



# Is Your Institution Ready for the Imminent Disruption of Commercial Banking?

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# The Commercial Banking Industry is in a State of Transition

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# Change was already underway prior to the pandemic, but has since intensified



User experience expectations have risen



Businesses need more capabilities, flexibility, and insights



Comfort with technology has increased



The definition of banking is expanding



Greater desire for tighter integration and connectivity

# Trend 1: Tightening Integration Across Products

**Seamless navigation and consistent look and feel across bank products**

**Easy data exchange with clients' external systems**

- Higher customer satisfaction
- More multi-product relationship
- Better alignment of bank and client workflows
- Value beyond the sum of its parts
- Potential for new capabilities

**11%** of businesses state a seamless experience across the bank is required to keep their business; an additional **77%** state it is important or very important

# Trend 2: Providing More Actionable Insights

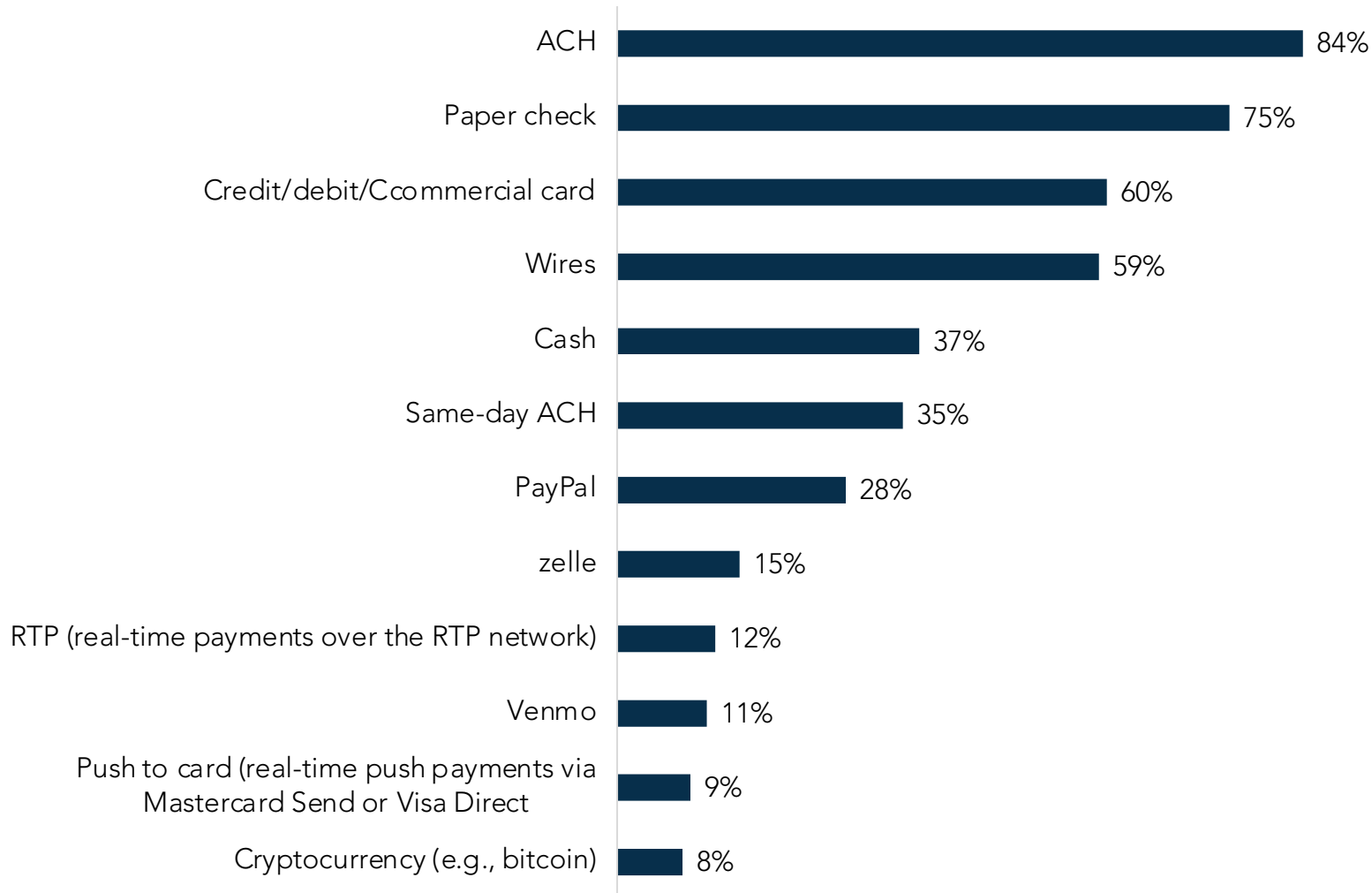
61%

of businesses believe their bank understands their needs

- Most banks report rather than advise
- Analytics use cases must expand beyond fraud prevention
- Analytics better position banks to offer products at the point of need

# Trend 3: Expanding Payment Capabilities

Which of the following methods does your company use to disburse/make payments today? (n-213 mid and large companies)



- Desire for greater payment flexibility/options
- More than 50% of businesses have seen a decline in check volumes the last few years
- ACH and cards have seen the greatest increase
- Clear use cases for RTP
- Increased need for international payments

# Trend 4: Bringing Non-Traditional Financial Capabilities into the Bank Portal

More than  
**60%**

of businesses are going beyond their bank to meet at least one financial need

**50%**

of large and midsize banks plan to build out their fintech ecosystem this year; 33% consider it a top priority

Receivables

Forecasting

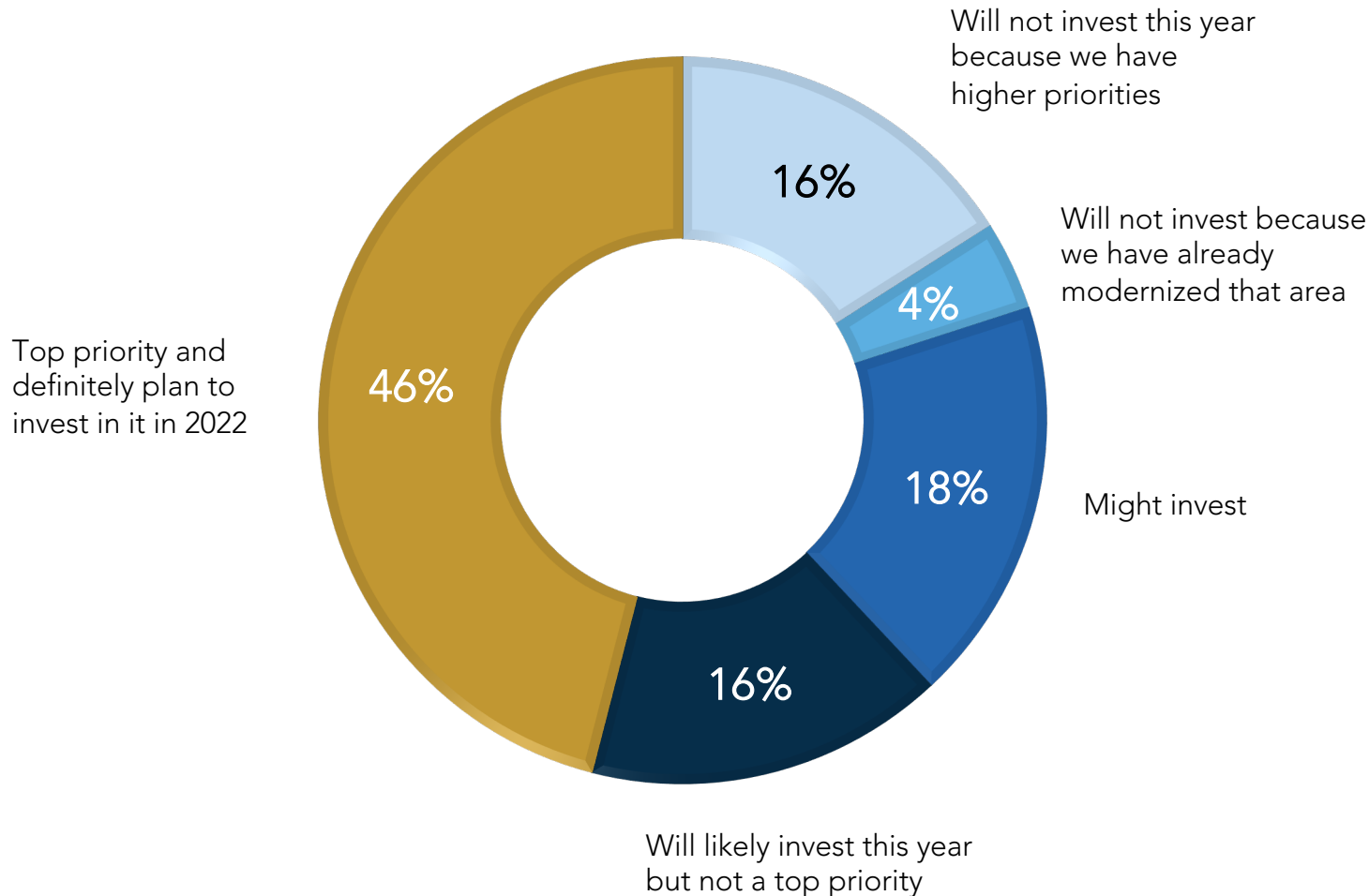
Money management

Payments

Servicing

# Trend 5: Prioritizing Improvements to Onboarding Processes

Q. How likely is your bank to invest in enhanced onboarding capabilities this year? N=55 top US banks



**39%**  
banks admit their treasury onboarding experience falls short of client expectations



# Questions?

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**Q2 Catalyst**  
Redefining What's Next  
in Commercial Banking  
Through Digital Experiences



Businesses of all sizes are looking more and more to digital aspects of their business. In fact, the pandemic has accelerated this movement to digital, as the majority of businesses have less and many businesses even plan to stop using traditional methods. A significant shift in preference for digital is putting more emphasis on better experiences for businesses not only in digital products but also in traditional products including account opening, adding new digital products beyond traditional

inefficiencies inherent in their processes. While providing a digital experience is critically important, businesses also expect a great experience before they become a customer. This requires the removal of inefficiencies in processes to open new products, which reduces the number of manual processes.

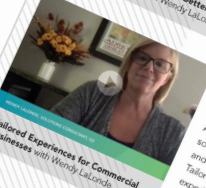
Highly understood and growing in importance, accounting is a key reason for inefficiencies inherent in their processes. While providing a digital experience is critically important, businesses also expect a great experience before they become a customer. This requires the removal of inefficiencies in processes to open new products, which reduces the number of manual processes.



**Streamlining the SMB Lending Experience** with Tom Price



**Better Serving SMBs with a Better Digital Experience** with Wendy LaLonde



**Tailored Experiences for Commercial Businesses** with Wendy LaLonde

supported the complex needs of these larger businesses. Advanced reporting capabilities, ACD and wire initiation, sophisticated entitlements, and positive pay solutions are typically made available to commercial and corporate business clients—however, they are also needed by smaller businesses as well. Because the treasury management solutions have been built as one-size-fits-all and focused on servicing businesses that have trained financial staffs, smaller businesses are left to choose between retail banking digital solutions that are more intuitive to use but lack the functionality they need and the treasury management digital solutions that have the functionality they need but are overly complex and difficult to use.

One-size-fits-all is not only problematic for smaller businesses. Larger corporate businesses are also looking for digital solutions that will work in concert with their Enterprise Resource Planning (ERP) and accounting systems. These larger corporate businesses are looking to improve efficiency and reduce costs across their business departments, including the finance department. Financial institutions that can provide a seamless integration with ERP and accounting systems that can provide reduction to help their larger businesses achieve efficiency and cost reduction objectives, positioning the bank or credit union to deepen their relationships with these businesses with solutions that are connected with departments beyond the finance department.

Q2's Tailored Business solutions enable banks and credit unions to provide digital experiences that are aligned with the needs and profile of the business. Smaller businesses can now see their full relationship management and personal accounts, leverage advanced treasury management capabilities with a digital experience that includes their solutions through the digital banking platform, or seamlessly send and receive transactions with their ERP system, or both. With Q2's Tailored Business solutions, financial institutions can provide the right experience to the right business, eliminating one-size-fits-all digital experiences and better serving businesses of all sizes.

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# What's next?

- Download our white paper! (link in chat)
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