

THE BUILDING SOCIETY INSIGHT REPORT 2026

THE DIGITAL DELIVERY GAP: MEMBERS ARE READY. ARE SYSTEMS?

Bridging the Gap Between Ambition and Reality

Building societies have always placed members at the centre of how they operate. The mutual model is built on trust, transparency and long-term relationships. Those principles remain unchanged. What has changed is how members expect to interact.

Across financial services, digital communication, instant access to documents and the ability to complete actions online are now expected as standard. Members are comparing their building society not only to other financial institutions, but to the best digital experiences they use every day. This year's research highlights a growing gap between ambition and delivery, where the complexity of existing systems continues to slow progress.

90% of building societies believe their members are ready for increased digital communication. Yet 91% report that their communication systems are not fully integrated with core member platforms. This creates a disconnect between what organisations want to deliver and what their infrastructure allows them to deliver.

Communication journeys are often split across multiple systems. Documents, notifications and actions are managed separately rather than as part of a single, connected experience. As a result, members are required to move between channels to complete simple tasks. Only 18% of building societies say members can complete most key actions fully online.

"The ambition to modernise communication is clear across the sector. The challenge is overcoming the operational complexity that stands in the way."

The challenge is not ambition. It is execution. Building societies recognise the need to modernise communication. The barrier is the complexity of the systems used to deliver it. This report explores that gap between expectation and delivery through two perspectives. The experience of members, and the operational reality inside building societies.



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Key Findings

The research reveals a consistent pattern across the mutual sector.

Members are ready for digital communication. Systems are not designed to deliver it consistently.

The gap between expectation and delivery is visible across every stage of the member journey.

The Infrastructure Challenge	The Member Reality
91% Communication systems are not fully integrated with core member platforms	72% Members already use digital platforms or mobile apps to manage their accounts
73% Building societies rely on three or more systems to manage communications	80% Would use digital signing if available
82% Still send more than a quarter of communications by post	75% Say accessing all communications in one place is important
18% Say members can complete most key actions fully online	22% Have been unsure whether their building society received a document they sent

What this means

Building societies are not facing a question of digital adoption. They are facing a challenge of delivery. Members are already engaging digitally and expect communication to be simple, visible and consistent. However, fragmented systems and disconnected processes continue to shape the experience. This creates a clear delivery gap between what members expect and what organisations can provide today.

The Communication Experience Problem

The delivery gap is most visible in how members experience communication day to day. Members rarely interact with their building society through a single product. A typical member may hold a mortgage, savings accounts and additional products.

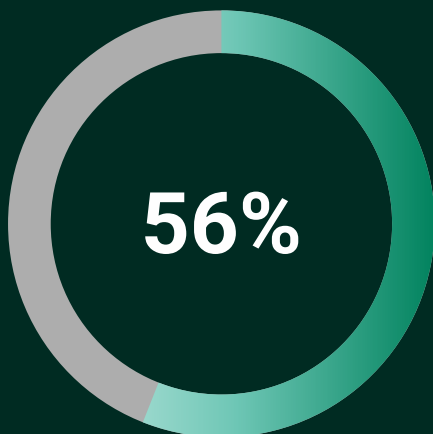
However, communication is rarely delivered through a single experience.

56% of members report using more than one communication channel when interacting with their building society. These channels include mobile apps, online portals, email and post.

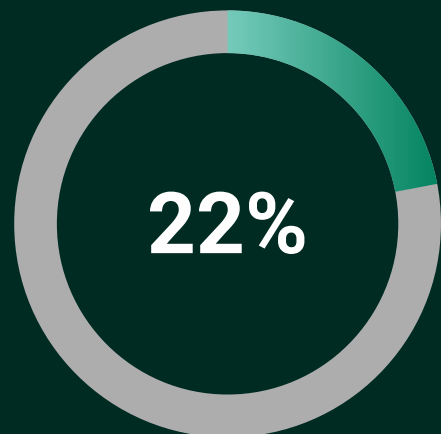
What this creates is not flexibility. It creates fragmentation.

A member reviewing their finances may receive a mortgage statement by post, a savings update through an online portal and a product notification via email. From their perspective, there is no single place to see what matters or take action.

56% of members report using more than one communication channel with their building society.



22% of members were unsure if their building society received a document they sent.



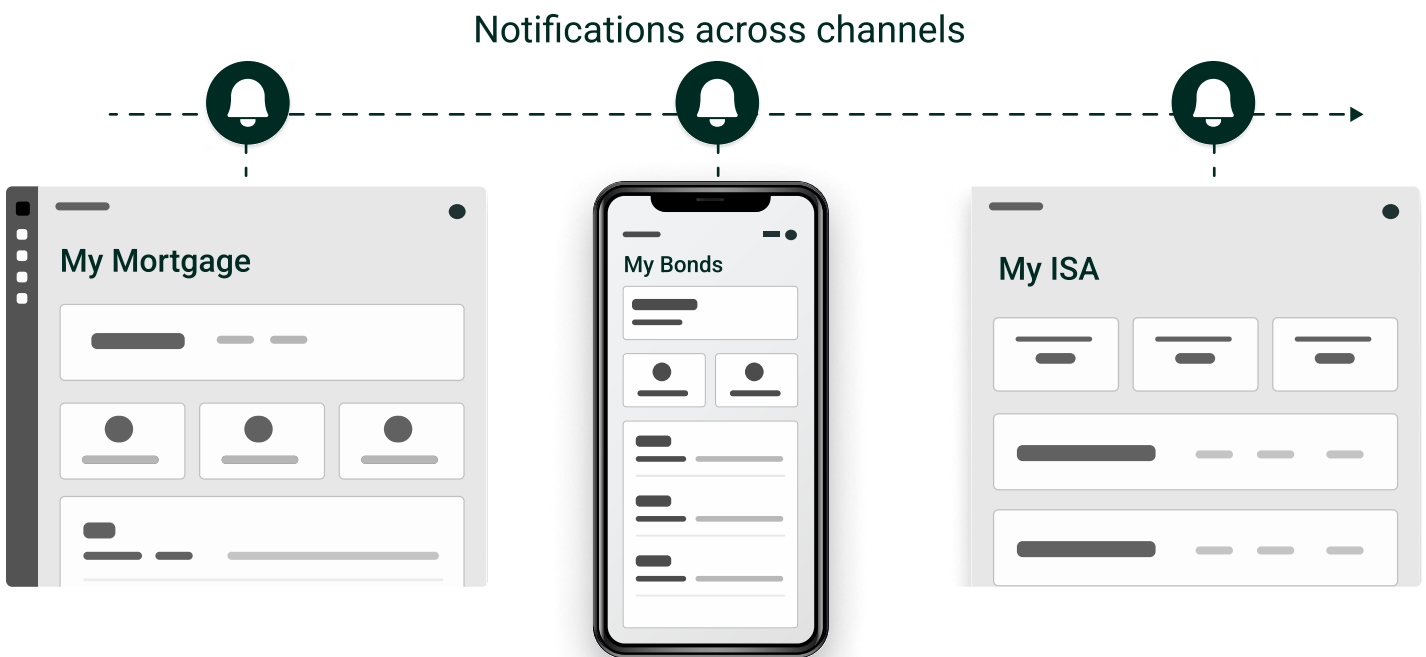
This lack of consistency introduces friction into what should be simple interactions. Members are required to switch between channels, search for information and repeat steps to complete basic tasks. Over time, this erodes confidence.

When communication is fragmented, members are less certain that information is up to date, actions have been completed or documents have been received. **22% of members** say they have been unsure whether their building society received a document they sent.

This is not a visibility issue. It is a system design issue.

Communication journeys have evolved across multiple platforms rather than being designed as a single, connected experience. As a result, the member experience reflects the structure of internal systems rather than the needs of the member.

Communication follows products, not customers. What should feel like a connected relationship instead becomes a series of disconnected, transactional interactions.



“What should feel like a connected relationship instead becomes a series of disconnected, transactional interactions.”

The Delivery Gap: Members are ready. Systems are not.

Across financial services, members expect communication to be simple, visible and digital. Documents should be easy to access. Actions should be easy to complete.

The reality inside many building societies looks very different.

Member Expectations	Operational Reality
72% <i>Already manage their accounts digitally</i>	82% <i>Still send more than a quarter of communications by post</i>
80% <i>Would use digital signing if available</i>	80% <i>Would use digital signing if available</i>
75% <i>Say accessing all communications in one place is important</i>	91% <i>Say communication systems are not fully integrated</i>
74% <i>See high value in a single communication platform</i>	18% <i>Say members can complete most key actions fully online</i>
22% <i>Have been unsure whether a document was received</i>	<i>Communication journeys remain fragmented across multiple systems</i>

Members are already behaving digitally. Systems are not designed to support that behaviour consistently

The result is a gap between expectation and delivery.

Closing this gap is not about increasing adoption. It is about simplifying the infrastructure behind communication.

2025 vs 2026: Has the Gap Closed?

When the 2025 Building Society Insight Report was published, one theme stood out.

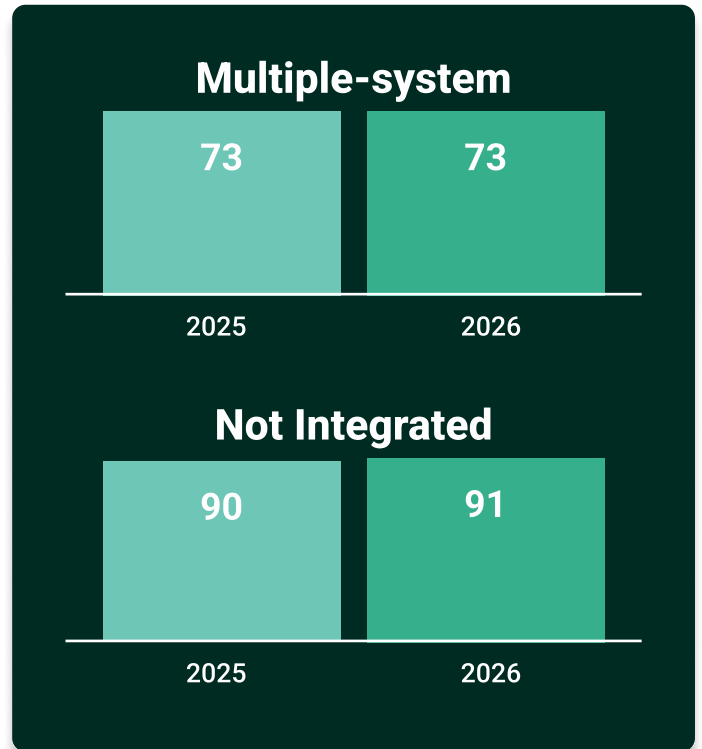
Member expectations were evolving faster than the infrastructure designed to support them.

One year on, that imbalance remains. Members continue to adopt digital channels and expect communication to be simple, visible and consistent. However, the systems responsible for delivering communication have not progressed at the same pace.

73% of building societies still rely on three or more systems to manage member communications. More significantly, **91%** say their communication systems are not fully integrated with core member systems, such as core banking and customer data platforms.

This level of fragmentation creates operational complexity.

Communication journeys are rarely managed end to end within a single system. Instead, different parts of the journey are handled across separate systems, processes and teams, increasing the likelihood of delays, duplication and manual intervention. The impact is visible in delivery.



18% Members able to complete most key actions fully online

Only **18%** of building societies say members can complete most key actions fully online. This suggests that while digital access has improved, the infrastructure behind communication remains largely unchanged. The challenge is not a lack of progress. It is that progress is happening around fragmented systems rather than through them.

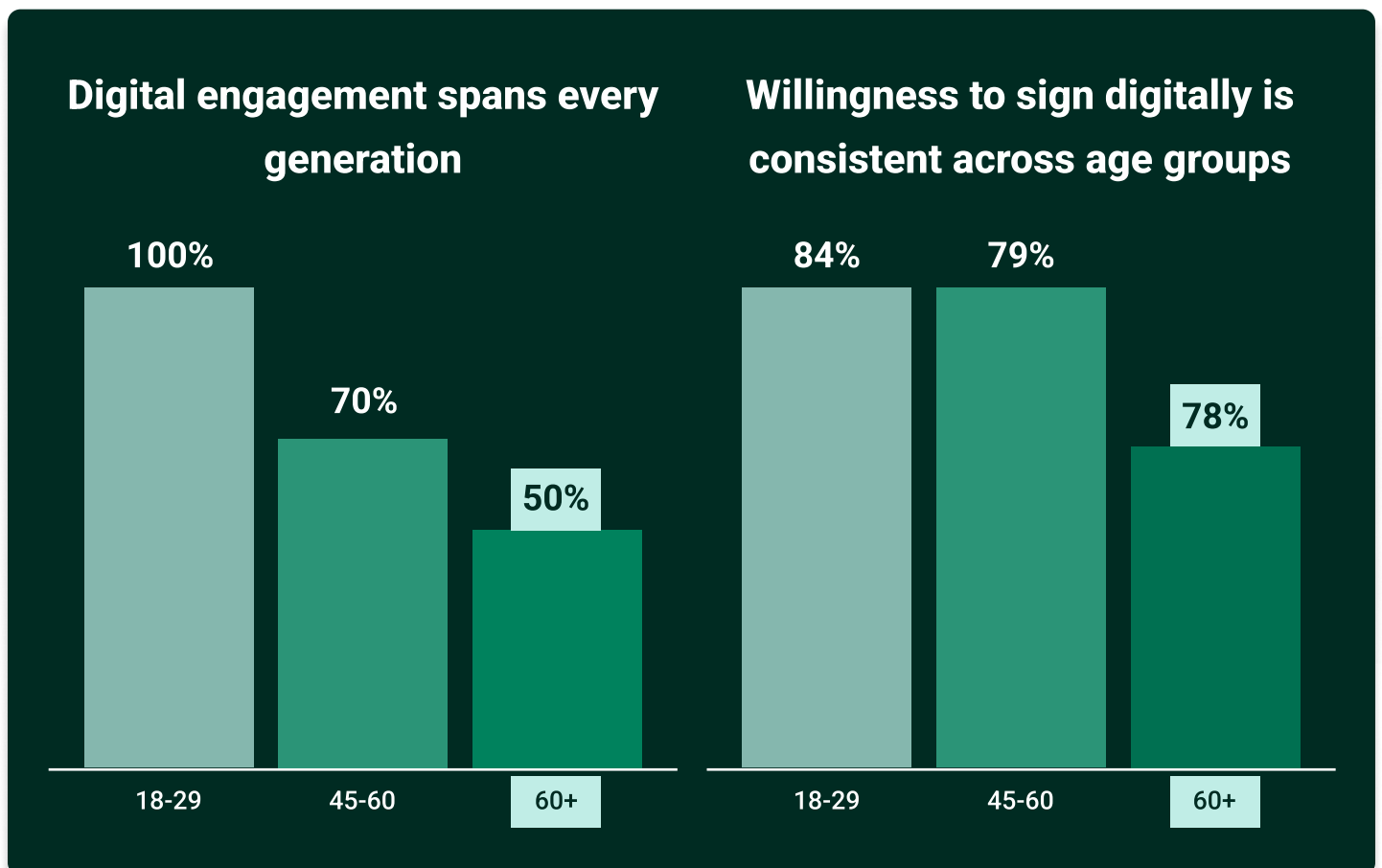
As a result, the delivery gap identified in 2025 has not closed. In many cases, it has become more visible.

The Generational Myth

A common assumption within financial services is that older members prefer paper communication and are less comfortable interacting digitally. However, the findings from this research challenge that assumption.

Digital usage does vary by age, but engagement remains significant across all groups. While 100 % of members aged 18 to 29 use digital platforms, adoption remains high beyond younger demographics. Among members aged 45 to 60, 70% already use digital platforms, and even among those aged over 60, 50% report actively using digital services. While lower than younger groups, this still represents a significant level of digital engagement.

Digital interaction is not limited to younger members. It is now a cross-generational behaviour, with members of all ages increasingly comfortable engaging digitally when the experience is clear and easy to use.



More importantly, expectations around communication are consistent across age groups. 61% of members aged over 60 say accessing communications in a single digital place is important, rising to 87% among those aged 30 to 44. This suggests that clarity and simplicity are especially valuable, particularly where fragmented systems and multiple channels can make interactions more difficult to navigate.

The strongest signal comes from attitudes towards digital signing.

- **84% of members aged 30 to 44**
- **79% of members aged 45 to 60**
- **78% of members aged over 60**

Willingness to engage digitally is not driven by age. It is driven by the experience provided. The barrier to digital communication is not generational behaviour. It is the infrastructure used to deliver it.

Maintaining paper communication remains important for accessibility. However, the assumption that older members are not ready for digital interaction is increasingly outdated.



“The barrier to digital is not age. It is experience.”

Inside the Mutual: Operational Reality

Inside building societies, the delivery gap is driven by system complexity and limited internal resource not lack of intent. Organisations recognise the need to modernise communication and improve the member experience. However, the infrastructure used to deliver communication has evolved across multiple systems over time, and teams are often focused on larger transformation programmes, leaving limited capacity to address communication challenges directly.

73% of building societies rely on three or more systems to manage member communications.

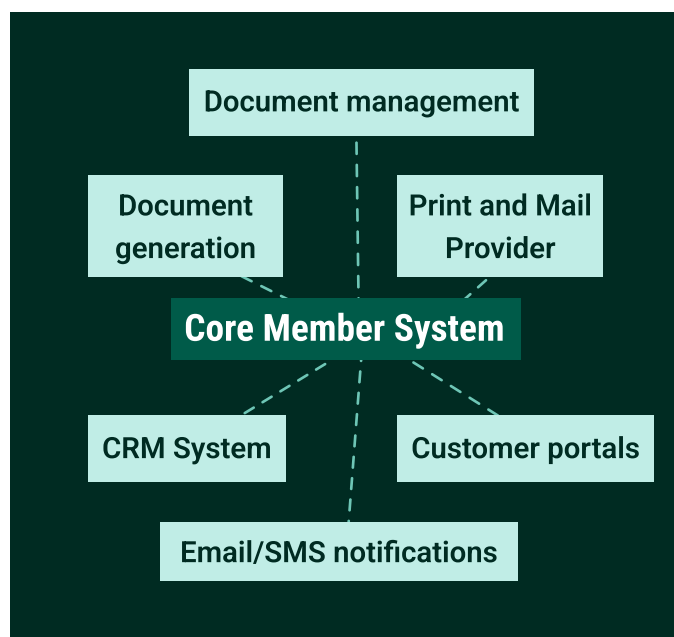
91% report that these systems are not fully integrated with core member systems. This fragmentation means communication journeys are rarely managed end to end.

Instead, different stages of the journey are handled across separate systems, processes and teams. Document generation, notifications, portals and fulfilment often operate independently rather than as part of a single process. The impact is visible in delivery.

“The challenge is not intent. It is infrastructure.”

Only **18%** of building societies say members can complete most key actions fully online. This means many processes still require members to move between channels or rely on manual steps to complete actions. At the same time, 90% of organisations believe their members are ready for increased digital communication. This highlights a clear disconnect.

The challenge is not member readiness. It is the infrastructure used to support communication. The result is a system that reflects internal complexity rather than member expectations.



Paper vs Digital Reality

Paper is where the delivery gap becomes most visible.

82% of building societies report sending more than a quarter of communications by post.

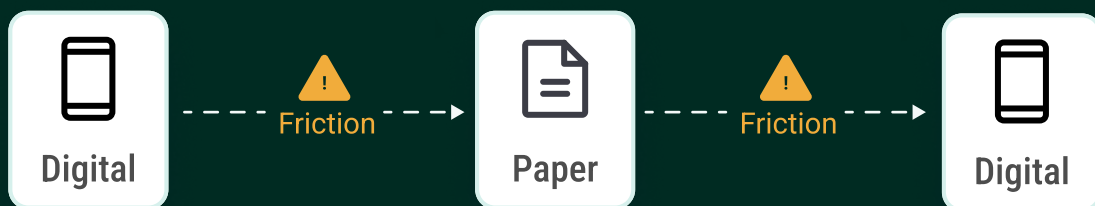
73% say paper-based communication creates operational inefficiency. At the same time, member behaviour continues to shift toward digital.

72% of members already use digital platforms to manage their accounts. **80%** say they would be willing to sign documents digitally if available. Paper communication remains an important part of the member experience, particularly for accessibility and preference. However, the challenge is not the presence of paper. It is how paper and digital are combined.

In many organisations, communication journeys are not designed as a single, connected experience. Instead, paper and digital processes operate separately. A journey may begin digitally, move to paper, and return to digital again. Each transition introduces delay, duplication and additional effort for both members and internal teams.

For organisations, this increases operational complexity and cost. For members, it creates inconsistency. The result is not a blended experience. It is a fragmented one.

Closing the delivery gap does not require removing paper. It requires designing communication as a single, coordinated journey across every channel.



“Communication should feel like one journey, regardless of channel.”

ESG and Mutual Responsibility

Environmental, Social and Governance considerations are increasingly linked to sustainability and long-term value across the mutual sector. Reducing paper communication is not only an operational consideration. It is also a reflection of how building societies balance efficiency, member experience and environmental responsibility.

Every building society surveyed agreed that reducing paper aligns with the principles of the mutual model. However, the opportunity extends beyond simply reducing volume.

The way communication is delivered has a direct impact on both efficiency and environmental outcomes. Fragmented processes, duplicated communications and parallel paper and digital journeys increase both operational effort and resource use.

Improving sustainability therefore depends on improving how communication is managed. By simplifying communication infrastructure and designing more connected journeys, building societies can reduce unnecessary paper usage while improving the member experience.

This creates a clear alignment between operational efficiency, member expectations and environmental responsibility.



“ 100% agree reducing paper aligns with mutual values ”

The Path Forward

The findings in this report point to a clear shift in focus for the sector. The challenge is no longer digital adoption. It is how communication is delivered. Members are already engaging digitally and expect communication to be simple, visible and consistent. However, the systems used to deliver communication remain fragmented. Closing the delivery gap requires more than introducing new digital channels. It requires simplifying the infrastructure behind communication. Building societies that make progress will focus on four priorities.

Clarity Members need a single, reliable place to access communications across all products and understand what action is required. This supports accessibility and reflects the expectations of a modern mutual, where communication is simple, transparent and easy to navigate.	Consistency Communication journeys should feel connected, regardless of channels and product. Members should not need to move between systems to complete simple tasks and interactions should follow a single, coherent experience regardless of how they engage.
Speed Actions such as signing, updating details or responding to requests should be immediate and easy to complete. Reducing reliance on manual steps and disconnected processes improves both member experience and operational efficiency.	Confidence Members need clear confirmation that documents have been received, actions have been completed and their information is secure. Visibility and reassurance are essential to building trust in digital interactions.

These are not individual improvements. They are connected outcomes. Delivering them requires communication to be designed as a single, coordinated experience rather than a series of separate processes. Building societies that simplify communication infrastructure will be better positioned to reduce operational complexity, improve member experience and respond to changing expectations. The opportunity is not simply to digitise communication. It is to deliver communication that works as one experience.

Closing the Delivery Gap

Closing the delivery gap requires more than digitising individual parts of the communication journey. It requires communication to be connected, secure and **easy to manage** across every interaction. This is where building societies need a different approach to communication. This is where **Legado supports that shift.**

Legado helps organisations simplify communication infrastructure and deliver more consistent member experiences by bringing communication, documents and actions into a single, coordinated environment, without the need for large-scale transformation or complex system integration.



Use individually

Combine as needed

Scale over time

Deploy each capability independently, or combine them to create a **fully connected communication** environment.

 CommsHub Manage and deliver all member communications in one place. Centralises statements, notifications and updates into a single, secure experience with full visibility for teams and members.	 Digital Vault Provide a secure, fully branded location for storing and accessing documents. Gives members a single place to view, manage and retrieve information, creating a consistent and trusted source of truth.	 LegadoSign Enable members to complete actions such as signing documents quickly and securely. Removes the need for paper or switching systems, allowing actions to be completed simply within a single digital journey.
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Together, these capabilities enable building societies to reduce fragmentation, improve operational efficiency and deliver communication experiences that feel clear, connected and consistent.