

Bricks and clicks – mapping the future of branches

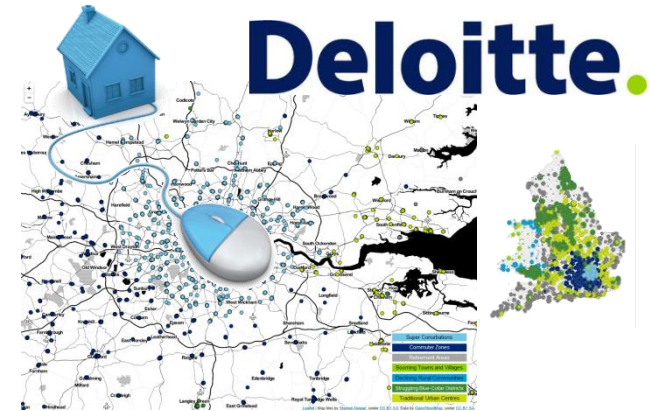


The analysis of 10400 banks and building societies, which reveals insights on the opportunity high street offers for British banks to create an integrated multi-channel environment

Situation

- The branch networks of retail banks and building societies are facing significant cost pressure and continuing disruption from digital channels.
- There are also widespread demographic and economic changes occurring within the local 'micro-markets' surrounding individual branches, which impact upon product, property (including footprints and formats).
- **Developed by:** Deloitte
- **Organisation type:** Large
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Challenge/Opportunity

- Deloitte wanted to use a mix of open data and commercially licensed data sources to identify archetypal micro-markets and challenge the popular perception that digital will kill off branches.

Open data used

- ONS - Census 2011, business demography, internet access, model-based income projections, geographical boundary and lookup files
- ONS/Welsh Assembly - Population projections
- Ordnance Survey – Code-Point® Open

Approach/Solution/Business model

- Clustered >10,000 UK bank and building society locations and >2,500 retail outlets into ~2,300 banking centres and used gravity modelling and unsupervised clustering to create archetypal consumer catchments.
- **Type:** Company

Benefits

- Learn how micro-markets are likely to influence customer needs, in terms of convenience, service and value, and adapt both digital and retail strategies accordingly – hence, mapping the future of banking