. These moments of friction expose the artificial boundaries between channels that banks create, often stemming from organizational silos, in which sales, service, and marketing teams operate independently with misaligned incentives. Yet customers don't think in channels —they just want their bank to work.

The path forward demands three key actions. First, banks must realign incentives around customer outcomes rather than channel-specific metrics. Contact centers, for instance, typically prioritize call-handling speed over issue resolution, forcing customers to bounce between channels to get answers. A new, cross-functional metric, by contrast, would focus on single-contact resolution of customer inquiries. Second, as banks modernize their digital platforms, they need to integrate internal and branch platforms so tellers and other bank professionals have the same visibility as digital channels. Finally, banks must guide customers to the most appropriate channel for their needs, whether that's hands-on help or mobile self-service options. New tools make it possible to connect customer data and experiences across channels and then connect customers to appropriate self-service channels for low-complexity needs or route them to knowledgeable service reps at the right moments. Yet recent Deloitte research indicates only 26% of financial services companies have implemented these omnichannel routing solutions[8]. True channel integration means solving customer needs with a single touch, regardless of where it begins. Admittedly, this strategy may initially raise the cost of servicing because it often increases the involvement of human agents. However, banks soon see the value of one-contact resolution emerging because it can lead to stronger cross-sell rates, less customer attrition, and lower acquisition costs for future customers. When a mortgage specialist can instantly access a customer's full history with the bank, or when a mobile alert triggers proactive outreach from a financial advisor, it doesn't just eliminate friction—it forges relationships that are the wellspring of greater lifetime value.

Considerations for executives

- What factors are perpetuating siloed digital, branch, and human-assisted channels? (COO, CXO, CHRO)
- Where and how can your organization remove friction between contact center and self-service experiences to drive consistent service delivery across platforms? (COO, CXO, CHRO)
- In key customer journeys (e.g., mortgage origination), what redundancies or friction points between digital, branch, and human-assisted channels can be reduced? (COO, CXO)
- How could you adjust incentives so that business units across digital, branch, and contact center are working together to deliver the desired customer journey? (COO, CHRO)
- What changes can you make in training, hiring, and culture to support an omnichannel, customer-first approach? (COO, CHRO)

COO CXO CHRO

3. Leverage data to address customer pain points

Retail banks are sitting on a trove of customer data, generated from countless daily interactions across multiple touchpoints. While 66% of consumers are comfortable with their financial institutions using their data to personalize experiences,[9] many banks do not leverage this data to enhance customer value.

The challenge lies not in data abundance or access, but in its application. Too often, banks use customer data to promote products rather than solve customers' real needs. Just ask anyone who's repeatedly filled out the same forms when opening another account—information the bank has tucked away but doesn't effectively tap. Or consider fraud detection systems that mistakenly decline legitimate customer transactions, leading to customer frustration. These friction points underscore the disconnect between how banks organize and utilize data and how customers wish to interact with their institutions.

Fixing this requires a fundamental shift from a product-centric to customer-centric approach. Most banks still silo data by account type, preventing a holistic view of customers. A centralized customer data platform (CDP) is a crucial starting point for creating a unified "golden record" for each customer. While this takes effort—reconciling discrepancies between Greg Jones (who has a personal credit card) and the very same Gregory P. Jones (who holds a mortgage)—the payoff is worth it, enabling smoother customer interactions, from prefilled application forms to more intelligent fraud detection. It also helps banks spot hidden opportunities, like recognizing that Greg Jones also happens to be a small business owner hiding in plain sight within a personal account and then offering him more tailored business solutions.

And that's just the beginning. Beyond internal data, banks can unlock deeper insights by tapping nontraditional data sources from financial aggregators to gain crucial context into customers' lives. A customer suddenly bulk-ordering extra-small diapers might benefit from financial planning for future education expenses. A customer with an expiring car lease may soon need auto financing. These insights, when combined with existing financial data, allow banks to anticipate needs rather than just react.

By shifting from account-based data silos to a comprehensive customer-focused approach, banks can turn their vast data reserves into something valuable—solutions that make life easier, not just sales pitches. This opportunity isn't just about upgrading data platforms and tools—it's about reimagining how you serve customers who have entrusted your institution with their most personal financial information.

Considerations for executives

- Where could automation, AI, or better infrastructure best address inefficiencies in product, customer support, or onboarding processes?
- How are you using data and analytics to predict churn and proactively solve issues before they escalate?
- What steps are you taking to evaluate and introduce new technologies, such as biometric authentication for faster, more secure access, AI to authenticate high-risk transactions, and machine learning to detect potential fraud in real time?
- How can you best apply data-driven automation to reduce manual friction in onboarding customers?

CXO CTO CDO

4. Progressively modernize your core

Retail banks are facing a core conundrum—literally and figuratively. Their legacy core platforms, once considered the backbone of reliability, are now roadblocks to innovation. These decades-old systems tend to make it difficult, if not impossible, to introduce innovative new products and features and deliver the experiences customers expect.

At the same time, replacing these platforms is no easy feat. A full-scale transformation comes with potential risks, from operational disruption to prohibitive costs to concerns over the security and resiliency of cloud-based platforms. The sheer complexity of a multiyear overhaul can feel overwhelming.

Yet, standing still isn't viable either. New digital-first entrants are proving that banking can be frictionless, customer-centric, and highly innovative. With cloud-native core banking solutions, these challengers are redefining what's possible—offering intuitive capabilities, novel product arrays, real-time insights, and more. Deloitte's *Digital Banking Maturity 2024* global research found that digital champions are prioritizing features that enhance customer engagement, such as simplified account openings, AI-driven financial management tools, and adjacent services like insurance, real estate, and healthcare solutions.[10] Without modern core technology, traditional retail banks will likely struggle to keep up.

However, banks don't have to tackle this transformation in one giant leap. There are pragmatic, progressive approaches that modernize while mitigating risk. One approach is a hollowing out strategy—gradually replacing outdated functionalities with modern alternatives until, eventually, the entire core system has been updated. Another approach is the sidecar model, where a separate digital banking ecosystem is built alongside the existing core. New customers onboard into this modern system, while legacy customers are gradually migrated over. Once the transition is complete, the old platform is retired.

Each bank must determine the path forward based on its unique legacy infrastructure, competitive pressures, and long-term strategy. But one thing is clear: clinging to outdated technology will likely put banks at a competitive disadvantage. The future of retail banking lies in unlocking product innovation, enhancing customer interactions, improving fraud prevention, and more. While a full transformation may take time, incremental steps can deliver early wins, helping secure executive buy-in and paving the way for resilience in the market.

Considerations for executives

- What obstacles stand in the way of modernizing your core banking platform in order to better compete and have greater agility in the market?
- Which progressive approach toward modernization is best suited to your organization?
- What steps would be necessary for your organization to migrate from a Capex-intensive legacy model to an OpEx model?
- How would transitioning from legacy systems to a modern core enable you to design operations and processes with greater flexibility?

COO CTO CISO CFO

5. Stay ahead of regulatory expectations with confidence

The change in presidential administration in Washington, D.C., marks a new chapter in the evolving regulatory landscape. While many emerging banking rules were already under revision and debate, the arrival of new leadership brings a shift in perspectives and policy priorities, adding a layer of complexity to an already dynamic environment.

This leaves retail banks in a tentative position—questioning change while simultaneously bracing for its impact. Some may be tempted to take a wait-and-see approach, but that could be a mistake that only compresses the timeline in which banks must comply. The last decade's trajectory suggests that consumer protection, financial data sharing, and product innovation will continue to be a core regulatory focus, with inevitable change anticipated. As the regulatory expectations shift and the specifics of new or revised regulations unfold, forward-thinking banks aren't waiting for perfect clarity—they're forging ahead with confident actions that will help position them as industry leaders and consumer advocates.

This proactive stance isn't just about future compliance—it has proven to be good business. Among consumers, banks currently enjoy higher trust levels than government institutions,[11] an advantage they must protect by becoming their customers' go-to source for products, services, and reliable financial information that truly benefit customers and enhance their financial well-being. The alternative for retail banks? Watching their role as a trusted financial partner slip away to other business entities.

To remain relevant, retail banks must lead through their innovation of trustworthy, easy-to-use products and services that improve customers' lives. Banks must initiate consumer-friendly dialogue—not simply respond to regulatory concerns—about topics such as fee transparency, personal financial data rights, and consumer choice.

By taking the lead, banks can shape the conversation instead of playing catch-up to regulatory expectations. Strengthening consumer protection processes and controls—on issues like overdraft fees and fair lending—builds trust where it matters most. Banks can leverage complaint data to pinpoint and fix friction points, enhancing the customer experience. Seamless digital and physical integration is key too, providing hassle-free access to onboarding, product education, and other services. AI-powered analytics can take this even further, boosting efficiency and personalization. Paired with other opportunities highlighted in this report—such as unifying customer data, modernizing technologies, tightening fraud defenses, and streamlining operations—this proactive approach turns compliance into a competitive edge.

While the details of emerging regulations are in flux, the path forward will demand continuous adaptation, enhanced transparency, and a focus on delivering tangible value to consumers. Retail banks that take no-regrets actions now can navigate uncertainty while reinforcing their role as trusted customer advocates.

Considerations for executives

- How have you adapted your regulatory scenario planning and stress testing to enable preparedness for various potential regulatory developments?
- What steps are you taking to use AI-powered analytics to automate regulatory reporting and drive accuracy and to build a centralized, compliant data architecture?
- How can implementing zero-trust security, enhancing cyber resilience, and improving threat detection and response help your organization comply with potential regulations?

COO CTO CDO CISO CRO

6. Stand guard together

The cat-and-mouse game between retail banks and fraudsters has reached new levels of intensity and cost—with recent years marking an escalation. As fraudsters mastered generative AI for nefarious purposes, identity fraud and payment fraud surged in 2024. Deloitte's Center for Financial Services predicts that GenAI could enable fraud losses to reach US$40 billion in the United States by 2027, from US$12.3 billion in 2023.[12] The financial toll is mounting: a recent study showed that financial institutions spent more than four dollars on fraud remediation (e.g., legal fees, recovery processes) for every dollar of fraud-related activity in 2023, an increase from 2022.[23]

Critically, these attacks aren't random—fraudsters deliberately target institutions with immature capabilities, repeatedly exploiting known vulnerabilities. Nor are they invisible to customers—and banks often falter in finding balance between risk mitigation and customer experience. To thwart intruders, many institutions resort to adding customer friction—layering on authentication hurdles that, while effective at reducing fraud, frustrate legitimate customers.

It's time for banks to take a proactive and comprehensive approach. First, banks need to establish an overarching defense strategy rather than fragmented approaches across different product lines or engagement channels. Too often, it is unclear within a bank's organization who "owns" fraud—and as a result, no one does. Greater organizational alignment affords an opportunity to bring the brightest minds to bear on, arguably, most banks' biggest problem.

Second, fraud threatens every stage of the customer lifecycle —from account opening to payment transactions to merchant disputes and more. That's why banks need different angles of defense, each tailored to specific vulnerabilities yet integrated into a cohesive approach. This will require identifying and prioritizing high-risk, high-value touchpoints in the customer journey and comparing these against potential weakness for exploitation to understand the appropriate safeguards to deploy. For example, deployment of new digital identify verification technologies can drive immediate impact, consolidating historically disparate tools across channels into unified protection.

Finally, a strong data and technology foundation is paramount. By combining internal data, including sentiment analysis, with third-party intelligence including darkweb monitoring, banks can develop risk signal indicators and predict emerging patterns. A robust foundation will support decisioning models powered by AI and machine learning analytics, giving banks an edge against evolving threats.

Standing guard against fraud takes constant vigilance and evolution. But banks that get this right can transform fraud prevention from a top complaint category into a differentiating strength, protecting customers while delivering the smooth experiences life demands.

Considerations for executives

- How can you best support and justify investment in areas like AI for fraud detection and digital identification authentication?
- What strategies are you implementing to improve user experience while minimizing fraud risk?
- How are you addressing the threats posed by digital identity fraud, including phishing, deepfakes, and synthetic IDs?
- What are your key priorities for implementing advanced biometric authentication methods such as facial recognition and fingerprint scanning?

COO CXO CTO CDO
CISO CFO CRO

7. Partner for speed and access

The lines between banks, fintechs and big tech have blurred, dismantling the old dichotomy between partners and competitors. As customers demand faster, more connected experiences, banks are turning to third parties to accelerate innovation and market expansion. Instead of building new capabilities from scratch—a cost- and time-intensive endeavor—banks are leveraging partnerships to move at startup speed. One major bank, for instance, launched a cross-border currency app in just three months by collaborating with a fintech.[14]

Speed is just the part of the motivation. While some partnerships solve immediate pain points, others aim to foster co-innovation in product development, customer engagement, and growth strategies. Strategic partnerships also allow banks to become a hub for everyday needs by extending into adjacent areas like travel, healthcare, or insurance.

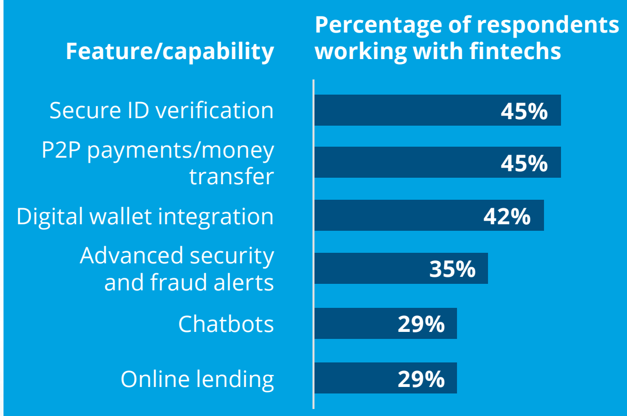
The key to any partnership or joint venture is choosing the right ones rather than chasing every opportunity. To go beyond the honeymoon phase of a partnership, banks must become more vigilant and focused on their core business objectives. This disciplined approach can help:

- **Start with strategic clarity**. Every partnership should have a well-defined purpose, directly tied to the bank's broader strategic vision. Whether the goal is to strengthen omnichannel capabilities, enter new regional markets, or harness advanced data analytics, alignment is critical. Without a shared vision, partnerships often become fragmented and ineffective.
- **Design for smooth execution**. A successful partnership requires an integrated operating model, where roles, responsibilities, and reporting are established upfront. Banks and their partners must integrate teams, align workflows, and create mechanisms for communication to maintain momentum.

- **Structure for mutual success**. Partnerships thrive when both sides have skin in the game. Structuring deals with win-win incentives—rather than zero-sum arrangements—help ensure that each party remains committed. This can include performance-based rewards, co-investment models, or shared data insights that fuel joint innovation.
- **Balance risk management with dynamism from day one**. Compliance, security, and operational risks can't be afterthoughts—but risk management burdens shouldn't suffocate the partnership. A balanced governance framework that includes ongoing monitoring and risk assessment helps prevent regulatory snags while preserving the intended flexibility in the partnership.
- **Know when to exit**. It's okay for a partnership to come to its natural end. Banks should proactively evaluate when to sunset a partnership that has achieved its goals. Partnerships without an evolution or exit strategy can become liabilities rather than assets.

The question for banks isn't whether to partner—it's how to do it right. Those that take a disciplined, strategic approach—aligning objectives, incentives, and operational frameworks—can gain the agility to access new markets and capabilities faster, more efficiently, and with greater long-term impact.

Key capabilities driving bank + fintech partnerships



SOURCE: Arizent, State of Digital Banking, infographic, accessed March 2025.

Considerations for executives

- Have you identified key areas in which partnerships could accelerate digital transformation and enhance competitive differentiation for your organization?
- How are you leveraging JVs and/or partnerships to unlock new markets and revenue streams?
- In what ways could partnerships facilitate more scalable and agile technology innovation and integration for your organization?
- How are you leveraging partnerships in areas such as mobile apps, API integration, AI capabilities, open banking adoption, fraud prevention, credit scoring, and personalization?
- How could partnerships support marketing goals specific to hyperpersonalization, loyalty programs, content automation and/or predictive analytics?

CMO COO CTO

8. Win the small business customer

Small business should be bigger business for retail banks. With 99% of US businesses classified as small and micro-businesses (including sole proprietorships) continuing to grow,[15] many banks have a significant opportunity. The potential at the intersection of retail banking and small business banking is substantial, with a market value of more than $33 million.[16]

These customers are often hiding in plain sight with a personal checking account, a business account, and possibly a mortgage or wealth management account. Because most banks "see" these as separate accounts, they don't recognize, reward, or invest in growing the relationship. In fact, the customer's experience is often riddled with friction because they're getting outreach from different areas of the bank and interacting through different interfaces.

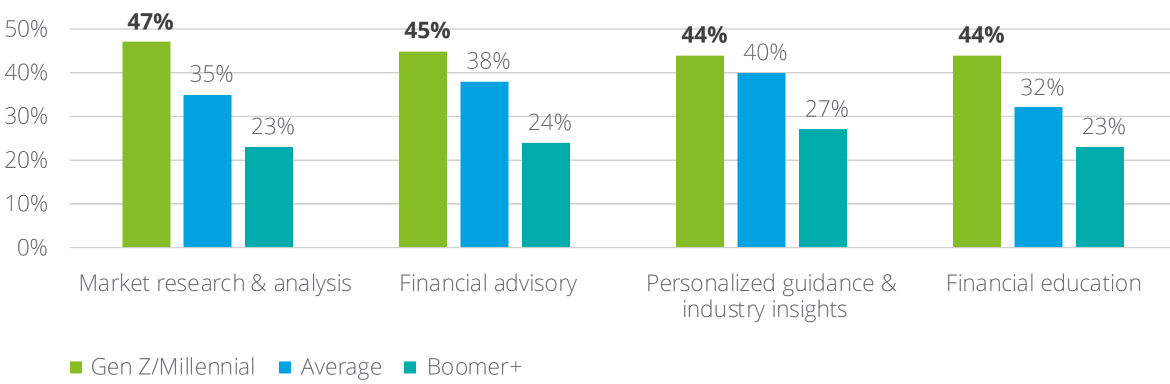
That's why the opportunity is ripe for forward-thinking retail banks to develop a compelling value proposition that gives small business owners tangible benefits for having multiple accounts—such as preferential pricing or bundled rewards.

Not only does this do right by the customer, it allows banks to readily leverage the digital investments they're already making on the retail side. Investments in new digital product origination journeys for retail customers, for example, can be extended to small business customers, as can digital maturity investments in cybersecurity, compliance, and more.

Gen Zers and millennials seek advice

Today's business owners break the traditional mold—they're younger, they live in the digital world[17] and they hunger for meaningful, tailored financial guidance.

"Very interested" or "would switch for" advise services



Source: Deloitte US, "Small Business Banking: Time for a Refresh," Research findings, September 2024.

To win these customers, banks need to go beyond meeting transactional needs by delivering data-driven financial insights. For instance, proactive banks can identify potential cash flow issues for a small business customer before problems arise, by drawing on historical patterns in a customer's payroll and invoice data. They can give small business owners targeted, industry-specific insights by analyzing data across similar businesses in the region or across the country. A restaurant owner, for instance, would benefit from aggregated insights about staff scheduling, table turnover rates, and seasonal patterns.

Small business lending represents another void in the market. Recent Deloitte research found that small business owners were nearly 1.8x as likely to tap personal loans versus business loans for funding, while micro-business owners were even more likely to rely on personal loans.[18]

Time is precious for most small business owners—and banks can save these customers' time by directly connecting them with vetted third-party providers for tax, payroll, human resources, and legal services. By weaving these solutions into a broader offering, banks cement themselves as intrinsic partners to the small business community.

The intersection of retail and small business banking isn't just another market opportunity—it's where a few banks that act now will define their next decade of growth. Those that move decisively stand to own lasting relationships with a new generation of small business owners.

Considerations for executives

- How are you identifying opportunities for recurring revenue with small business customers (e.g., subscription-based banking, embedded finance, digital lending models)?
- How are you protecting small business customers from ransomware and phishing attacks?
- What are your strategies for scaling digital lending and improving credit approval processes for small business customers?

COO CXO CTO CISO
CFO CRO

9. Evolve operations to fund growth

Managing the cost of acquiring and serving customers is a constant balancing act for retail banks. Technology investments—especially front-end digital enhancements—require clear justification, not just in terms of improving customer experience but also in driving overall efficiency ratio improvements. One of the most powerful ways to achieve this is by tapping into an opportunity within middle- and back-office functions. By modernizing these processes, banks can unlock efficiencies that effectively self-fund customer experience improvements, reducing expenses without compromising quality or growth.

The key is transparency—banks need a clear view of what it truly costs to acquire and serve different customer segments. With these insights, they can develop targeted strategies to streamline operations, optimize servicing models, and reduce unnecessary friction. In many cases, shifting toward digital-first interactions, moving away from paper-based processes, and expanding self-service options in mobile and web channels are powerful levers to achieve this.

Many banks still rely on manual, paper-heavy workflows, particularly in lending. Mortgage and auto loans, for example, are often bogged down by redundant documentation and verification steps. Customers submit the same information multiple times, leading to inefficiencies and frustration. Digitizing loan documentation can streamline onboarding, cut manual errors, and improve the overall experience.

Customer dispute resolution and back-office case management are other areas ripe for transformation. Smart-routing inquiries, virtual chat support, and real-time tracking can accelerate resolution times and boost customer satisfaction. Similar automation can enhance the detection of small-dollar transaction fraud, where AI-driven analysis can pinpoint small problems before they become big ones.

These moves toward long-term resilience and growth go hand in glove with other opportunities highlighted in this report. Better data utilization, progressive modernization of core platforms, and synthesized channels will all help ensure that efficiency gains fuel innovation rather than just reducing expenses. By rethinking today's operational processes, banks can fund their own future.

Considerations for executives

- What investments are your organization already making in AI, automation, and cloud solutions that could support self-funded growth?
- What steps are you taking to reduce legacy complexity and technical debt?
- How are you investing in modular, API-driven architecture, and cloud-native solutions?

COO CTO CFO

10. Cultivate talent beyond the banking bubble

The shift in retail banking toward digital and hybrid models demands new skills, new career paths, and new ways to measure performance. As banks rethink their operating models, they must also rethink who they hire, how they develop talent, and what they reward.

Historically, banking skills revolved around relationship management, product knowledge, and credit risk management. While these remain valuable, today's landscape requires additional expertise in digital engagement, AI, cyber risk, and trends in adjacent sectors. The rise of personalized financial services and digital interactions means banks need professionals who understand not just banking products, but also customer behavior, engineering, and advanced technology. Some banks may also need to bring in specialists in partnership development and/or small business ecosystems —areas increasingly central to expanding financial offerings.

This shift also requires new career development models. The traditional career path—starting in a branch and moving up through geographic leadership roles—is no longer the only path to leadership. A modernized model affords unique entry points for distinct types of talent. For example, customer engagement specialists may begin and progress through a variety of hybrid roles across contact centers, digital advisory, and relationship management, gaining exposure to both in-person and digital servicing.

As competition intensifies—both from disruptors and within the industry—banks must also rethink how they measure and reward success. Performance incentives should no longer be tied purely to branch sales or product penetration but must also reflect customer engagement, digital adoption, and long-term financial wellness. Compensation structures, including benefits and perks, must evolve as well in order to draw and retain qualified professionals from competitive industries like technology or consumer/retail. Retail banking is changing, and the way banks attract, develop, and reward talent must change with it. Those that adapt will create a workforce that's always prepared for what's next.

Considerations for executives

- How will you integrate brand strategists from disruptive industries to invigorate and enhance the abilities and talent of your team?
- What strategies are you using to recruit growth marketers, customer experience specialists, UX designers, and digital product managers from the consumer tech sector?
- How can using data and behavioral science benefit your organization's overall recruitment efforts beyond the banking bubble?
- How can you define a compelling career path within your bank for data- and AI-savvy risk analysts, behavioral data scientists, and fraud experts coming from other industries?

CMO CHRO CTO
CDO CRO

Make moves today for high impact tomorrow

Retail banks that take decisive action today are better positioned to survive the changes ahead and set the standard for what's next. The ten strategic actions outlined in this report are practical, high-impact moves that will help differentiate leaders from laggards. From reimagining customer engagement and operational efficiency to harnessing technology, strengthening partnerships, and navigating regulatory shifts, each is a building block toward long-term resilience and growth.

However, success in this evolving landscape won't come from isolated efforts or incremental tweaks. It calls for a bold, multidisciplinary approach—one that aligns digital innovation with human-centered service, cost optimization with reinvestment in future capabilities, and compliance with competitive agility. The banks that move with clarity and confidence, adapting with intention rather than obligation, will likely emerge as the institutions customers trust, prefer, and advocate for.

The future of retail banking is being shaped in real time. By acting now, banks have the opportunity to redefine the industry on their terms, getting ahead—and staying ahead of competitors.

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