

# **Business Process Services in the Retail & Commercial Banking Sector: 2016**

**Market Analysis  
Report Abstract**

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## Who Is This Report For?

NelsonHall's "Business Process Services in the Retail & Commercial Banking Sector: 2016" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the retail & commercial banking sector
- Vendor marketing, sales and business managers developing strategies to target business process services (BPS) opportunities within the retail & commercial banking sector
- Financial analysts and investors specializing in the IT services and BPS sector.

## Scope of the Report

The report is based on interviews with executives in the retail & commercial banking sector in the U.S., U.K., Continental Europe, and Asia Pacific.

The report analyzes the world wide market for business process services (BPS or BPS) within the retail & commercial banking sector and addresses the following questions:

- What are the principal business issues faced by organizations in the retail & commercial banking sector?
- What operational initiatives and enhancements are planned by organizations in the retail & commercial banking sector?
- How suitable are their current processes perceived to be to support their future business requirements by executives in the retail & commercial banking sector?
- How satisfied are companies in the retail & commercial banking sector with the current delivery of BPS services?
- How would executives in the retail & commercial banking sector like to see BPS services improved?
- What shifts in sourcing policy are expected by executives in the retail & commercial banking sector over the next three years?
- Which approaches to BPS are favored by executives in the retail & commercial banking sector?
- How do companies in the retail & commercial banking sector expect their spend on BPS services to change over the next three years?
- Which processes will companies in the retail & commercial banking sector seriously evaluate for BPS/BPS in the near future?



## Key Issues & Highlights

While retail & commercial banks remain concerned about the economic environment and instability in emerging markets, their main issues are the rising cost of customer acquisition and falling returns on marketing spend combined with a need to improve their online and digital services. At the same time, the banks are faced with ongoing change in the regulatory environment and increasing costs of compliance.

While there is some level of concern with new entrants to the banking sector, on average the rate of change within the industry expected by retail & commercial banks over the next 3-years is broadly unchanged, with the 30% of banks globally expecting an increased rate of change being largely counterbalanced by the 27% who expect a lower rate of change in the industry. The highest proportions of banks expecting an increased rate of change are in the U.S. and U.K. In contrast, retail & commercial banks in Continental Europe on balance expect the rate of change to be slightly lower over the next three years than previously.

Overall within retail & commercial banks, the level of focus on “change-the-business” initiatives continues to lag behind the level of focus on “run-the-business” initiatives. In particular, a number of transactional areas are perceived to be inadequate to support the business over the next three years. According to spend on BPS services by retail & commercial banks is forecast to increase over the next three years.

However, if BPS vendors are to take advantage of these opportunities, then they need to enhance their service delivery for retail & commercial banks, which is currently perceived to be of a moderate standard. At the same time, the preferred BPS modes of delivery continue to evolve.

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## Report Length

64 pages, consisting of 8 chapters

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