RFI GLOBAL
Intelligence to bank on

FINANCIAL SERVICES

Trends and Predictions 2025

Introduction

The financial services sector is evolving rapidly, driven by digital advancements, fintech growth and shifting consumer behaviour due in part to cost-of-living challenges.

So, what does the future hold? How can financial institutions, both traditional and new challengers, thrive in this dynamic environment?

We've analysed our data from over 200,000 consumers and 60,000 businesses around the world to explore the most significant trends in financial services and provide evidence-based predictions for what the future holds. We've focused on consumer and business needs and attitudes to provide actionable advice to help financial service organisations better meet their customers' needs.

Customer retention is more crucial than ever, with fragmenting relationships, intensifying competition from fintechs, and the demand for more personalised, tech-driven approaches to customer engagement.

As digital transformation accelerates, AI is revolutionising security, fraud prevention and personalised services. Whilst some consumers remain cautious about new technologies, others embrace the convenience they offer. Read on for data-led insights into how to stay competitive, deliver value and anticipate the needs of today's tech-savvy, financially empowered consumers and businesses.

We've analysed our data from over 200,000 consumers and 60,000 businesses around the world.

Matt Lawrence
CEO
RFI Global
mlawrence@rfi.global

5 trends shaping the future of financial services

TREND 01

Winning loyalty in a world of change

In a world where cost-of-living pressures and new competitors are driving consumer choice, loyalty is at risk. Financial institutions must adopt innovative approaches to reward and retain customers, addressing evolving expectations while providing tangible value to stay competitive in this shifting landscape.

READ MORE

TREND 02

The digital edge

The digital revolution is advancing at an unprecedented pace, fuelled by fintech, AI and shifting customer expectations. To stay competitive, financial institutions must anticipate and meet these evolving needs and empower their customers at every touchpoint.

READ MORE

TREND 03

Navigating market volatility

Interest rate fluctuations are reshaping savings and borrowing behaviour leading consumers to increasingly focus on flexible financial products. Financial institutions must navigate shifting trends, including heightened consumer interest in savings accounts and loan refinancing. They need to deepen relationships and retain savers while preparing for opportunities in a lower-rate environment.

READ MORE

TREND 04

The wealth advantage

The Emerging Affluent segment is becoming a significant global financial force, driving demand for sustainable, globally diversified investments and long-term financial security. Their focus on ESG investing, global diversification and risk-managed products like ETFs offer financial providers opportunities to capture this dynamic, forward-looking segment through tailored solutions that balance growth with stability.

READ MORE

TREND 05

Unlocking cross-border payments

Cross-border payments are essential to global trade, yet inefficiencies present challenges and opportunities. As businesses expand internationally, financial institutions must enhance the speed, transparency, and cost-efficiency of cross-border transactions to capture growth and improve customer satisfaction, unlocking revenue potential in a competitive space.

READ MORE

TREND 01

Winning loyalty in a world of change:

Customer retention in turbulent times

The confluence of two key trends will make a significant impact on the way incumbent banks treat their customers:

01 The negative impact of cost-of-living pressures, initially driven by global price inflation, then by higher interest rates on consumer confidence.

02 An influx of new banking competitors is affording consumers a greater choice.

In isolation, each trend would be significant. Combined, they will serve as a catalyst to change the banking landscape. Here's why…

When consumers face significant financial pressure, they take control of areas of their lives they can still control. They can't change what central banks are doing with interest rates or the price of fuel, but they can change the way they interact with the service providers that they choose.

Banking is no different. Consumers want to feel they are making smart choices. That means they're more open to lower cost/ higher yield products and services and to service providers that offer value in exchange for their custom.

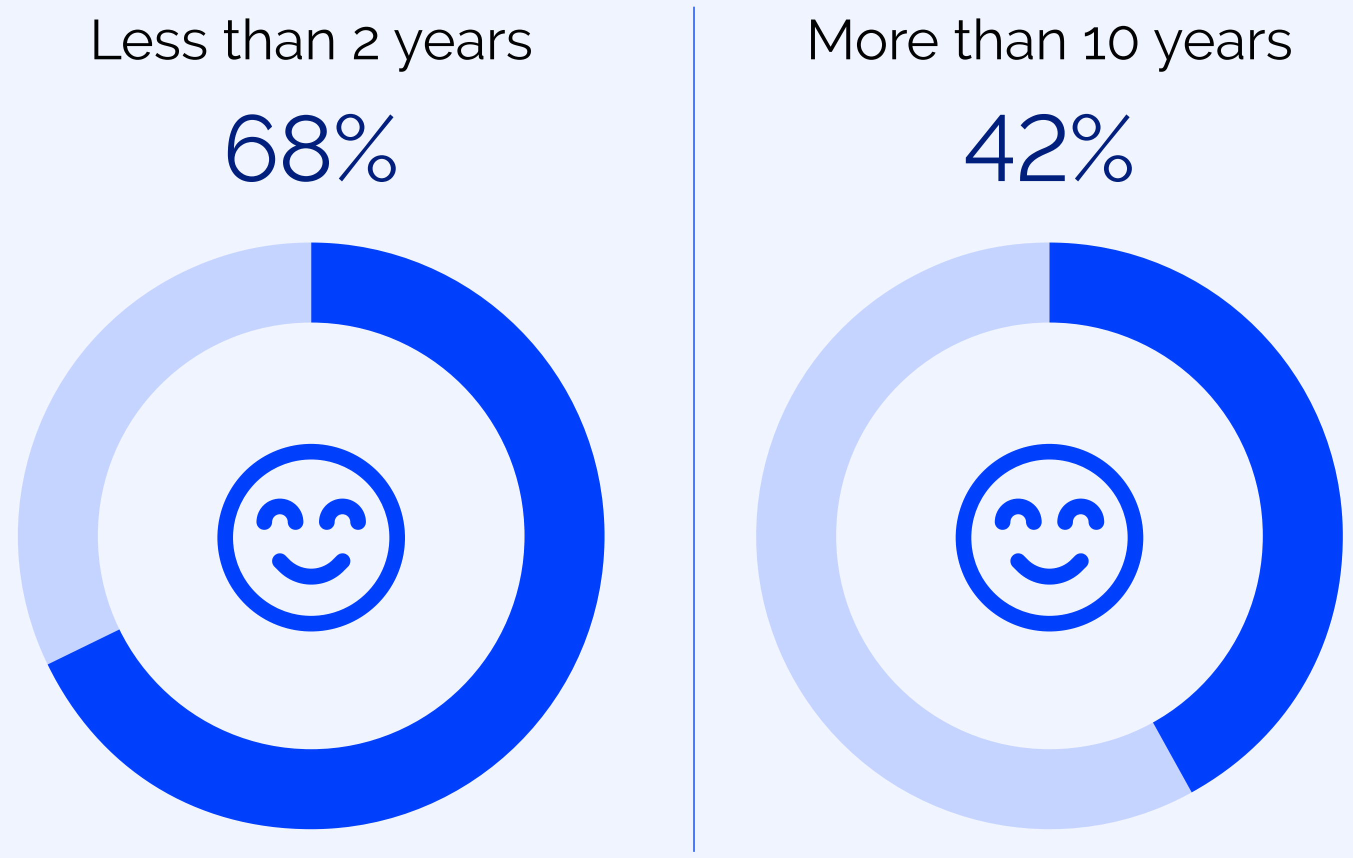
As a result, we're seeing an increasing number of consumers looking to change the way they bank and who they bank with around the globe. In the world's largest markets, up to 34% of consumers are considering changing their main bank provider.

UK LOYALTY

In the UK, access to better rewards is driving switching intent. Long-term customers are particularly dissatisfied with existing offers and increasingly opt for value-focused Neobanks like Chase and Monzo.

Satisfaction with the relevance of main bank rewards programme

% very satisfied (8+/10) by tenure



Source: RFI Global Consumer Council

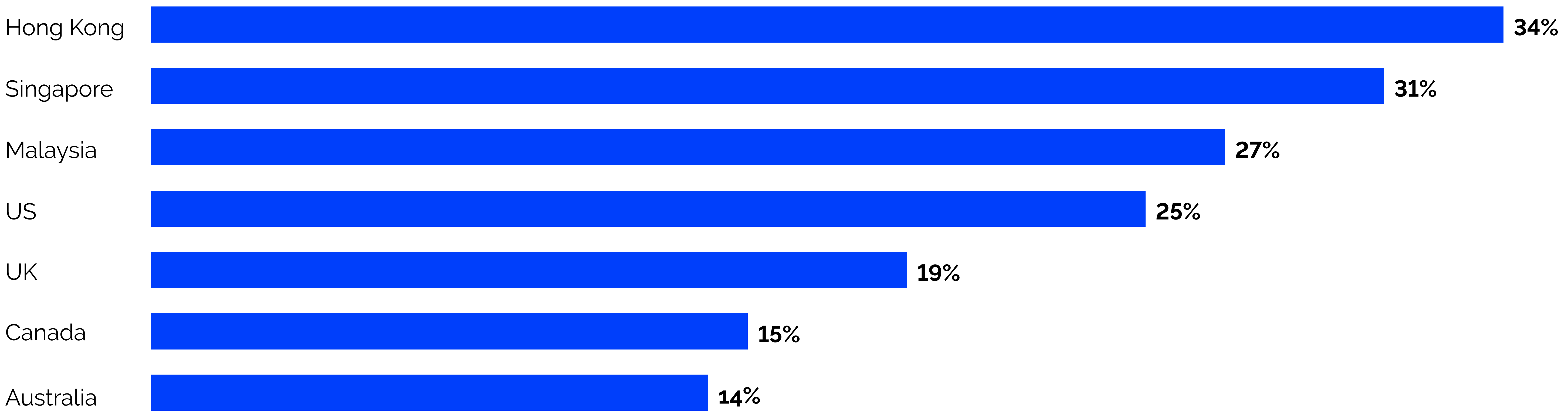
US LOYALTY

US switching rates are at a record high. 25% of households are now considering switching their primary bank – up from 22% in 2018. This is driven by consumers seeking cost-effective banking options amid inflation pressures. Fintechs like Chime are gaining ground, offering lower fees and superior digital services, positioning themselves as competitive alternatives to traditional banks.

25% of households are now considering switching their primary bank

Source: MacroMonitor

Consumers open to switching main bank account in the next 12 months



Source: RFI Global Consumer Councils

And it's not just switching intent that is rising. The proportion of consumers that have changed banks in the last 12 months has increased. In Australia 9% of consumers changed their main bank, the highest proportion on record. We see a similar trend across Asia in Malaysia and Hong Kong. Of particular note, the proportion of Singaporeans that have switched main banks over a five-year period increased from 12% in 2018 to 26% in 2024.

Around the world the growth of digital-only banks and fintechs has facilitated switching, further demonstrating that banking relationships are changing and fragmenting. More on this topic in Chapter 2.

A primary reason for this uptick in switching is that customers want to be rewarded for being loyal. Customers are saying 'Give me something back'. Unfortunately, our data shows that the longer a customer has been with a bank, the less satisfied they are with how they are rewarded for their loyalty.

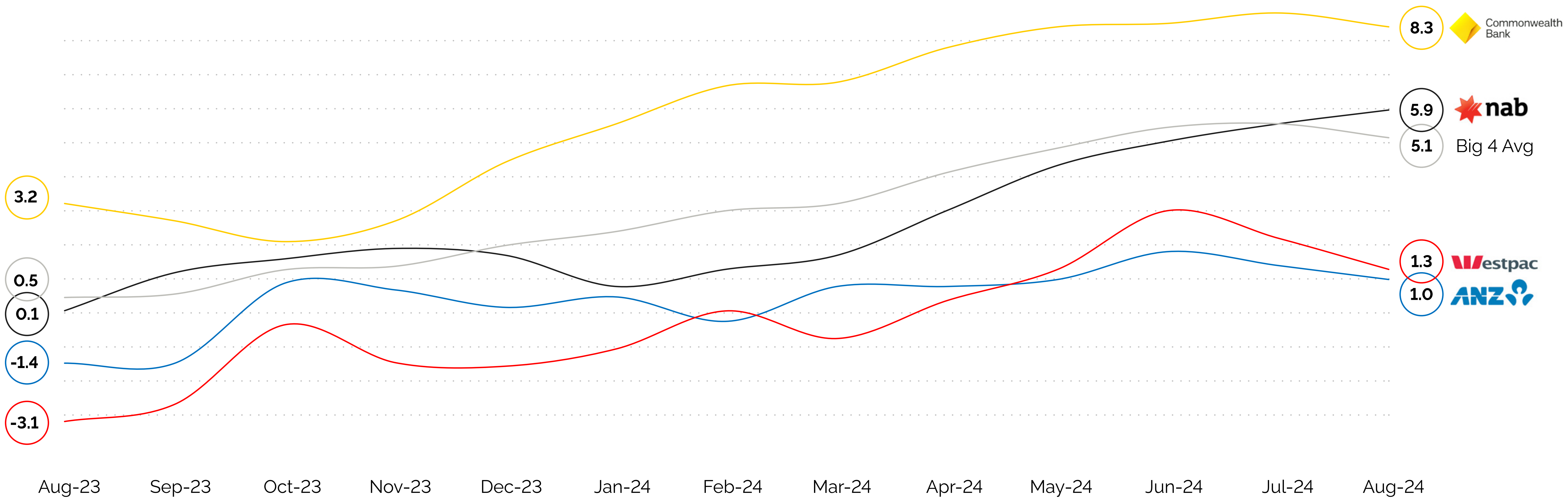
Customer loyalty or recognition programmes are not a new concept, but very few banks around the world have managed to pull off a bank-wide programme with great effect. Largely rewards and loyalty have been attached to credit card programmes, but in 2024 this doesn't benefit the growing proportions of (particularly younger) consumers that are turning to debit rather than credit cards.

Outside of card rewards, when banks have focused on rewarding customers for active behaviour it has tended to be in the form of cashback (think Santander UK's now defunct 1I2I3 account) or extra basis points for savers (DBS Multiplier or OCBC 360 in Singapore).

One standout example is the Commonwealth Bank of Australia (CBA), which launched CommBank Yello in October 2023. Yello offers customers a range of benefits including cashback, personalised discounts and offers and prize draws for all active customers with minimum friction.

The big question is, has it made a difference? The answer is yes. Since the introduction of Yello, CBA's Net Promoter Score (NPS) has increased significantly, from +2.1 in October 2023 to +8.7 in July 2024 (a record for the major Australian banks as of August 2024).

NPS of Australia's four biggest banks



Source: RFI Consumer Atlas

AUSTRALIA LOYALTY

In Australia, 14% of consumers were looking to switch their primary transaction account in the last 12 months vs a long-term average of around 10%. Rewards are key to customer retention, but long-term customers are less satisfied with them. As a result, they are more likely to consider switching banks in search of better value and more appealing rewards from competitors.

How satisfied are you with the following attributes of the everyday/transaction account that you use most

% 8+ Highly satisfied

	More than 5 years	4-5 years ago	3-4 years ago	2-3 years ago	Less than 2 years
The ways in which I am rewarded for my loyalty to the bank	25%	34%	32%	48%	41%
Ongoing usage incentives (such as cash-back or reward points)	37%	37%	32%	43%	40%

Source: RFI Global Consumer Councils

Going forward, we expect to see more of these programmes worldwide. Addressing customers' expectations for getting something back in return for being loyal, but also providing customers with a feeling that they're being smart with their money by choosing a service provider that helps them save.

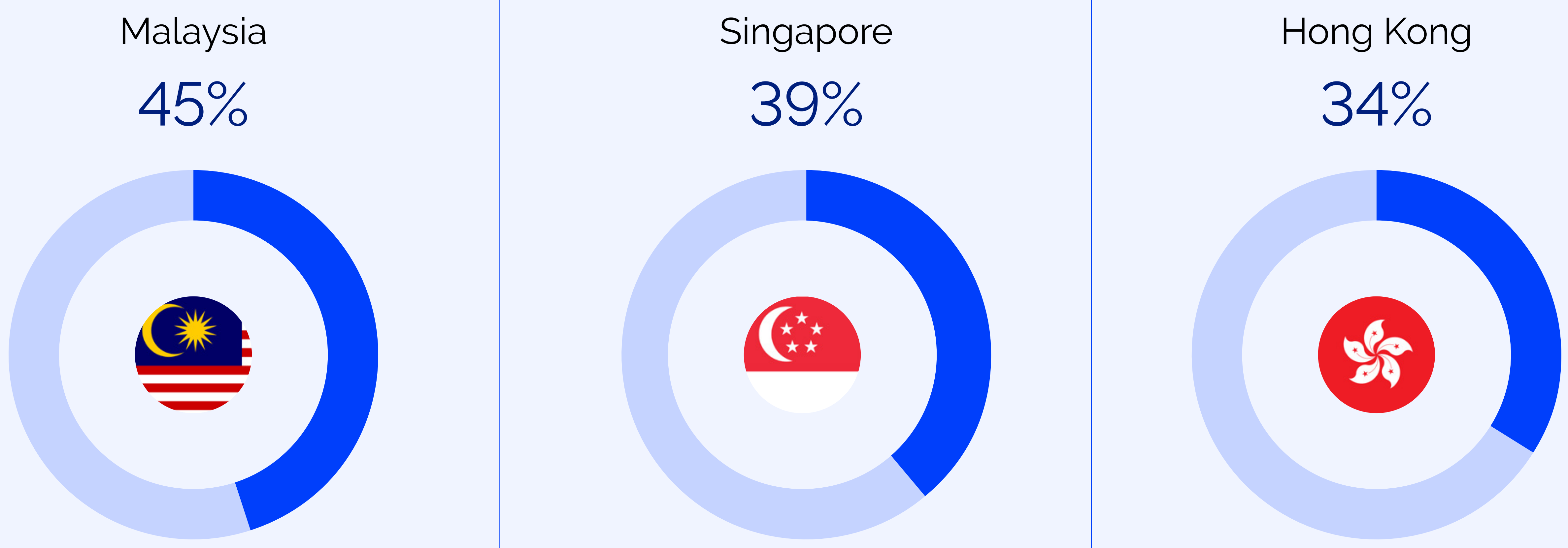
What is more, with the advent of Gen AI and an increasingly digitally savvy customer base, banks can seamlessly provide increasingly personalised loyalty rewards.

Alan Shields
Co-founder
RFI Global
ashields@rfi.global

APAC **APAC LOYALTY**

Across APAC, rewards are the primary driver of switching behaviour. Switching behaviour has risen in recent years across all three markets, with increasing emphasis on rewards as a key factor for past and future banking decisions.

Motivated by rewards for main bank account



Source: RFI Global Consumer Councils

TREND 02

The digital edge:

Fintech, AI and the future of financial services

Over the past five years, fintechs have seen 200% growth in customers globally, with the top 10 fintechs now surpassing the customer base of the top 20 retail banks.*

The digital revolution in financial services isn't new, but the rate at which it is transforming the industry has never been greater. The industry globally is undergoing significant change, driven by fintech, digital innovations and AI.

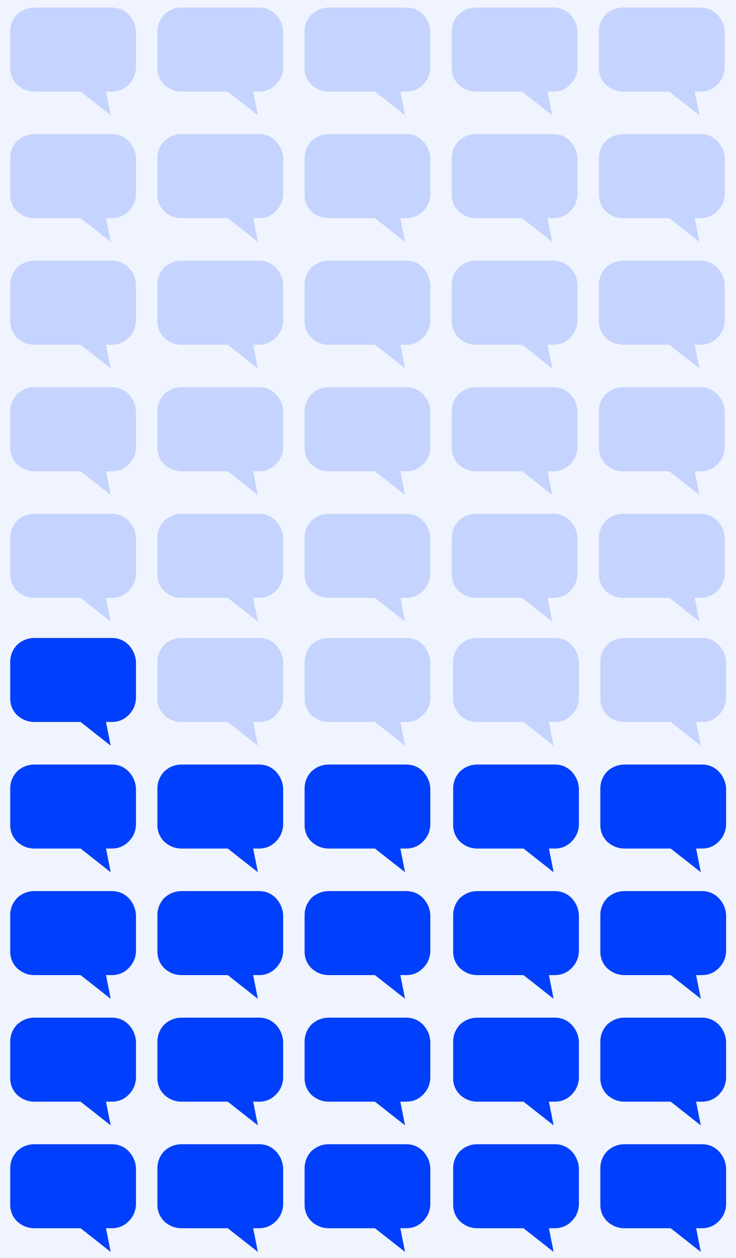
Consumers increasingly opt for digital banking, prioritising convenience and seamless online experiences over in-person services. Customer service remains key to maintaining main bank status, but what does 'good customer service' look like for digital-first relationships? This shift from in-person services puts greater pressure on banks and financial institutions to deliver exceptional customer service through digital channels like live chat and self-service platforms.

At a time when market volatility is high, a growing reliance on digital tools and robo-advisors is also transforming how people manage their finances, particularly younger generations who seek cost-effective alternatives to traditional financial advisory services. The perceived value of human advisors is diminishing as robo-advisors offer affordable, data-driven insights, empowering users to make informed decisions about investments and financial planning independently. We see a rapid adoption of these digital tools, with fintech firms leading the charge in offering innovative, tech-driven solutions. Asia is leading this trend, with the US closely following. Other countries will soon follow.

*Source: Brett King, Branch Today, Gone Tomorrow

UK DIGITAL EDGE

UK consumers have embraced digital solutions. 42% currently use live-chat services with their main bank, and 3 in 5 users expect virtual assistant technology to replace phone banking.



42%

currently use live-chat services with their main bank

Source: RFI Global Consumer Councils

Empowered by the wealth of financial information available online, consumers have become more self-reliant. Many are turning to social media and other digital platforms for advice, bypassing traditional financial institutions in their decision-making. This trend is especially evident across Asia, where tech-savvy consumers are growing evermore confident in managing their finances independently. Australians exhibit similar behaviour.

Fintech and challenger banks are uniquely positioned to meet these evolving needs. With their agile, tech-first approach, they are capturing a greater share of the market from the incumbents than previously. Their user-friendly interfaces, low fees and instant support align with modern banking preferences and play a key role in driving brand appeal, leaving incumbent banks to grapple with fleeting customer loyalty.

UAE DIGITAL EDGE

The UAE is seeing rapid fintech growth driven by supportive regulations, funding and consumer demand for mobile-first banking. Digital-only banks like Liv and Wio are gaining traction. Ten per cent of SMEs now use Wio. The open finance framework that allows fintechs access to customer data and economic growth is set to accelerate this trend.

Source: RFI Global Consumer Council

AUSTRALIA DIGITAL EDGE

In Australia, social media is reshaping financial product decisions, especially mortgages and credit cards where 76% and 68% of consumers turn to platforms like TikTok and Instagram for advice. Across all products more than 1 in 2 consumers say social media plays a role in influencing their choices.

How social media influences product choice

	Transaction accounts	Savings accounts	Credit cards	Mortgages	Personal / car loans
Facebook	15%	14%	12%	10%	19%
Instagram	11%	12%	10%	9%	13%
YouTube	13%	15%	14%	9%	20%
TikTok	11%	9%	8%	8%	15%
Snapchat	7%	6%	5%	4%	9%
Have used social media	48%	58%	68%	76%	46%

Source: RFI Global Consumer Council

AI plays an increasingly pivotal role in reshaping financial services, although consumer confidence in front-end AI tools is still developing. While AI-powered robo-advisors and personal finance tools are gaining traction, many consumers remain cautious. The most immediate impact of AI will be seen in back-end processes like fraud detection and risk assessment, where its potential to enhance security is already evident. In countries like Canada, consumers are particularly receptive to AI-driven fraud protection, a trend we expect to grow as the technology advances. Generative AI (GenAI) is also revolutionising customer engagement through personalised marketing and improved contact centre efficiency with tools like Copilot, which streamlines customer query handling.

CANADA DIGITAL EDGE

Over half of Canadians are comfortable with the application of AI for fraud services, however, most report only a moderate understanding of AI. Privacy concerns and a lack of human oversight are pressing issues.

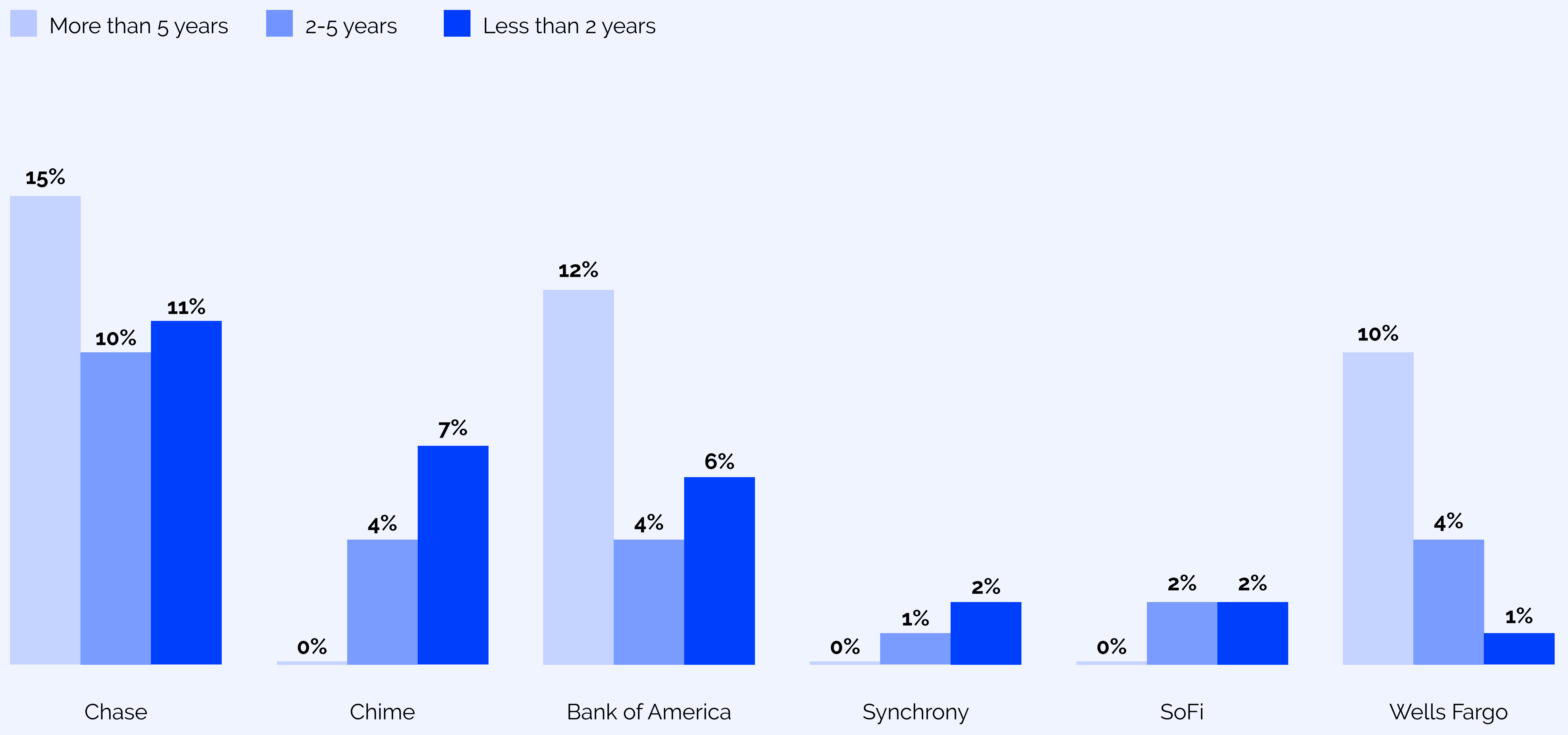
Source: RFI Global Consumer Council

US DIGITAL EDGE

In the US, challenger banks have capitalised on the desire for digital banking and consumer propensity to switch. Collectively, Chime, Synchrony and SoFi account for 1 in 10 primary bank accounts opened in the last two years.

Which is your household primary bank or credit union?

By tenure



Source: MacroMonitor

The future of financial services will continue to be shaped by advances in digital banking, self-service tools and AI, with fintech and challenger banks leading the way.

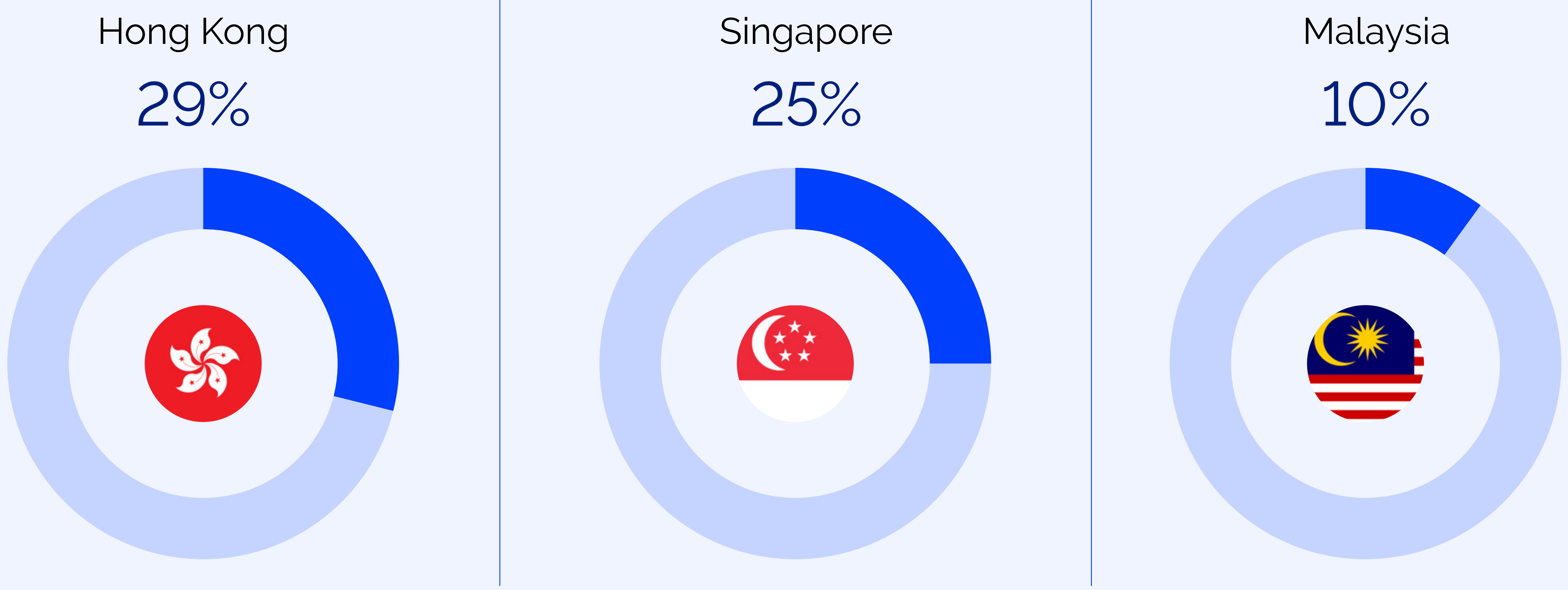
As these innovations evolve, the focus will remain on delivering faster, more secure and personalised services. To gain the digital edge, financial institutions must anticipate consumer needs and empower them at every touchpoint.

Luke Allchin
Director, North America
RFI Global
lallchin@rfi.global

APAC DIGITAL EDGE

Digital-only banks continue to gain traction in Asia. In Singapore, usage surged from 4% in 2022 to 25% in 2024. Hong Kong saw growth from 22% in 2021 to 29% in 2023. While newer in Malaysia, 10% of consumers now use digital-only banks, reflecting steady adoption.

Use digital-only banks



Source: RFI Global Consumer Councils

TREND 03

Navigating market volatility:

The impact of rate shifts on consumer saving and borrowing

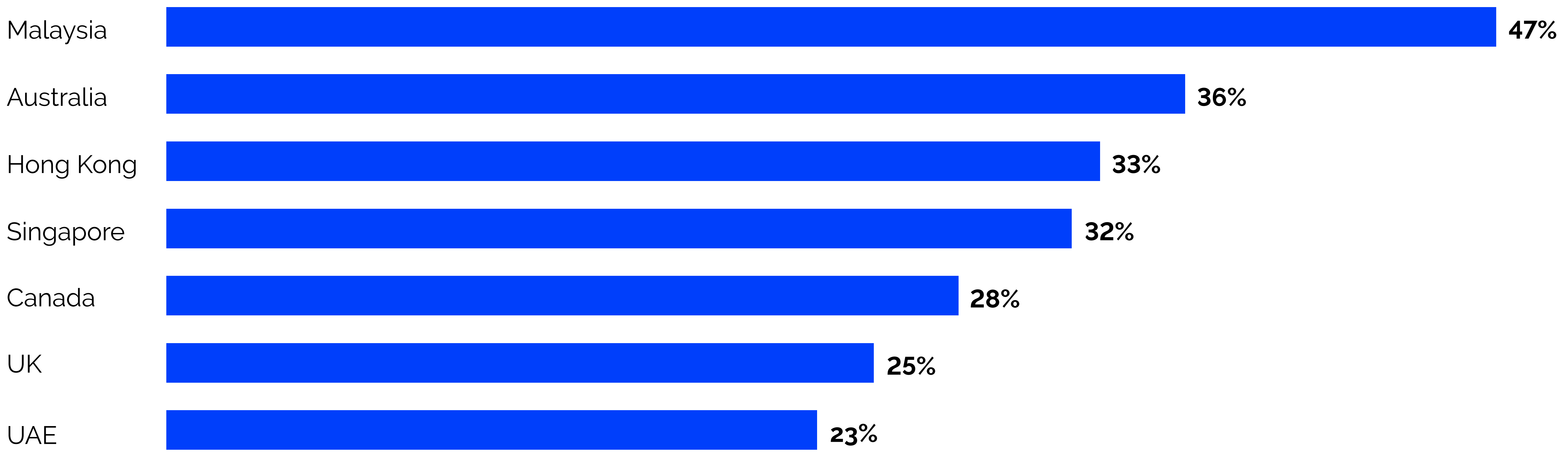
If economic forecasters are correct, 2025 will be characterised by interest rate reductions.

We have already seen some central banks make rate cuts, in the US, Canada and the UK, and talk publicly about further reductions in the coming months. If the downward phase of the cycle plays out as the upward phase did, it will not be synchronised – central banks will reduce rates by different amounts at different times as they continue to juggle inflationary pressures.

Interest rate movements are often triggers for behavioural change and RFI Global data shows the impacts of these changes on consumer and business banking behaviour. This insight allows us to predict how behaviours will change in 2025, and the implications for financial institutions. As we saw in Chapter 1, interest rate increases have led to more consumers changing their main bank accounts, and this trend looks set to continue.

As interest rates have increased and then stabilised, customers around the globe have continued to invest more in savings. Globally, we have seen an increasing number of consumers indicating they plan to grow their savings, while simultaneously reducing their spending and borrowing.

Proportion of consumers that plan to save more in the next 12 months



Source: RFI Global Consumer Councils

US VOLATILITY

58% not saving enough

58% of US households believe they are not saving enough to meet future needs. Access to concise financial product information is the central pain point, particularly for younger decision-makers relying on alternative sources like social media for long-term planning advice.

Source: MacroMonitor

CANADA VOLATILITY

Retail savings account ownership in Canada rose from 69% at the end of 2023 to 83% by mid-2024. Intent to open new accounts doubled from 6% to 12%.

Consumers concerned about their financial position are most likely to open new accounts, with 19% of those highly concerned planning to do so.

Source: RFI Global Consumer Council

We believe a focus on saving is an entrenched legacy of COVID-19, a time when consumers and businesses wanted to protect themselves for the future. There is no evidence to suggest this will change any time soon. Sentiment remains subdued, and there are still economic tailwinds and inflationary pressures because of past price rises, leading to cost-of-living pressures. Unemployment remains stubbornly high in some markets.

We expect to see financial services customers being hesitant to commit in 2025, waiting to see when and by how much rates will fall. This will result in customers placing greater importance on product flexibility, wanting the freedom to move and to change their behaviour.

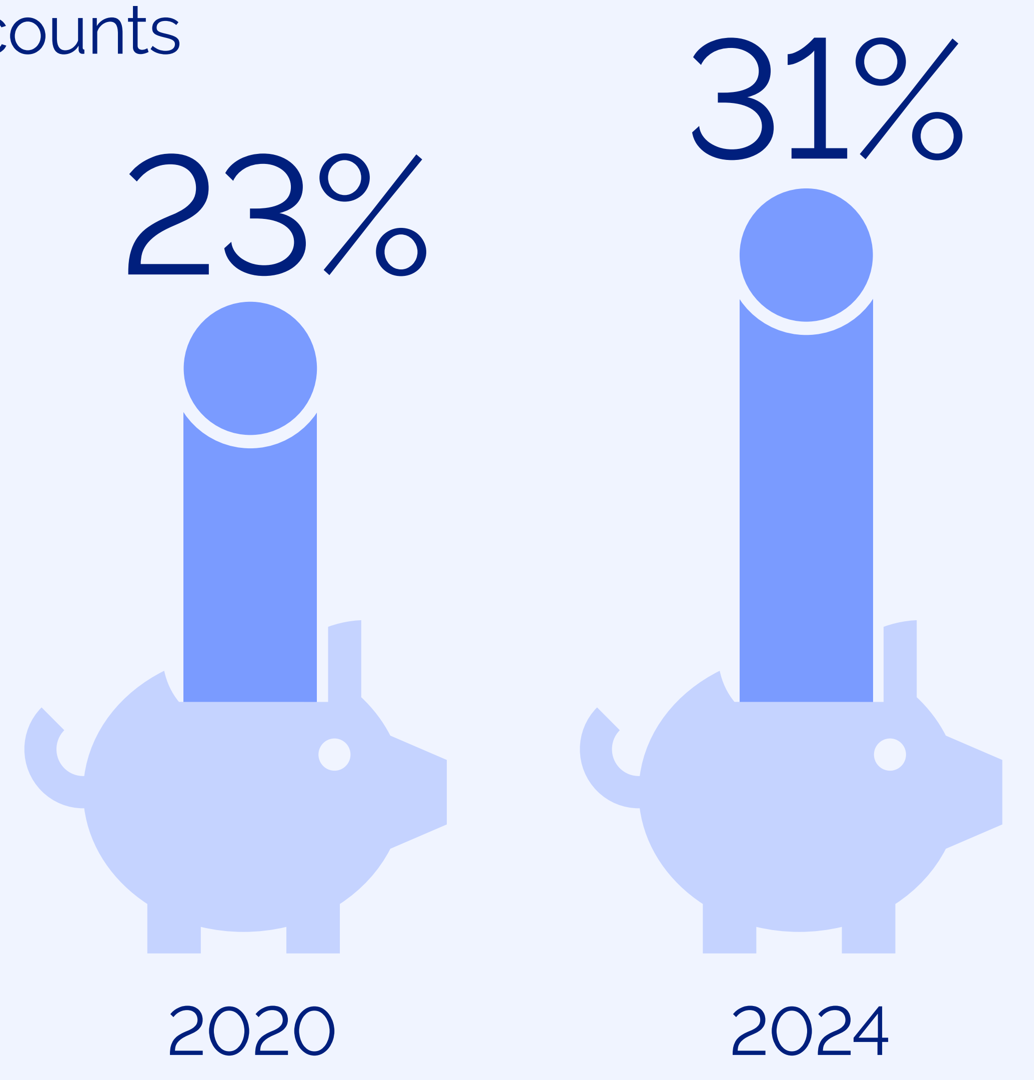
Higher savings rates have given financial institutions the opportunity to use savings products to attract new customers in ways that are not possible in a lower-rate environment. Some have aggressively pursued a rate leadership position to win rate-motivated savers. The by-product has been an increased incidence of customers holding more than one savings account and customer relationships being defined only by a savings product. Other products and the all-important main bank relationship have proved less mobile and therefore harder to win.

As rates start to fall, saver retention will be a key challenge for financial institutions. Not every institution can be a price leader, and many don't aspire to be, at least not on an ongoing basis. These institutions need to focus on deepening relationships with rate-motivated customers, creating hooks that increase the likelihood that savings balances will be retained. Championing propositions that integrate transactions and savings relationships is a viable means of doing this, elevating an institution's opportunity to assume main bank status.

AUSTRALIA VOLATILITY

In Australia, household savings have surged by over 30% since 2020. The percentage of savers holding multiple accounts has risen from 23% to 31%, and 74% of consumers now check competing rates, up from 65% in early 2022, highlighting increased financial vigilance.

Australians with multiple savings accounts



Source: RFI Global Consumer Councils

Lower rates will not only impact savings portfolios. As rates have increased, we have detected higher levels of loan refinancing, heightened concern about repayment capability and mortgage stress. Lower rates will not change this behaviour, nor immediately erase concerns. In fact, refinancing may stay elevated as borrowers look to take advantage of lenders moving ahead of, or further than, incumbents. As is the case for deposits, there will be an opportunity for new price leaders to emerge. In Australia, 26% of mortgage holders expect to struggle with repayments over the next 12 months, a rise from 18% in June 2022. In the UK, this figure peaked at 24% in late 2023, compared to 17% two years prior.

Lenders need to decide whether they tackle the refinancing risk head-on by being among the first to lower rates, or reactively by arming front-line staff with the means to retain outward-heading customers. Financial institutions often favour the latter approach, but it is not fail-proof when customers provide no opportunity for a retention conversation or staff have no incentive to have one.

Alex Boorman
Chief Product Officer
RFI Global
aboorman@rfi.global

UK VOLATILITY

In the UK, 77% of consumers hold at least one savings account. A third have opened new saving accounts in the past two years, motivated by rising interest rates. Demand for better savings rewards drives switching (68%).

Opened new savings account

34%

Source: RFI Global Consumer Council

UAE VOLATILITY

In the UAE, rising interest rates have driven a 30% increase in consumer deposits since 2022. Consumer credit has also grown by 19% between Q2 2022 and Q1 2024. With expected rate decreases next year, banks anticipate deposit outflows and increased borrowing, particularly benefiting the real estate market.

Source: RFI Global Consumer Council

APAC VOLATILITY

Demand for savings products is surging across Asia. In Singapore, intent to open current and savings accounts (CASAs) doubled from 7% in 2021 to 14% in 2024. Malaysia saw saving intent rise to 47%, and in Hong Kong, 58% of consumers likely to take up a new product expected to open a CASA, up from 36%. Time deposit demand has jumped from 19% to 44%.

Source: RFI Global Consumer Councils

TREND 04

The wealth advantage:

The rise of the emerging affluent

Emerging Affluent consumers are set to become a major force in shaping the global financial landscape.

As their wealth and influence expand, we expect this group to drive significant changes in investment strategies, with a focus on global diversification, sustainable investments and long-term financial security.

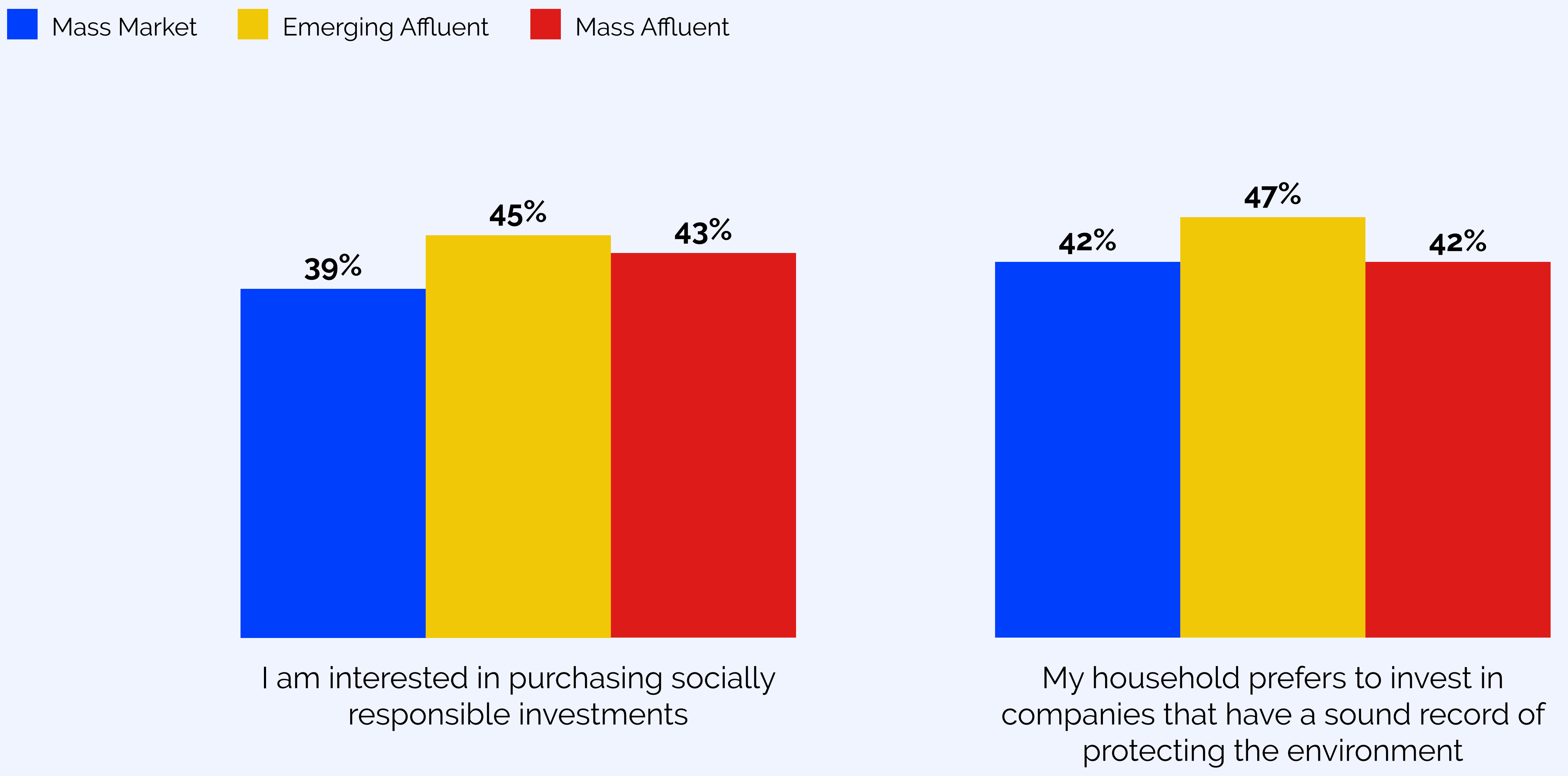
In the US, there is a growing interest in Environmental, Social, and Governance (ESG) investments amongst Emerging Affluents, reflecting their desire to align their financial decisions with their personal values. This shift toward values-based investing highlights their commitment to sustainability and socially responsible choices, setting a trend we expect to grow in importance in the coming years. Additionally, long-term financial planning, including education savings, is becoming a key priority for this group, further demonstrating their forward-looking approach to wealth management.

US WEALTH ADVANTAGE

Emerging Affluent households in the US are more interested in purchasing socially responsible investments than Mass Market and Mass Affluent households. They prefer investing in companies with a sound record of protecting the environment.

Emerging Affluent households in the US are more interested in purchasing socially responsible investments

% Agreeing with statements



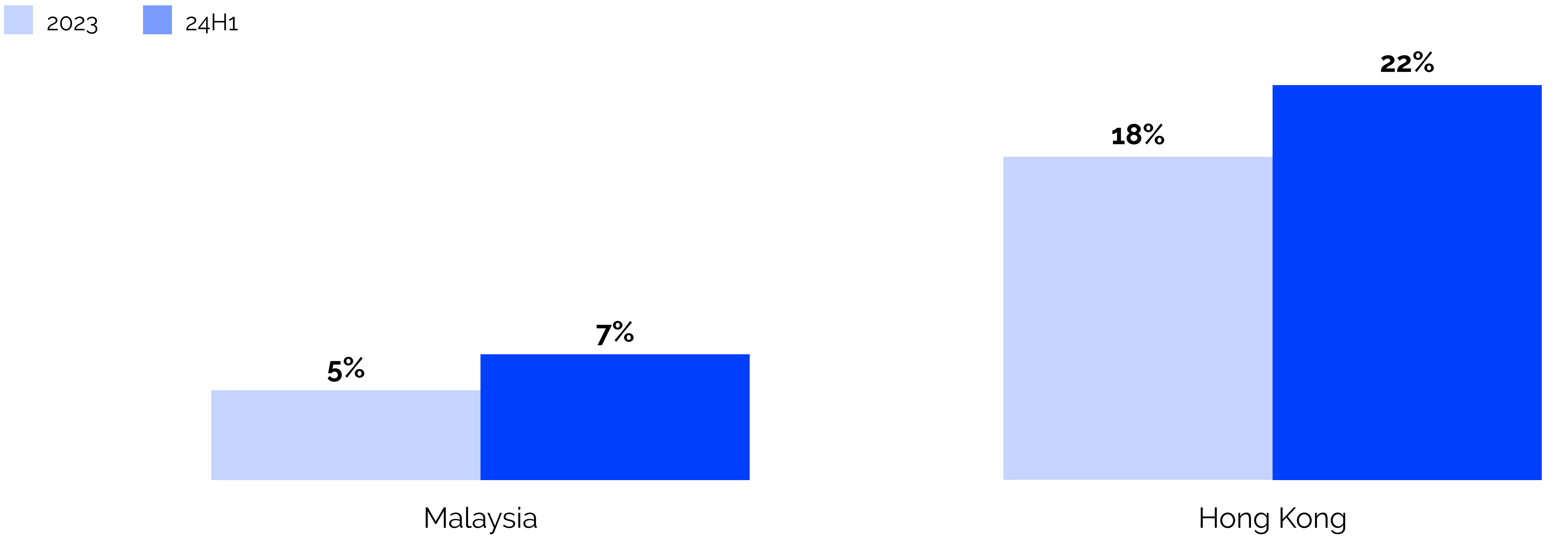
Source: MacroMonitor

Internationally, Emerging Affluents demonstrate a growing appetite for global opportunities, particularly through investments in international shares. In markets like Australia, interest in investment products has reached a level comparable to that of the wealthier Mass Affluent cohort. Their increasing focus on international shares, especially in markets such as Malaysia and Hong Kong, highlights their confidence in global opportunities and their willingness to invest beyond their domestic economies.

In the years ahead, the investment strategies of Emerging Affluents are likely to evolve toward risk-managed products such as ETFs and mutual funds. These products offer global exposure while managing volatility, appealing to investors seeking to balance growth opportunities with financial stability.

Financial institutions that can develop hybrid solutions, combining potential for growth with cautious risk management, will be well-positioned to meet the evolving needs of this segment.

Percentage of Emerging Affluents holding international shares



Source: RFI Global Retail Banking Council

UAE WEALTH ADVANTAGE

Only 1 in 6 of UAE's Emerging Affluents currently invest through UAE-based providers, highlighting a significant untapped opportunity. Overcoming key barriers, such as low investment confidence will be essential to driving uptake.

Source: RFI Global Consumer Council

CANADA WEALTH ADVANTAGE

In Canada over half of Emerging Affluents hold investment products, with a strong interest in digital trading tools, and 26% plan to invest more in the next 12 months.

Source: RFI Global Consumer Council

UK WEALTH ADVANTAGE

In the UK, 46% of Emerging Affluents hold investment products, with 7% being new investors. Their lower confidence in the market makes incentives crucial for driving engagement. Looking ahead, 18% of this group plans to invest more in the next year.

Source: RFI Global Consumer Councils

AUSTRALIA WEALTH ADVANTAGE

In Australia, property dominates the investment landscape among retail and wholesale investors. Our data shows that among borrowers, 18% of Emerging Affluents have an investment property loan. The desire to own property increases with wealth, with 32% of Mass Affluents and 61% of high net worths owning investment property.

Source: RFI Global Consumer Council

APAC WEALTH ADVANTAGE

Emerging Affluent investors in Southeast Asia are planning to invest more next year. In Singapore, it peaked at 30% in 2021, settling at 26% in 2023. Hong Kong has steadily risen from 19% in 2021 to 28% in 2024, while Malaysia saw a jump from 30% in 2022 to 36% in 2024.

Source: RFI Global Consumer Councils

Emerging Affluents looking to invest more next year

Malaysia	Hong Kong	Singapore
36%	28%	26%

Emerging Affluents continue to show confidence in their domestic market, particularly in Hong Kong, where investments in local shares have risen from 46% to 53% in 2024. Traditional savings preferences, such as savings accounts and term deposits, remain popular in regions like Hong Kong, Singapore and the UAE. However, with economic uncertainty looming, this group may increasingly seek innovative savings products that offer both liquidity and higher returns. Financial providers offering such solutions will thrive.

As the financial influence of Emerging Affluents expands, they will push for more tailored financial solutions that cater to their needs for global market access, sustainability and prudent risk management. Financial providers that can anticipate these shifts and innovate in these areas will be well-placed to capture the attention of this dynamic and rapidly growing segment.

Stefano Colombu
Managing Director, APAC
RFI Global
scolombu@rfi.global

Jamie Choo
Lead Insights Analyst, APAC
RFI Global
jchoo@rfi.global

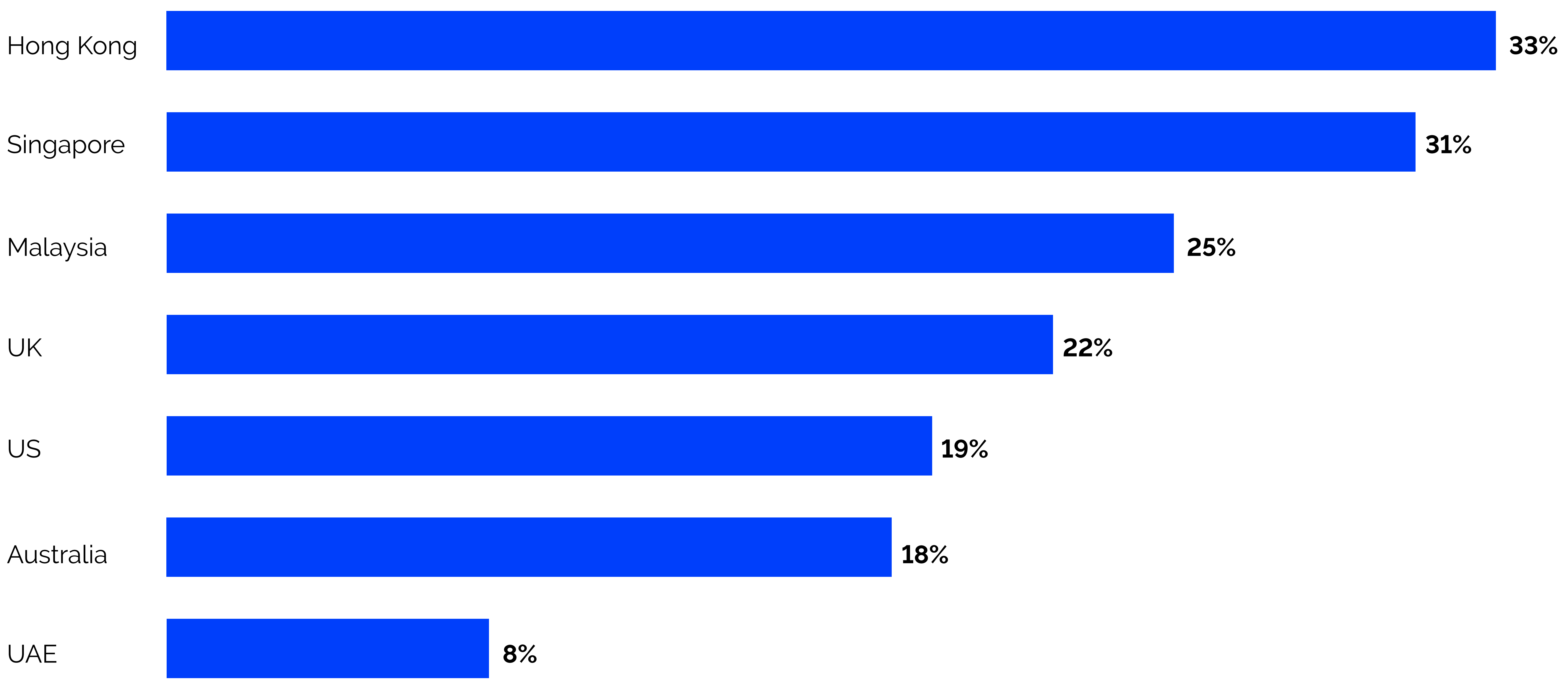
TREND 05

Unlocking cross-border payments:

Driving growth and customer acquisition

Cross-border payments are the lifeblood of global trade and underpin most facets of modern life, enabling the flow of food, clothing, medicine and technology.

Businesses intending to grow internationally



Source: RFI Global Business Councils

For financial institutions, they represent a substantial opportunity: an efficient cross-border payment service not only supports businesses of all sizes but also enhances the facilitating bank's reputation and strengthens customer loyalty.

Aside from the multi-trillion-dollar value of cross-border payments, our data shows that 1 in 5 small and mid-market enterprises (SME & MME) globally plan to grow their international sales over the next 12 months, representing a key revenue driver for many businesses, regardless of the industry.

US CROSS-BORDER

US businesses face two major challenges with international payments: limited information accompanying transactions and difficulty tracking payments. Real-time international payments could solve these issues by eliminating the need for tracking, ensuring faster, more efficient cross-border transactions.

Source: RFI Global Business Council

It is not just their intention to grow international sales but to actively expand into new geographies, with a significant proportion of businesses globally planning to accomplish this within 12 months.

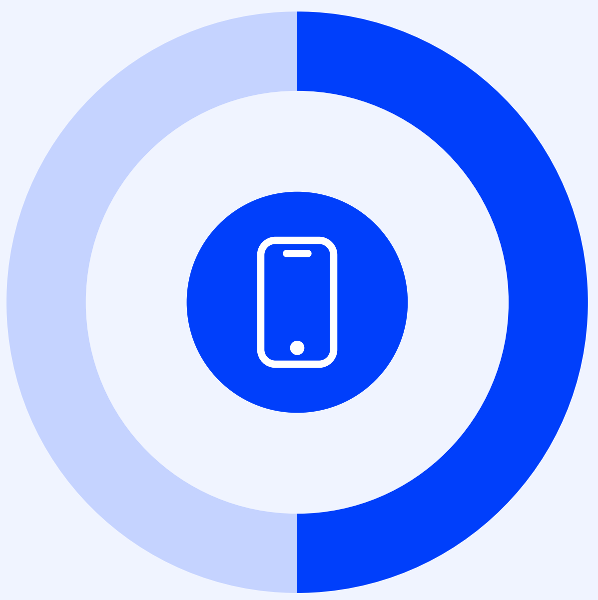
The desire to grow international sales presents a strong opportunity for financial institutions to increase revenue via acceptance costs. We believe there is a greater opportunity for outgoing, international business payments. Globally businesses are making a large proportion of their expense payments to international recipients.

AUSTRALIA CROSS-BORDER

33% of Australian businesses make or receive international payments, but fewer than 60% are highly satisfied. Key pain points include fees, limited information with payments and slow processing times. Half now use fintechs for international transactions.

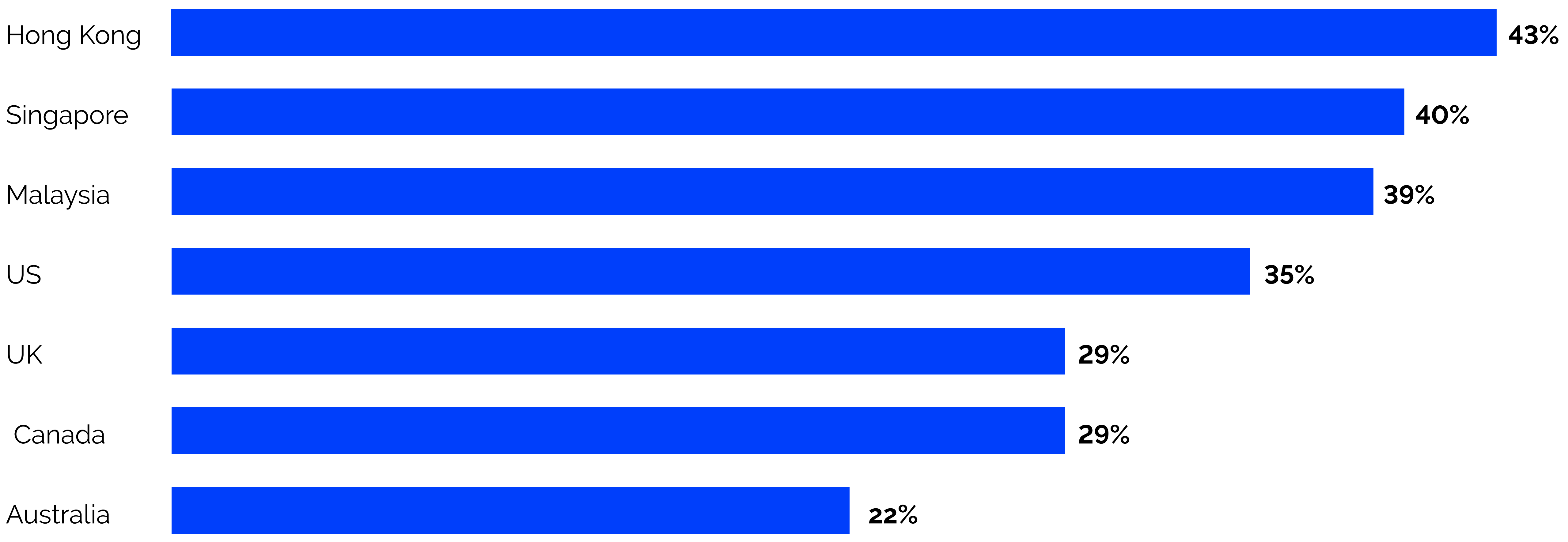
Use fintechs for international payments

50%



Source: RFI Global Business Council

Expenses paid internationally



Source: RFI Global Business Councils

UK CROSS-BORDER

UK businesses struggle with unfavourable exchange rates, especially when making payments in USD or Euros. Conversion rates are a bigger concern than tracking or overall costs. 35% intend to improve efficiency across their business. As a result, UK-based international businesses will seek to find cost-saving alternatives.

Currency payments sent

€ Euro 51%

$ USD 40%

Source: RFI Global Business Council

APAC **APAC CROSS-BORDER**

In APAC, cross-border transactions are crucial for SMEs when choosing a provider for cash management and business operating accounts. In Hong Kong, 30% now consider it essential, up from 21% in 2021. Despite its growing importance, financial institutions still face challenges supporting these activities region-wide.

SMEs prioritise cross-border transactions

Hong Kong 30%

Singapore 24%

Malaysia 21%

Source: RFI Global Business Council

This percentage is higher amongst Asian businesses. While satisfaction with the international experience is generally strong, financial institutions can do more to improve the overall payment experience. Globally, 6 out of 10 businesses are highly satisfied with the overall international payment experience, but there are still significant areas for improvement.

Fees and foreign exchange rates are unsurprisingly a key pain point globally, restricting satisfaction levels. However, businesses report another issue. In an increasingly digital, and real-time world, why is the process so lengthy? The time taken to initiate the payment, send the payment, receive confirmation of receipt, reconcile the payment in accounting, and on and on. Time is money for businesses and yet the process for international payments could take days if not longer. It could in some cases be quicker – if not more secure - to physically travel internationally and pay directly in cash than to send a digital payment.

Our data shows that businesses that report high satisfaction with the international payment experience are more than 20 times more likely to recommend their bank.

While there are substantial differences in business solutions depending on the value of a cross-border transaction, the fundamental principles remain the same. To capture the huge opportunity cross-border payments represent in 2025, financial institutions must have full visibility and control of their international payment ecosystem. Those who don't will undoubtedly lose out as the landscape continues to evolve.

Joseph Sharangparni
Director, EMEA
RFI Global
jsharangparni@rfi.global

Conclusion and implications

2024 has been a year of incredible economic and political volatility. Trends in our data from consumers and businesses worldwide indicate even more profound changes ahead for the banking industry in 2025. This will be driven by a number of independent but, ultimately intertwined, themes that will have a significant impact.

As interest rates start to come down from recent highs in most economies, consumers are looking for more diverse, personalised investment options as the interest on standard savings products declines. New propositions from digital-only players will continue to fuel this trend with their frictionless and superior UX. The increased sophistication and proliferation of market-leading digital offers will drive more and more customers to make 'smarter' choices by opting for greater speed, ease and personalisation which can be further tailored by players that harness and leverage AI.

Incumbent banks will need to focus on rewards to drive greater loyalty across consumer banking. This is made harder in the wealth space as consumers increasingly prefer AI-derived advice that doesn't come from traditional institutions. Not only is there a huge amount of consumer-driven switching in the wealth space but it is being further driven by the growth of the emerging affluent segment in most economies and their increased appetite for digital solutions.

The impact of digitisation has created lower, cost frictionless solutions which continue to reshape the SME cross-border banking space, as small businesses globally look to become more global in their capabilities and traditional barriers are removed. The need to provide a fast, frictionless and convenient service is the key to success here whether you are an incumbent or a new player.

As consumers and SMEs become increasingly sophisticated and demanding in their banking and payment expectations, it is the players, traditional and new, who harness the capabilities of digital and AI to transform the personalisation, advice and rewards that their customers now want, who will outperform.

The players who can move beyond their legacy thinking will be the winners in 2025 and beyond. Ultimately, success will depend on a deep understanding of evolving customer needs and behaviours to shape strategies that anticipate and meet the rapidly shifting needs of both consumers and businesses.

For deeper insights into your customers and prospects, and actionable strategies to shape your 2025 plans and beyond, reach out to your local RFI Global expert today.

Charles Green
Co-founder
RFI Global
cgreen@rfi.global

Get in touch with your local expert to find out more

We'd love to discuss the trends and future developments in the financial services market with you.
Please get in touch with your regional expert to arrange a call.

EMEA

Charles Green
Co-founder
RFI Global
cgreen@rfi.global

Charles is the co-founder of RFI Global, bringing over 25 years of experience in B2B media and business intelligence in retail banking, payments and commercial banking. He led the company's global expansion and strategic acquisitions. A recognised authority in financial services insights, he hosts the Banking Uncovered podcast and speaks regularly at industry events.

Joseph Sharangparni
Director
RFI Global
jsharangparni@rfi.global

Joe leads RFI Global's business payments and merchant acceptance programmes globally, bringing deep expertise across the research process. From designing impactful surveys to delivering high-level presentations that engage audiences from junior analysts to managing directors and C-suite. Joe is a trusted partner for clients ranging from large traditional banks to newer, digital-only players, helping them navigate the evolving payments landscape.

AUSTRALIA/NEW ZEALAND

Alan Shields
Co-founder
RFI Global
ashields@rfi.global

Alan is co-founder of RFI Global and an expert on developments and innovation in the world of financial services. Over the last 18 years Alan has worked with many of the world's leading banking and payments companies and is a sought-after speaker with executive teams and boards across the Australian banking landscape.

Alex Boorman
Chief Product Officer
RFI Global
aboorman@rfi.global

Alex leads the product team at RFI Global, with over 20 years of experience in financial services research across the UK and Australia. A proven leader in product innovation, he drives product delivery and the development of solutions. He has launched, maintained and enhanced a multitude of industry-shaping products during this time.

NORTH AMERICA

Luke Allchin
Director
RFI Global
lallchin@rfi.global

Luke is Insights Director and Product Manager for RFI Global's North America studies. With extensive experience as a financial services analyst, he helps RFI Global's clients to better understand the evolving financial needs of consumers, identify emerging trends and capitalise on growth opportunities.

APAC

Stefano Colombu
Managing Director
RFI Global
scolombu@rfi.global

Stefano is the Managing Director of RFI Global in Asia. He is responsible for the retail and SME banking councils in the region. He joined RFI Global from Standard Chartered and YES Bank.

Jamie Choo
Lead Insights Analyst
RFI Global
jchoo@rfi.global

Jamie is the Lead Insights Analyst at RFI Global in Asia. Drawing on regional expertise of the financial services markets in Asia, she uncovers market trends and delivers actionable insights to RFI Global's clients to help them seize opportunities, adapt to industry shifts and drive sustainable growth.

Thought leadership

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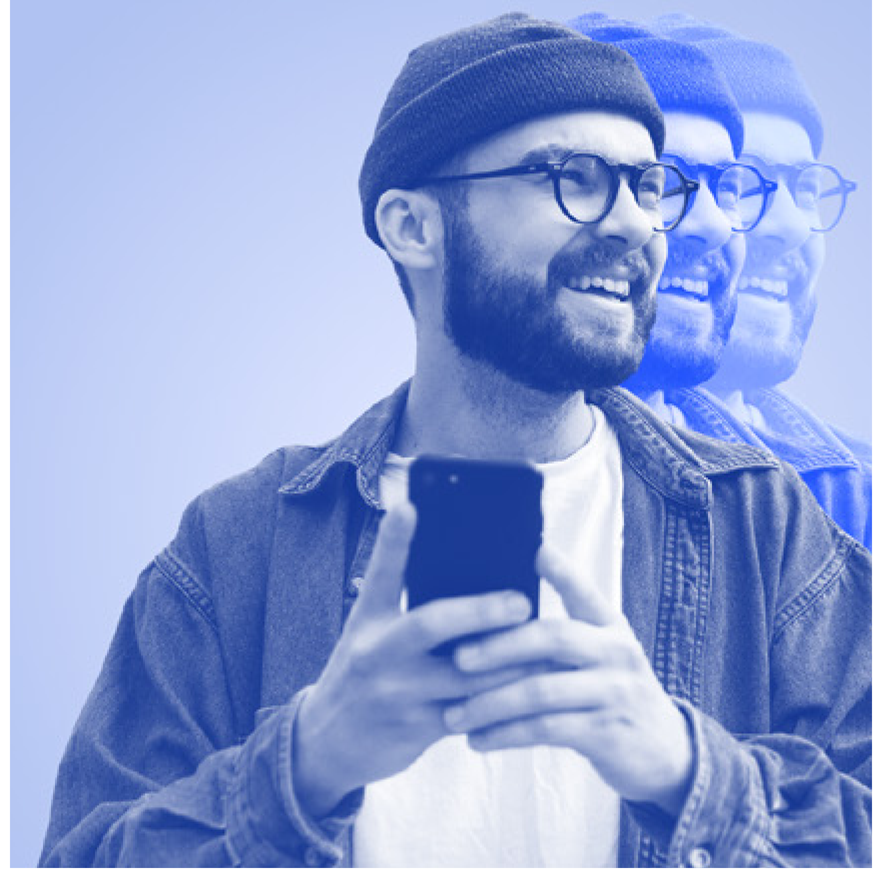

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