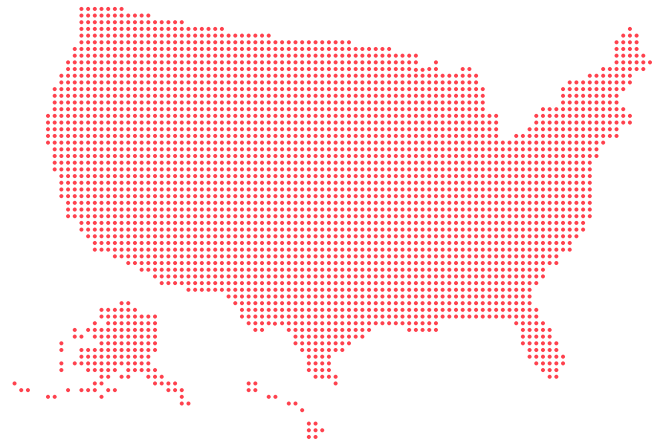


Where are US banks on their digital transformation journey?



The inside story from 245 senior
US banking leaders

To better understand the state of digital transformation in US banking, we surveyed 240 senior American banking leaders for their insights. We asked them how their transformations are going, what their main challenges are and how they're prioritizing their transformation strategies. **Here's a snapshot of what we found.**

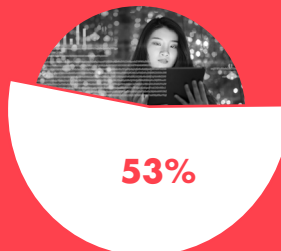
KEY STATS AT A GLANCE



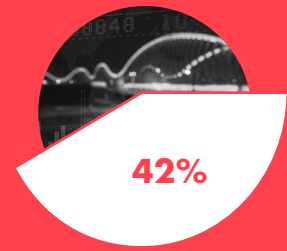
Have a fully agile
operating model.



Are increasingly
structured around
products.

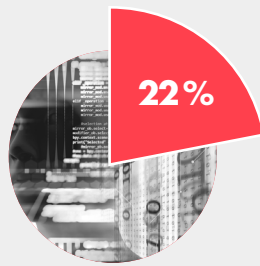


Think their banks need
to do more to appeal to
digital native customers.



Think their organization's
transformation is slow
compared to their
competitors.

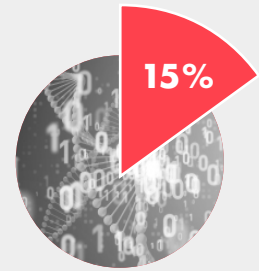
The top priorities for digital business transformation in US banks are:



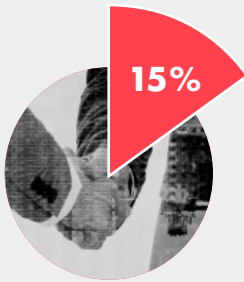
Improving the customer experience



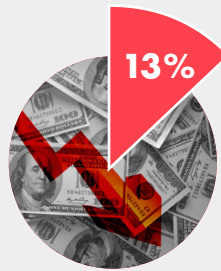
Reducing costs through improved efficiency



Growing revenue from existing products



New customer acquisition



Challenging the threat posed by new market entrants (e.g. Google, Apple, Amazon)



Growing revenue with new products and/or service offerings



Enabling greater agility

The three main barriers to digital transformation are:

COVID-19

33% ●●●●●●●●●●●●●●●●

claimed the pandemic has been their biggest barrier for transformation, with 49% highlighting how it also revealed weaknesses in their organization's customer experience.

THE FAILURE OF PAST DIGITAL INVESTMENTS

31% ●●●●●●●●●●●●●●●●

said their biggest transformation barrier is the failure of past digital investments, though 52% admitted the need for change, citing increased customer demand.

OPERATIONAL AGILITY

30% ●●●●●●●●●●●●●●●●

ranked operational agility as their no. 1 barrier. Although only 26% are making developing agile capabilities a priority.

US banks are focusing on customer-centricity

Banks are using a broad range of measures to better understand their customers and use customer data to fuel decision making.



31%

are putting community engagement at the center of their customer experience transformation.



31%

said that developing new products and services is their key strategy for improving customer experience.



30%

ranked operational agility as their no.1 barrier. Although only 26% are making developing agile capabilities a priority.

Tech over talent

Nearly half of US bank leaders say their organization is more likely to prioritize investment in technology over talent development.



KEY OPERATION

33%



said moving to the cloud is their key operational transformation priority.



MODERN CLOUD

33%



said, unsurprisingly, that investment in modern cloud-based core banking systems is their main objective.



DEVELOPMENT AND INTELLIGENCE

31%



are focusing on new talent development and intelligent technologies, with 28% of banks citing a lack of workforce skills or willingness to embrace change as their biggest transformation barrier.

How do US banks think they stack up?



50%

think they're behind their peers in all aspects of digital transformation.



33%

think they're ahead of the competition in optimizing the customer experience.

ESG is driving investment

Environmental, Social and Governance (ESG) is a key priority for US banks, but accessing the necessary data remains a challenge.



DIGITAL TRANSFORMATION

55%



said that ESG is driving their digital transformation plans.



STRATEGY

51%



think their ESG strategy is giving them a competitive advantage.



PERFORMANCE

44%



don't have the data, capabilities or processes to properly assess their ESG performance.

US trails the rest of the world on diversity

Just 22% of US bank leaders said their organization had made DE&I commitments, lower than every other country.



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