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**20th WSBI Latin America and Caribbean Regional Group Meeting  
Chris De Noose Opening 'keynote' speech, WSBI Managing Director  
20 November 2014**

Distinguished Mr. Agustín Guillermo Cartens Cartens, Governor of the Central Bank of Mexico,

Distinguished Mr. Fernando Aportela, Undersecretary, Ministry of Finance and Public Credit of Mexico

Distinguished officials of the Mexican authorities present,

Dear Mr. Jorge Estefan, President of the Latin America and Caribbean Regional Group

Distinguished officials of the Latin American Central Banks present,

Distinguished Panelists,

Dear Members,

**“SAVINGS AND RETAIL BANKING FOR THE FUTURE”**

Ladies and gentlemen,

The savings and retail banking sector is a vibrant and vast community of retail banks, savings banks, community banks, associations, and affiliated organisations. As mentioned by President Haasis, together we are more than 100 members in Europe, the Americas, Africa, Asia and the Pacific. So we are not just a worldwide movement – we are a worldwide economic force.

Savings and retail banks, even transformed ones, are a stabilising force in turbulent times – which, by the way, is why they should not be subjected to the sweeping post-crisis regulation more appropriate to the institutions that were the source of the problems. We must safeguard the classic savings-based economy from the likes of casino banking, and make sure that the savings and retail banking model doesn't fall victim to more stringent regulation.





That said, we must keep pace with a promptly shifting world.

Supported by rapid changes in technology, today's consumers have begun to identify new options and are forcing the industry to change and adapt their offer.

In addition, the new customer has become addicted to connectivity, addicted to convenience and addicted to freedom. This has extended the terrain where banks used to play, opening it to non-banks institutions like mobile network operators, internet service providers and web based retailers. The latter seek to improve convenience for customers by adding services which traditionally belong to the banking industry : virtual wallet, piggy banks, payments, are added to their services to their core business services .

So customers have taken distance from the banks thanks to the technology, and it is pretty reasonable to say that banks have to reconquer their customers through the same way.

Therefore, the a change that banks are strongly invited to do is improving the accesability for customers through innovation and technology.

What are today's customers drivers? These are convenience, personalised products and services, access to a wide range of internet-connected devices and social media.

Accordingly, banks need to acknowledge and thrive in these conditions and aim at

- Providing availability of the products and services anytime, anywhere, any how
- Empowering the customer through the provision of seamless services regardless of channels or devices, 24 hours a day and 7day a week
- Creating more service channels and relevant services as much as you can
- Delivering highly customized value added services, thanks to high level segmentation process combined with big data processing
- Extending their offer of services beyond the strict banking area.



For an improved customer accessibility, the latter and the bank employees need to be connected, and share information in a transparent way, working together at a same level, through the visualisation of data from all channels.

Along these lines, banks' architecture needs to be flexible and scalable enough to support ongoing business development and new product innovation. The fragmentation between service points needs to disappear in order to secure full interaction between the system, the channels and the apps.

Does all the above mean that branches will disappear? Not at all, solely their role is changing: branches will increasingly be designed as a platform for meetings and for collecting information. Branches will become the meeting point to access to professional advisors who will use multiple devices to provide better services, customized to the needs of the customer.

## **Conclusion**

The banking sector is profoundly changing; Change is inevitable and so is progress. The regulatory reforms are reshaping the market and new technologies are changing the way banking services are delivered. The good thing is that the pace of change works both ways. New opportunities and new potential markets are becoming available to banks. With the right strategy and the technology to support it, the bank may be faster, better equipped and able to offer services far beyond their current range. The next step may be the transformation of banks into utilities serving users instead of customers. The bank might then become a facilitator between peer communities of buyers and sellers, supported by open innovation platforms, which would bespoke products specifically for individual customers. These are new challenges for the banking industry and retail and savings banks in particular.

This said, as savings and retail bankers that keep close to customers, it is our golden opportunity. It's our chance to brainstorm together to make the savings and retail



banking model even stronger, to safeguard it from casino banking practices and excessive regulation, so that it can advance our sector.

Let's seize this moment. Certainly good ideas will be born over the next two days.

I therefore wish you fruitful exchanges, also hoping that this meeting will provide the seeds for future cooperation between your organisations.

Thank you!