DXC TECHNOLOGY

KING CHARLES III • CORONATION • 6TH MAY 2023

Banking and Capital Markets
Banking in Brief

12 May 2023

Corridor Conversation

The coronation of King Charles III, which took place on Saturday 6 May, sparked a flurry of insights from the financial services community on how banking has transformed since the last coronation in 1953. In this Banking in Brief, Mark Thomas takes a deeper insight.

Cashless Evolution Over 70 Years

The coronation of HM King Charles III on 6th of May took place almost exactly seventy years since the last time Britain crowned a new Sovereign, in June 1953. With consumer prices starting to show signs of easing, it is worth reflecting on how banking has changed in the past seven decades and whether the coronation of the new King will have any bearing on the UK economy.

During those many years, banking as a global industry has evolved at a dizzying pace, leading innovation and learning from the many new challenges which have arisen.

THE DEATH OF CASH

Back in 1953, everyday banking transactions were cash-based, with the rare use of a bank cheque for larger amounts and even that would have been for the high-net-worth individuals (HNW)! Fast forward seventy years and the rise of digital payments and – 'tap-and-go' and the arrival of online shopping – means the use of cash has fallen sharply.

RAPID RISE OF CASHLESS PAYMENTS

Who still remembers the term 'Tuppence'? Much like the disappearance of the early morning milk delivery in the 1980s, delivering everything from milk to freshly laid eggs to how we now order fresh groceries online. In a similar fashion, going to your bank or building society branch on a Saturday morning was routine, even into the 1990s. We would endure long queues and even the now simple process of opening a bank account was a novelty for many, with a shiny new card and cheque book arriving a week later in the post.

Likewise, checking the value of shares could only be done through specialist investment periodicals and broadsheet newspapers, or by waiting for a letter or call from your stockbroker. Nowadays, all these activities can be completed with the tap of a smartphone screen.

THE FUTURE

According to a new report by PYMNTS and Cybersource, the UK's appetite for contactless payment systems went up by 94% year-on-year, as 58% of in-store shoppers paid using a contactless card in 2022. According to Payments Journal, global cashless payment volumes are set to increase by more than 80% from 2020 to 2025 and to almost triple by 2030.

While cash is likely to play an important role for years to come, its use is becoming rarer. It would be interesting to see how the era of the reign of King Charles III will provide essential evolution of the digital currency, some say we may not even have a need for bank notes or coins anymore; although that may not be any time soon given the Bank of England has confirmed the issuance of banknotes featuring the King's portrait by mid-2024.

Some of the trends for the next five years include increased and accelerated investment in payments infrastructure modernisation, a growing role for cryptocurrency within the payments industry, banks going big on Buy Now, Pay Later (BNPL) and Software-as-a-Service (SaaS) platforms underpinning the ecosystem.

Facts and analysis:

- Seven million chances to see King Charles **Read more**.

Bedtime reading:

- It's King Charles' Economy Now. **Read more.**
- King Charles coronation: Brits to spend big… but not with cash. **Read more**.
- Will your investments get a royal boost from the Coronation? **Read more**.

Top article hits:

- What impact will the Coronation have on the UK economy - and how have things changed since 1953? **Read more.**
- Brits cut back on groceries and eating out in March, yet digital content & subscriptions sees resurgence thanks to latest TV releases. **Read more.**
- Coronation and your cash: How much have prices – and life in the UK – changed since 1953? **Read more.**

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Analytics and Engineering

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Explore DXC's collaboration with Startup Autobahn to generate engines of success in the digital world. Read on

Blog - The Circular Economy: What it is, why it matters now, and how it can help your organisation

While the circular economy is about saving the planet, it's also about saving businesses. Your customers can find out how to unlock the potential of product life and usage cycles and make their business more sustainable, in this blog by DXC's expert in circular economy, Henrik Hvid Jensen.
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Banking and Capital Markets

Five data trends that will define the future of banking

An article about how data-driven technologies can help traditional banks transform customer experience and automate repeated processes.
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Delighted to announce that DXC is the Title Sponsor and exhibitor at the upcoming Security Transformation in Financial Services Summit in London on May 26. This is set to be another fantastic event and we look forward to seeing some of the team there. Also, DXC's Head of Global Security, Mark Hughes, will be a keynote speaker, as well as take part in a panel session talking about "**Security Transformation in Financial Services**". In support of the DXC team heading to this event, please do encourage your suitable UKI and wider European based clients and prospects to attend.
Please feel free to **like and share this LinkedIn post**. **Twitter Post** is here.

Customer Loyalty PoV

Improving the customer experience is a critical priority, yet banks today face many technological and cultural challenges that are holding them back. Download our paper to learn why, and how DXC can help: https://lnkd.in/euxBFu7i

Should you have any questions on a topic please feel free to contact your DXC representative.

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