

Consumer Attitudes towards Financial Services Innovation - UK - February 2017

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“Open APIs have the potential to transform the financial services sector, with providers given greater opportunity to win new customers using personalised products and messaging. Customisation and security are the main two areas for banks to address. Consumers will demand control over their data and additional security measures in order to convince them to opt in.”

– Paul Davies, Senior Financial Services Analyst

This report looks at the following areas:

- Opening the financial floodgates
- Education and empowerment can overcome scepticism
- Forming new communication channels

Open banking has the potential to change the dynamics of retail banking in the UK. The opening up of banks’ APIs (Application Programming Interfaces) should help to spark further innovation in the financial services sector, as the UK’s leading banks aim to protect their vast customer bases, whilst digital-only challengers look to make the most of new opportunities to engage with a wider audience.

Brands are most likely to focus their attention on the development of online and mobile channels, however, consumers are just as likely to say that banks should focus on in-branch or face-to-face innovation over digital advancements.

Whilst digital dominates when it comes to the day-to-day management of financial services, those making big financial decisions still prefer the reassurance of speaking to somebody in person.

As a result high street providers would be wise to consider slimming down branches instead of continuing the recent flurry of closures, whilst FinTech start-ups need to find ways of delivering services that provide access to in-person advice and guidance.

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UK still far from a cashless society

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