

Digital benchmarking of Swiss and Liechtenstein private banking players

Digital channels are continuously gaining in importance in private banking, driven by domestic and international competition as well as new digital-first market entrants. To give an overview of the current state of client interface digitalization in the Swiss and Liechtenstein private banking market, *e.foresight* (a banking trends scout owned by Swisscom) has launched a recurring study in collaboration with the *Haute école de gestion Genève* (HEG) and the *Institut Supérieur de Formation Bancaire* (ISFB) in 2023. The *e.foresight* digital private banking benchmarking study provides an analysis of the current and future functionalities covered by client interfaces of private banking players operating in Switzerland and Liechtenstein (incl. in the sustainability area). Via a systematic questionnaire completed by participating banks, relevant functionalities in e-banking, mobile-banking and advisor device applications (i.e. applications used by advisors for physical client meetings) are analysed. The survey covers pureplay wealth managers and private banks as well as universal banks active in the private banking segment.

Authors



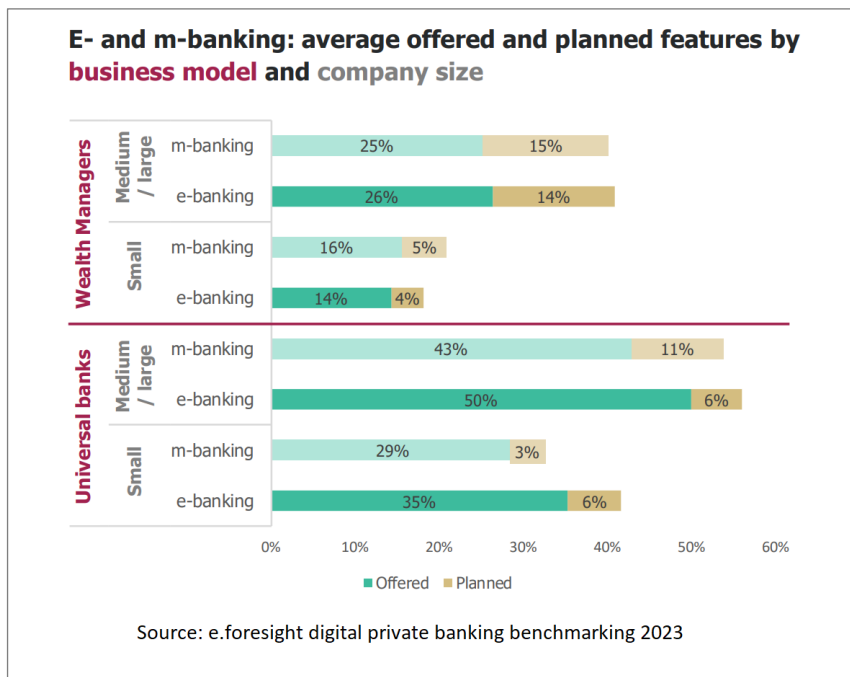
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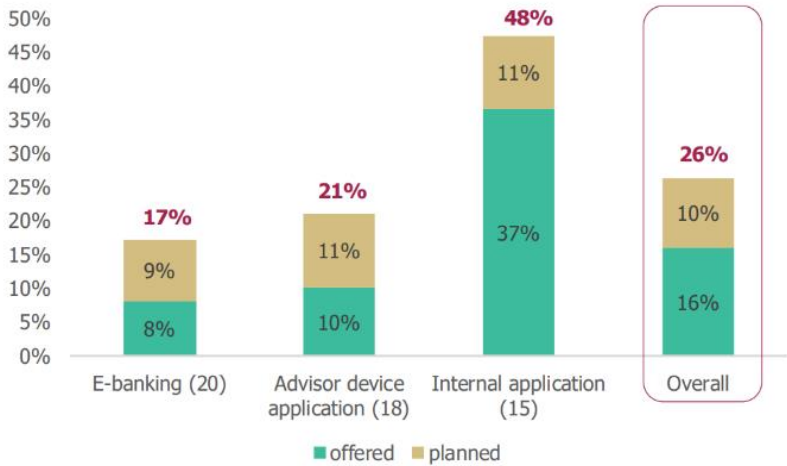


Key insights

- With 32% average functionality coverage across all client interaction channels, there is still a lot of space for further digital development. Whereas today's digital client interfaces in private banking mostly cover administrative services, their relevance for core wealth management services will increase in the future. This includes digital features supporting discretionary and advisory mandates.
- Medium and large universal banks are leading in terms of digital feature coverage. They benefit from scalability effects arising from more digital interaction models in their retail and mass affluent business. Although currently covering on average only ca. 25% of functionalities, medium and large wealth managers are the segment with the highest number of planned features (ca. 15%). This player segment is thus expected to be the most dynamic one in terms of client interface digitalization over the near term.
- The most digitized institutions are clearly moving towards a hybrid service model, whereby most services can be accessed via digital channels (increasingly including services related to discretionary and advisory mandates). Other players will adhere to a physical-first interaction model, while investing in new features to update the client experience in specific areas.
- An additional survey integrated to this study covers digital sustainability features in e-banking, advisor applications and purely internal (non-client-facing) applications: Most of the surveyed sustainability functionalities are still limited to purely internal applications, not playing a significant role at the client interface yet. However, major investments are under way particularly from larger wealth managers over the next years, creating increased momentum for digital client interactions in the sustainability area.

The complete anonymized study document is accessible only to participating institutions. For questions or further information about the study results, please contact Simon Ruettimann (e.foresight, simon.ruettimann@swisscom.com).

Average coverage of digital sustainability features By interaction channel and overall



Source: e.foresight digital private banking benchmarking 2023