

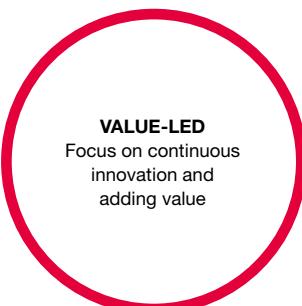
# The Key Takeaways

A range of disruptive forces are shaping the future of the retail banking sector



Intensifying Competition / Rising Customer Expectations / Technological Innovation /  
Evolving Regulation / Geopolitical Instability / Lower Growth Environment

## FUTURE SCENARIOS



Jennifer Townsend,  
Associate, Occupier Research  
+44203 866 8028  
jennifer.townsend@knightfrank.com

## To future proof, retail banks must respond



## Operational responses

- ✓ Pivot investment and operational models towards technology, customer centricity and data analytics
- ✓ Drive an unstinting focus on cost reduction and efficiency gains, but not at the expense of growth
- ✓ People first strategy, culture and values
- ✓ Proactive management of risk and regulation
- ✓ Foster continuous innovation, co-creation and agility
- ✓ Sell non-core business portfolios and assets to focus on high growth, value add areas
- ✓ Broaden appeal as an employer to a non-banking talent pool
- ✓ Partnerships/JVs and open innovation
- ✓ See disruption as an opportunity, not a threat
- ✓ Maintain operational flexibility in a changing world
- ✓ Optimise distribution

## Real estate responses

- ✓ Workplaces that supercharge innovation
- ✓ Review head office functions in terms of cost and regulatory compliance
- ✓ Right-size and reinvent branch networks
- ✓ Incorporate occupational flexibility
- ✓ Streamline portfolios to focus on core locations
- ✓ Rethink the quantum of space required
- ✓ Experiment with coworking and other alternative workplace offerings
- ✓ Align real estate to strategic objectives
- ✓ Talent led real estate decisions
- ✓ Use the workplace to promote brand and values and drive cultural change



Disruption  
is a reality



Action is  
required



Shape your  
future, now