

Design Maturity Analysis: How FinServs Stack Up

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Introduction

Financial services are no stranger to disruption. Perhaps more than any other industry, FinServs are undergoing a rapid transformation due to COVID-19.

Mobile banking has exploded since the pandemic hit: 63% of people surveyed said they were more willing to try a new digital banking app than before the pandemic.¹ Post-pandemic, 24% of consumers plan to make fewer bank branch visits or stop using them altogether.²

As more people replace in-person branch visits with online banking, 84% expect banks to maximize digital interactions to protect their health during the pandemic, as well as their money and personal details beyond the pandemic.³

And while teams need to deliver fast and iterate quickly, the financial services industry poses unique challenges to product design teams: more regulations, the need to present data-heavy content in a friendly, responsive format, and as always, the need to differentiate from competitors with superb user experiences.

Given the immediate need to meet customers' rapidly evolving behavior, it's no surprise that increasing design maturity is the top priority for digital product design leaders at global FinSerts, according to a recent InVision survey.⁴

But we know from our landmark New Design Frontier Report on design maturity that most FinSerts lag behind other industries—or they are just beginning their digital maturity journey. Out of 13 industries studied, FinSerts ranked ninth for design maturity.⁵

In this report, we share top trends uncovered in our recent surveys and first-hand data on design maturity for FinSerts. We also share best practices and tips on boosting design maturity and advancing digital innovation, according to financial services product design leaders.

01

Redesigning the customer banking experience

People are feeling the stress of health, work, and financial uncertainty. Research shows that half of U.S. banking customers are worried about losing their job due to the pandemic,⁶ while globally 43% are financially overwhelmed or vulnerable.⁷

As such, to stay competitive, FinServs must redesign the customer experience to help meet people's evolving needs and mitigate unprecedented circumstances driven by the global pandemic.

One way to meet these needs is to provide secure and efficient digital experiences that address concerns like loan repayment, reduced budgets, or mortgage refinancing—without requiring a branch visit. In fact, 49% of banking customers said they're less likely to take a loan from a bank if it requires an in-person visit.⁸

Now more than ever, consumers expect a smooth customer journey, whether they are interacting with their bank online or offline. Unfortunately, most banks haven't yet been able to deliver. More than half of consumers at the start of the pandemic—about 60%—said digital banking journeys are broken and require them to complete banking transactions offline.

When creating digital experiences in uncertain times like these, people, not technology, must drive innovation. The design thinking principle of user-centricity and empathy is especially relevant. Products must respond to real human needs and user feedback.

“Banking digital experiences don’t have to be cold and severe. Creating an emotional relationship with customers is becoming a key competitive advantage for acquisition and retention.”



David Serrault

Head of Design, BPCE Banking Group

This kind of human-centric design requires a high degree of design maturity; however, research shows that most financial services organizations have a long way to go.

02

Design maturity in financial services

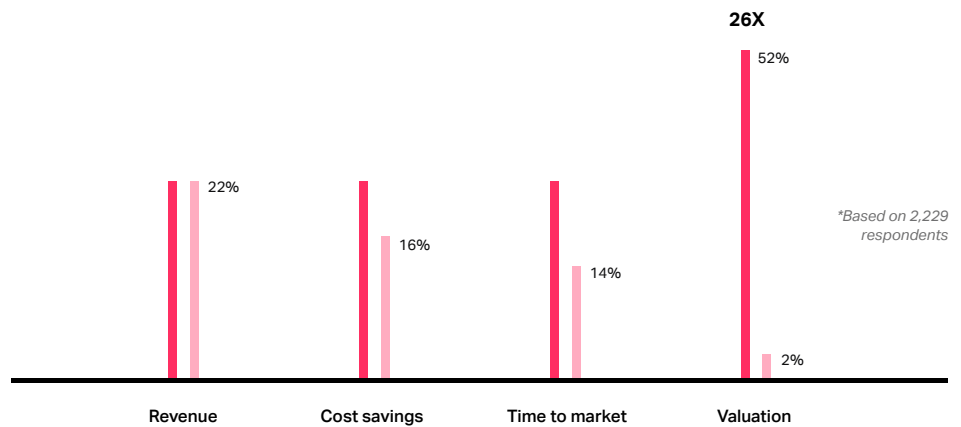
InVision's New Design Frontier report, the largest design maturity survey of its kind, gathered input from design leaders around the world in more than 2,200 companies across 24 industries to understand how organizations can achieve better business outcomes from design.

The resulting design maturity framework describes five levels of design maturity, spelling out in detail the design practices and benefits that align to each level, with level 1 being the least mature and level 5 incorporating the most mature design practices.

Research discovered that when organizations practice high design maturity, they see significant business impact in qualitative metrics, including revenue, cost savings, valuation, time to market, customer satisfaction, and loyalty.¹⁰

DESIGN TEAMS HAD PROVEN IMPACT ON:

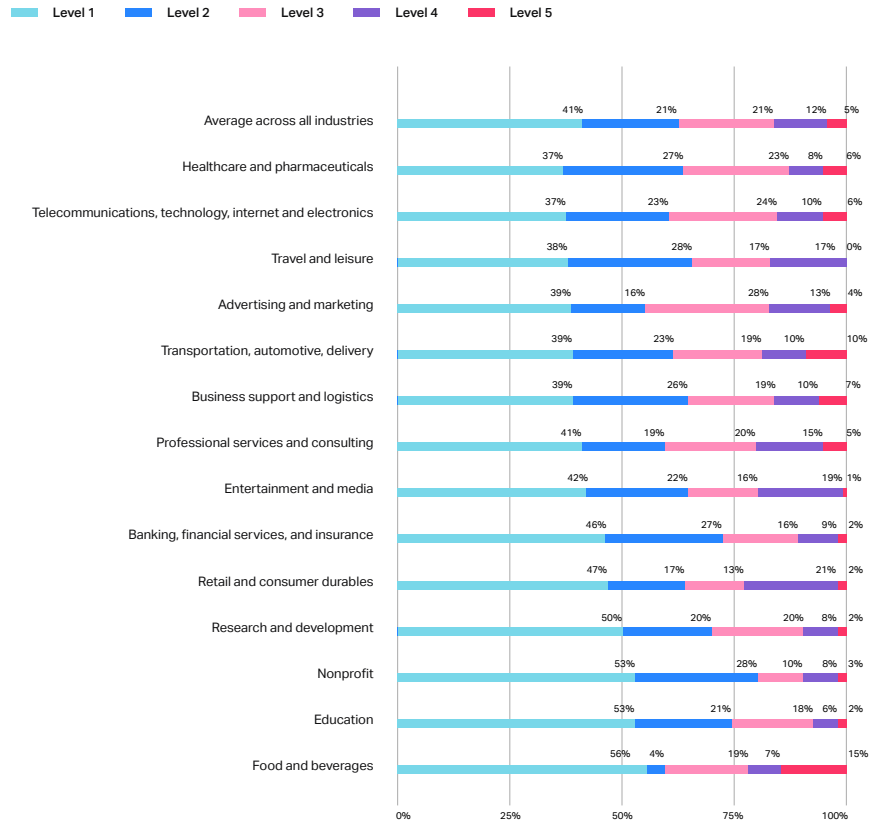
- Level 5 companies
- Level 1 companies



HOW FINANCIAL SERVICES RANK IN DESIGN MATURITY

While major FinServs understand the urgent need to accelerate their design maturity and digital transformation, the majority are only at the beginning of their journey—they don't know how to advance or they face unique blockers. The financial services industry is also one of the lowest ranked industries for design maturity, placing ninth out of 13 industries studied.¹¹

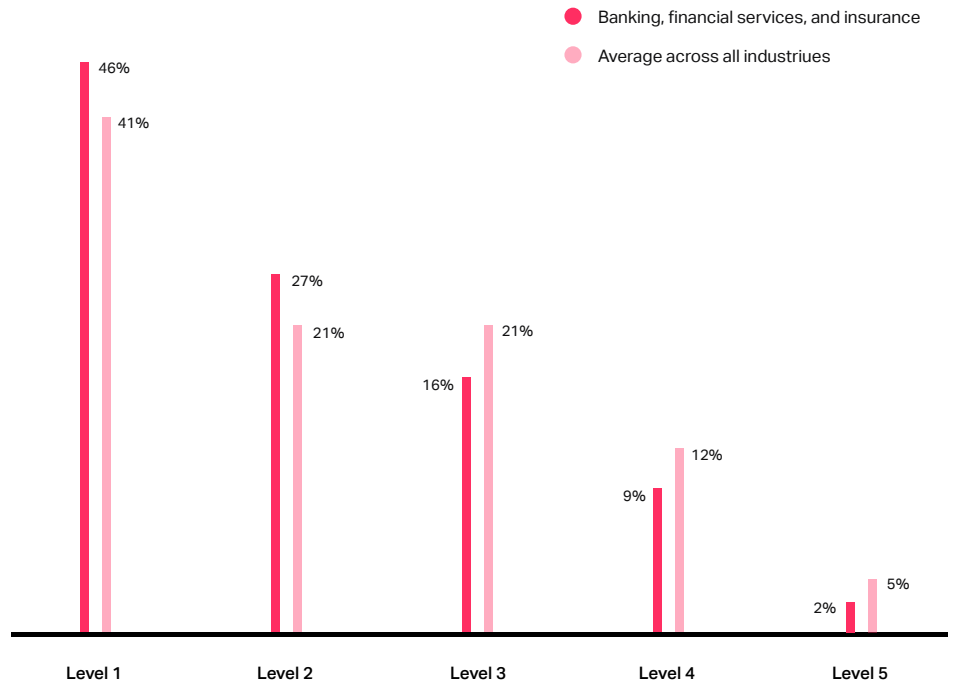
Design maturity by industry



**Percentages have been rounded and may not equal 100%.*

Research also found that, while the banking industry typically has large UX teams, most FinSerts sit at the lowest level (level 1) of the Design Maturity Scale. Called Producers, companies at this level focus only on the visual aspects of design—the way it looks on the screen—rather than on processes, collaboration, and advanced tools.

What does this mean? The report concludes that a bigger team doesn't necessarily result in more business value. Even small product design teams can have a significant impact if design is incorporated into the organization's overall business strategy.



**Percentages have been rounded and may not equal 100%.*

“When you’re designing products, you need to understand what makes that product successful. It’s not only design, but the business plan behind it. That’s when you start changing the way you look at your work, and paying more attention to the numbers.”



Joaquín Márquez Correa
Chief Design Officer, Santander

03

2021 Top financial services product design trends

InVision recently conducted research to better understand where digital product design leaders in global financial services organizations plan to focus their efforts in 2021. Here are their top priorities according to our 2021 Digital Product Trends and 2021 Design Leadership Trends Report.

KEEPING PACE WITH DIGITAL TRANSFORMATION

As the screen takes center stage for daily interactions both at home and at work, people's expectations of digital customer experiences are changing. To stay relevant, banks must develop products that truly make people's lives easier and meet the demands of personalization, seamless digital interactions, immediate access to financial advice, and data privacy and security.

Seventy-three percent of consumers say FinSerts should take the lead in creating and using technologies that make it easier to do business with them.¹² Research shows, however, that 70% of FinSerts say legacy technology is a main obstacle to digital transformation.¹³ Other product development scaling and optimization blockers include siloed teams and lack of established design systems.

Despite these challenges, some FinSerts have stood out for their ability to quickly change course and offer new digital experiences, particularly in the face of the pandemic. For example, Fannie Mae launched a portal to help people affected by COVID-19 defer mortgage payments, learn about mortgage forbearance, and use a mortgage loan lookup tool to determine whether homeowners can access their Disaster Recovery Network.

“It’s more urgent, now more than ever, not to lose sight of transforming legacy systems that are a huge part of the financial industry.”

FinTech Design Leader

InVision Design Leadership Forum, Fall 2020

ADJUSTING TO NEW WAYS OF WORKING

According to a recent study, 69% of financial services companies expect 60% of their workforce to work from home at least once a week. Pre-COVID, only 29% of those companies said the same.¹⁴ With remote work on the rise, distributed teams need to find the best ways to collaborate securely and efficiently across locations, time zones, and functions.

Some of the top challenges distributed teams face include onboarding, conducting effective meetings, and finding the right balance of communication. Remote teams also suffer from broken workflows, messy handoffs, misalignment, and rework. Many product design teams are now focused on establishing the right collaboration tools to solve these challenges.

For example, according to the InVision 2021 Design Leadership Trends Report, a majority of design leaders believe using a digital whiteboard for digital product design and development is important during the pandemic.¹⁵ In fact, InVision's real-time digital whiteboard, Freehand, has seen an increase in usage of 130% since March 2020, with 90% of InVision users reporting they use Freehand to collaborate with at least one other stakeholder, including product managers and developers.¹⁶

“Without the luxury of jamming around the studio table, we’ve started using Freehand in a multitude of ways—it’s our new ‘secret weapon.’ Teams use it during strategy meetings, design sessions, and brainstorming to create mind maps, flow charts, wireframe sketches, mood boards, and brain-dump boards.”



Markus Kopf

Engineering Lead, Deutsche Bank

Talk to InVision about
using Freehand to
collaborate better.

FORGING AHEAD WITH INNOVATION

As digital product design teams navigate times of crisis, leaders agree that product and business innovation should be a part of companies' everyday practice—whether incremental or in big leaps. While innovation helps businesses stay relevant and ties initiatives to strategic objectives, leaders identified some common obstacles:

- Organizations aren't aligned on what product innovation means
- Innovation sits in IT, disconnected from design
- Company politics keep digital initiatives from moving forward

Other leaders were surprised at the flexibility they have for innovation as a result of COVID-19, especially working in such a highly regulated industry. The pandemic has underscored the urgency of digital transformation as a way to stay connected with customers and build future-ready business models.

As a result, in some companies, these initiatives have gained the leadership and organizational support needed to move forward. The COVID crisis has also removed barriers to innovation, such as risk aversion and lack of agile practices, allowing FinServes to design, build, and launch digital products faster.

The company Fiserv, which provides technology solutions to financial services organizations, launched a charity on the back of their core business to help support small businesses during the pandemic. Design leaders agree that the foundation for innovative product development practices like these is made up of the following key areas: systems, measurement, training, culture, and the right organizational structure.

Finally, even though product design teams are focused on innovation, they're not leaving maintenance behind. Design leaders say that maintaining your core product is just as important as pursuing new ideas.

STRENGTHENING KEY BUSINESS PARTNERSHIPS

Compared to 2019, about half of the design leaders surveyed for our 2021 Design Leadership Trends Report said they work more closely now with developers and product managers. They also remain focused on strengthening collaboration across the organization, including with product, brand, and human resources.

Digital product design leaders agree that their teams can help create better partnerships in the organization by acting as a connector and facilitating alignment.

According to survey respondents, the strongest business partnerships incorporate the following key elements:

- **Shared language:** By sketching stories into visual flows rather than static images, or presenting interactive prototypes instead of PowerPoints, cross-functional teams can communicate in a way that everyone understands.
- **Continuous feedback:** Teams that continuously conduct, document, and share user research across the organization are able to maintain alignment and transparency while keeping the customer front and center.
- **Strategic integration:** Design integration throughout the organization to support corporate strategy lays the foundation for unified teams. Working across technology, business, and design strengthens collaboration and supports design at scale.¹⁷

“Design is kind of this red thread, the missing link. It’s the business function that links all other functions together.”

FinTech Design Leader

InVision Design Leadership Forum, Fall 2020

04

Best practices to drive design maturity and digital innovation

Research proves that financial services organizations with high levels of design maturity have a bigger business impact compared to those with lower levels.

Here are some best practices from top FinServes on how organizations can increase design maturity and deliver the most value to customers, employees, and their business.

01— Go from screen to strategy.

Most design leaders in financial services say their company expects them to understand the strategic objectives of the overall business, rather than operate in a functional silo.¹⁸ Working more strategically means finding the right balance between the design experience, business objectives, and solving customer needs.

PRO TIP

“The most valuable role for design to play is influencing the business—not just the product. That means understanding what the motivations of the business are with the executive teams.”



Josh Ulm

EVP of Innovation Design, Wells Fargo

Case study: How BBVA advances digital transformation and design maturity

Spanish banking giant BBVA needed to create a unified brand across their digital and physical properties in 11 countries, including thousands of corporate buildings and branches. By creating a golden triangle of working between business, technology, and design, cross-functional teams collaborated to advance BBVA's digital transformation and increase the company's design maturity.

The new way of working was also the foundation for creating a global design at scale program in which employees across the organization are trained to serve as design ambassadors to support the bank's corporate strategy. Today, with 5,000 BBVA design ambassadors around the world, their efforts are paying off. For three years in a row, independent research firm Forrester awarded BBVA first place for the best banking app in the world.

“Employees who work across every department such as legal, risk, and human resources help to spread our design vision, identity, principles, and culture, which is super powerful and one of our biggest achievements as a mature organization.”



Margarita Barrera
Global Head of Design, BBVA

02— Put the right systems in place.

As organizations grow, innovative practices and principles must adapt and become more systematic. Taking a mature approach to transformation means giving teams the freedom to adapt practices and principles through research, data, and experiments. As they scale, organizations should put systems in place for input, including a central body to validate all ideas. For example, ideas shared with an executive committee should be validated with metrics, research, and scorecards.

Systems can also help teams work more efficiently. According to our [2021 Design Leadership Trends Report](#), most teams that use [design systems](#) have saved two to five hours per week, with a slightly smaller amount seeing savings of 6–10 hours per week. Some leaders even report saving more than 10 hours per week with the help of their design system.¹⁹

PRO TIP

"We want to create a design system that people want to use and is robust enough to support all the needs that a firm like Goldman Sachs has. There's always an art and science nuance between those two. And building better metrics is a first step towards achieving that balance."



Michael Craig

VP, Creative Director, Goldman Sachs

[Talk to an InVision expert](#)
about how building a design
system can help your team ship
products faster.

03— Put the customer first.

If product design teams aren't close to their customers, they're wasting resources while making guesses on what will work to win business. A customer-centric approach to product design is critical for any company, including FinServs.

Designers need to empathize with their customers so they can better understand their wants, the user journey, and the problems they're trying to solve. After getting to know customers' needs, rapid prototyping makes it possible to quickly test those hypotheses.

PRO TIP

"We do customer research, we put our designs in front of customers as part of panels and rapid labs, and we do user experience research. But we also need to get things into the wild, because financial information is complex."



Raffaella Breaks

SVP of Product and Design and Research,
American Express

Case study: How Ireland's biggest bank redesigned a secure login system with a customer-centric approach

To comply with the EU's latest security regulations, Ireland's biggest bank, Allied Irish Bank (AIB), was tasked with redesigning their login system for all personal internet and mobile channels. Not only did their team of designers have to create a secure login system on a tight timeline, but they had to design a user journey that accommodated the vast differences in technical skills of their users. By putting their customers at the center of the design process, they achieved compliance in just seven months.

At every stage of the design process, the AIB team invited customers to their custom-built lab to conduct testing on flows and screens. They used prototypes to make quick changes based on feedback, reducing the journey from more than 20 screens to just six. And in the first two weeks after launch, more than 600,000 customers signed up for the app.

"With prototypes, we were able to make changes on the fly as we got feedback, allowing us to get designs back in front of customers straight away."



Philip Dwyer

Experience Design Lead, AIB

04— Create a culture of innovation.

Part of being lean and innovative is developing a culture to support a continuous flow of ideas and collaboration. To foster and implement a culture of innovation, product design teams should bake continuous testing and experimenting into their processes.

While team members may have different opinions about changes to the user experience, these experiments provide the validation needed to keep projects moving forward. Once teams have gathered these insights, they should share what they've learned through regular meetings and communications.

PRO TIP

"All of your insights and learnings are so easy to share. For example, you could publish a newsletter and talk about how you learned that during COVID lockdown, people were afraid to share their account numbers. That's something you can use for a future project."



Joaquín Márquez Correa
Chief Design Officer, Santander

05

The future of financial services design

As the highest priority in 2021, product design leaders in financial services will focus on how to set up their teams for greater success. They plan to focus on key partners, research and innovation, and design ops in the future.

More specifically, our recent 2021 Design Leadership Trends Report revealed that other top priorities for product design teams include:

- Strengthening collaboration with developers
- Better and more efficient use of design systems
- Improving design metrics
- Developing design strategy
- Upskilling designers
- Applying strategic and business goals to design

FINSERV FOCUS AREAS FOR 2021



Conclusion

While design leaders in financial services realize the urgency of transforming their businesses to accommodate digital customer interactions, most are just at the beginning of their journey. The time is now for FinServes to lay the foundation for accelerating design maturity to create a culture of innovation that will help them gain a competitive advantage throughout the current crisis, and those to come.

ABOUT INVISION

InVision is the leading product design and development platform for teams building world-class digital products. Our platform and services enable effective collaboration across roles and time zones for improved speed to market and powerful business results.

More than 7 million people at both large enterprises and small startups come to InVision when they are looking for digital transformation. Our platform allows teams to ideate, prototype, and test new ideas; create repeatable and streamlined processes in design, product, and engineering; and up-level workflows to move more efficiently from inspiration to production.

100% of the Fortune 100—brands like IKEA, Slack, and Netflix—use our platform to build products customers love. Interested in a demo? [Speak with InVision today.](#)

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