

# Digital trends shaping financial services

By [Nick Durrant](#), issued by [Bluegrass Digital](#)

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Modern tech-savvy consumers are opting for financial service providers that can help them better understand their financial position and manage it accordingly across any platform, any time. There is a new breed of agile, tech-driven start-ups that are fast changing the fintech landscape.



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Consumers expect a digital-first customer experience and businesses will have to adapt to and thrive in this changing environment. Tech is transforming the market and meeting the growing digital demand. Waiting to innovate is no longer an option for traditional banks and other financial institutions, they need to act quickly to remain competitive.

According to an Accenture [Banking Top 10 Trends for 2022](#) report, banks are shifting their focus of their digital innovation from enhancement to invention. “The signs of this are all around us, as banks abandon yesterday’s mindsets to reimagine banking from a blank slate.”

Here are some of the tech trends from the report:

- Everyone wants to be a super-app: Super-apps are dominating more aspects of the digital world and human interaction. Banks face a high-stakes choice to compete or collaborate.
- Innovation makes a comeback: To keep up with fintechs and other competitors, banks are rediscovering their creative mojo and asking a simple, powerful question: “Why not?”
- The digital brain gets a caring heart.
- Banks are looking for ways to have meaningful conversations with customers in digital spaces. Technology like AI can help make the human connection.
- Smart operations put zero in their sights: Artificial intelligence and machine learning in banking now surpass humans in some tasks. Applying this tech will bring zero waste operations within reach.
- Payments: anywhere, anytime and now anyhow: The next payments revolution will stem from open networks, which empower banks to reimagine their payments offerings for newly-demanding customers.

## Mobile apps

Everyone needs to become more digitally connected. There is a growing number of consumers that only transact using mobile payment services on their phones. So, it should be a priority for banks and other financial services to target the mobile market, especially considering that there are more than six billion mobile phones in the world today.

This is why there are so many innovative fintech companies that encourage consumers to download and install their apps. The benefits are countless, financial institutions can now offer improved customer experience by providing tailor-made products and services and access to a wealth of data.

Most banks already deliver a great experience simply by giving customers access to banking services from anywhere. The question is, how are these financial service providers going to differentiate themselves and how are they going to leverage these tech trends to further improve the customer experience.

## Payment gateways

Vantage Market Research says the total global mobile payments market is estimated to reach \$6.3 billion by the year 2028

compared to \$1.7 billion in 2021.

Payment is a critical part of a customer's digital commerce experience. Fintech firms are already offering SMEs multiple payment options, it provides both buyers and suppliers with more control over their cashflow.

Innovative payment options can substantially impact a business's bottom line. New types of payments such as BNPL PayJustNow have come into the market and offering merchants access to new customers and ways of purchasing goods.

### **Low-code/no-code solutions (LCNC)**

The Great Resignation and skills shortages are the main driving force behind this trend. Whilst organisations need to launch apps and products faster than ever before, there is a growing skills shortage. Tech skills have always lagged the demand and continue to fall even further behind. According to Stackoverflow, 75% of [software developers](#) are currently looking for other jobs.

LCNC platforms offer the promise of solving business problems and expediting digital transformation initiatives. According to a recent survey from [TechRepublic](#), 47% of companies are already using LCNC and 20% of those not using it, plan to do so in the coming year.

A good example, Bluegrass Digital built a direct import [Webflow](#) utility for Optimizely to enable Coronation Fund Managers' marketing team to import their designs and landing pages directly into Optimizely without having to wait for technical resources, implementation and deployments.

Bluegrass also develops websites for customers using Webflow to convert designs into HTML/CSS pages and content management, speeding up the project process. The customers can then opt to further enhanced the site with more advanced coding, for example to add more custom animation or functionality not supported by Webflow.

### **Artificial intelligence (AI)**

Financial services has been an early adopter of AI, especially considering that many of its processes can be automated. Traditional banks and insurance companies are now competing with fintech start-ups, large retailers and even the likes of Apple, Amazon and Google. These new players are all capturing a piece of the market, offering services that traditionally belonged to the financial sector.

Traditional banks and insurance companies have already proven their ability to incorporate tech into backend operations by creating robotic process automation (RPA) to streamline repetitive tasks. They will now have to adopt AI and data-driven technologies if they want to stay in the game.

The challenge is to use this tech to target individual consumers and to create bespoke packages of services.

### **Data analytics**

Financial services has used advanced data analytics to provide consumers with more personalised products. It is used to measure and analyse user behaviour across mobile platforms.

Analytics platforms measured activity and behaviour on a website, for example: how many users visit, how long they stay, how many pages they visit, which pages they visit, and whether they arrive by following a link or not.

More importantly, businesses use web analytics platforms to measure and benchmark site performance and to look at key performance indicators that drive their business, such as purchase conversion rate. Website analytics provide insights and data that can be used to create a better user experience for website visitors.

With data analytics, one can also accurately track the effectiveness of your online marketing campaigns to help inform future efforts. Creating digital experiences that transform your company takes data-driven decisions, continued experimentation and constant invention.

## ABOUT THE AUTHOR

Nick Durrant is CEO at Bluegrass Digital.

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