Information for journalists and media representatives
“Banks & Future”

The “Banks & Future” innovation forum focuses on innovations in the banking sector relating to new business models, digitalization, customer focus, and issues concerning distributed value creation. The aim is to offer banks practical assistance in developing innovations as well as appropriate support in implementing them. In this connection, the “Banks & Future” trend survey is published annually with forecasts of the potential challenges and difficulties that the banking sector might face in the coming years.

In the innovation forum, researchers from Fraunhofer IAO work together with partners from the financial sector on how banks should be structured to meet the demands of the future. The purpose of their work is to research and implement future-oriented strategies and practical solutions for the “bank of the next generation”.

To this end, well-known banks and financial service providers pool their expertise under the scientific leadership of Fraunhofer IAO in order to help themselves stay ahead of the competition by using innovative organizational approaches. In this process, they consider different groups of bank customers (retail, individual, private and business) as well as various areas of banks’ structure (strategy, sales, organization, and IT). Taking an integrated approach, researchers incorporate organizational, technological and economic aspects (from the perspective of both suppliers and customers) into their cooperative research process. The innovation forum is directed towards all German and international banks. A showcase facility with test environments and technological innovations is located at Fraunhofer IAO, and this allows researchers to take bank innovations that they have conceived in theory and put them to the test in practice. It’s a place where new solutions can be designed and tested.

Further information:

The current “Banks & Future 2016” trend survey is available here:
To order the trend study: http://s.fhg.de/buz2016

Our contact for “Banks & Future”:

Claus-Peter Praeg
“Banks & Future” Project Manager
Business Performance Management
Fraunhofer IAO
Nobelstrasse 12, 70569 Stuttgart
Phone +49 711 970-2125
claus-peter.praeg@iao.fraunhofer.de
Photo material

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Banks & Future (1)
Digital customer identities:
As an extension to the traditional customer file, customers can use digital identities to manage their data themselves. Every time users carry out an action, digital IDs are enriched with further information. Customers decide who can access what data – and when. As part of the showcase at Fraunhofer IAO, digital IDs act as central control and design units so as to bring examples of customer-centered banking to life.

Photo: Ludmilla Parsyak © Fraunhofer IAO

Banks & Future (2)
Smart Banking:
In the future, people will mainly use mobile or smart devices to access and manage banking services. Users will be able to activate these services in a context-related way and use them to meet the needs at hand. Consequently, banking will become something that customers do more and more in their daily lives rather than only by going to the bank or using online banking.

Photo: Ludmilla Parsyak © Fraunhofer IAO

Banks & Future (3)
Banks come to the customer:
Banks come to their customers with personalized propositions. They use a range of approaches and communication channels to do this. Customers themselves decide when and how they would like to have personal contact with the bank – whether by video conference at home or via mobile conference while traveling.

Photo: Bernd Müller © Fraunhofer IAO
Banks & Future (4)
Personalized and always accessible:
Smart window solutions provide appropriate information that meets customers’ needs. Personalized and context-relevant information is made available to customers by using data from the digital ID, irrespective of bank opening times or the time of day. This means banks can serve their customers anytime, anywhere.

Photo: Bernd Müller © Fraunhofer IAO

Banks & Future (5)
Individuality and adaptation:
Digital identities provide the foundation for a personalized experience of banking in the future. They enable customized offers to be prepared for customers – and, once customers have been identified, it is possible to adapt corresponding physical environments as part of a multisensory approach. This delivers not just a personal and integrated banking service but also a new and personalized customer experience.

Photo: Ludmilla Parsyak © Fraunhofer IAO

Banks & Future (6)
Self-service and personal:
New solutions are being developed and tested for the banking self-service sector. For example, simplicity and speed are combined in one use case that allows customers to update their address details directly at a terminal by using the new identity card. Such value-added solutions also offer banks opportunities to use existing infrastructure in new or different ways.

Photo: Ludmilla Parsyak © Fraunhofer IAO

Banks & Future (7)
Secure and always available:
New identification and authorization methods allow cash machines or self-service terminals to be used without a card.

Photo: Ludmilla Parsyak © Fraunhofer IAO
Banks & Future (8)
The branch of the future:
The branch of the future will be a place to which customers go only for consultations. These will be carried out using modern and interactive solutions for both hardware (tables, rooms, etc.) and software (e.g. multi-touch solutions). Top-quality consultations will take place, with customers playing an active part.

Banks & Future (9)
Bringing together the skills and expertise of the whole bank in one place:
Customers have not been satisfied with the expertise of just one consultant for a long time now. Instead they want to bring in one or more experts, depending on the issue. How to integrate these different skills seamlessly into the consultation process with customers is the subject of research in the “Banks & Future” innovation network. Here it doesn’t matter whether the consultation takes place physically in the branch or virtually in dispersed locations.

Banks & Future (10)
Consultation and Emotionalization:
The consultation of the future should appeal to as many of the customers’ senses as possible. Instead of presenting just abstract facts and information, the consultation will be emotionally appealing. A part of this is that the bank of the future will no longer restrict itself to standard banking products, but will instead offer customers integrated packages of solutions that match their needs. These packages will consist of individual modules, which customers and their consultant will configure together during the course of the consultation.
Banks & Future (11)
**Documentation recording consultations:**
Various regulatory requirements make it very complex for banks to give and keep records of consultations. As part of the work conducted in the “Banks & Future” innovation forum, new options for providing a record of consultations are being tried and tested. Examples include voice recording, digital signatures, and the use of blockchain technology in the future – these should all open up user-friendly options to ensure the production of an audit-proof record of consultations.

Photo: Ludmilla Parsyak © Fraunhofer IAO

Banks & Future (12)
**Added value to deliver more for customers and banks:**
Customers are not calling for banking products, but rather for bespoke solutions to their concerns and problems. Standard banking products that address only the financial dimension are usually insufficient to meet these demands. If banks are to be able to offer customers a comprehensive service that meets their needs in the future, they must change the services they offer. That is why one of the key issues for discussion and research in the “Banks & Future” innovation forum is how to develop new business models and innovative value-added services – along with the formation of the necessary value creation networks.

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