



## **New IDC Study Reveals How Banks Can Improve Engagement with Their Retail Customers Through Digital Channels**

A new [IDC Financial Insights](#) Perspective analyses the results of an online survey of U.K. consumers of retail banking services, high-street bank customers, and a smaller sample of building society customers and midtier players. The survey allows IDC to drill down into the attitudes towards the various aspects of the retail banking customer proposition and the different delivery channels.

There is the prospect of a revolution in customer service in the U.K. retail banking industry, due to a number of factors including:

- **Regulatory tailwinds.** Regulators are compelling banks to build open application programming interfaces (APIs) to participate in digital customer portals by 2018.

- **Reduced barriers to entry for new players.** Regulators have also been streamlining the licensing process for new players, while 3rd Platform technologies (cloud computing, mobile, and Big Data and analytics) can underpin cost-effective digital business models for new entrants.

- **The impact on customer service from other industries.** Digital startups are following in the footsteps of Google and Amazon of delivering an experience that would have been impossible a short time ago, and the onus is on the banking industry to follow.

With these impacts coming from the supply side of the industry, IDC has surveyed the state of consumer behaviour and attitudes. It remains the case that the number of people who actually switch their banking providers is relatively small, so examining the wants, needs and behaviour of customers is an important part of understanding the reason for this.

Figure 1



The most popular function people want to see added to their mobile apps is the ability to block their credit or debit cards, Freeborn said: &quot;This suggests that the consumer perception of the mobile channel as insecure can be reversed if banks can position their app as a security tool with which they can control and protect their banking activities.&quot;

For more information on the study, *U.K. Consumer Banking Survey: Digital Interaction is the Key to Growth* (IDC #EMEA41395516, November 2016), please visit [idc.com](http://idc.com) or contact your local IDC sales office.

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