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**SRM Shares Key Banking Trends for 2022: Main Areas Financial Institutions Need to Rethink**

**MEMPHIS, Tenn., Dec. 1, 2021** – [SRM](https://srmcorp.com/) (Strategic Resource Management), an independent advisory firm serving financial institutions, today shared information from its subject matter experts on what to expect in 2022.

* **Banks and Credit Unions Should Be Thoughtful about Cryptocurrency Strategies**Research shows more than [20 percent](https://www.gemini.com/state-of-us-crypto) of people with investable assets are already investing in crypto, which is expected to grow, and they typically invest through a cryptocurrency exchange. Additionally, research shows that more than 60 percent of these people would prefer to trade with their trusted financial institution. As the cryptocurrency space continues to grow, institutions must stay on top of new developments. Understanding cryptocurrency and decentralized finance (DeFi) use cases, market cap, and circulation is critical in ensuring quality cryptocurrencies are available for customers.
* **Payments Preferences Continue to Shift**There continues to be growth and change in payments that operate outside of traditional channels. Though many financial institutions have onboarded these non-traditional offerings, these payments differ from the typical point of sale card payments and bring about their own form of fraud. The pandemic has also sped up the adoption of contactless card transactions, and card issuers have worked to provide these cards to cardholders. However, supply chain issues have affected credit and debit cards nationwide. The shortage of silicon chips should be on the radar of every financial institution, given the importance of keeping customers equipped with active payment cards. With effective planning, issuers can minimize the potential impact on their organizations.
* **Automation is Back on Institution Roadmaps After a Two-Year Hiatus**   
  Many banks and credit unions are restarting discussions on how to leverage automation (RPA, AI, loan decisioning). We expect to see greater use in conversational AI as the pandemic tremendously increased the need to support call centers. Also, smaller institutions are learning not to over-customize, and we’re starting to see better APIs with less customization. Institutions must decide whether to do a quick RPA or a full integration.
* **Institutions Will Need to Work Harder and Smarter to Increase Loan Growth**Banks and credit unions are still drowning in unprecedented liquidity. At the same time, new household formation has been cut in half from pre-pandemic numbers, and online account openings are not what they should be. Financial institutions will need customer acquisition strategies for 2022; specifically, they’ll need to rely more on digital marketing. They will also need to confront core challenges if they want to improve the online account opening experience. Additionally, we are seeing instances of institutions buying lenders that typically sell loan originations to keep more earning assets on their balance sheets.
* **Digital vs. Branches Continues to be a Battle**   
  Branch traffic is unlikely to pick back up., though many are still longing for a human connection, which could help. Still, financial institutions will have decisions to make on their branch footprints.

Brad Downs, CEO of SRM, commented, "The last 18 months have brought many changes to the financial services industry, including the rapid innovation in digital banking, changes to the payments landscape, the emergence of cryptocurrency, and the increased need to provide exceptional customer experiences, both digitally and in-person. The banks and credit unions that understand the depth and breadth of these changes and pivot appropriately will be the ones to gain a competitive edge in today's challenging environment."

**About SRM**SRM (Strategic Resource Management) has helped more than 1,000 financial institutions add $5+ billion of value to their bottom line in critical areas such as payments, digital transformation, core processing, artificial intelligence, and operational efficiency. SRM’s decades of experience have lowered costs, grown revenues, increased productivity, expanded customer satisfaction, and provided a competitive edge for clients in an environment of constant and accelerating change. Visit [www.srmcorp.com](file:///C:/Users/ndougherty/Downloads/www.srmcorp.com) for more information and follow us on [LinkedIn](https://www.linkedin.com/company/strategic-resource-management-srm-/) and [Twitter](https://twitter.com/SRMCorp) for timely and relevant insights.