Financial services CIOs face continuing volatility, requiring them to master a new set of rules for digital business and innovation. Banking, investment and insurance CIOs can use Gartner insights to guide their digital business strategy and innovation plans in 2022.

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Scope

This initiative helps banking, investment services and insurance firms identify the appropriate business and operating models, and choose the technologies to support those models.

Topics in this initiative include:

- **Banking and Investment Digital Business Strategy and Innovation:** Reimagine business and operating models with new and emerging technologies to disrupt yourself and stay ahead of competition.

- **Insurance Digital Business Strategy and Innovation:** Create a comprehensive digital strategy that enables the company to remain relevant to customers in light of new social, technological, economic, environmental, political and legal challenges.
**Analysis**

Business growth is an expectation among CEOs in banking, investment services and insurance, and all eyes are on the CIO to deliver enhanced technology capabilities to enable a fast return to that growth.

In 2022, financial services CIOs will need to focus their attention on delivering quantifiable value from their investments through a coherent innovation process that will move technology from the lab to production in an agile yet orderly way. Quickly weaving together an array of composable technology and architectural capabilities, such as customer experience (CX), data and analytics, APIs and automation on cloud platforms will become of paramount importance. As CIOs seek to scale innovation and digital initiatives through an increasing number of internal and external partners to support transformation, it will lead them to question the traditional nature of their role and the IT function.

**Topics**

Success in financial services requires IT to reimagine the future of the organization. More than ever before, banking, investment and insurance CIOs must become the primary advisors within their enterprises on how digital strategy and innovation can support business goals, particularly to remain competitive and generate quantifiable value.

To help CIOs achieve these goals, Gartner delivers comprehensive insights. This initiative targets two groups: banking and investment services CIOs, and life and P&C insurance CIOs.

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**Figure 1: Financial Services Digital Business Strategy and Innovation Overview**
Our research in this area addresses the following topics:

### Banking and Investment Digital Business Strategy and Innovation

Banking-specific ecosystems, cross-industry partnerships, composability principles and emerging technologies are converging to create new industry-specific opportunities. To fully exploit these opportunities, banks will need to find new ways to scale innovation and digital initiatives through an ever-growing number of stakeholders. They will need to ensure that the IT strategy is fully aligned to the business strategy and have clearly defined measurements for success.

### Questions Your Peers Are Asking

- How do I create a digital strategy that aligns with organizational goals to increase revenue, reduce costs and mitigate risk across the banking, wealth and asset management value chain?
- How do I engage with fintechs to innovate?
- How can data, analytics and business intelligence be used to grow our business and mitigate risks?
- How do I create a payments strategy to address changing customer needs?
- What are the use cases and best practices for creating a technology strategy to support digital currencies/assets (such as cryptocurrency, nonfungible tokens, central bank digital currency [CBDC] and stablecoins)?

### Planned Research

- How financial services firms are accelerating digital initiatives in response to environmental, social and corporate governance factors
- The KPIs to measure the success of digital initiatives in banking
- A framework for collaborating with fintechs
- New payment strategies to accelerate digital transformation
- A comparison of open API approaches that banks are employing to implement banking as a service
Insurance Digital Business Strategy and Innovation

As previous digital differentiators become table stakes, insurers need to find new strategies to distinguish themselves from competitors and gain a competitive advantage to support growth. Insurance enterprises must invest in and improve their digital capability, spark innovation and identify new ways of solving problems through internal and ecosystem partner-led initiatives.

Questions Your Peers Are Asking

- Which digital initiatives should I accelerate to meet the need for business model transformation?
- How do I build a composable digital platform to be prepared for future life and P&C insurance business models?
- What impact will insurtechs have on the future of insurance?
- How do the impacts and returns of our life and P&C insurance technology investments compare to those of our peers?
- How can data, analytics and business intelligence be used to grow our business and mitigate claims and underwriting risks?

Planned Research

- Top trends in CX for digital insurance
- How CIOs can design technology strategy to engender financial empowerment for customers
- Designing business-outcome-driven digital business KPIs
- Vendor landscape guides for policy administration systems in North America and Europe
- How financial services firms are accelerating digital initiatives in response to environmental, social and corporate governance factors
Suggested First Steps

**Banking**
- Accelerate Financial Ecosystems to Keep Up With Digital Giants
- Use Banking Industry Scenarios to Generate New Value in the Digital Platform Age
- 2022 CIO and Technology Executive Agenda: A Banking and Investment Perspective
- How CIOs Can Support HNW Millennials in the U.S. — The Next Wave of Growth in Wealth Management
- Emerging Use Cases That Validate the Business Value of Open Banking
- Digital-Outcome-Driven Metrics for Banking

**Insurance**
- Insurance CIOs: Rethink Your Operating Models to Position for Digital Business Growth and Expansion
- Quick Answer: Insurance as a Service — What Is It, and Why Should CIOs Care?
- 2022 CIO and Technology Executive Agenda: An Insurance Perspective
- Top Cross-Industry Open API Trends for Insurance CIOs to Track in 2021
- Insurance CIOs: Risk Appetite and Strategy Can Mean Higher Returns

Essential Reading

**Banking**
- Market Guide for Digital Banking Platforms
- Insights for CIOs on How High-Net-Worth Clients in the U.S. Work With Wealth Management Providers
- How Banking and Investment Services CIOs Can Effectively Partner With Fintechs
- Infographic: 18 Ways to Better Understand Your Banking Customers
- Bank CIOs: The Effect of Risk Appetite on Strategy and Results

**Insurance**
- Infographic: Navigating the Insurtech Journey for Insurance Companies
- Elevated Customer Expectations for Digital P&C Insurance Claims Demand Emerging Technology Adoption
- Case Study: Insurance API-Driven Digital Ecosystem Transformation (Wakam)
- Insurers Must Implement Dynamic Customer Engagement to Solve the Customer Experience Dilemma
- 3 Best Practices CIOs Can Use to Launch a Focused Insurance Data Monetization Effort
Actionable, objective insight

Position your finance organization for success. Explore these additional complimentary resources and tools for CIOs and IT leaders:

- **Ebook**
  - How Financial Services CIOs Can Build Leaders' Digital Dexterity
  - Build digital dexterity across your financial services organization.
  - **Download eBook**

- **Webinar**
  - The Gartner Top 12 Strategic Technology Trends for 2022: Banking
  - Leverage these trends to drive innovation and transformation.
  - **Watch Now**

- **Ebook**
  - 2022 CIO Agenda: A Banking and Investment Perspective
  - Explore insights that enable banking enterprises to stay ahead.
  - **Download eBook**

- **Research**
  - Accelerating Financial Ecosystems to Combat Digital Giants
  - Learn how financial services CIOs can plan a competitive strategy.
  - **Download Research**

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