

DIGITAL TRUST AND THE BANKING SECTOR: TOWARDS A TRUST ADVANTAGE IN THE DIGITAL ECONOMY

In the digital age, customers build trust in their financial institution based on security, user experience, degree of customer control, use of data, and openness. It is in these areas that banks need to make choices now that will help them maintain their role as their customers' financial provider of choice and build relationships beyond that.

What can banks do to grow their digital trust advantage in their relationship with their customers?

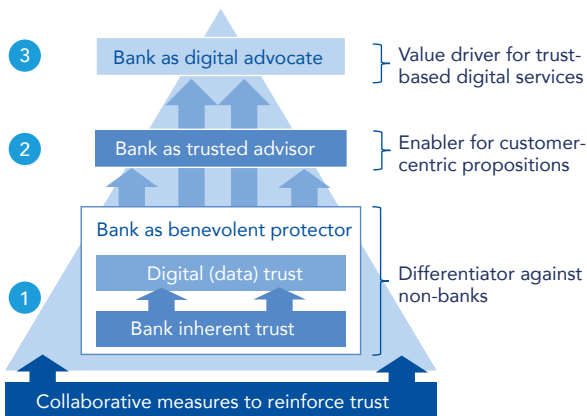
- ≡ build digital trust by implementing highly robust measures around data security to set themselves apart from other market players
- ≡ establish and uphold principles of consistent customer control and responsible use of data. When engaging in Open Banking, ensure that ecosystem partners too follow those principles
- ≡ create a consistent and designed-for-purpose user experience that reflects data security and customer control
- ≡ leverage digital trust to use customer data to build relevant customer propositions and engage in Open Banking strategies
- ≡ leverage digital trust to use customer data to optimise customer experience across all channels
- ≡ adopt a digital advocate role by providing trust-based services such as digital identity and use trust to drive value
- ≡ extend support beyond banking by managing non-financial data on behalf of their customers and providing consent management and data access services

What can the banking sector do within the non-competitive space to facilitate digital trust building and bring value to customers?

- ≡ common alignment on principles around the responsible and trustful treatment of customer data
- ≡ technical standardisation of Open Banking, Application Programming Interface (API) access and data structure
- ≡ co-creation of a soft infrastructure to enable services such as digital identity provision or overarching consent and data access in the digital economy

Way forward

Banks are in a good position to build digital trust, but they need a clear plan going forward that involves, in part, a coordinated industry effort. Now is the time for financial institutions to solidify their role in the new economy. Building on the strong trust they already enjoy, they now have the opportunity to successfully transition into the digital economy, maintain their role as their customers' prime partner for financial well-being and claim a new role beyond that in a digital transaction ecosystem.



- 1 Build digital trust based on bank – inherent trust advantage to differentiate from non-banks
- 2 Become trusted advisor to customers enabled by digital trust
- 3 Become customers' digital advocate by providing trust-based services

Source: EBA and INNOPAY analysis

Learn more: download the report

The report 'Digital Trust in the Banking Sector' is available for download in the Publications tab in the EBA Member Portal [▶](#)



Our mission

The mission of the EBA is to foster dialogue and experience exchange amongst payments industry practitioners towards a pan-European vision for payments. We pursue our mission through involving member organisations and relevant stakeholders in thought leadership on innovation, helping our members to understand and implement regulation and by supporting the development of market practices.

Our activities

The EBA activities cover four core areas:

- ≡ Thought Leadership & Innovation: advancing the understanding of new market trends through working groups, task forces and open fora.
- ≡ Market Practices & Regulatory Guidance: providing guidance on market regulation and implementation through practitioners' panels.
- ≡ Networking & Events: fostering pan-European practitioner exchange through EBAday and other events.
- ≡ Training & Education: providing training & educational services on relevant payments and transaction banking topics to the EBA community through summer and winter schools and e-learning.



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