



Belgium

Digital Banking Experience 2025

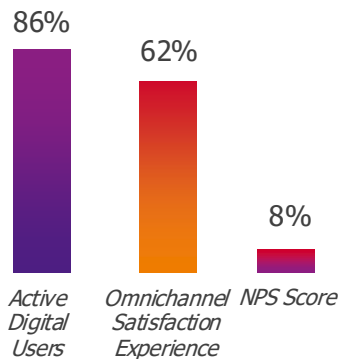
01

Executive
Summary

Belgium

Banking Digitisation: Usage, Digital Prioritisation, and Oppprtunities

Digital use is high. Satisfaction isn't.



Despite more than 80% active digital users, only 60% users showcase omnichannel satisfaction.

NPS score stands at 8%, a single digit number, indicating huge gaps and opportunity to enhance users' personalized satisfaction score.

With a declining number of banks and branches, digital transformation and regulatory compliance (e.g., DORA) are top priorities, opening opportunities for IT service partnerships and AI-driven operational improvements.

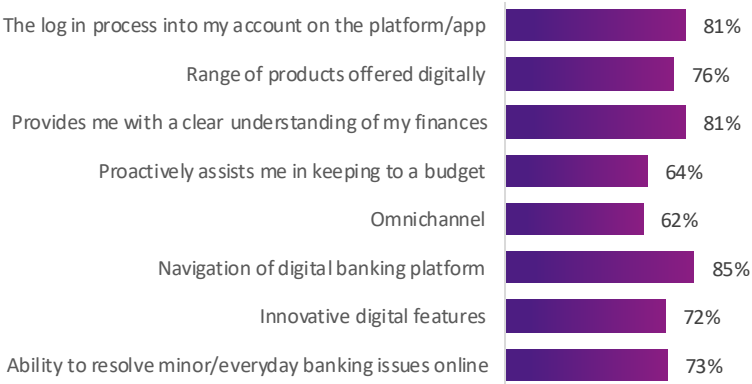
Core digital works; the rest must catch up

Belgian banks are delivering strong core digital experiences, especially in usability and clarity.

They need to focus more on advanced features, personalization, and seamless omnichannel integration to meet rising customer expectations.

Digital transformation is driven by GenAI, open banking, and cloud innovations. Banks are investing in hybrid cloud, security, and AI tools to modernize, but success depends on addressing fragmented systems and evolving regulations.

Banking Digital Satisfaction Rate in Belgium



Key Opportunity Areas

Data & Sovereign Cloud Modernization

Suppliers can offer strategic data transformation services, partnering with platforms like Databricks and Snowflake to modernize banks' data foundations. Furthermore, deep collaboration with sovereign cloud providers (e.g., Proximus NXT) offers a competitive edge, especially in sectors with sensitive data like finance, healthcare, and public services

Core Banking Transformation Leadership

IT suppliers can lead large-scale core banking consolidation projects by offering not just technical expertise but also robust change management and stakeholder alignment services. Helping banks simplify and merge their core systems—while managing transformation across departments—positions suppliers as strategic partners in end-to-end modernization

Vendor-Agnostic Orchestration & AI-Driven Solutions

There is a strong opportunity to develop vendor-agnostic orchestration layers that seamlessly integrate various point solutions (fraud detection, payments, onboarding, etc.). Additionally, expanding AI capabilities—such as credit risk analysis, fraud prevention, and virtual assistants—will address key growth areas through 2025.

Belgium

Catching up with a changing landscape

Payments Landscape

- **Digital Payment Solutions:** Develop and maintain card processing systems, direct debit platforms, and credit transfer automation tools for banks and fintechs.
- **Payment Security & Compliance:** Offer fraud detection and cybersecurity-as-a-service tailored to B2B payments and high-value transactions.
- **Legacy System Modernization:** Help banks phase out cheque-based systems and integrate digital wallets and contactless payment tech.

Cryptocurrency

- **Crypto Platform Development:** Build or customize crypto trading platforms and wallets, ensuring seamless integration with local payment systems like Bancontact.
- **Regulatory Compliance Tools:** Provide KYC/AML compliance modules for crypto service providers to meet FSMA regulations.
- **Tokenization & Blockchain:** Collaborate on tokenized asset platforms and blockchain solutions for integrating crypto into traditional banking systems.

Generative AI Adoption

- **GenAI Custom Solutions:** Create GenAI-powered chatbots, document processing, and hyper-personalized marketing engines for banks.
- **AI Compliance & Risk Frameworks:** Develop AI compliance solutions aligned with the EU AI Act, covering explainability, bias mitigation, and transparency.
- **Digital Inclusion Tools:** Partner with telecoms and banks to create inclusive digital banking experiences, especially for underserved segments

Data Privacy and Protection

- **GDPR Compliance Platforms:** Offer automated data protection management systems to help banks with audits, risk assessments, and real-time compliance monitoring.
- **Cybersecurity Enhancements:** Provide services around Zero Trust security, encryption for cross-border data transfers, and incident response readiness.
- **Data Governance Consulting:** Deliver workshops and advisory services to strengthen data governance, privacy-by-design, and breach management practices

Sustainability in Digital Banking

- **Green IT Infrastructure:** Build and implement energy-efficient cloud solutions, sustainable data centers, and carbon footprint tracking systems for banks.
- **ESG Reporting Tools:** Create digital platforms that enable banks to track and report on sustainability metrics, investments, and compliance.
- **Digital Literacy & Inclusion Apps:** Collaborate with banks to develop apps and e-learning modules aimed at improving digital skills and accessibility for excluded populations..

02

Banking Market Overview

Belgium

Fitch Ratings : AA- | Outlook: Negative

Overview

- Over the years, the number of Belgian banks, branches, and ATMs has fallen. According to the latest publicly available figures, there were 80 banks in 2024, down from ~110 in 2010.
- According to the National Bank of Belgium (NBB) 2024 Financial Stability Report, the Belgian banking sector is in good health. Yet, economic uncertainty looms, requiring financial institutions to act cautiously, especially in profit distribution and commercial property valuation.
- Addressing natural disaster costs is crucial to ensure insurance availability. The IMF recommends stronger regulations and faster macroprudential actions to enhance Belgium's financial stability.
- Regulatory compliance is thus an expanding landscape, presenting promising opportunities for IT service providers to partner with banks (and other financial institutions), delivering innovative solutions and tailored support to address evolving needs and drive efficiency in this domain.
- One of those unfolding opportunities relates to the Digital Operational Resilience Act (DORA), where Belgian and Benelux banks are engaging with IT service providers, e.g., Kyndryl, to redesign IT infrastructure outsourcing models and Service Integration and Management (SIAM) layers. There are also (Gen) AI-powered opportunities in this space to automate compliance analysis and risk management of IT vendor contracts. Global management consulting firms, e.g., PwC, with strong process and risk management expertise, are particularly active in this area.
- Artificial intelligence (AI) and generative artificial intelligence (GenAI)-powered services and solutions are front and center when it comes to operational efficiencies and cost savings at Belgian banks.
- GenAI engagements are predominantly found in back- and front-office digital assistants. These can augment operational facets, including claims management, leads, and customer service. However, for now, GenAI is seen as complementary to AI and not a standalone technology, with several engagements still in a PoC phase.
- With the decrease in physical banking branches and the rise of digital banking, digital channels, application integration, data sharing, embedded banking, and contactless payments, the attack surface for cybercriminals increases exponentially. Banking application development needs to have security at its core, adopting DevSecOps and Zero Trust methodologies, i.e., always treat infrastructure as if it is breached, leading to standard practices such as access request validation (user, devices, etc.), passwordless authentication, Zero Trust AI integration (e.g., Microsoft Sentinel), and more.

Statistical Snapshot	2023*
GDP at current price	US\$ 645 bn
Population, total	11.8 mn
Individuals using the Internet (% of population)	94.6
Population ages 15+ total	9.1 mn
Account ownership at a financial institution or with a mobile-money-service provider (% of population ages 15+) 2021 data	99.01%
Belgian population used internet for online banking service	80%
No of Retail Banks	74
Foreign-owned banks operating in Belgium	60%
Commercial bank branches (per 100,000 adults), 2022 data	21.14
Adoption of Open banking in Belgium, 2023	53%

* Latest figures available

Belgium

Future-Ready Banking: Securing, Modernizing, and Scaling with GenAI, Hybrid Cloud, and Open Ecosystems

Market Drivers	Inhibitors
<ul style="list-style-type: none">• Banks must continuously collaborate with IT security partners to stay ahead of evolving regulations (DORA, PSD2, NIS2) and sophisticated threats, including GenAI- and future quantum-enabled attacks, making cybersecurity a constant priority.• Legacy systems hinder real-time services, cost-efficiency, and security. Modernizing core banking is complex and multi-year, involving various partners and offering opportunities for IT service providers. Banks like Argenta and Keytrade are actively transforming to meet customer demands and leverage new technologies.• GenAI is rapidly advancing in banking, enhancing customer experience, chatbots, real-time reporting, and risk assessments. Robust governance frameworks are essential to ensure compliance and ethical use of the technology.• The integration of financial services into third-party platforms is growing, driven by Open Banking and advanced data platforms, enabling seamless distribution of loans, payments, and insurance to meet evolving customer expectations.• Hybrid cloud remains the preferred model, balancing cloud and mainframes for critical workloads. Sovereign cloud solutions, like those from Proximus NXT with Microsoft and Google, are gaining traction as banks seek enhanced security, compliance, and data control.• Banks are adopting AI-powered coding tools like GitHub Copilot to boost developer productivity (up to ~50%) and reduce costs, aligning with broader goals of automation and sustainability.	<ul style="list-style-type: none">• Belgium’s limited IT talent pool, compounded by multilingual requirements (French, Dutch/Flemish, English), poses challenges for digital transformation, especially across diverse regions like Flanders, Wallonia, and Brussels.• Innovation is slowed by complex IT environments with years of custom code and legacy systems that are difficult to migrate to modern architectures like cloud.• Digital-first banks like Bunq, Revolut, and N26 outpace traditional banks due to their cloud-native agility, enabling faster feature rollout and market responsiveness.• New regulations demand significant IT investments, testing, and compliance efforts, often increasing IT budgets by over 20% for investment banks.• Both old and new technologies introduce vulnerabilities, requiring continuous investment in security practices, tools, training, and services to counter sophisticated threats.• Banks face challenges with data silos, quality, and governance, limiting real-time insights, reporting, and AI-driven forecasting due to fragmented systems.• The failure of Banx shows digital initiatives don’t guarantee success; understanding customer needs and leveraging existing solutions—like Belfius and Proximus NXT’s shift to the Proximus+ app—is often a more effective strategy.

Belgium

Belgian Banks at a Crossroads: Tackling Legacy, Talent Gaps, and CX Demands with AI and Hybrid Cloud

Cybersecurity

- Cybersecurity is complex due to the mix of legacy systems and cloud technologies, making oversight and compliance difficult. To address this, banks and IT service providers are investing in AI-driven observability platforms. For instance, in March 2024, KBC Bank partnered with Dynatrace to gain full IT visibility, ensure PSD2 compliance, and maintain high API performance for payment services.

Core banking modernization

- Core banking modernization aims to boost efficiency and enhance employee and customer experiences through better data, integration, and AI/ML use—enabled by cloud-based platforms, as seen at Keytrade and Argenta Bank. However, many banks still invest in mainframe modernization alongside hybrid cloud models. For example, in October 2023, Belfius upgraded its on-premises setup with IBM's z16 mainframes and storage solutions, also adopting IBM Watson/Watsonx for advanced AI. Overall, modernization is key to driving innovation, deeper data insights, and improved satisfaction

Talent shortage

- The Belgian financial sector faces a talent shortage as digitalization drives demand for new skills in areas like digital payments, AI, and blockchain. Banks struggle to find experts in project management, cloud, and mobile banking, often turning to IT service providers to fill gaps—e.g., Argenta Bank partners with Cegeka for development support. Additionally, providers like Cognizant are extending training to clients' employees, offering initiatives like Synapse to help banks upskill and reskill their workforce.

Customer experience

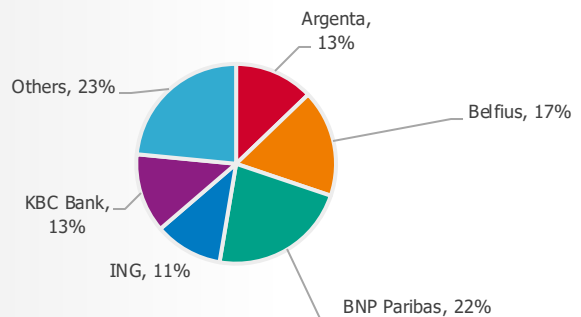
- Banks' digital transformations focus on enhancing customer experience and boosting NPS through modern CRM systems and personalized, digital-first services. Argenta Bank uses Salesforce Financial Service Cloud, while KBC emphasizes mobile apps with its digital assistant Kate, targeting over 65% digital sales and 68% STP by 2026, supported by Microsoft Dynamics CRM. Belfius partnered with EY and its EY VOWD unit to design customer-centric digital journeys using agile methods, resulting in MVPs that improve satisfaction and retention.

Belgium

Belgium's banking landscape remains heavily foreign-owned, increasingly digital, and concentrated among a few key players

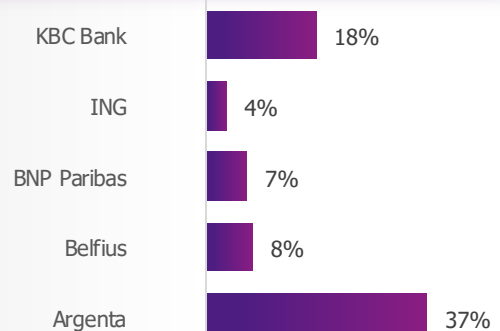
- According to Febelfin, the Federation of the Belgian Financial Sector, there were 80 banks in Belgium at the end of 2023, of which 64, or 80%, are branches or subsidiaries of foreign banks.
- Financial institutions directly employ 111,000 people in Belgium, of which over 55,000 work in the banking sector.
- The total number of banks and branches has declined over the last few years and will likely continue to follow this trend.
- BNP Paribas Fortis has closed over 40 percent of its bank branches in the past few years. Yet, specific demographics continue to favor face-to-face interactions for their banking needs.
- Leading banks own the major share of the market:
 - BNP Paribas Fortis is the leading bank in the country. The Belgian Fortis group used to be among the 20 largest banks in the world by revenue.
 - KBC Group is a Belgian financial group focusing on private clients and small and medium-sized enterprises.
 - Belfius is owned by the Belgian federal state through the Federal Holding and Investment Company (FHIC) and is the former Dexia Bank.
 - ING Belgium is the Belgian subsidiary of the Dutch group ING.
- The banking sector also includes medium-sized banking groups:
 - Argenta is a Belgian banking and insurance group.
 - Crelan is a Belgian bank with its roots in agriculture.
 - Beobank is owned by the French banking group Crédit Mutuel-CIC.
 - Mobile banks with operations in Belgium include Bunq, N26, Revolut, Monese, and Wirex.

Bank market share 2024



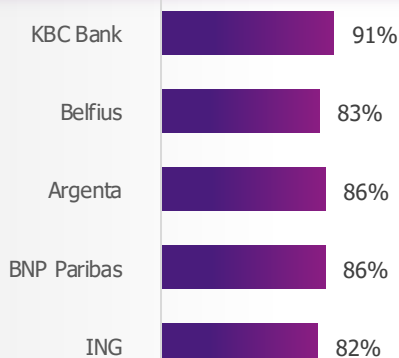
Source: Global Data Benchmarking Report 2024

Net Promoter Scores 2024



Source: Global Data Benchmarking Report 2024

Digital users



Source: Global Data Benchmarking Report 2024

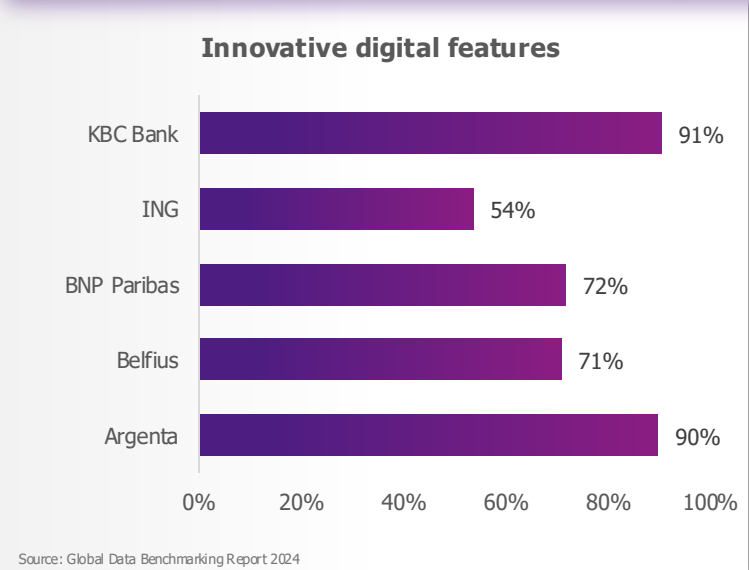
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Digital
Satisfaction

Belgium

Belgian Banks Push Digital Boundaries, but Gaps Remain in Innovation and Product Expansion

Net satisfaction Scores – Innovative Digital Features



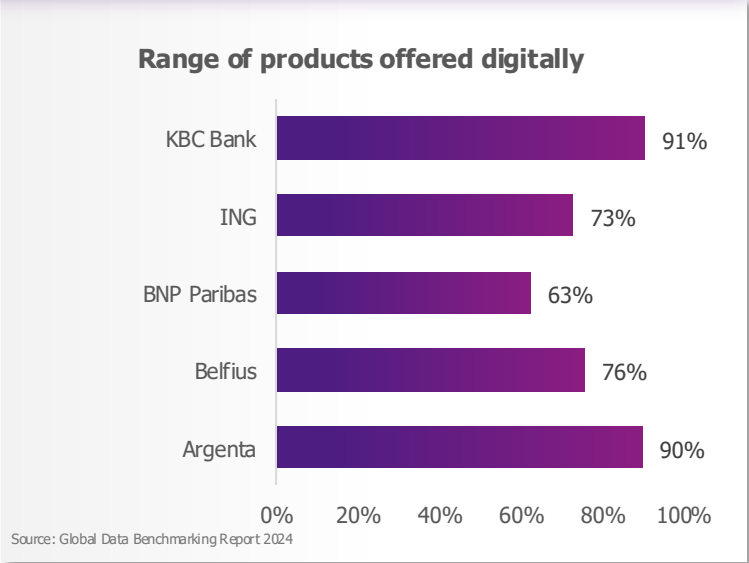
Opportunities for Growth in Innovation

Belgian banks demonstrate solid potential to advance their innovation agendas, with an average score of 72% in "innovative digital features." KBC and Argenta are leading the way, setting benchmarks for the sector, while ING lags behind and must prioritize digital transformation to strengthen its competitive edge going forward.

Net satisfaction Scores – Range of Products Offered Digitally

To expand digital product offerings

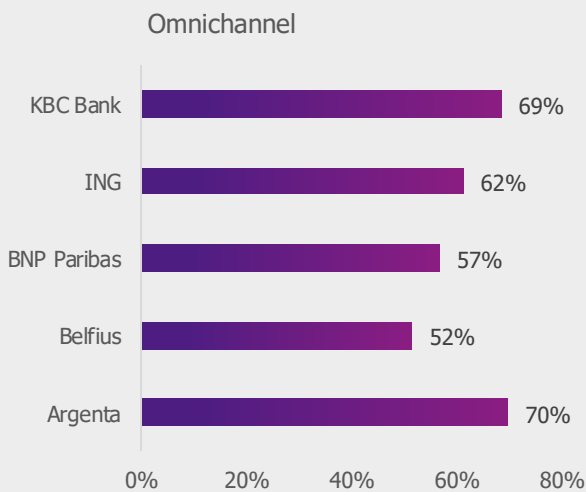
Belgian banks are progressively broadening their digital product portfolios, achieving an average score of 76%. Argenta and KBC continue to lead in this space, setting high standards. In contrast, BNP Paribas lags notably and will need to enhance its digital capabilities to remain competitive.



Belgium

Omnichannel Gaps Persist in Belgian Banking Despite Strong Navigation Scores

Net satisfaction Scores – Omnichannel



Omnichannel Delivery Falls Short of Expectations

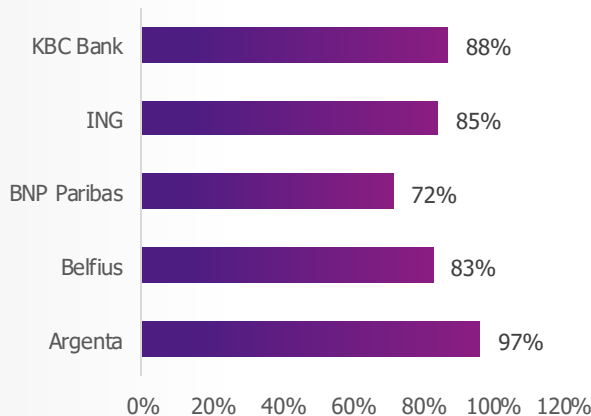
Digital maturity in Belgian banking remains limited, as omnichannel capabilities are still underdeveloped. BNP Paribas and Belfius, in particular, lag with average scores near 62%, while ING too has significant gaps to close

Net satisfaction Scores – Navigation of digital banking platform

Belgian Banks Excel in Navigation, But Gaps Remain

Belgian banks, in general, offer good navigation experiences, but continuous optimization is key to maintaining competitiveness. Argenta's standout performance sets a benchmark, while BNP Paribas may face customer dissatisfaction if navigation issues persist.

Navigation of digital banking platform

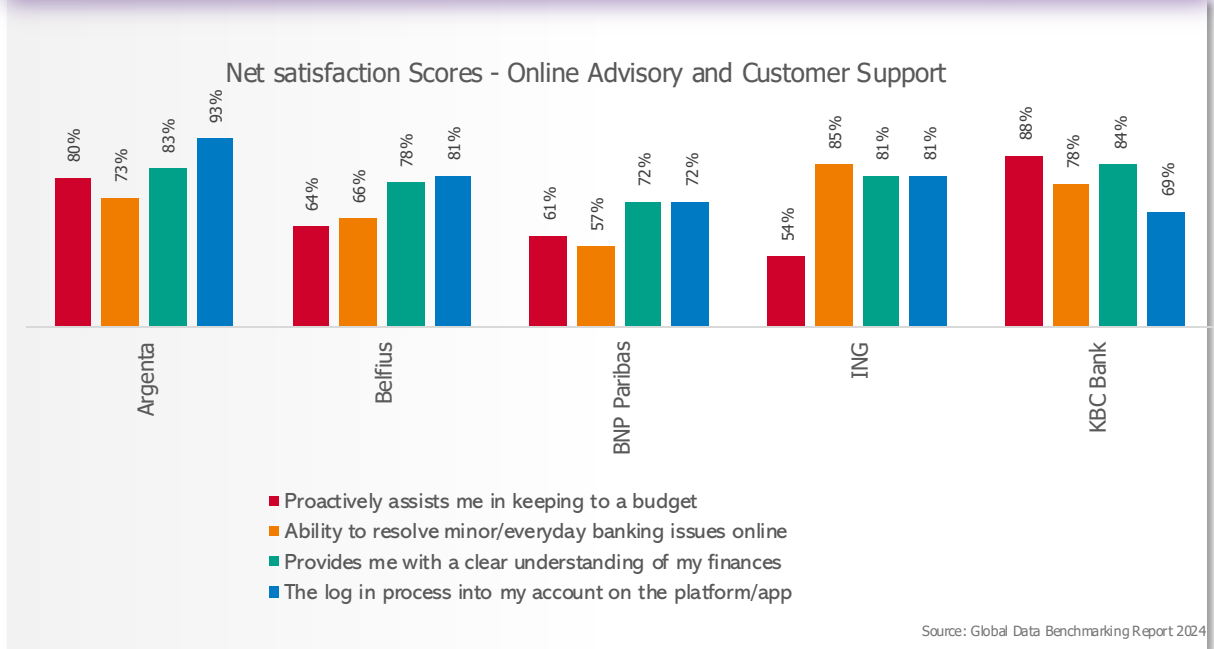


Source: Global Data Benchmarking Report 2024

Belgium

Proactive Support Lags as Belgian Banks Focus on Access and Issue Resolution

Net satisfaction Scores – Online Advisory and Customer Support



Customers value both proactive advisory services and seamless online processes, and while log-in processes are generally strong across banks, proactive budget assistance appears to be a common area of weakness.

- KBC Bank leads in overall customer satisfaction, particularly in proactive and advisory services.
- ING excels in resolving banking issues but should improve its proactive budget support.
- Argenta stands out for user-friendly access (log-in) and understanding of finances.
- Belfius is steady but unremarkable in all areas.
- BNP Paribas has room for improvement, especially in proactive and issue resolution support, despite reasonable scores for finance clarity and log-in ease

Belgium

AI powers innovation in Belgian digital banking, enhancing CX, security, efficiency, and compliance

ROLE OF AI IN IMPROVING BELGIAN DIGITAL BANKING

The role of AI in improving Belgian digital banking is multifaceted, encompassing enhancements in customer experience, operational efficiency, security, personalization, and regulatory compliance.

Enhancing Customer Experience

- AI is revolutionizing how Belgian banks interact with their customers. For instance, KBC Bank has implemented Kate, a personal digital assistant, which resolves a significant portion of customer inquiries autonomously, achieving a resolution rate of 69-71% in Belgium and the Czech Republic. This demonstrates how AI-driven chatbots and virtual assistants are streamlining customer support and improving satisfaction.

Improving Security Measures

- AI plays a critical role in detecting and preventing financial crimes. NICE highlights the use of AI in real-time fraud detection and compliance monitoring, ensuring secure transactions and protecting customer data. Additionally, AI-powered systems are being used to combat money laundering and other financial crimes, as seen in KBC's collaboration with Harmoney to develop AI-based warning systems.

Boosting Operational Efficiency

- AI is streamlining banking operations, reducing manual tasks, and improving processing times. For example, Automation Anywhere notes that AI agents can automate loan applications, identity verification, and other processes, significantly reducing the time taken to complete tasks from days to minutes. This not only enhances efficiency but also lowers operational costs.

Enabling Personalization

- AI-driven personalization is transforming how banks engage with customers. DeepTarget's AI-powered platform allows banks to deliver hyper-personalized financial recommendations and alerts, enhancing customer loyalty and retention. Similarly, KBC uses AI to analyze customer data and offer tailored financial advice, ensuring a more personalized experience.

Ensuring Regulatory Compliance

- AI is helping Belgian banks comply with evolving regulatory requirements. ABN AMRO has implemented measures to comply with the EU AI Act, which includes creating a registry of AI systems and ensuring transparency and fairness in AI operations. Additionally, AI is being used to automate compliance reporting and monitor transactions for anti-money laundering (AML) and Know Your Customer (KYC) checks.

Future Trends

The future of AI in Belgian digital banking looks promising, with trends including:

- Generative AI adoption for enhanced customer service and process optimization.
- AI-driven cybersecurity to combat evolving threats like phishing and ransomware.
- Hyper-automation to simplify complex workflows and reduce manual errors.

In summary, AI is a cornerstone of innovation in Belgian digital banking, driving improvements across customer experience, security, efficiency, personalization, and compliance, while setting the stage for future advancements.

04

Digital Banking
Landscape

Payments

Belgium's payment market shifting rapidly toward digital solutions, with strong growth in cards, direct debits, and credit transfers, while cheques and cash waning.

Cheques

- Sharp decline. Cheques are clearly in rapid decline, reflecting the broader European trend of phasing out cheques as a payment method.

Cash

- Relatively stable with a slight upward movement by 2029. Despite digitalization, cash maintains a stronghold, which might indicate continued consumer trust in cash, or use for smaller/value transactions.

Payment Cards

- Strong growth trajectory. This reflects a major shift toward card-based payments, in line with increasing adoption of digital wallets and contactless payments.

Direct Debits

- Healthy growth. Direct debits remain significant for recurring payments (e.g., utilities, subscriptions), and the growth reflects stability and expansion in automated payment solutions.

Credit Transfers

- Very high value and growing steadily. Credit transfers dominate the market, driven by B2B, salary payments, and high-value transactions. The strong growth toward 2029 suggests increasing business activity and more digital banking adoption.

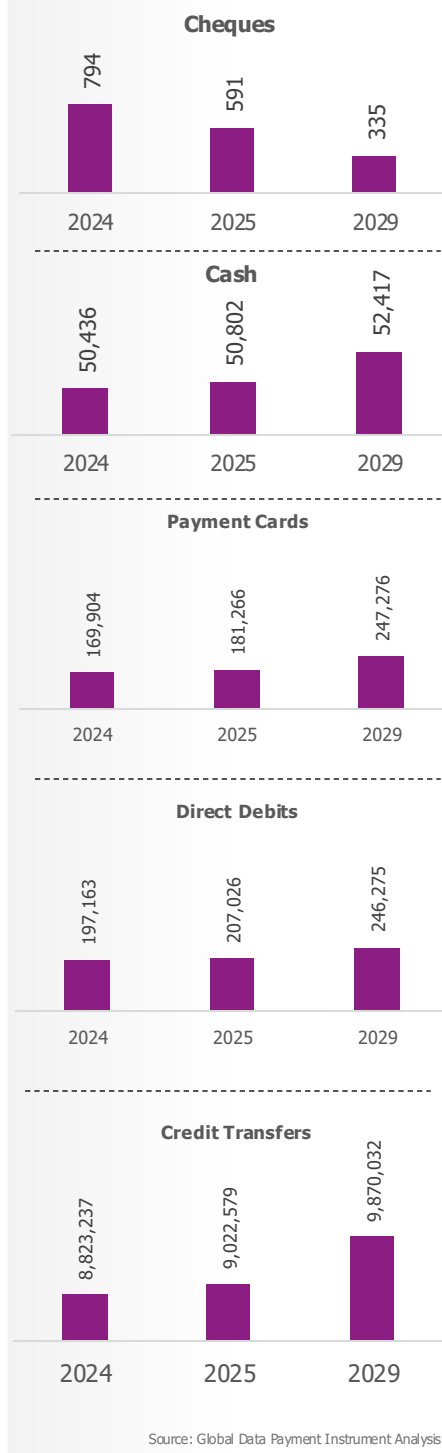
Future Trends

- The Belgium payment market is rapidly evolving, with strong growth in card payments and automated direct debit solutions, making these prime areas for fintech innovation. Digital banking should prioritize enterprise-level services focused on credit transfers and high-value transactions, reflecting the dominance of B2B and large-scale financial operations. While cash remains stable and requires ongoing management services, its long-term growth potential is limited. Cheques, on the other hand, are in sharp decline, suggesting that investment in cheque-based systems should be avoided unless targeting a specific niche market.

Key Takeaways

- Digital Domination: Payment cards, direct debits, and credit transfers are all on the rise, showing a clear market shift toward digital/automated payment solutions.
- Cheques' Demise: Cheques are rapidly becoming obsolete, a trend that will likely continue until they are phased out entirely.
- Cash's Resilience: Cash remains stable, though its market share is likely to shrink in relative terms despite slight growth in absolute numbers.
- Strong B2B Activity: The dominance of credit transfers indicates that Belgium's payment market is heavily driven by business transactions.

Payment Instruments, Total Transaction Value (in Eur mn)



Cryptocurrency

Belgium's cryptocurrency market is characterized by significant investment interest from HNW individuals, driven by the potential for high returns.

Chain Analysis Crypto Adoption Rate of Belgium: Index Score: 0.022 | Index Rank: 68

- Belgium has seen a notable rise in interest and participation in the cryptocurrency market, particularly among high-net-worth (HNW) investors. This trend is largely driven by the expectation of superior returns from crypto investments, which has led to a significant allocation of assets towards cryptocurrencies compared to other investment options.
- According to GlobalData's HNW Asset Allocation Analytics 2023, cryptocurrencies hold the highest allocation among alternative investments for Belgian HNW investors, indicating a strong preference for this asset class despite the inherent risks involved in such investments.

Market Developments

- The cryptocurrency landscape in Belgium has been further enhanced by the recent launch of the OKX Exchange and OKX Wallet. This platform offers Belgian customers access to spot trading and conversion services for over 200 cryptocurrencies, including more than 60 crypto-euro pairs. The integration with Bancontact, Belgium's most popular online payment system, facilitates seamless Euro deposits and withdrawals, making it easier for residents to engage in cryptocurrency transactions.
- The launch is part of a strategic initiative by OKX to build a local presence and cater to the specific needs of Belgian customers. The platform emphasizes convenience, low trading fees, and an easy onboarding process, which includes the use of Itsme, a popular identification app in Belgium.
- Bunq, a European neobank, has launched crypto trading services in Belgium, allowing users to invest in cryptocurrencies directly through its app. This service is part of a broader expansion across Europe and plans to enter the U.S. market.
- SWIFT, a global banking network headquartered in Belgium, is exploring the integration of tokenized assets, with a focus on emerging crypto-assets. This could facilitate the use of cryptocurrencies in traditional banking systems.

Regulatory Environment

- The Belgian Financial Services and Markets Authority (FSMA) and the National Bank of Belgium are the primary regulatory bodies overseeing cryptocurrencies. They have warned that cryptocurrencies are not legal tender and have emphasized investor protection, particularly regarding scams.
- In February 2022, Belgium introduced new rules for virtual asset service providers, requiring them to meet conditions related to professional integrity and anti-money laundering legislation. These rules took effect in May 2022.
- The minister of justice has announced plans to establish a legal framework for cryptocurrencies, indicating potential future regulatory developments.

Market Outlook

- Belgium's cryptocurrency market is showing significant potential, particularly among high-net-worth (HNW) investors who are increasingly allocating funds to this asset class.
- According to GlobalData's HNW Asset Allocation Analytics 2023, cryptocurrencies have the highest allocation among alternative investments in Belgium, with the expectation of superior returns being the main driver for these investments.
- This trend reflects a broader global interest in cryptocurrencies, where potential profits are a primary attraction for investors.

Generative AI

The Belgian banking sector is actively embracing GenAI to drive digitization, improve customer experiences, and enhance operational efficiency

- Generative AI (GenAI) is reshaping the digital banking sector in Belgium at a remarkable pace. Driven by rapid technological advancements and strategic initiatives from leading banks, GenAI is boosting productivity, personalization, and overall customer experience across the industry.

Strategic Moves by Belgium's Leading Banks

- ING Groep NV is at the forefront of GenAI adoption, applying it responsibly across five high-impact areas: contact centers, hyper-personalized marketing, KYC (Know Your Customer), software engineering, and Wholesale Banking lending. ING's GenAI-powered chatbot, already live in contact centers, is significantly enhancing customer interactions and increasing chat deflection rates. The bank is also working on standardized risk assessments to ensure GenAI can scale safely and effectively across various operations.
- ABN AMRO Bank NV is equally ambitious, with nearly half of its workforce now using GenAI in their daily tasks. The bank has integrated GenAI into document processing, admin workflows, and call center operations, as well as into its popular Tikkie payment app. ABN AMRO is also exploring GenAI in software development. A key focus is full compliance with the EU AI Act, ensuring the bank avoids deploying any AI systems that could be deemed unacceptable under the new regulations.
- NLB Group is embedding GenAI into its broader digital strategy under the Horizon 2030 plan, aiming to enhance efficiency and deliver more personalized services across Retail, Corporate & Investment Banking, and Payments.

Driving Digital Innovation

- Technology firms are also playing a vital role in this transformation. Ordina Belgium is spearheading innovation with its large-scale GenAI program, helping banking clients harness AI, analytics, and smart machines for their digital transformation journeys.
- Meanwhile, Proximus SA has spotlighted an important challenge: digital inclusion. With 40% of Belgians at risk of digital exclusion due to poor internet access or lack of digital skills, there's growing concern that GenAI could widen these gaps—making efforts toward digital inclusion more urgent than ever.

The Regulatory Landscape

- Compliance and responsible AI use are top priorities across Belgium's banking sector. The EU AI Act is pushing banks toward more structured, transparent, and accountable AI practices. ABN AMRO, for example, has rolled out a detailed compliance framework to ensure GenAI is used safely and ethically. At the same time, banks are strengthening cybersecurity and risk management to address data security challenges.
- As GenAI continues to evolve, Belgian banks like ING and ABN AMRO are not only embracing its benefits but are also setting the pace for responsible AI adoption—building digital banking services that are innovative, secure, and inclusive.

Data Privacy and Protection

Banks operate under a strict regulatory framework; actively implementing measures to ensure GDPR compliance and protect customer data.

Belgium maintains a robust framework for data privacy and protection in digital banking, underpinned by strict compliance with the General Data Protection Regulation (GDPR) and other relevant laws. Consumers place a high value on privacy, and institutions such as Proximus SA, KBC Group, and NLB Group emphasize strong data protection practices to maintain trust and compliance.

Regulatory Framework and Compliance

- Belgium adheres to GDPR, enforced by the Belgian Data Protection Authority (APD), ensuring personal data protection through principles of lawfulness, fairness, transparency, purpose limitation, and data minimization. The APD has ruled on key cases, including declaring FATCA (Foreign Account Tax Compliance Act) processing illegal for breaching GDPR principles such as proportionality, purpose limitation, and transparency.
- Banks conduct regular audits, risk assessments, and monitor changes in adequacy decisions and GDPR interpretations to stay compliant with evolving regulations.

Cybersecurity and Data Protection Measures

Belgian banks implement strong cybersecurity frameworks to safeguard personal data, particularly during cross-border transfers. For instance:

- QNB Türkiye developed personal data inventories and secure data-sharing channels aligned with EU and local regulations.
- Tatra Banka AS has established an information security management system to protect data confidentiality, integrity, and availability, with regular assessments and testing.
- Illimity Bank SpA employs advanced IT security policies and conducts regular checks to mitigate security and privacy risks.
- Banco BPM SpA applies specific process rules and circulars to manage personal data in compliance with GDPR and other European regulations

Industry Practices in Digital Banking

- Proximus SA has deployed a network of 100 Privacy Ambassadors to assist with privacy-sensitive projects and ensure GDPR compliance.
- KBC Group uses opt-in methods for targeted advertising and maintains transparent privacy policies, empowering user control.
- NLB Group emphasizes preventing data misuse and enforces robust cybersecurity policies to maintain customer trust.
- Orange Belgium SA has a dedicated Data Privacy Officer to oversee data governance and GDPR compliance, particularly for employee and customer data.
- Deutsche Bank AG operates under a global data protection framework, including mandatory GDPR training for all employees to ensure compliance across its Belgian operations

Legal and Enforcement Actions

- The Belgian Data Protection Authority actively enforces GDPR compliance, as seen in actions like the FATCA ruling. Companies like Proximus SA and Orange Belgium SA have dedicated legal and compliance resources to manage GDPR adherence, underscoring the regulatory focus on data protection

Sustainability

As Belgian consumers embrace digital banking, banks are actively implementing initiatives to promote sustainability and digital inclusion

Sustainable digital banking in Belgium is gaining traction, with both consumers and banks playing active roles in shaping its growth and adoption.

Consumer Perspective on Sustainable Digital Banking

- **Digital Inclusion Challenges:** Many Belgian consumers face digital exclusion due to poor internet quality and lack of digital skills, with 40% at risk of exclusion. This affects their ability to access digital banking services and perform everyday tasks.
- **Adoption of Digital Banking:** Despite challenges, there is growing adoption of digital banking tools. For instance, KBC's digital assistant, Kate, has seen significant uptake, with 5.3 million users in 2024, reflecting consumer willingness to engage with convenient digital solutions.

Banks' Initiatives in Sustainable Digital Banking

KBC Group:

- **Sustainability Focus:** KBC is integrating sustainability into its digital strategy, offering tailored products and services to support clients in their sustainability journeys.
- **Partnerships:** Collaborated with the European Investment Bank (EIB) to provide EUR 600 million in sustainable financing for SMEs, targeting climate-friendly investments.
- **Digital Innovation:** Enhanced its mobile app by integrating third-party services and focusing on financial literacy, entrepreneurship, and population aging.

Belfius Bank:

- **ESG Strategy:** Belfius has a three-pillar approach: "Awareness & Education," "Lead by Example," and "Accelerate Sustainable Action." This includes initiatives like charging stations for electric vehicles and promoting sustainable investments.
- **Digital Solutions:** Launched a partnership with Immoweb to offer digital mortgage simulations, doubling usage since its launch.

Proximus:

- **Digital Inclusion:** Committed to empowering Belgians through technology, addressing digital exclusion and promoting digital literacy.
- **Discontinuation of Banx App:** Despite discontinuing the Banx app, Proximus remains focused on digital accessibility and inclusiveness.

ING Belgium:

- **Sustainable Finance:** Set a target to mobilize EUR 150 billion annually by 2027 for sustainable finance, recognizing the role of digital banking in achieving these goals.
- **Digital Transformation:** Expanded its digital banking services, including instant lending and e-commerce solutions in Belgium.

Key Challenges and Opportunities

- **Challenges:** Regulatory fragmentation, cybersecurity risks, and digital exclusion remain significant hurdles for sustainable digital banking growth in Belgium.
- **Opportunities:** Increasing digital literacy, leveraging AI and generative technologies, and fostering public-private partnerships offer avenues for growth and innovation.

05

Profile Banks

Argenta

Market share 13%

Digital Experience	Argenta	Industry Median
# of Digital Users	86%	86%
Digital Satisfaction	87%	76%
NPS	37%	8%

Customer bases' by generation

Gen Z (born after 1996)	Millennials/Gen Y (born 1982-96)	Gen X (born 1961-81)	Baby Boomer (born 1946-60)	Older (born before '45)
11%	31%	40%	17%	2%

Customer bases' by affluence

Lower mass market: Assets \$0-\$5,000	Middle mass market: Assets \$5,001-\$10,000	Upper mass market: Assets \$10,001-\$25,000	Emerging Affluent: Assets \$25,001-\$100,000	Mass Affluent: Assets \$100,001+
25%	3%	15%	29%	28%

Customer Tenure

Less than a year	1-2 years	2-5 years	5-10 years	Over 10 years	Since I was a child
2%	9%	14%	14%	54%	8%

Primary bank's role in achieving Customer's financial goals

Likely	Neither likely or unlikely	Unlikely	Net
44%	29%	27%	16%

Argenta is a mid-sized Belgian bank-insurer headquartered in Antwerp, focused primarily on retail customers and conservative financial management. It remains family-owned and operates across Belgium and the Netherlands, with a client base of over 1.74 million. In 2024, Argenta recorded a 12% increase in net profit and a return on equity of 10%, underpinned by strong mortgage lending growth (+23% YoY) and solid inflows in asset management. In 2024, the bank reported a net profit of €327 million, marking a 12% increase from the previous year, with a return on equity of 8.9%. Total funds under management exceeded €64 billion, reflecting growth despite a competitive market.

The bank maintains a 9% deposit market share in Belgium and prioritises simple, transparent products. Argenta's strategy remains rooted in cost efficiency, risk-averse lending, and steady expansion in retail asset management. Technology investment is selective, focusing on incremental improvements rather than transformation.

Digital Experience	Belfius	Industry Median
# of Digital Users	83%	86%
Digital Satisfaction	73%	76%
NPS	8%	8%

Customer bases' by generation

Gen Z (born after 1996)	Millennials/Gen Y (born 1982-96)	Gen X (born 1961-81)	Baby Boomer (born 1946-60)	Older (born before '45)
10%	38%	38%	14%	1%

Customer bases' by affluence

Lower mass market: Assets \$0-\$5,000	Middle mass market: Assets \$5,001-\$10,000	Upper mass market: Assets \$10,001-\$25,000	Emerging Affluent: Assets \$25,001-\$100,000	Mass Affluent: Assets \$100,001+
33%	9%	17%	22%	19%

Customer Tenure

Less than a year	1-2 years	2-5 years	5-10 years	Over 10 years	Since I was a child
2%	7%	13%	18%	42%	18%

Primary bank's role in achieving Customer's financial goals

Likely	Neither likely or unlikely	Unlikely	Net
42%	30%	28%	14%

Belfius is a state-owned Belgian bank-insurer serving individuals, corporates, and the public sector. In 2024, Belfius delivered a record net profit of €1.13 billion, with €854 million from banking and €273 million from insurance. It manages €58.6 billion in assets for its Private & Wealth segment and saw over 14,000 new clients in that area in H1 2024. As of December 31, 2024, Belfius Bank reported total consolidated assets of **€187.5 billion**, an increase from €179.2 billion at the end of 2023.

The bank is pursuing partial privatisation amid sustained profitability and has steadily grown its market position. Its strategy integrates insurance and banking services with an emphasis on digital channels and operational efficiency, while remaining the primary lender to Belgian municipalities and public bodies.

Digital Experience	BNP Paribas	Industry Median
# of Digital Users	86%	86%
Digital Satisfaction	67%	76%
NPS	7%	8%

Customer bases' by generation

Gen Z (born after 1996)	Millennials/Gen Y (born 1982-96)	Gen X (born 1961-81)	Baby Boomer (born 1946-60)	Older (born before '45)
11%	24%	48%	16%	1%

Customer bases' by affluence

Lower mass market: Assets \$0-\$5,000	Middle mass market: Assets \$5,001-\$10,000	Upper mass market: Assets \$10,001-\$25,000	Emerging Affluent: Assets \$25,001-\$100,000	Mass Affluent: Assets \$100,001+
33%	12%	20%	18%	17%

Customer Tenure

Less than a year	1-2 years	2-5 years	5-10 years	Over 10 years	Since I was a child
3%	5%	7%	17%	45%	24%

Primary bank's role in achieving Customer's financial goals

Likely	Neither likely or unlikely	Unlikely	Net
36%	40%	23%	13%

BNP Paribas Fortis is the largest foreign-owned bank in Belgium, and a core subsidiary of France's BNP Paribas Group. In 2024, the bank reported €2.92 billion in net income. It expanded its customer base significantly through the acquisition of Bpost Bank, adding approximately 600,000 new retail clients and deepening its national reach.

The bank's core strategy centres on supporting clients through sustainable finance and digital banking transformation. It leverages BNP Paribas' broader balance sheet and expertise while maintaining a strong local identity, positioning itself as a trusted partner for both retail and institutional clients.

Digital Experience	ING	Industry Median
# of Digital Users	78%	86%
Digital Satisfaction	77%	76%
NPS	54%	8%

Customer bases' by generation

Gen Z (born after 1996)	Millennials/Gen Y (born 1982-96)	Gen X (born 1961-81)	Baby Boomer (born 1946-60)	Older (born before '45)
21%	25%	39%	14%	0%

Customer bases' by affluence

Lower mass market: Assets \$0-\$5,000	Middle mass market: Assets \$5,001-\$10,000	Upper mass market: Assets \$10,001-\$25,000	Emerging Affluent: Assets \$25,001-\$100,000	Mass Affluent: Assets \$100,001+
38%	9%	18%	25%	11%

Customer Tenure

Less than a year	1-2 years	2-5 years	5-10 years	Over 10 years	Since I was a child
0%	9%	13%	21%	45%	13%

Primary bank's role in achieving Customer's financial goals

Likely	Neither likely or unlikely	Unlikely	Net
29%	37%	35%	6%

ING Belgium, part of the Dutch ING Group, plays a leading role in Belgian retail and commercial banking. It contributed to ING Group's 2024 net profit of €6.39 billion, with Belgium being a key market for digital innovation. The group's mobile primary customer base increased by 1.1 million in 2024 to 14.4 million globally.

In Belgium, ING focuses on a digital-first banking model, supported by ongoing investments in platform capabilities and automation. Its business model favours cost discipline, scalable solutions, and sustainable finance, with ambitions to expand its position in lending, deposits, and SME support.

Digital Experience	KBC	Industry Median
# of Digital Users	90%	86%
Digital Satisfaction	86%	76%
NPS	18%	8%

Customer bases' by generation

Gen Z (born after 1996)	Millennials/Gen Y (born 1982-96)	Gen X (born 1961-81)	Baby Boomer (born 1946-60)	Older (born before '45)
18%	29%	35%	17%	0%

Customer bases' by affluence

Lower mass market: Assets \$0-\$5,000	Middle mass market: Assets \$5,001-\$10,000	Upper mass market: Assets \$10,001-\$25,000	Emerging Affluent: Assets \$25,001-\$100,000	Mass Affluent: Assets \$100,001+
29%	5%	17%	20%	29%

Customer Tenure

Less than a year	1-2 years	2-5 years	5-10 years	Over 10 years	Since I was a child
0%	2%	18%	8%	49%	23%

Primary bank's role in achieving Customer's financial goals

Likely	Neither likely or unlikely	Unlikely	Net
41%	39%	20%	20%

KBC Group is a dominant domestic player in Belgium and a leading bank-insurer across Central and Eastern Europe. Headquartered in Brussels, it posted €3.33 billion in net profit in 2024, of which over €1.8 billion was generated in Belgium. Assets under management stood at €276 billion by year-end.

KBC's strategy is built on a proprietary integrated bank-insurance model and a balanced multichannel approach. It continues to invest heavily in AI, digital onboarding, and app-based financial services. With a stable capital base and growing fee income, KBC is positioned to consolidate its leadership in the retail and SME sectors.

By

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