

## WHITEPAPER

# For the Bank of the Future, Connectivity Is Key

The ability to deploy secure, fast networks offers more flexibility in a fast-evolving financial services marketplace



The change in the relationship between banks and their customers that has been occurring for well over the last decade has dramatically accelerated in the recent few years, driven partly as a result of the pandemic-induced changes in consumer demands, but also as a result of new financial apps and the faster connectivity speeds that power them, resulting in changes as to what banks see as their top technology priorities. Further, led by the retail industry, consumers have become accustomed to low-friction, fast and relevant service, predominantly through online, and increasingly, mobile channels. For the banking industry, this trend has led to increased investments in technology and a precipitous decline in brick-and-mortar locations.

Between April and June 2022, Arizent and American Banker conducted a survey on behalf of Verizon to better understand how banking leaders are prioritizing solving the various connectivity challenges involved with serving customers across multiple channels while also accommodating an increasing number of remote employees.

### Security and speed are key challenges

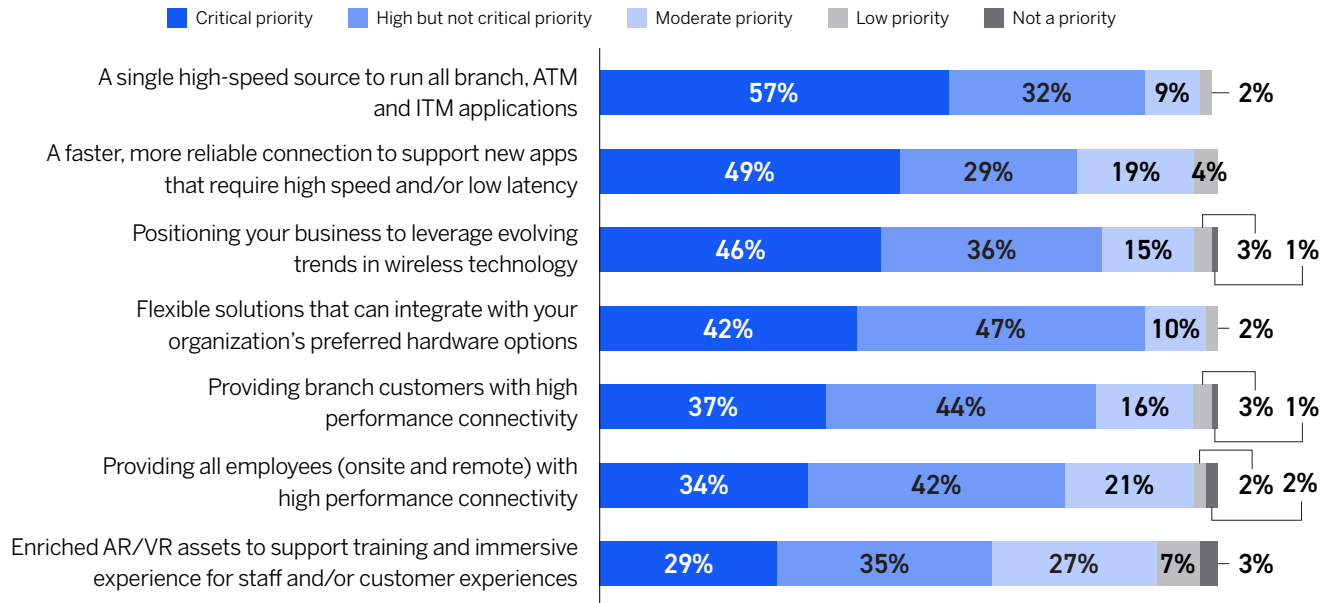
When asked about the single most critical network and connectivity challenge affecting customer experience, bank leaders overwhelmingly cite security issues and speed. The need for security is self-evident, given the amount of sensitive information banks must handle and process. Speed has become increasingly important, however. In a world where consumers are primed for near-instantaneous, personalized interactions with retailers and service providers, the ability to process and serve information quickly is at a premium.

With back-office resources stretched thin and tech talent in short supply, efficient deployment of new technology has taken on a new urgency for banks.

### High speed connectivity is a strategic priority for banks

Nearly six in 10 banks rank a single high-speed connection that runs all branch, automatic teller machine and interactive teller machine applications as a critical priority when it comes to bank technology (see Figure 1). As their mobile offerings expand, banks are also looking for faster, more reliable connections to support new apps that require high speed and/or low latency. Moreover, these offerings need to be flexible enough to integrate with the infrastructure that already exists in the bank's footprint—and take advantage of further technological evolution that is expected as the competition for customers continues to rise.

**Figure 1. Strategic priorities for bank technology**



Base: Total Respondents: n=101  
Source: Arizent Research, February 2022

“ This evolution has been so substantial that we believe the term ‘wireless business internet’ captures its value and its dynamic nature more appropriately,”

— Matthew Dale Miller

high-speed solutions that might previously have required more complex or expensive equipment,” says Matthew Dale Miller, Manager of Product Marketing at Verizon Business Group. “This evolution has been so substantial that we believe the term ‘wireless business internet’ captures its value and its dynamic nature more appropriately.”

**Wireless infrastructure is a critical tool**

Nearly nine in 10 bank leaders (89%) see fixed wireless access solutions as a critical or very important strategic priority for their organization over the next three years. Even so, many leaders may be underestimating the potential benefits of wireless connectivity. More than half (52%) of IT and technology leaders say positioning the business to take advantage of evolving wireless technology trends is critical to the business. However, that number drops to 27% among line-of-business leaders.

“With 4G and 5G technology, financial institutions can easily and economically implement the types of secure,

### **New wireless infrastructure tools help banks address multiple key priorities**

Bank leaders most often associate fixed wireless access with the ability to convey high-quality interactive and video experiences to customers. However, fewer than half rank these tools highly given cost considerations, suggesting they may not understand how much quicker, easier and cheaper it has become to deploy fast, secure wireless access.

Wireless business internet has the potential to provide banks with much-needed flexibility as they reconfigure their footprints to meet changes in demand for in-person services. For example, banks could expand their presence into less-trafficked areas of their network using pop-up locations or kiosks within grocery stores and gas stations. They can also extend the lives of their remaining branches by upgrading their existing infrastructure in a cost-effective way. By deploying wireless networks, banks can enjoy the benefits of speed and security.

Banks have not been immune to the shift toward a hybrid work environment, either. More than two in three banks (67%) say they are currently operating with some employees back in the office and others working from home. Although employees are generally satisfied with their home internet connections, bank leaders see potential value in hardening the connection between their remote workers and the banks themselves. Modern wireless business internet solutions can help keep remote and home-based workers connected, secure and productive.

### **Keeping pace with a rapidly changing marketplace**

By taking advantage of new network technologies such as wireless business internet, banks can maintain or even improve their ability to stay in contact with their customers—even as the number of physical branches in their networks continues to decline. With cost-effective, secure high-speed solutions available to address the changing needs of banks, employees and customers alike, a new generation of wireless solutions can help banks navigate today's changing marketplace while also helping them better prepare for whatever comes next.

## Methodology

Between April and June 2022, Arizent and American Banker conducted a survey of 101 professionals in management-level roles at banks with more than \$5 billion in assets and more than 20 branches. The research was conducted on behalf of Verizon to better understand how banking leaders value and prioritize the connectivity of their employees and banks.



## About Verizon

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