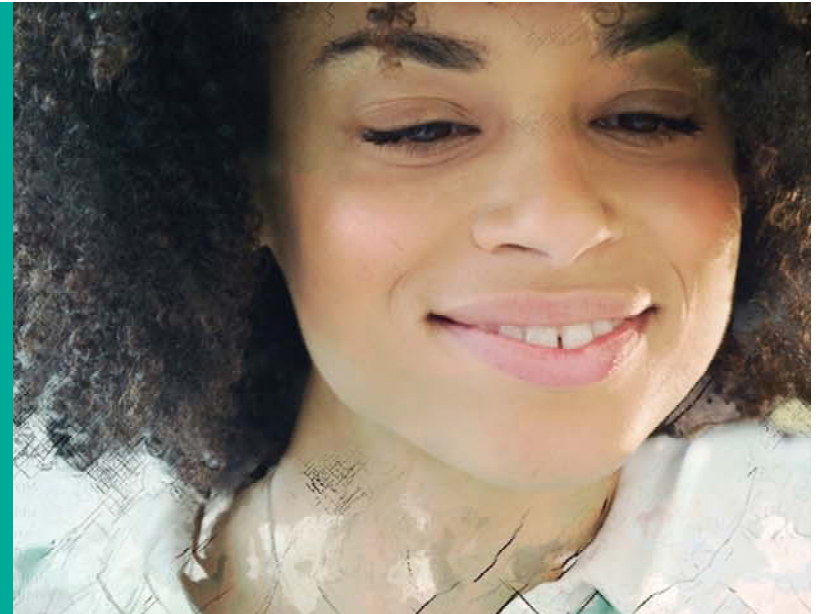




North America Consumer Digital
Banking Survey



Banking on Value

Rewards, Robo-Advice and Relevance

Profiling Key Survey Highlights:
David W. Helin and Stephanie Sadowski

Tuesday, 25 July 2017



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Strategy | Consulting | Digital | Technology | Operations

...For Further Reading

Global Consumer Banking Survey (Today's Focus)

www.accenture.com/t20160609T222453_w_us-en_acnmedia/PDF-22/Accenture-2016-North-America-Consumer-Digital-Banking-Survey.pdf

2017 Banking Technology Vision

www.accenture.com/us-en/insight-banking-technology-vision-2017

2017 Global Consumer Banking Distribution Survey:

www.accenture.com/us-en/insight-banking-distribution-marketing-consumer-study

North America Payments Survey

www.accenture.com/us-en/insight-digital-payments-survey-2016

Beyond the Everyday Bank

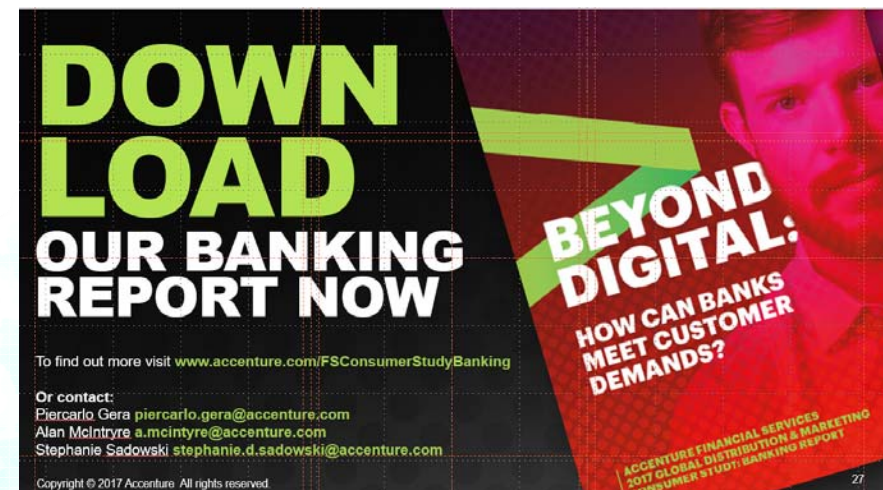
www.accenture.com/BeyondEverydayBank

The Agile Bank Series

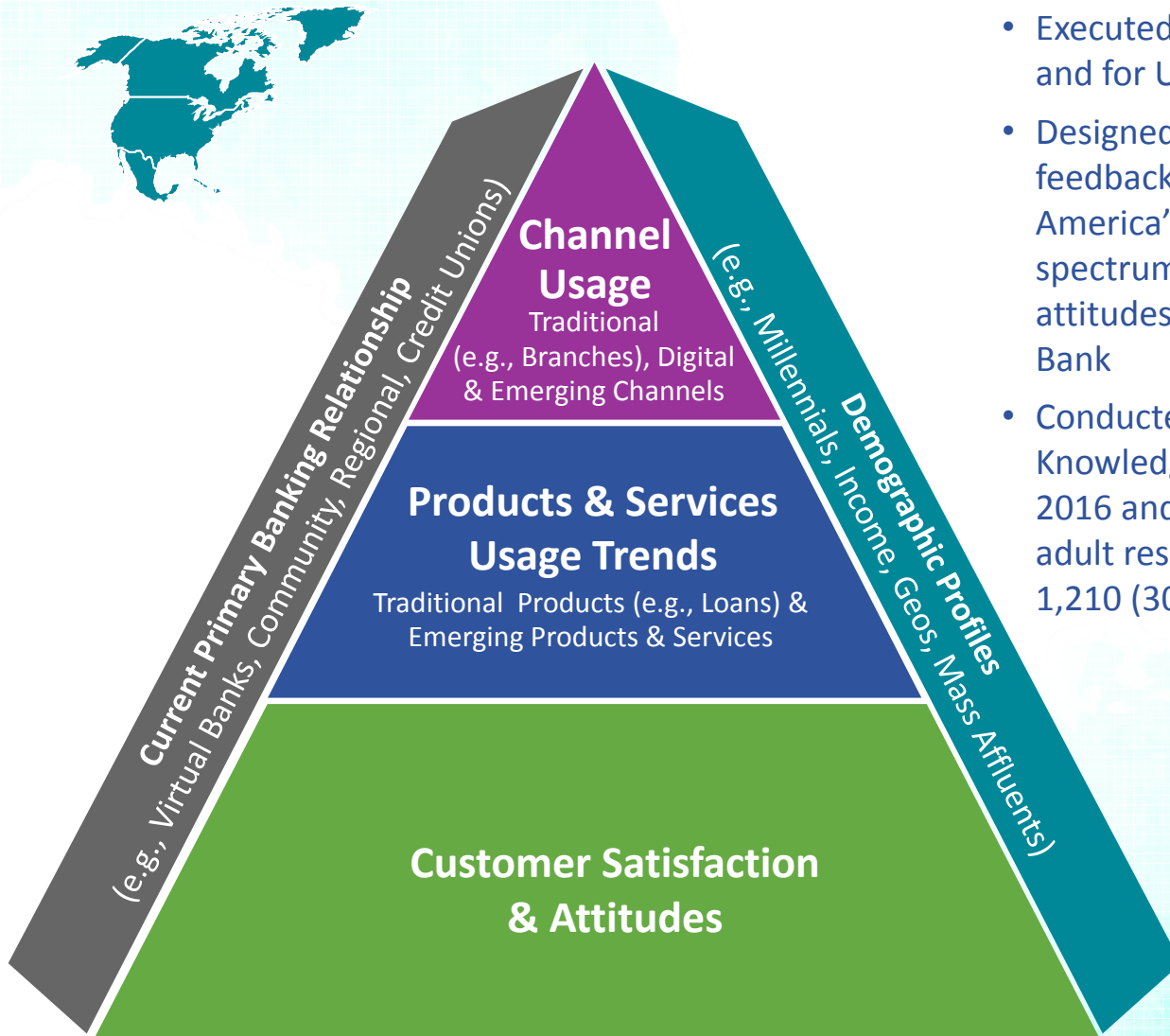
www.accenture.com/TheAgileBank

2015 North America Consumer Digital Banking Survey

www.accenture.com/Consumerbankingsurvey2015



North American Consumer Digital Banking Survey



Highlights:

- Executed 4th time in 5 years (NA for 2015-16 and for US 2012-13)
- Designed and updated annually to provide feedback from banking customers of North America's leading retail banks across a broad spectrum of strategic topics, including attitudes about their Primary Relationship Bank
- Conducted for Accenture again by Market Knowledge Online (MKO) between March 17, 2016 and March 25, 2016, with 4,013 total adult respondents: 2,803 (70%) in US and 1,210 (30%) in Canada.



North America Consumer Digital Banking Survey 4 Key Findings for US Retail Banking

VALUE
HUNTING FOR
VALUE IS HOT



47%

of consumers say the top reason that they would stay loyal is if their bank offers discounts on purchases of interest.

-9%

Smaller US Banks

RELATIONSHIP
SWITCHING IS
NOT AN
OBSTACLE



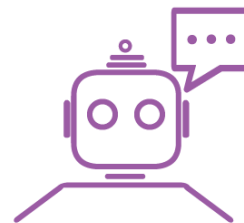
11%

of consumers left their bank in the past year—and consumer switching to virtual banks is at double-digit levels.

-2%

Smaller US Banks

ADVICE
ROBO-ADVICE
IS WELCOME



47%

of consumers are willing to bank using robo-advice in the future.

+3%

Smaller US Banks; only 15% said they are unwilling to try

BRANCH
THE BRANCH
IS ALIVE AND
WELL



86%

of consumers will use their branches in the future—and want human interaction when they go there.

+2%

Smaller US Banks

KEY FINDING 1

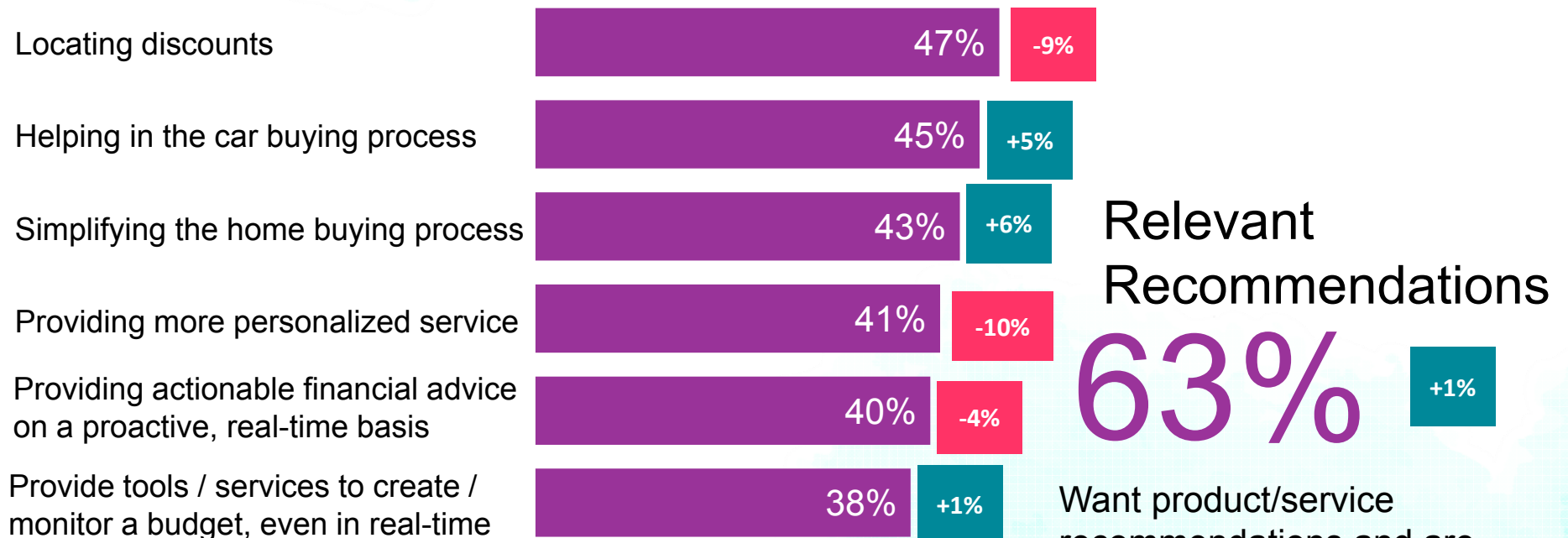
Hunting for value is hot in the US



Value is not a monolithic concept to consumers. While they want banks to “show them the money” with deals, discounts and rewards, they also value convenience and relevance.

Consumers would stay loyal to their bank if it offers discounts on purchases of interest.

Q: What services would change your loyalty to your primary bank?



Survey Q27: Ranked by level of multiple responses
Base: All North America Respondents (n=4,013)
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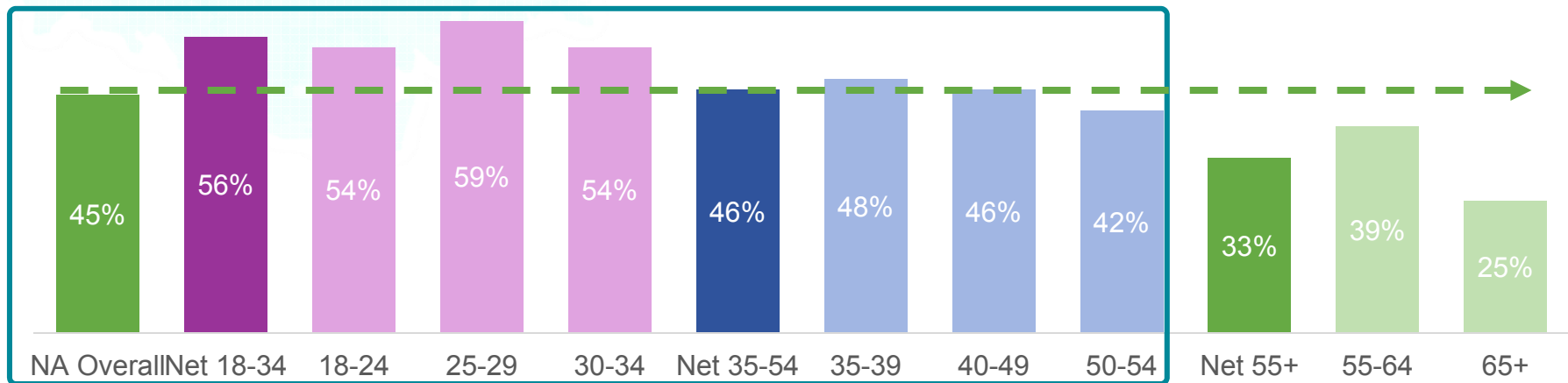
KEY FINDING 1

Hunting for value is hot

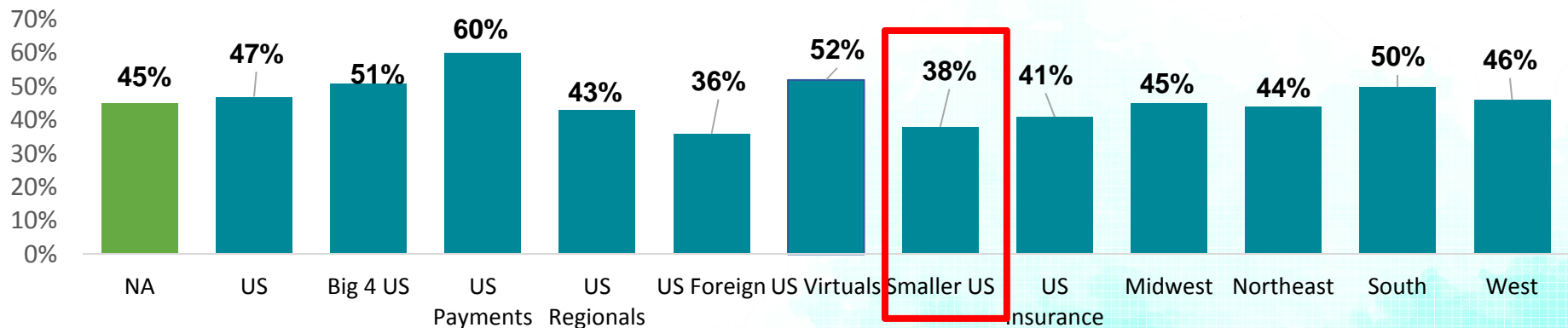


Relative Survey Response Levels by Age: “I want my bank to locate discounts on my behalf in purchase areas that I am most interested.”

% Survey Response by Age Group in North America



% Survey Response by Banking Type



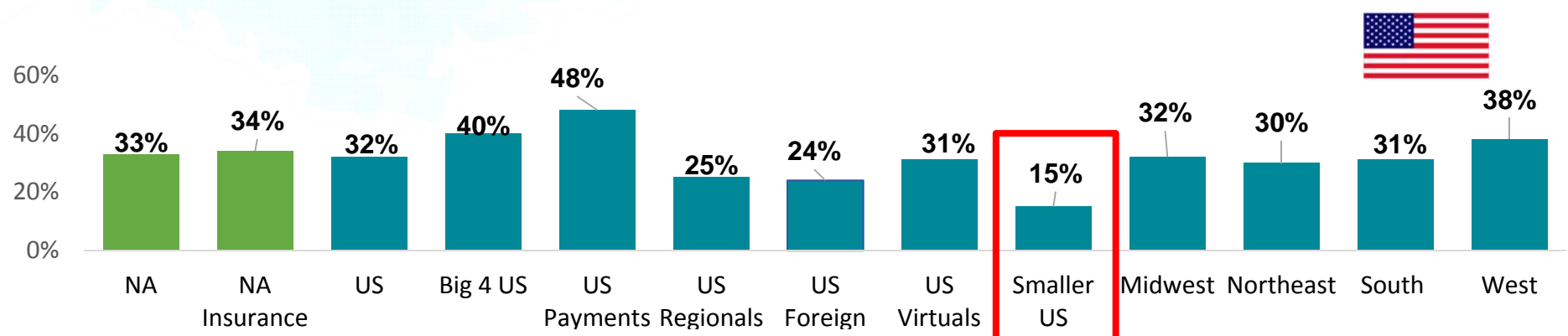


KEY FINDING 1

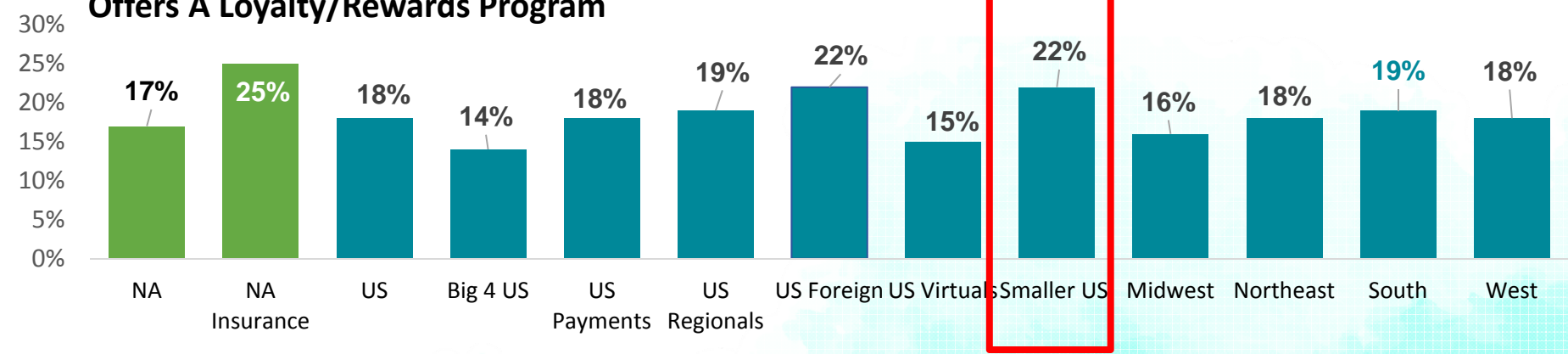
Hunting for value is hot – via rewards

Customer Participation in Bank Loyalty / Rewards Programs

% of Respondents Who Participate in a Loyalty/Rewards Program With Their Primary Bank



% of Respondents Who Are Not Sure They Participate In Or Do Not Know If Their Primary Bank Offers A Loyalty/Rewards Program





KEY FINDING 1

Hunting for value is hot – via rewards

Most Important Characteristics of a Bank's Loyalty/Rewards Program:
US Market – Based on Single Choice



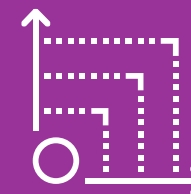
1. Program that offers cash or prepaid cards to use anywhere in real-time (i.e., hotel, airline ticketing)

+1%

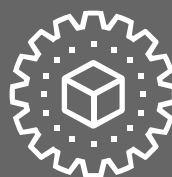


2. Program that offers points that can be easily redeemed for various items, including travel and experience

+1%



3. Program for making everyday purchases that offers points for discount or are for free



4. Program that is fee- or deadline-free

-1%

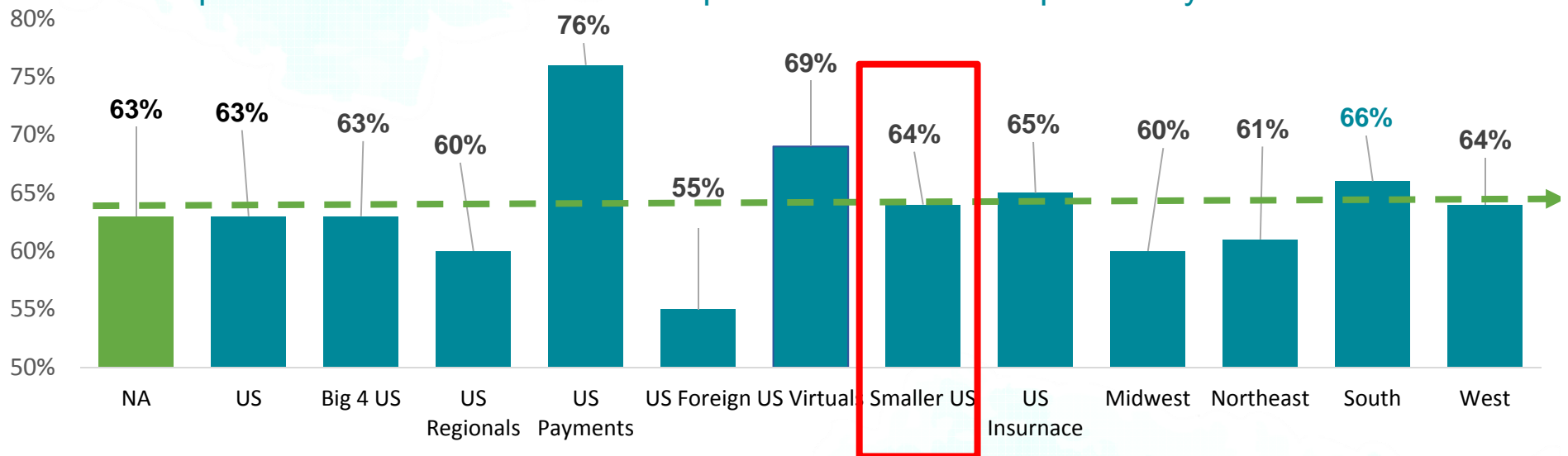


KEY FINDING 1

Hunting for value is hot – willingness to share data



Survey Q: Would you like your Primary Bank to also have direct access to personal information you have shared with our companies (e.g., mortgage, credit card, student loan data) so they can use it to present more suitable / relevant product and service options to you in the future?



Lower Willingness:

- 62% - Ages 65+
- 64% - Retired

Higher Willingness:

- 84% - Wearable Users
- 77% - Millennials
- 76% - \$100k+ Income
- 74% - Disabled, Homemakers
- 74% - Living in Cities

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Source: NA Retail Banking Survey, Question 14a; n=4,013 for NA; 1,210 for Canada

Delivering new value starts now

To deliver banking customer expectations that provide new value, retail banks must do things differently – and do different things. The status quo will not suffice in today’s highly competitive environment.



WIN THE DATA GAME

Data is the currency of customer insight. Retail banks are clamoring for it. Banks must refine data collection, preserve customers’ data privacy and digital trust, support insight-driven banking innovation, and develop predictive analytics skills.



BE RELENTLESS ABOUT SERVICE

Banks cannot afford to take their eye off of superior customer service. It must become part of the bank’s genetic code, from the business strategy to the day-to-day culture. Service must be consistent and continually refined based on customer feedback.



REINVENT LOYALTY

Real-time, personalized interactions can cultivate loyalty. Digital marketing platforms can capture customers’ implicit and explicit intent through triggers such as key word searches, social interaction and transaction indicators, so banks can connect in ways that matter.



EXPLORE NEW ROLES

Banks can provide more value to customers by becoming a go-to resource for how they live, rather than being a pure financial utility. There are several roles to play—from brokering partner services to providing an open platform for buyers and sellers to interact.



MASTER “PHYGITAL” EXPERIENCES

Developing banking channels in isolation from one another is risky. Customers want seamless “phygital” experiences that blend physical and digital, and few banks are meeting their demands. Minimizing channel conflict will help banks stand out.

KEY FINDING 2

Switching is not an obstacle



A slight, but steady evolution in the switching climate in retail banking is fueled by several factors:

Difficulty is not the barrier to switching it once was.

Consumer perceptions that switching is hard have eased since the first year of the survey in 2013, with “difficulty of the process” falling down the list of switching hassles from second to fifth place.

Not an
Obstacle

11%

-2%

North American consumers who switched banks in the past year

Simple transactions define banking relationships.

The majority of consumers (79 percent as in 2015) continue to view their banking relationships as transactional, not advice-based. It is easier to cut ties when there are no strings attached.

No Strings
Attached

80%

-1%

View their banking relationship as transactional, not advice-based

Alternative banking providers expand consumer choice.

Consumers have more non-traditional banking choices than ever, and they are open to exploring them. Consider that switchers moved to online-virtual banks in double digits over the past year.

Biggest
Winners

+15%

Combined net gain of customers acquired by virtual banks and payment providers in the past year

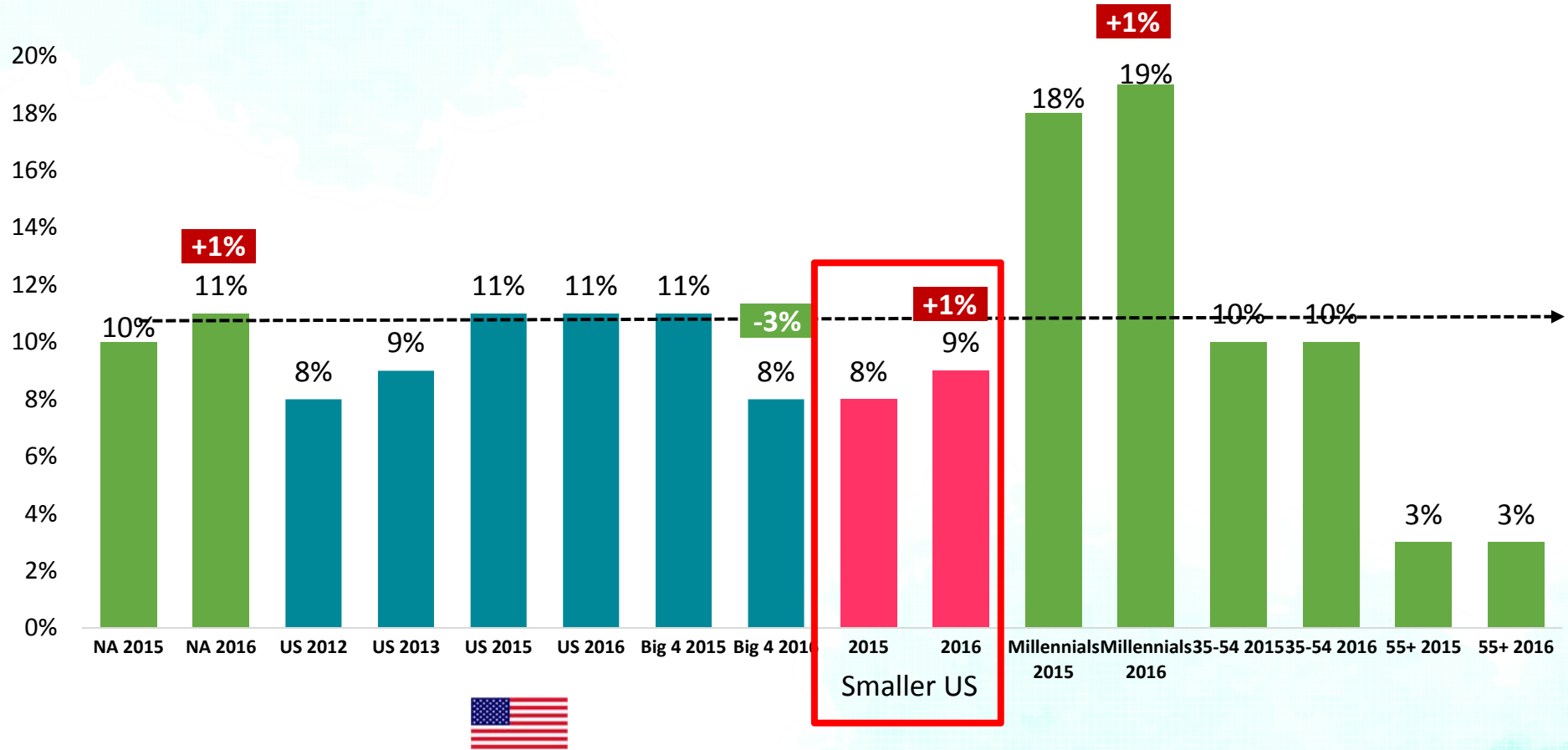
KEY FINDING 2

Switching is not an obstacle



Mass Affluents showed the greatest increase in switching the past year.

Comparative Switching Behavior Over Past Two Years



Survey Q20: "In the past 12 months, have you switched TO a new financial services provider or other company FROM your main bank (i.e., primary personal checking or debit or "pre-paid debit"); Base: All Respondents (n=4,013)



KEY FINDING 2

Switching is not an obstacle

A slight, but steady evolution in the switching climate in retail banking will likely continue, driven largely by younger customers:



North American consumers who switched banks:

Past Year

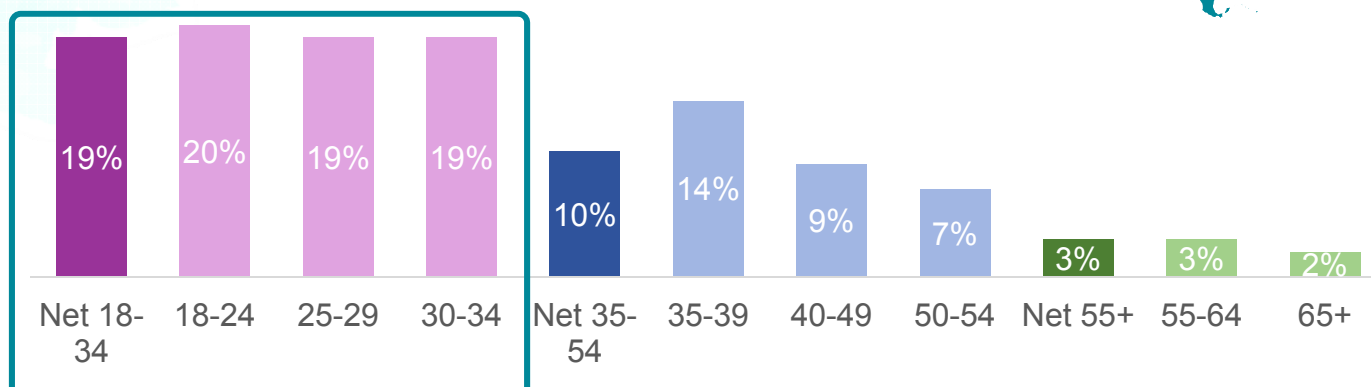
11%

+1% 

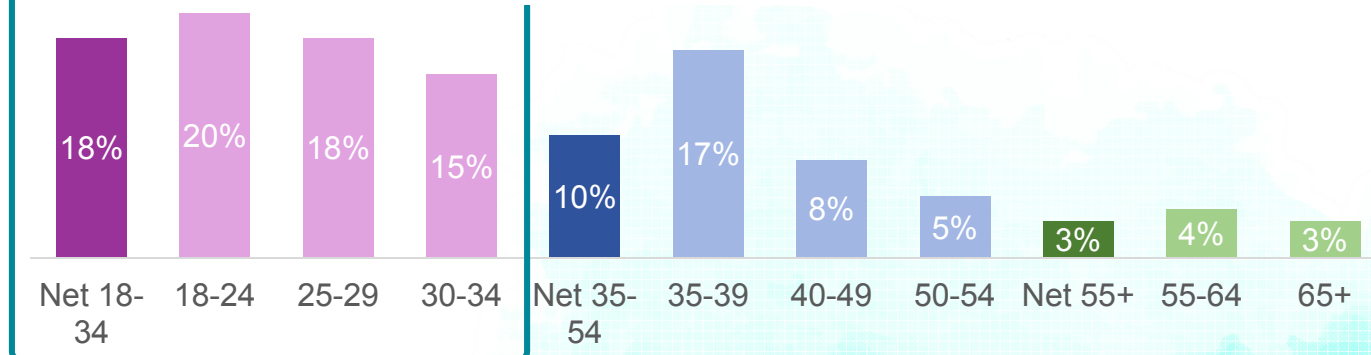
2015

10%

% Switching Level by Age Group in 2016



% Switching Level by Age Group in 2015



Survey Q20: "In the past 12 months, have you switched TO a new financial services provider or other company FROM your main bank (i.e., primary personal checking or debit or "pre-paid debit"); Base: All Respondents (n=4,013)

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KEY FINDING 2

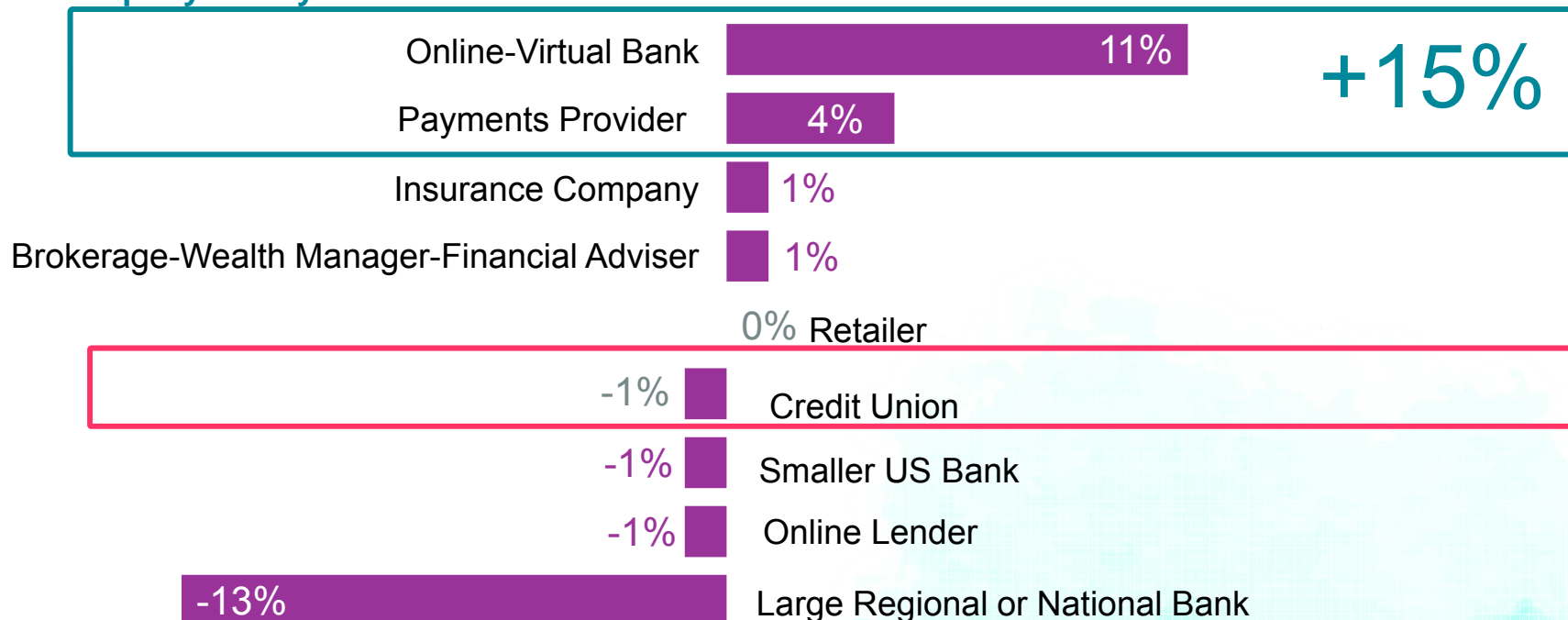
Switching is not an obstacle



Nimble and digitally-savvy, consumers are not tied to one bank for all of their financial needs – and will leave for a better value proposition. Many are increasingly attracted to virtual banks.

Online-virtual banks followed by payments providers lead in net switching among consumers who switched.

Q: In the past 12 months, have you switched to a new financial services provider or other company from your main bank?



Survey Q20b: "In the past 12 months, have you switched TO a new financial services provider or other company FROM your main bank (i.e., primary personal checking or debit or "pre-paid debit"); Base: All Respondents (n=424 customers in NA who did switch in past year)

KEY FINDING 2

Switching is not an obstacle



Survey Q: What was your primary motivation for switching?

- Top 8 Reasons Given -

1. Cheaper products/services



2. More convenient branch locations



3. Better mobile app



4. Better website/online channels



5. Concerns about security of my personal data

No.6



6. Better call centers / telephone advisors

No.5



7. I had a bad customer service experience with my main bank



8. My main bank closed down convenient branches



Survey Q20A; n=323

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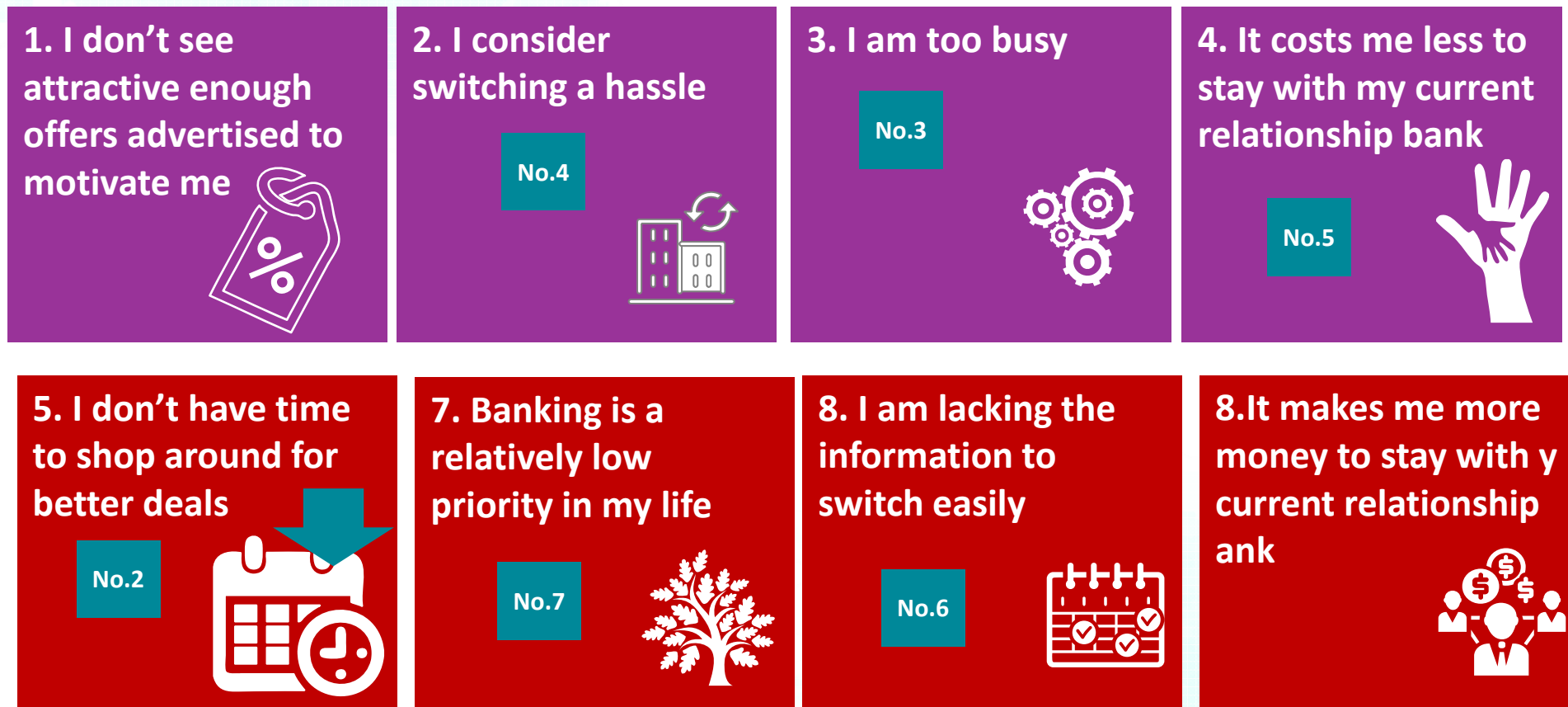
KEY FINDING 2

Switching is not an obstacle



Survey Q: Please indicate what has stopped you from switching to another financial institution (Based on multiple NA customer responses)

- Top 8 Reasons Given -



Source: NA Retail Banking Survey, Question 21; n=4,013

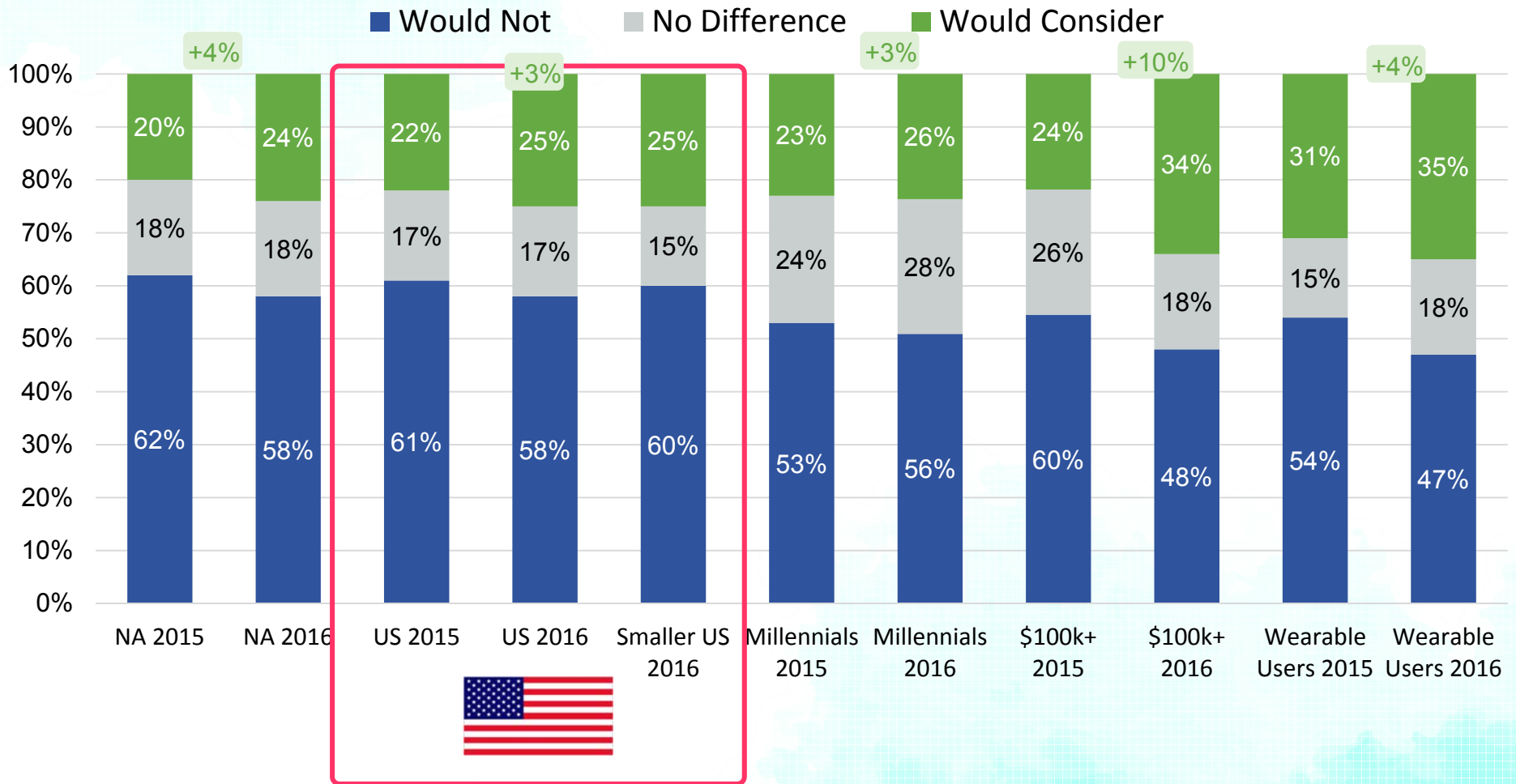
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KEY FINDING 2

Switching is not an obstacle



Survey Q: If you were to switch banks, would you consider a bank with no branch locations?



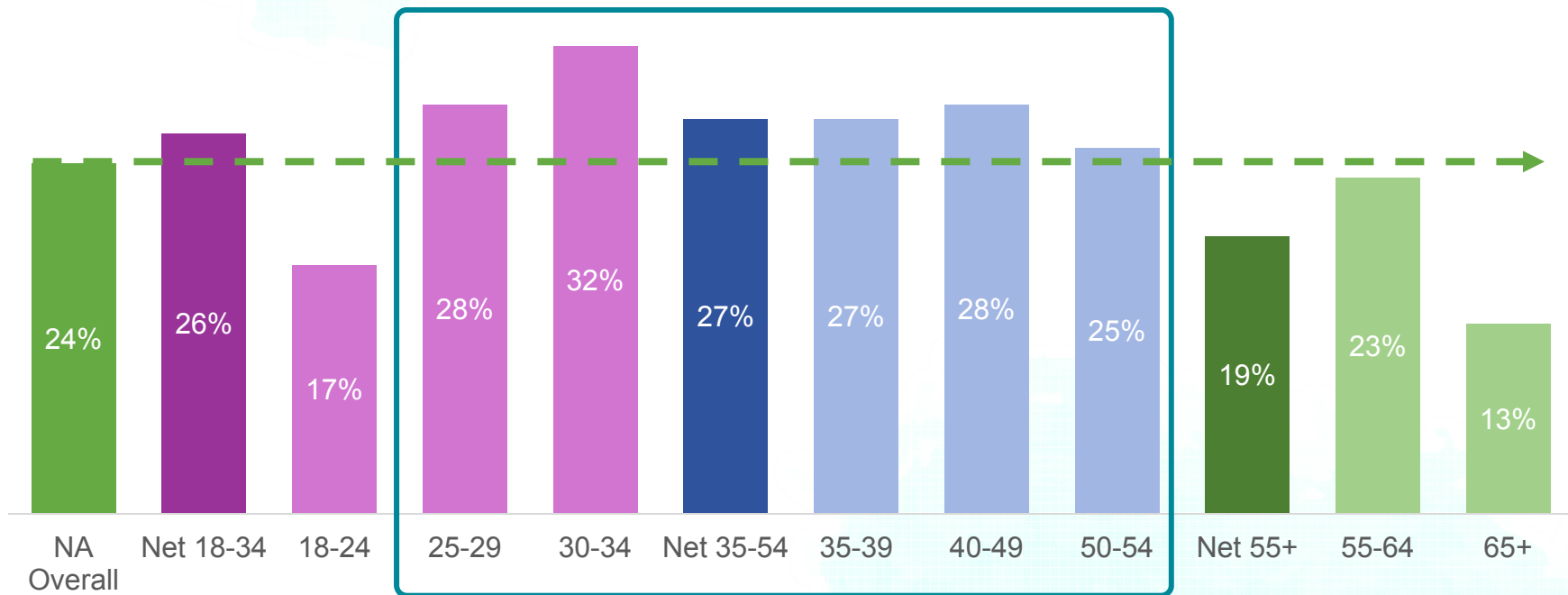
KEY FINDING 2

Switching is not an obstacle



Survey Q: If you were to switch banks, would you consider a bank with no branch locations?

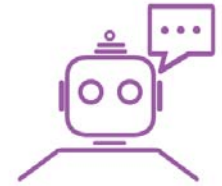
“Would Consider” % Response by Age Group in North America



Survey Q43: All North America Respondents (n=4,013)

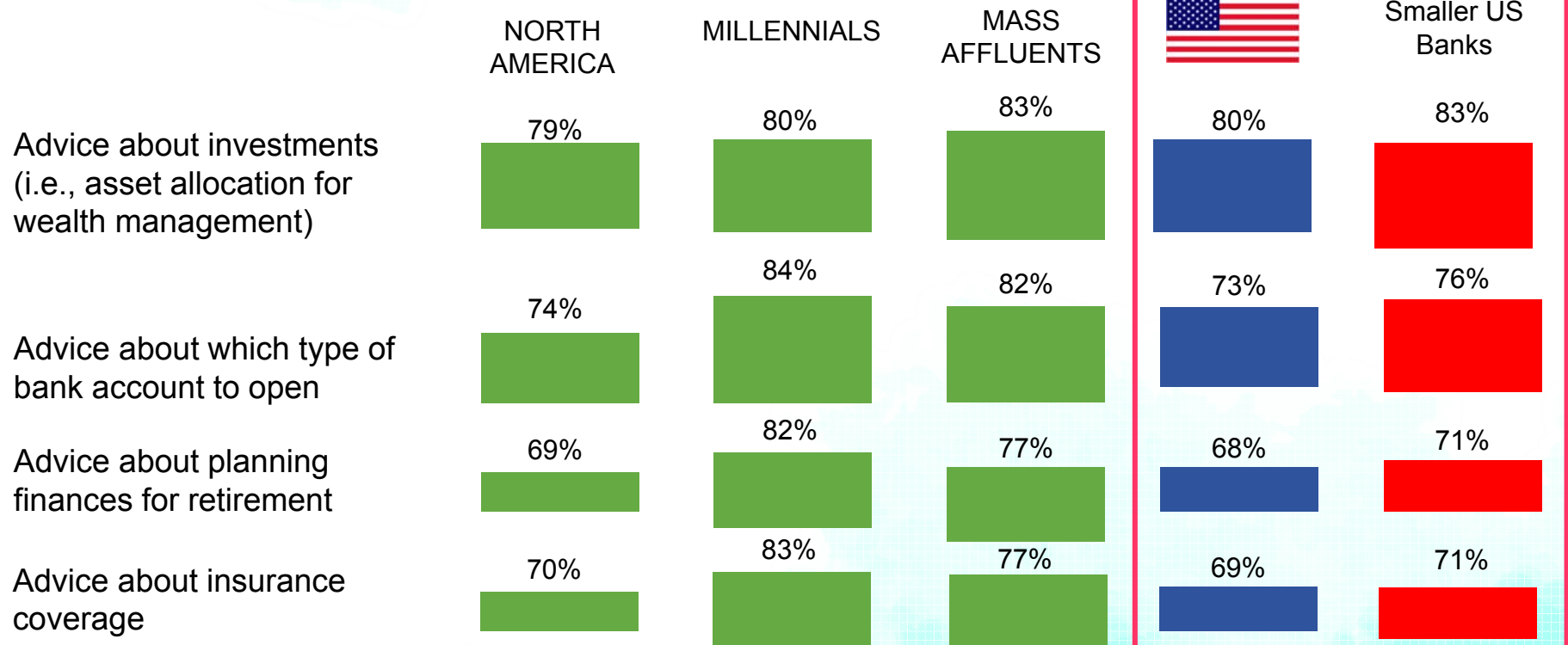
KEY FINDING 3

Robo-advice is welcome



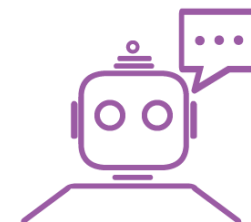
The hype around robo-advice is more than empty chatter. Consumers are intrigued by computer-generated advice, which creates an opportunity for banks to deliver additional value – and connect with new customers.

Q: In the future, how willing would you be to receive the following types of advice and services in a way that was entirely computer-generated, without any input from a human advisor?



Survey Q16: All North America Respondents (n=4,013)

Survey result based on combining responses: "highly interested and interested."



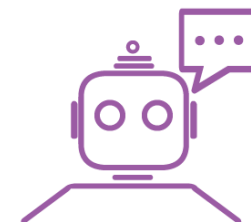
KEY FINDING 3

Robo-advice is welcome

Survey Q: Of those who are willing to use artificial intelligence, why are you willing to do so?

Multiple Responses Allowed – North America/United States









KEY FINDING 3

Robo-advice is welcome

Options for Introducing Robo-Advice Capabilities

	Free standing robo advice [direct channel] 	Product offering through call center based advisor channel 	Product "distributed" through full-service advisors 	Toolset embedded in the platform supporting a broad range of advised products 
Benefits	<ul style="list-style-type: none"> Build a distinct brand and service offering for digital-centric millennials May mitigate pricing impact with existing client base Feeder system for new accounts 	<ul style="list-style-type: none"> Offering is aligned with channel's target wealth tier Contains pricing impact on other channels Sandbox for developing capabilities Growth opportunity for digital-centric millennials Cost effective service model 	<ul style="list-style-type: none"> Provides robo capabilities to advisors whose clients ask for it Provides greatest scale and leverage for the offering 	<ul style="list-style-type: none"> Seamlessly enhances traditional advisor platform Leverage capabilities to benefit advisors and clients

Considerations

<ul style="list-style-type: none"> Could be viewed as competition by existing advisor force Limits synergy with existing core wealth business 	<ul style="list-style-type: none"> Revamp of call-center advisor channel-repositioning for growth Limits near-term synergy with full service advisor channels 	<ul style="list-style-type: none"> Large, complex deployment to distributed advisor force Broader potential impact on pricing 	<ul style="list-style-type: none"> Large, complex deployment Change management/cultural disruption Significant platform dependencies
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Source: www.accenture.com/t20160509T220506_w_us-en_acnmedia/PDF-17/Accenture-Wealth-Management-Rise-of-Robo-Advice.pdf#zoom=50

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KEY FINDING 4

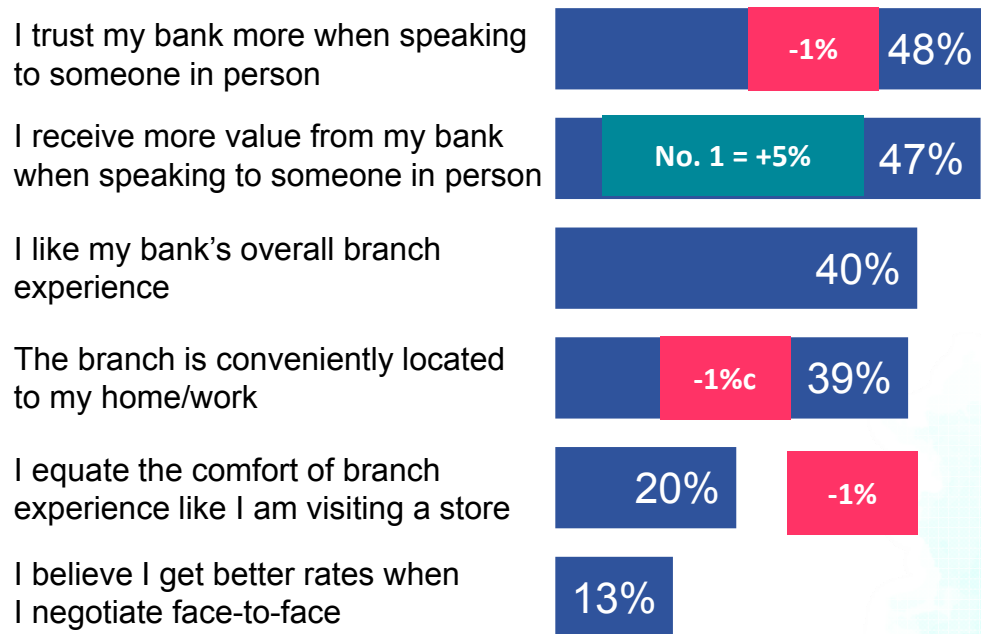
The branch is alive and well in the US



The bank branch of the future will be different, not dead. US consumers see themselves actively using the branch in the coming years. It will be a vital destination where digital banking and human interaction meet.

Consumers want human interaction at the bank branch of the future.

Q: Why do you anticipate you will use branches two years from now?



Ranked by level of multiple responses
 Survey Q34; Base: n=3,748 North America Respondents
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Consumers expressed renewed interest in the branch where they can connect with human advisors

The Future Millennials

86%

anticipate using branches in the future

+2%

86%

18-34 age group anticipate using bank branches in the future

Full-Service Convenience

60%

Of US customers who use the branch prefer "full service branches"

+3%

KEY FINDING 4

The branch is alive and well



Bank Branches of the Future: “How important is it to you that each of the following services is offered in your main bank’s branches in the future?”

% Response Considered as “Important or Very Important” – US Ranking

1. Ability to raise a complaint with a human advisor



2. Ability to open an account with a human advisor



3. Human advisors are available in-person to give advice about products - such as mortgages



4. Advanced ATM machines that allow me to pay in checks or cash

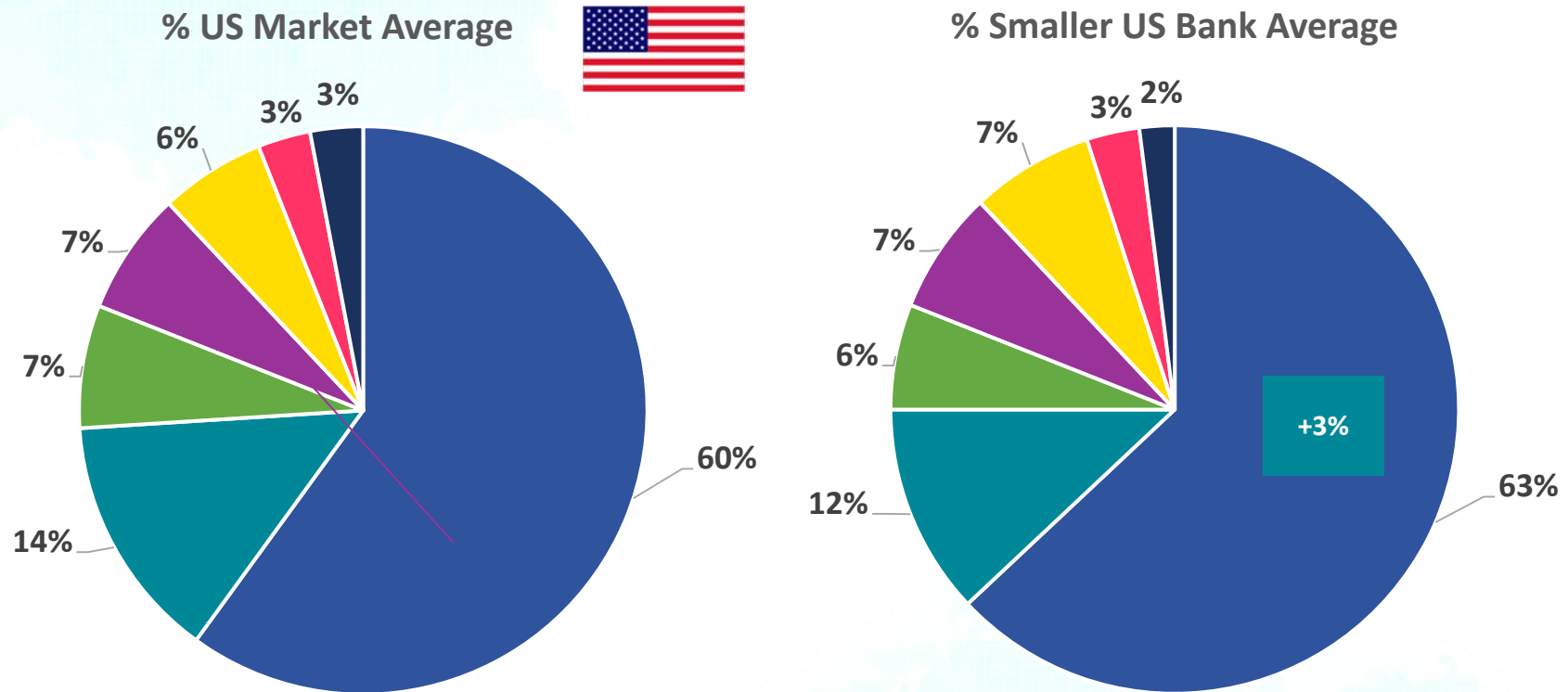


KEY FINDING 4

The branch is alive and well



Bank Branch Format Preference: % Responses



Branch Formats:

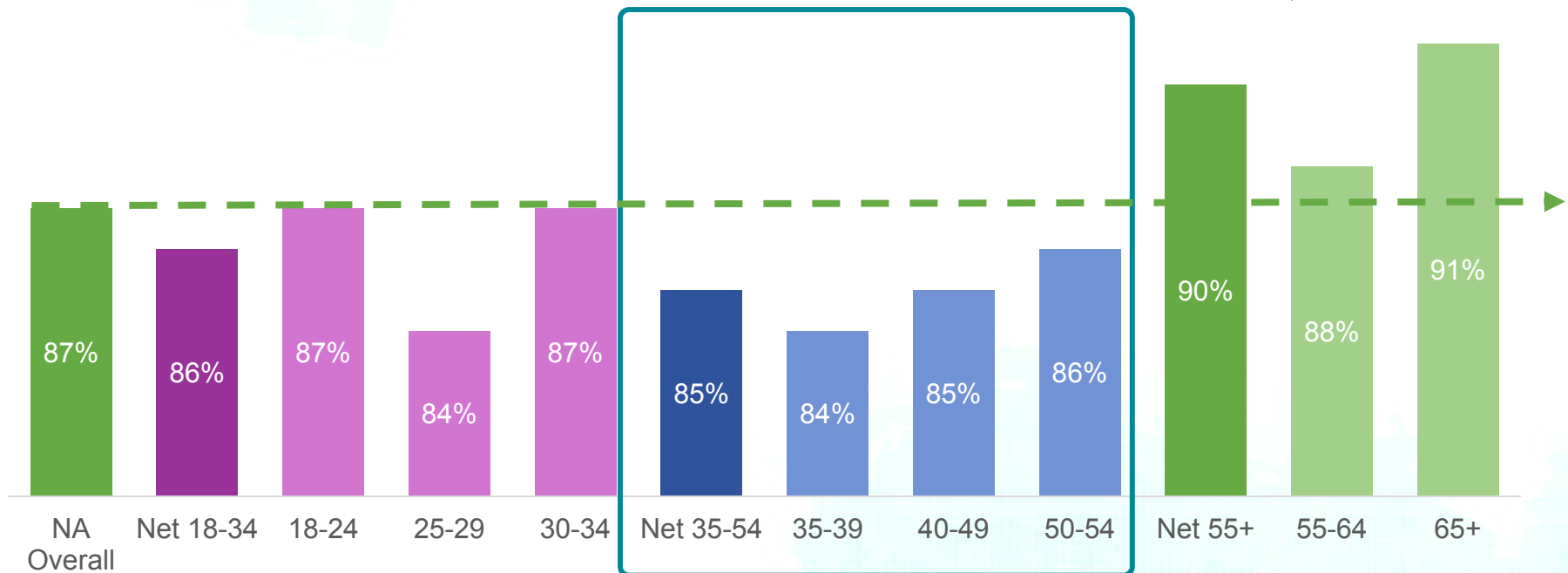
- = Full-Service Hubs
- = Self-Service Kiosks
- = Light Branches
- = Metro Area Flagship Branch
- = In-Store Wall-Based ATM
- = Financial Department Store
- = NA /No Longer Use Branches

KEY FINDING 4

The branch is alive and well



% of NA customers who anticipate they will still use branches in the future:
By Age Group



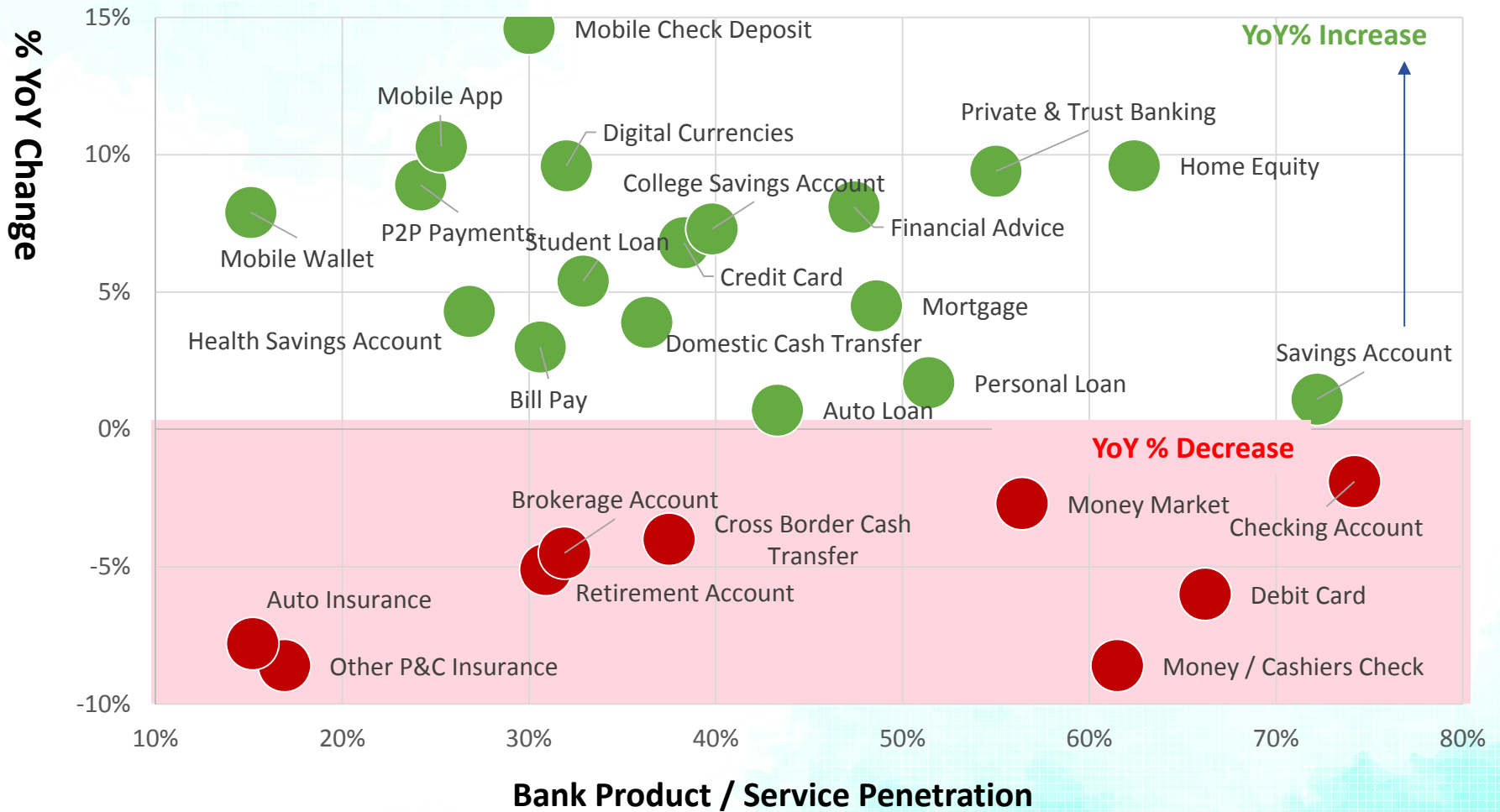
Survey Q33Ac; n=4,013 for NA; 1,210 for Canada

KEY FINDING 4

The branch is alive and well



Product / Service Sales/Access Through Bank Branches:
US Market – Comparing 2016 to 2015 Levels



Channel Surfing



OMNI-CHANNEL MANAGEMENT IS LAGGING

Only 27 percent of consumers say the experience they receive from their bank's branch, online and mobile channels is completely seamless—down 7 percentage points in just one year.



THE BRANCH HAS NOT LOST ITS RELEVANCE

24 percent of consumers prefer the branch over other channels, second only to online banking at 28 percent.



THE INTERNET IS THE DOMINANT CHANNEL

Consumers use online banking the most frequently—60 percent use it at least weekly.



MOBILE BANKING IS A TRANSACTIONAL TOOL

Consumers most commonly use the mobile channel for transactions. The top three reasons for mobile banking are making a payment, depositing a check and viewing a past transaction. Yet 35 percent of consumers still do not use their mobile phone for banking.



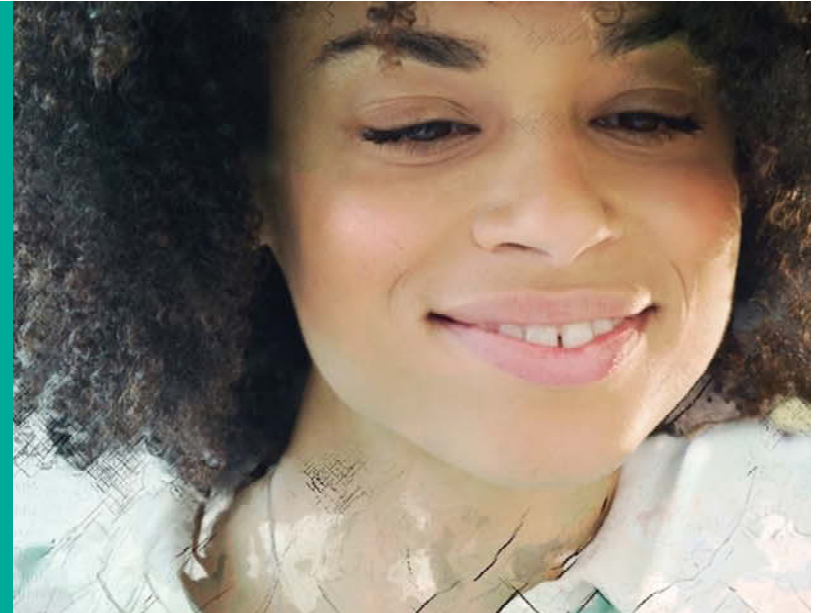
SOCIAL MEDIA IS NOT CATCHING ON AS A BANKING CHANNEL

Despite consumers' use of social media to connect with companies in other industries, only 24 percent of consumers are interested in social media as a direct banking channel, down from 27 percent last year.



VIRTUAL REALITY IS A REALITY

Included in the survey for the first time, virtual reality headsets rated just ahead of social media and wearable technology as a banking channel consumers want banks to invest in for the future.



Banking on the future: Making Agile Investments

Tuesday, 27 June 2017



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Digital transformation is about regaining high performance and preparing for continuous change.



Banking industry is facing disruption

Different forces are reshaping the industry: changing customers, technology disruption, new competition including FinTech and Digital Players, emerging digital ecosystems and increasing regulatory pressure



Technology is driving new business opportunities

9 key technologies are expected to have a fundamental business impact, with a combinatorial effect by integrating data mastery, intelligent automation and open banking



Digitisation is about getting today's list done (“brilliant basics”), while preparing for new business models (“cut new ground”)

Significant mid-term upside potential (x2 Operating Profit, -15 p.p Cost/ Income, ~+7 p.p. ROE), with continuous transformation towards new digital business models



Banks need to apply an intentional path to fully rotate to the new

An accelerated transformation journey to accomplish digitisation initiatives, while defining the building blocks to win in the digital economy

Key takeaways

Winners will be those banks who optimize across traditional and new business models taking full advantage of digital opportunities.

Current banking models are **no longer sustainable**, as industry is facing a **structural change** (stagnating ROE, technology disruption, new competition from Digital Players and FinTech)

Banks need to **reinvent themselves** as they operate in a more complex and platform-based ecosystem, looking beyond value chains towards **value networks** and embedding **innovation in the culture** of the organization

New approaches **to take full advantage of digital opportunities** and in particular **to convert “cost to growth”** can allow banks to be brilliant at basics and return to health (digitization of value chain, ZBB/ ZBS, organization driven cost reduction/ ZBO)

While getting today’s list done (brilliant basics), Banks need to prepare for new business models (cut new ground) by defining ambition, understanding new high performance capabilities and prioritizing investment

Banks need to **apply an intentional path** to fully rotate to the new, accelerating the transformation journey and **optimizing across both traditional/ physical and new/ digital business models**

Three building blocks are essential for achieving sustainable competitive advantage.

Building Blocks for Sustainable Competitive Advantage in the “Era of Convergent Disruption”



Becoming an Agile Bank

What is the Agile Bank?

<p>Customer First Offering customers “what they need,” not “what the bank has,” hyper-personalized products and services</p>		<p>Revenue Ready Transforming fixed costs into variable costs and investing savings in revenue generation opportunities</p>
<p>Fast Twitch Flexing distribution, making channel decisions quickly and often</p>	<p>Test, Learn, Tweak Replacing complex distribution processes, continually adjusting offerings as the market dictates</p>	<p>Right Channeling Combining digital and physical channels to grow market share without traditional branches</p>

<p>Step 1</p>	<p>Step 2</p>	<p>Step 3</p>	<p>Step 4</p>
<p>Confirm the Bank's DNA Banks should assess whether they should evolve into an agile-specialized bank, or an agile-efficient bank.</p>	<p>Diagnose the Network Banks must rethink their physical distribution network by streamlining branches</p>	<p>Walk in Customers' Shoes Banks must start from the agile customer experience and work backward to assess technology needs and build a new agile marketing toolkit.</p>	<p>Test the Sweet Spots Banks must continuously design new strategies to push sales and service effectiveness to the next level</p>

Every bank moves through the same four foundational steps to develop agile distribution and marketing in the digital banking landscape.

Key technologies and macro directions

9 key technologies are changing the industry— with Security throughout

As more and more functionality comes from beyond the perimeter, being able to communicate in common language across an entire ecosystem will become a key enabler of value



Data Mastery

Advanced Analytics

Internet of Things

Hyperscale Computing

Intelligent Automation



Artificial Intelligence

Robo-Advisors, VPA

Robotic Process Automation

A combination of new technologies are enabling organisations to replicate the role of human operators consistently and cost effectively

Security

Blockchain

Hybrid Cloud

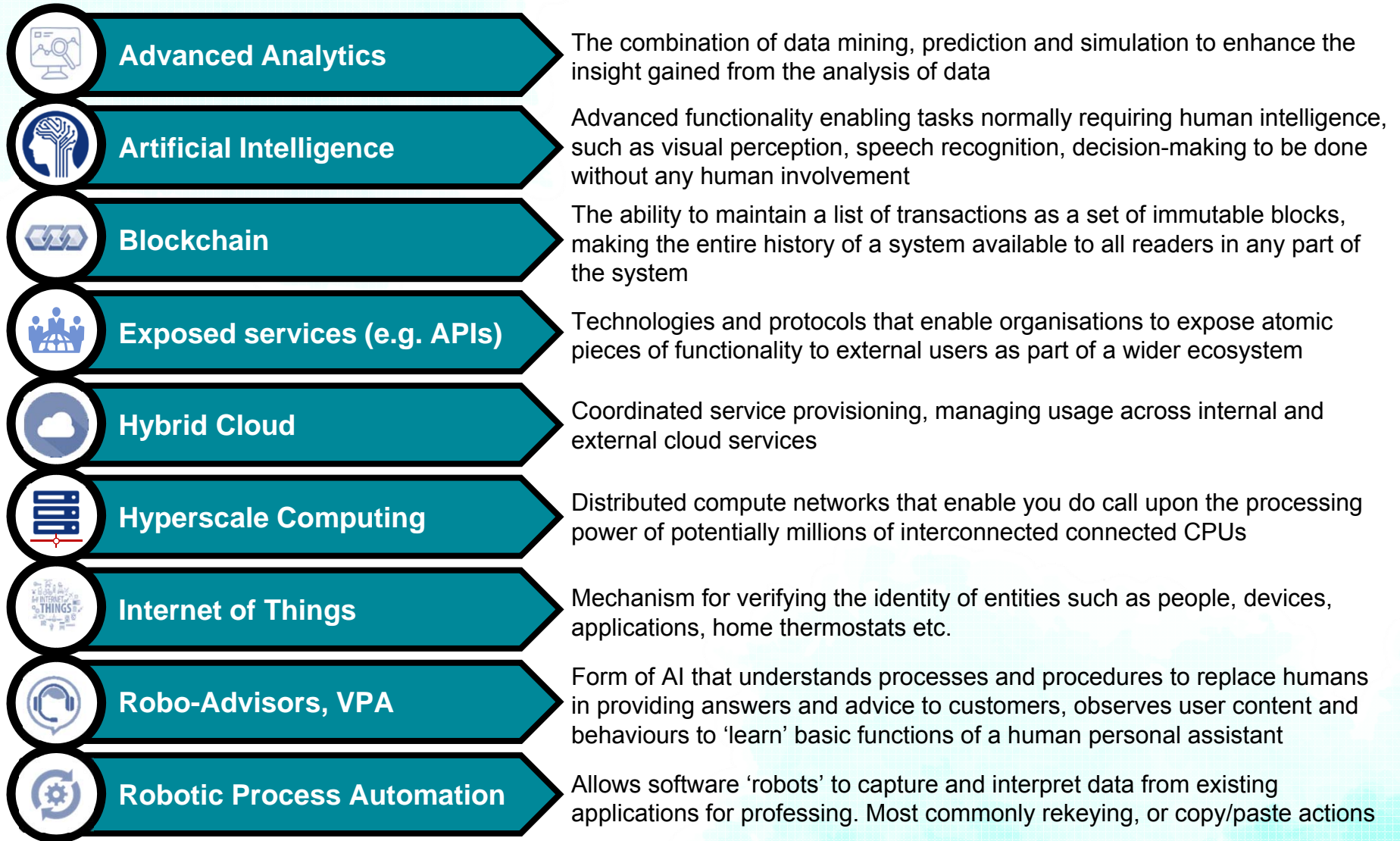
Exposed Services (e.g. APIs)



Open Banking

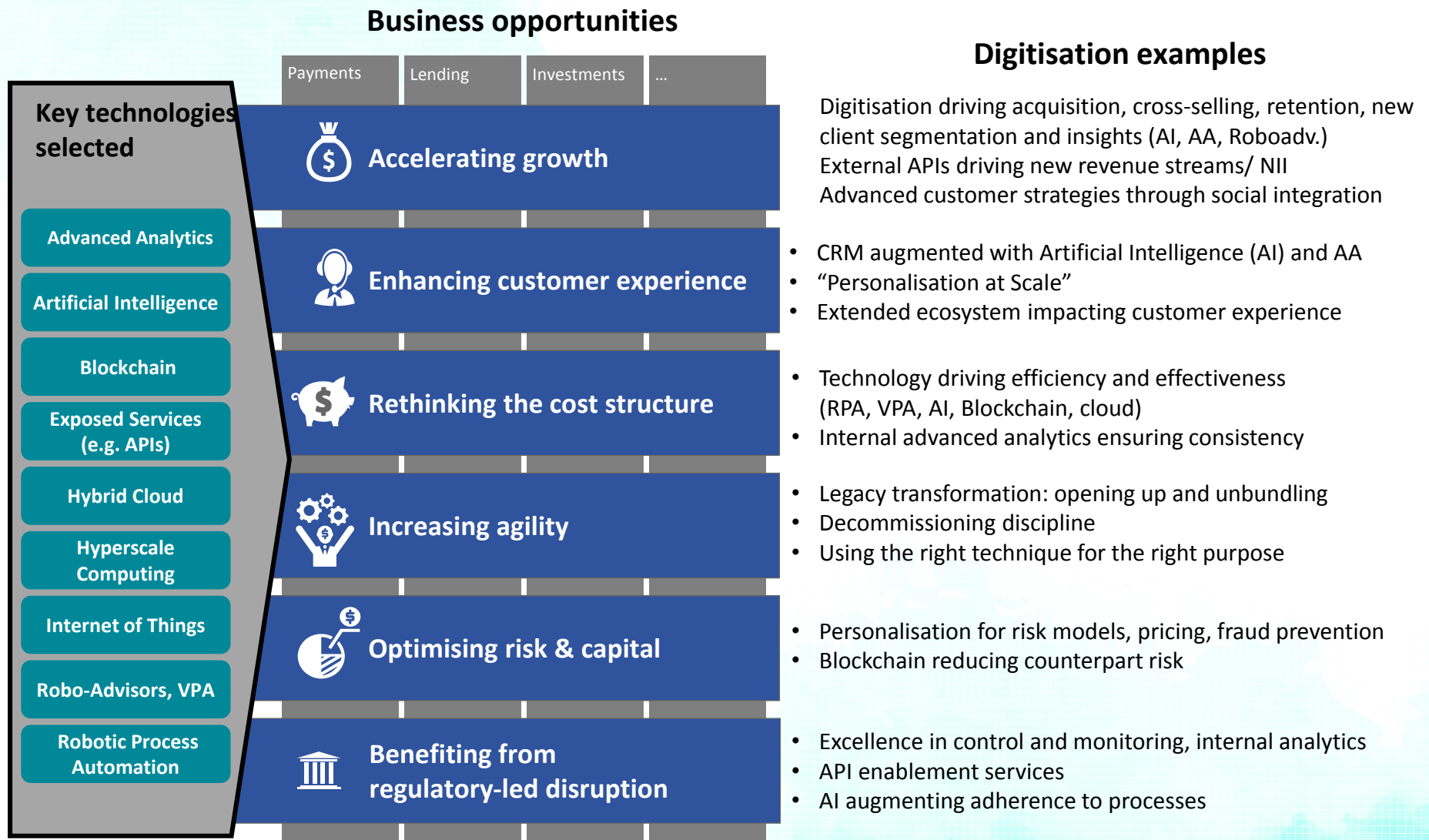
More and more leading organisations are choosing to “borrow” functionality from external providers as part of an overall value ecosystem

Key technologies for banking



Note: further technology details available in Accenture Strategy "Book 1" Technologies Material and Techxpert Program

Key technologies identified can lead to a combinatorial effect on specific business opportunities.



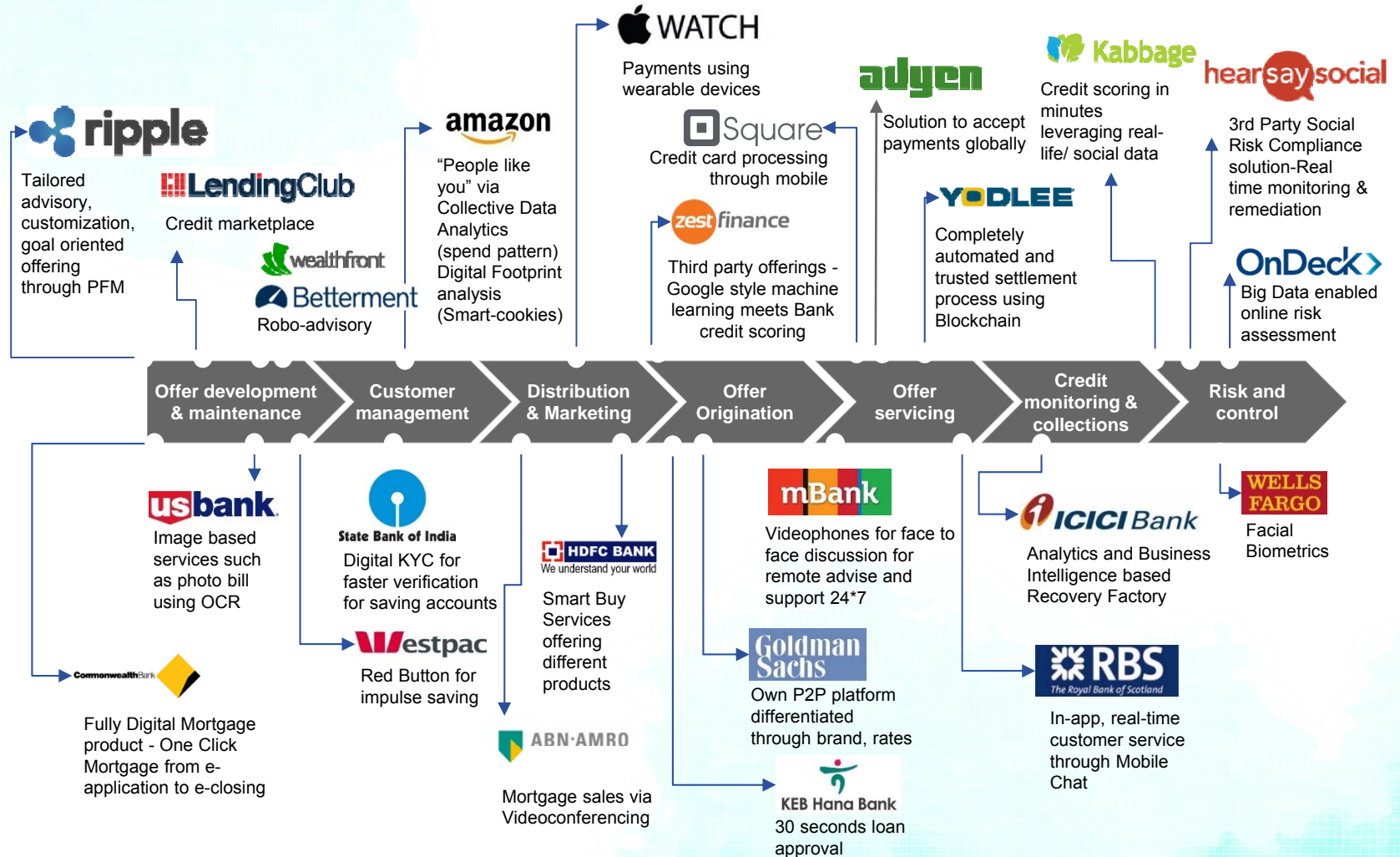
Avoiding digitisation is not an option

Disruption & Opportunity is occurring across the Banking Value Chain

NOT EXHAUSTIVE

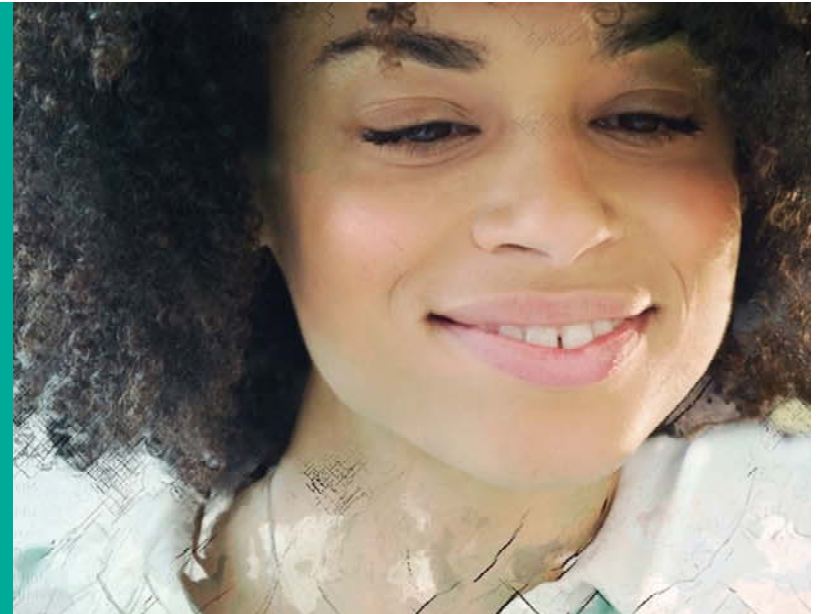
Examples of FinTech/ Digital Players disruption

Examples of Incumbents initiatives





North America Consumer Digital
Banking Survey



Banking on Value

Rewards, Robo-Advice and Relevance

Other Key Survey Findings Profiled

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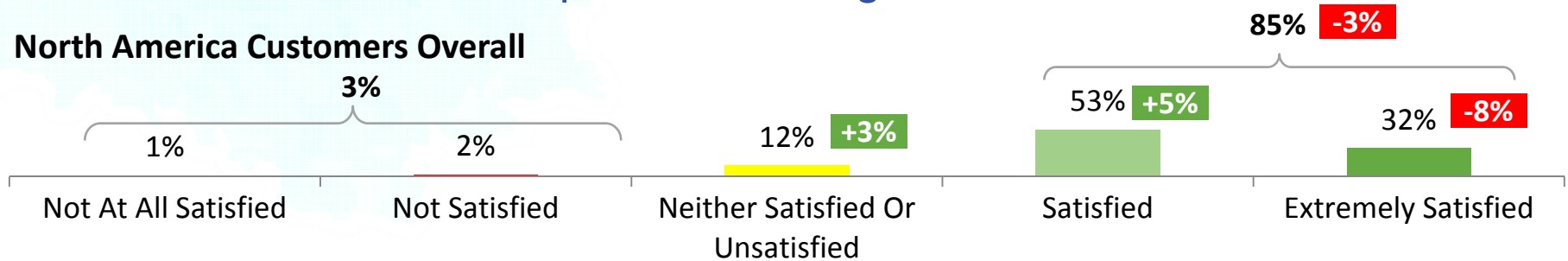
x% = Difference from 2015 survey



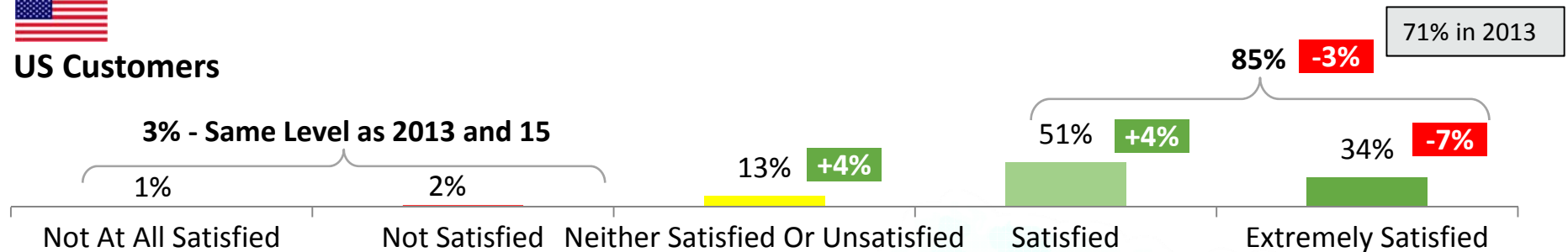
Customer Satisfaction by North American Geo

Survey Q: Overall, how satisfied are you with your PRIMARY RELATIONSHIP BANK'S performance right now?

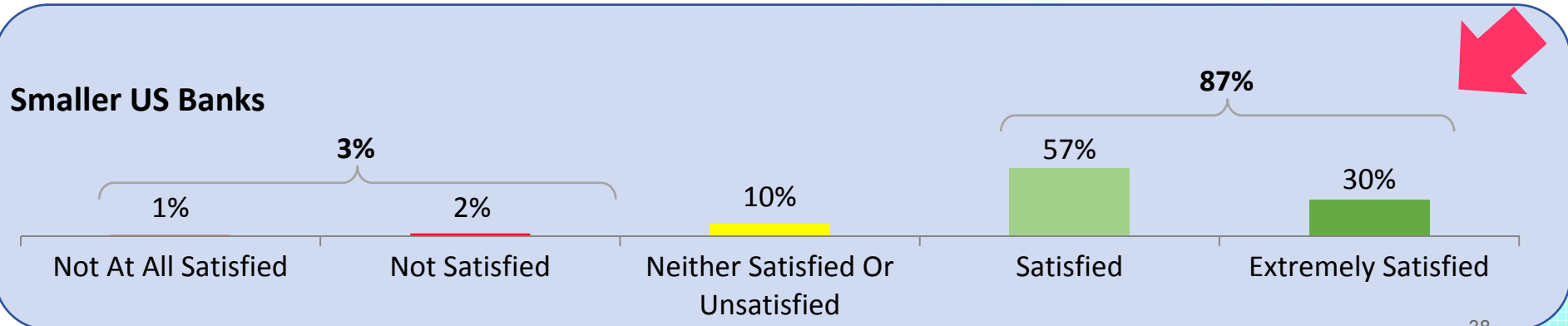
North America Customers Overall



US Customers



Smaller US Banks





A breadth of perceived capabilities are considered important by today's US bank customer.

Top Customer Response Levels Among Two Dozen Choices
For Smaller US Banks

1. Online banking is good



2. It is an ethical / trustworthy business



3. It is financially strong (e.g., safe from being acquired or merged into another company)



No. 5

4. Its branches are modern / comfortable and relevant to my banking needs



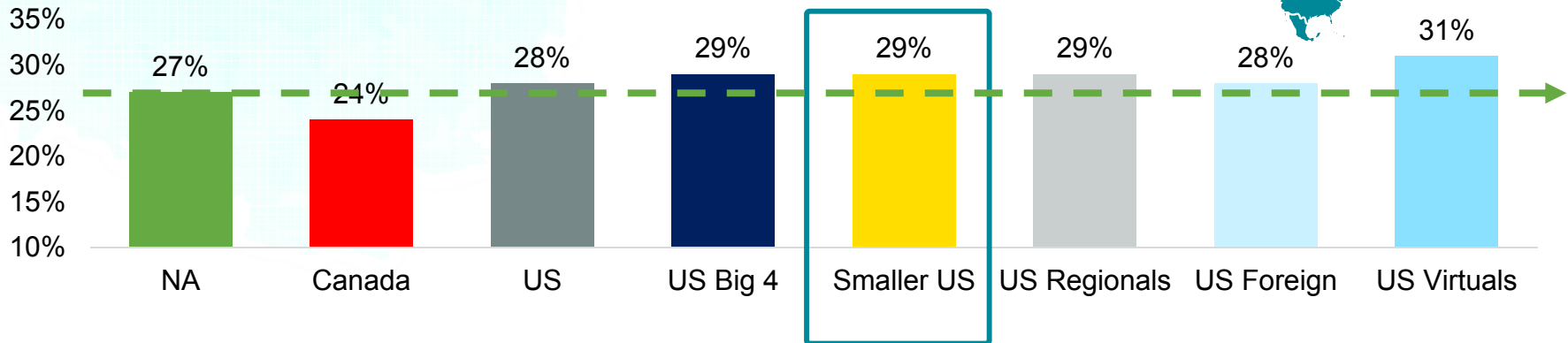
5. Branch service is good



6. ATMs are reliable and accessible

Increasing Disillusionment with Channel Management

% of Customers Who Find The Experience They Receive From Their Bank's Branch, Online and Mobile Channels Completely Seamless



% YoY Decline in Response of Those Customer Who Find The Experience They Receive From Their Bank's Branch, Online and Mobile Channels Completely Seamless



Channel integration/optimization ensures the customer will have a unified experience, and can also help banks better coordinate the delivery of products and services.

US Customers have reinforced their preference for seamless, secure channel service.



Respective feelings about communicating with one's primary relationship bank
Smaller US Banks Have Same Ranking



1. I don't mind which channel I use to communicate with my bank – whether it's telephone, online or face-to-face – my primary concern is that I can get what I need quickly and easily



2. I would like my bank to blend physical branches and digital services, allowing me to interact with them in the way that is best for me



3. I would like the ability to switch between online and telephone channels when I am making a purchase/accessing a service, without it slowing down the process



4. I would like to have instant access to face-to-face advice from my bank or insurer via my mobile device



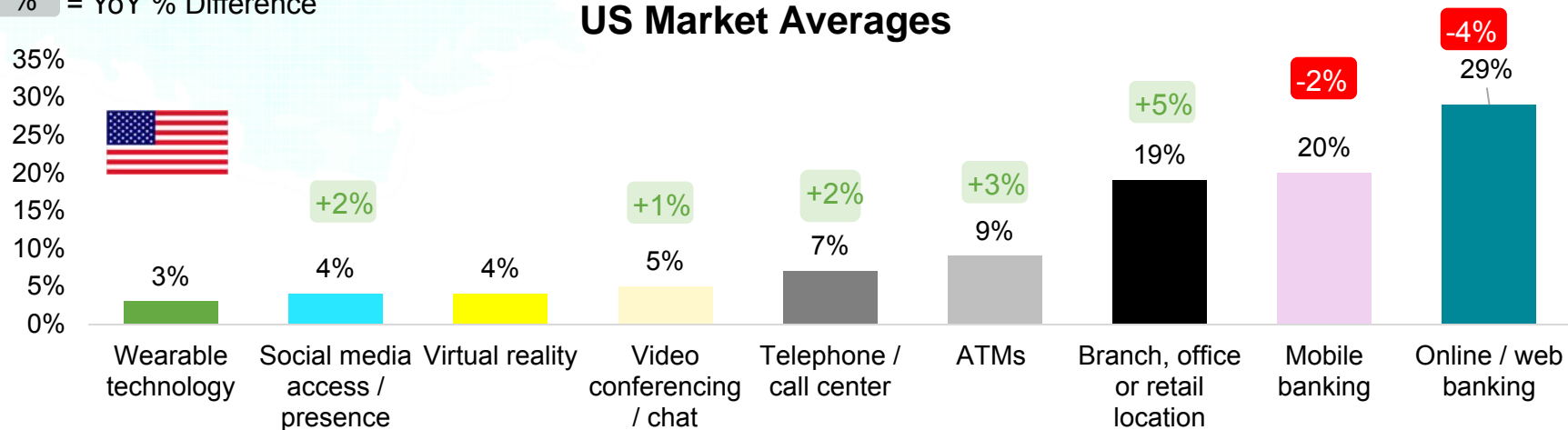
Though the online channel is still dominant in terms of future investment, customers have renewed their interest in branch-related investments .



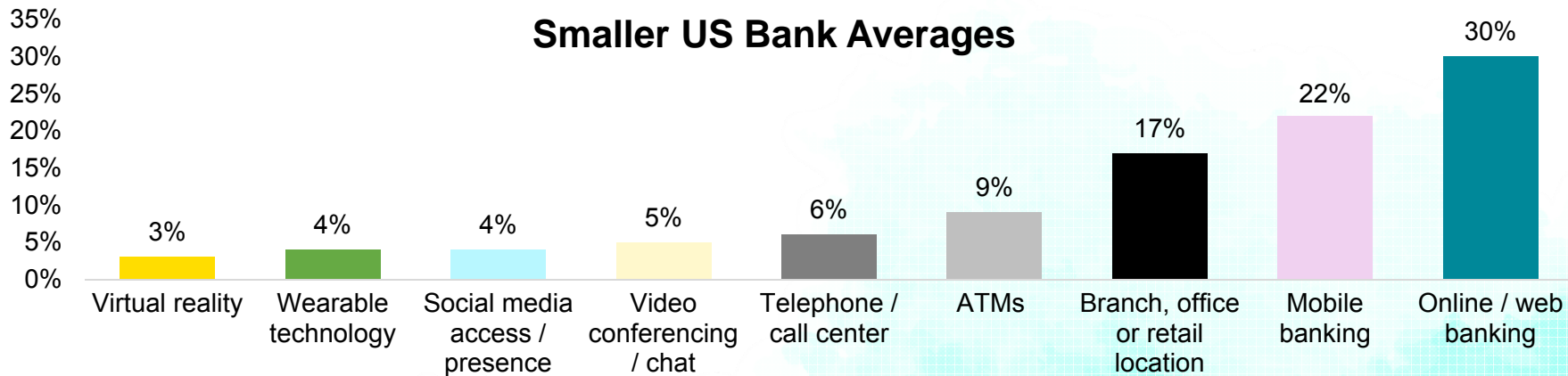
Survey Q: In your opinion **5 years from now**, what will be the single most important customer channel that your bank should be investing in, developing and improving?

% = YoY % Difference

US Market Averages




Smaller US Bank Averages



Smaller bank customers are more satisfied than their peers regarding the use of most major bank channels.



% of NA Consumers Who Are “Very Satisfied” by Select Bank Channels

Retail Bank Channel	NA		Smaller US	Millennials	Ages 35-54	Ages 55+	>\$100k
Branch	53%	56%	57%	49%	51%	61%	50%
Online	55%	55%	58%	53%	52%	62%	54%
ATM	50%	50%	55%	48%	47%	56%	47%
Call Center	38%	39%	38%	37%	37%	40%	36%
Mobile Banking	50%	52%	55%	52%	49%	47%	50%
Social Media	35%	36%	36%	38%	34%	28%	36%
Video Conferencing	33%	34%	34%	37%	30%	27%	32%

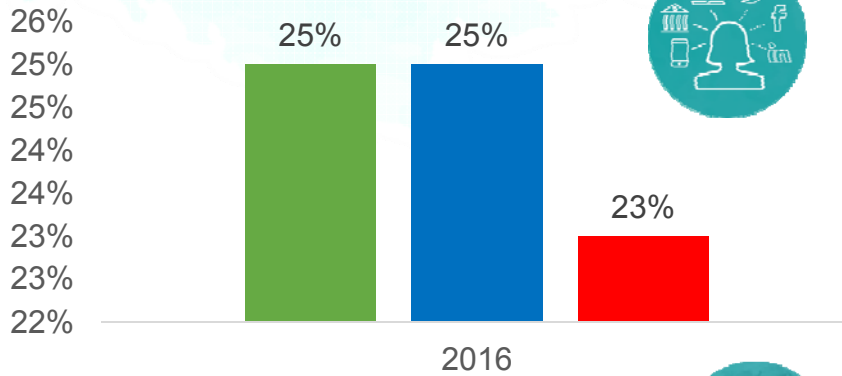
Consumer use of emerging channels for banking is in play.

Use of Select Channels At Least Monthly in North America Over Past Year

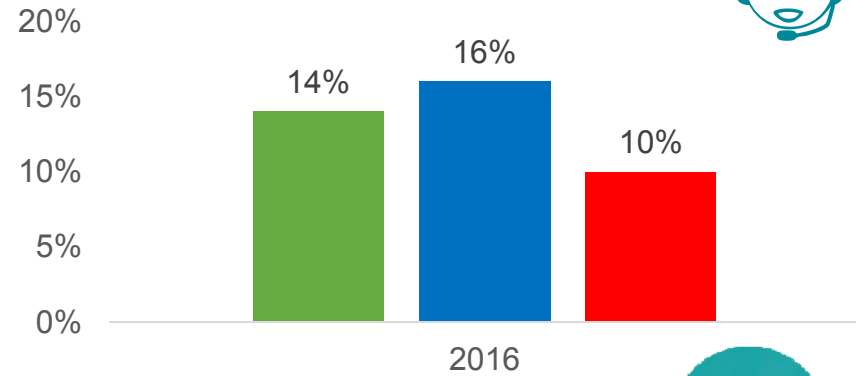


■ = North America ■ = US ■ = Canada

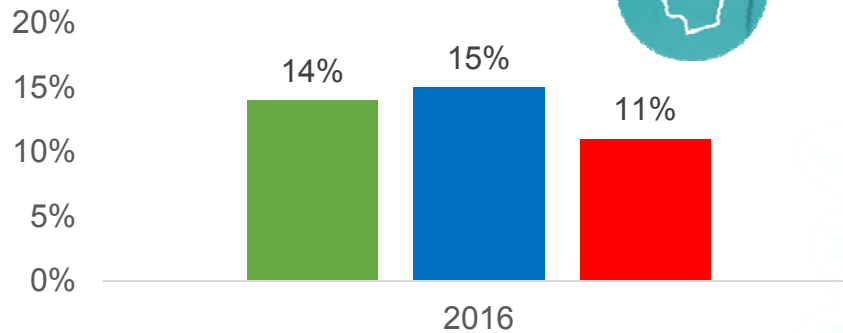
Social Media



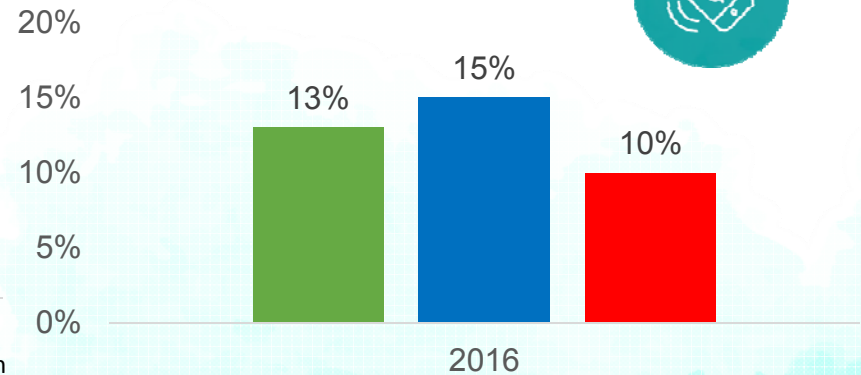
Video Conferencing - Chat



Virtual Reality



Wearables

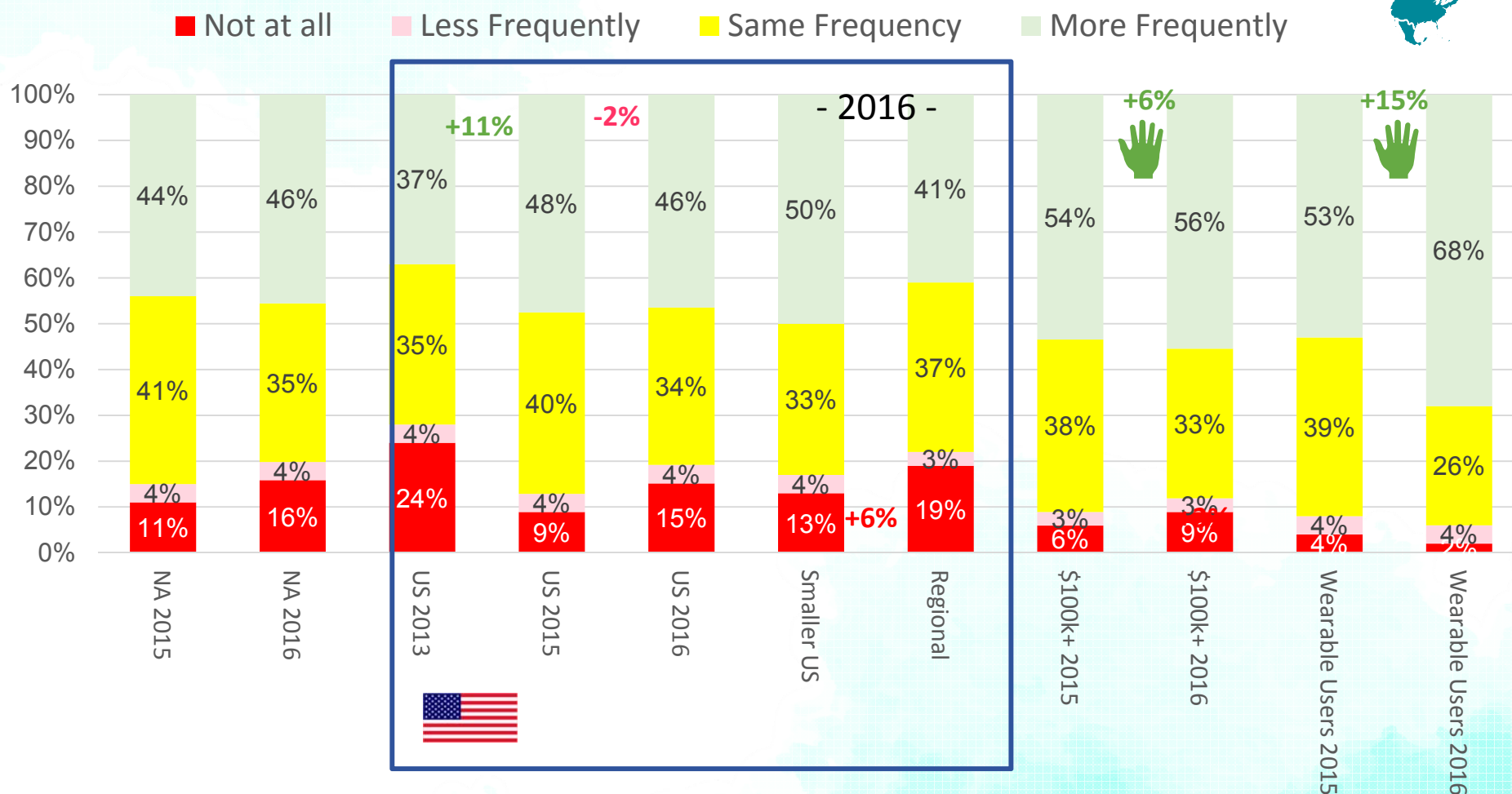


Includes use of tools like Oculus Rift headsets and WizDish ROVR locomotion platforms related to banking, for example and/or the use of augmented reality experiences where bank-related data is presented in 3D



Counter to the NA average, a sizeable number of US customers anticipate they will increase their usage of mobile banking.

Survey Q: Five years from now, how frequently do you expect you will be using mobile banking?



The reasons why US customers use mobile phones for banking are associated with transactional purposes.

Top 10 Reasons Why US Customers Use Their Mobile Devices for Banking



1. Deposit a check



2. Make a payment



3. View a past transaction



4. Look up branch / ATMs locations



5. Get in touch with customer service



6. Set up and manage alerts from your bank



7. Use personal finance management tools



8. Compare interest rates



9. Change personal account tools



10. Seek financial advice

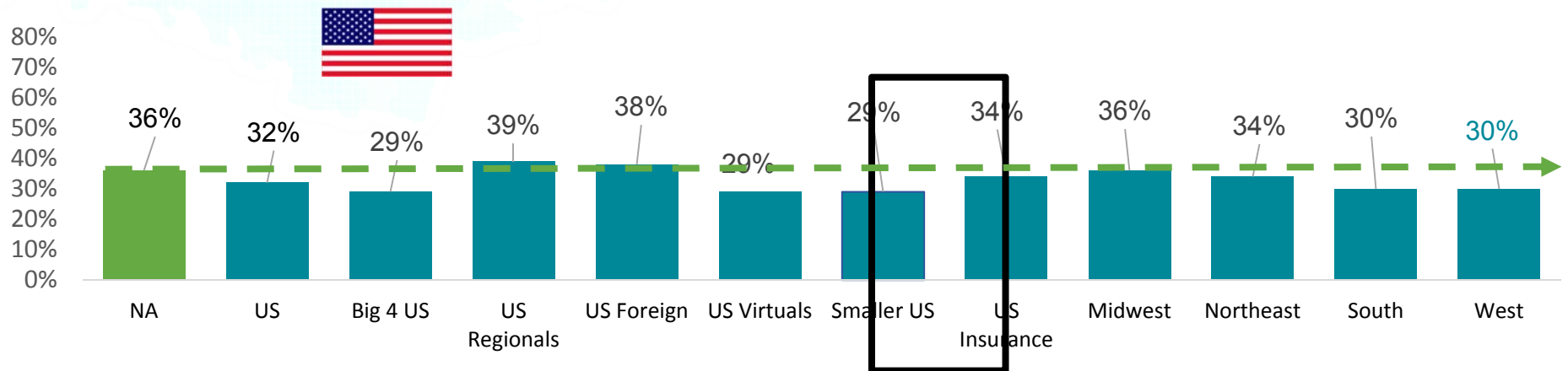


The use of digital during the loan process is less pronounced among older borrowers.

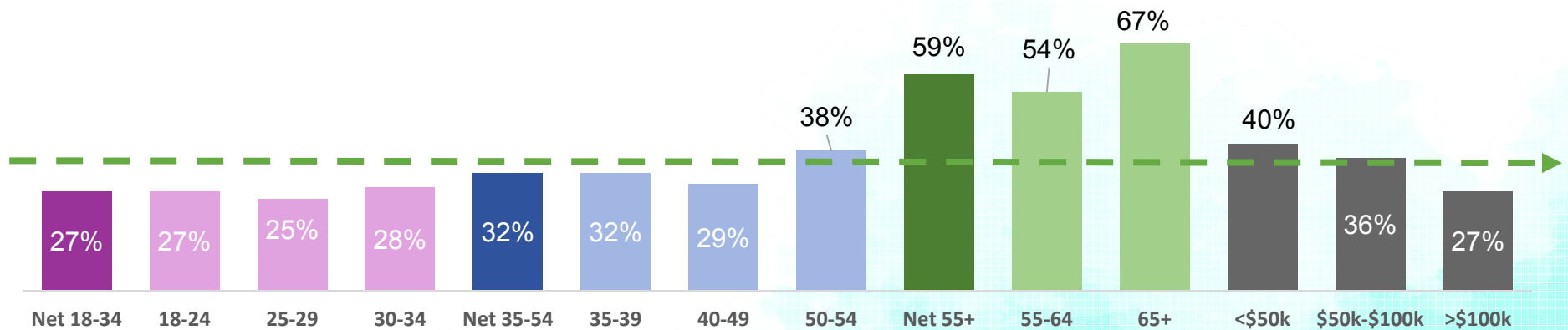


% of Borrowers Who Did Not Use Digital Services At All During Loan Process

By Type of NA Institution



By Demographic Group



Survey Q4; n= Canada = 249; US = 368

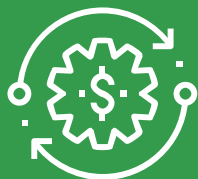


Borrowers at smaller US banks are keen on receiving end-to-end customer service.

Survey Q: What would incentivize you to apply for a loan with your main bank provider, even if your bank did not offer the most favorable interest rate?

- Based on Combining First Two Choices for Smaller US Bank Customers -

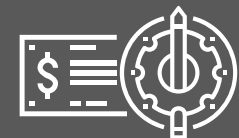
1. Receiving end-to-end customer service



2. Being able to execute transactions mostly through digital channels



3. To pay and manage my loan-related fees on a proactive basis



4. Having lender educate regarding loan terms pros and cons



5. To have transparency to the loan process

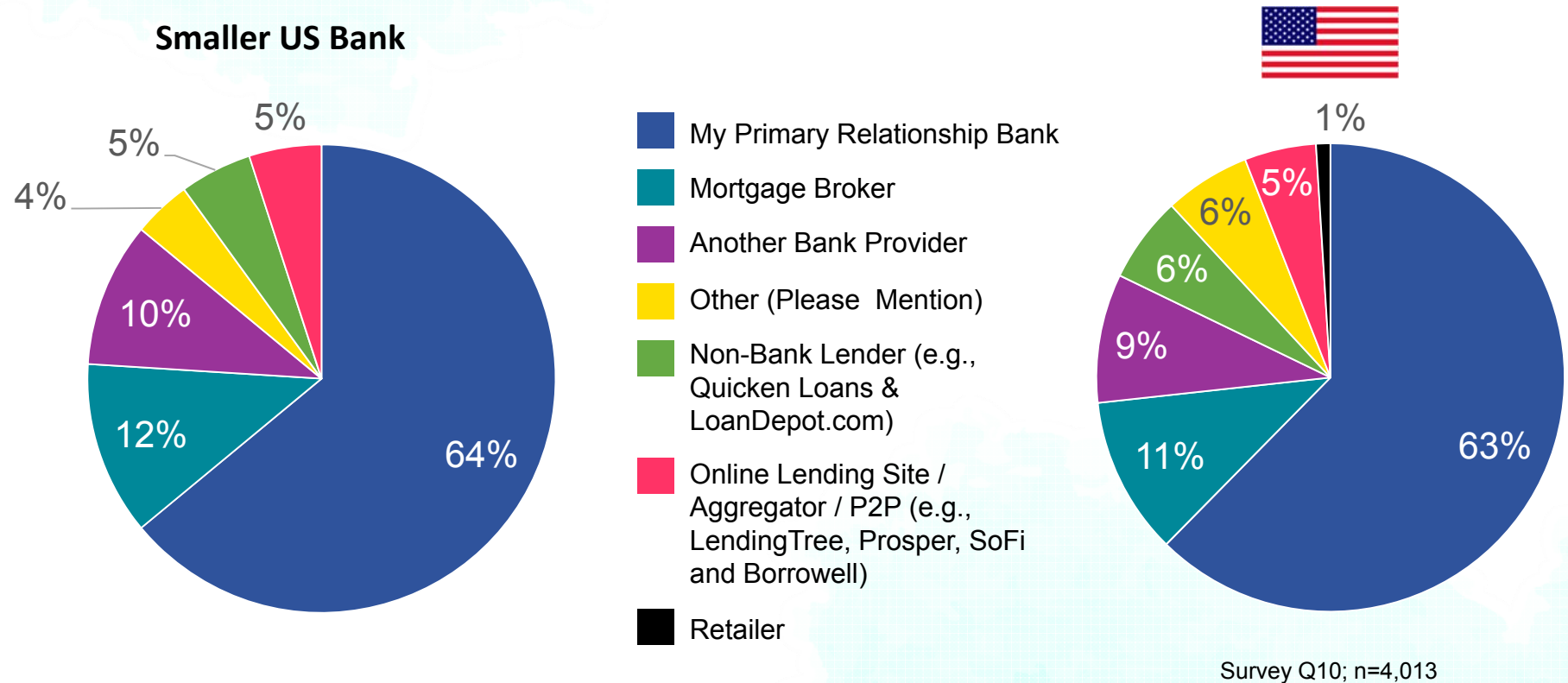


6. Having lender educate about pro/con loan terms



Borrowers at smaller US banks get a mortgage with their primary bank – like their US peers.

Survey Q: If you were to apply for a mortgage in the future, which type of institution would you be more likely to use? – Single % Response -



Customers of Smaller US banks have similar digital Access during the loan process than their US peers.



Survey Q: Which (if any) of the following online services did you access throughout the loan application process? – for North America

Loan Type / Digital Process	North America	US	Smaller US	Big 4 US	US Regionals
Product Literacy / Education	16%	18%	21%	22%	12%
Rate Shopping	23%	24%	24%	25%	21%
Electronic Completion of Application	34%	39%	40%	41%	34%
Electronic Submission of Documents to Lender	24%	28%	32%	32%	25%
Electronic Signature of Upfront Loan Disclosures	19%	24%	27%	28%	21%
Electronic Closing	13%	16%	19%	19%	11%
Online Loan Status	23%	26%	30%	30%	25%
None of the Above: I Do Not Use Online Services	36%	32%	29%	29%	39%

Survey Q4; n=1,704 North America respondents who applied for a loan

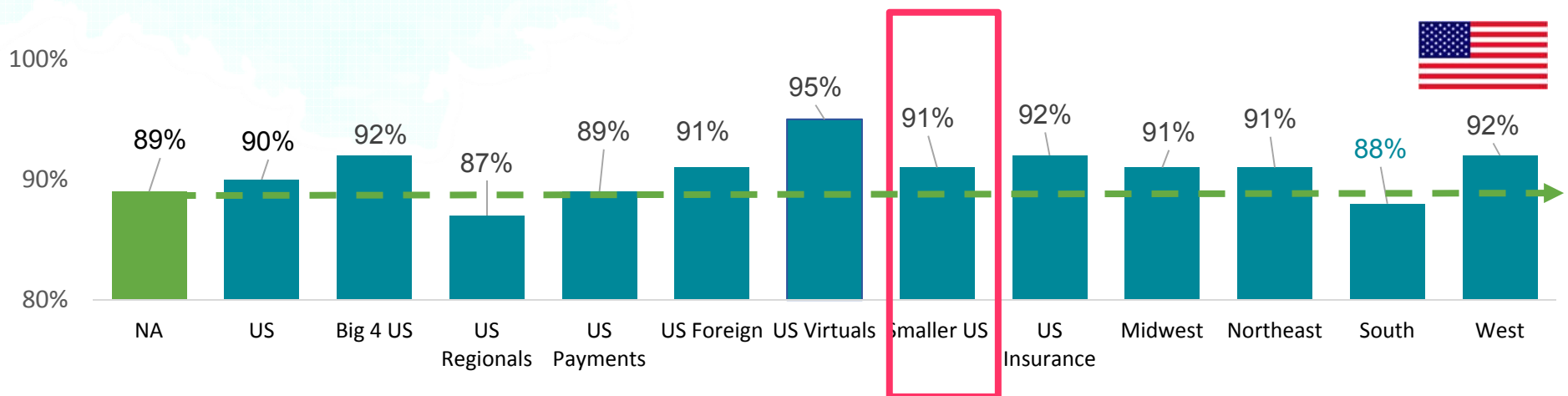
Nearly 90 percent of NA borrowers indicated their lender's digital capabilities met their expectations.



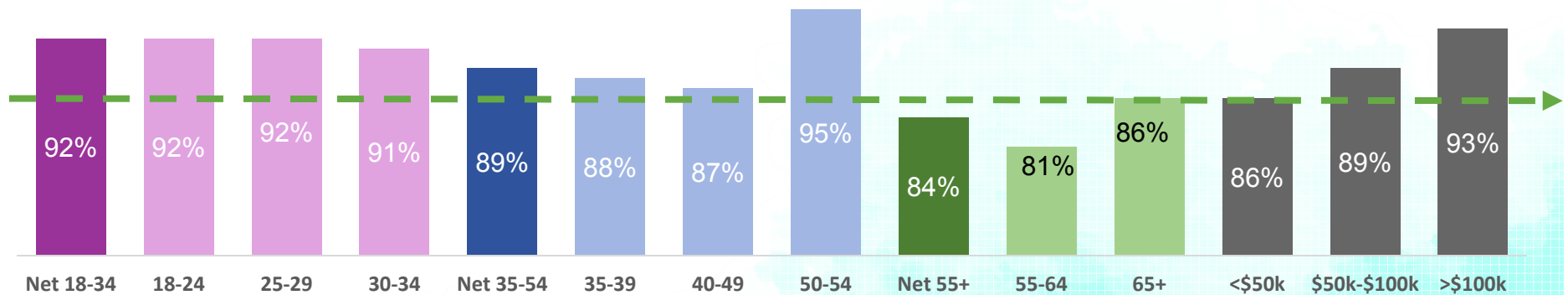
Survey Q: Did the lender's digital capabilities (i.e., online, mobile) meet your expectations?
 - % Who Responded "Yes" in North America



By Type of NA Institution



By Demographic Group



Survey Q5; Canada=568 or US =1,136

Borrowers at smaller US banks are much more prone to go to a branch vs. US borrowers.



% of Customer Loans Originated Through Branches in North America - By Major Geography -



By Major GEO / By Loan Type	Home Loan / Mortgage	Home Equity	Auto	Credit Card	Personal Loan or Line of Credit	Student Loan
North America	56%	68%	46%	43%	60%	36%
Canada	68%	85%	54%	53%	74%	47%
US	49%	62%	43%	38%	51%	33%
Smaller US	59%	64%	48%	40%	55%	36%
Urban	61%	56%	44%	47%	55%	36%
Suburban	50%	75%	44%	41%	60%	39%
Rural	64%	71%	52%	42%	75%	30%
US Midwest	44%	63%	39%	41%	45%	31%
US Northeast	39%	73%	52%	39%	47%	27%
US South	49%	50%	44%	36%	55%	35%
US West	59%	71%	39%	39%	54%	39%

Survey Q3; n=1,210 for Canada and 2,803 for the US

Stephanie D. Sadowski, Financial Services Managing Director



Background

- Stephanie is a Managing Director in Accenture's Financial Services Distribution and Marketing Services practice. Stephanie has 20+ years of customer service experience, implementing and managing large scale strategic and technical solutions for clients across the globe. Stephanie has assisted many of our clients in green-field customer service creation, expansion, optimization and transformation in the B2C and B2B space.
- Stephanie has 2 patents for: Customer Experience Digital Footprint and IVR self-service designs
- Undergraduate Degree, MIT, Chemical Engineering

Functional Expertise

- Customer Service Strategy, Implementation and Optimization
- Contact Channel Management (Digital, Phone, Email/Chat, Click to Call, Video)
- Customer Service Root Cause Analytics
- Self-Service (Digital, Phone)
- Customer Satisfaction

Industry Experience

- Financial Services (Banking, Insurance, Payments, Capital Markets)
- Telecommunications
- Products – Healthcare
- Electronics and High Tech

Relevant Experience

- Large Insurance and Wealth Management Provider - Ms. Sadowski led an effort to define the Digital strategy, investment and roadmap to deliver customer centric Digital Experience including addressing implications to analog channels (contact center, advisor) across 5 BUS
- Regional Bank – Ms. Sadowski led digital strategy and assessment project, delivering: 2 year digital roadmap, reporting and analytics, organizational assessment and recommendation, and governance approach.
- Large Insurance Provider - Ms. Sadowski led a strategy and analytics program to design the future state of phone customer service and sales with the implementation of increased digital capabilities and centralization of Agent work. Scope included: Bank, Quote & Bind, Underwriting, and Life/Health.
- Large Bank – Ms. Sadowski led an effort for migration to an integrated contact center telephony and reporting platform. Scope included 6 Lines of Business, 28 Contact Centers, and 20,000 agents.
- High-Tech Company – Ms. Sadowski led the Transformation team that defined the customer segments, customer contact channels, and overall customer experience for the target operating model. A detailed capability assessment and roadmap was created, including technology selection and business case.
- Payments Provider – Ms. Sadowski led the strategy, design and implementation for adding web chat to increase customer satisfaction with channel choice, and reduce cost to serve.
- Healthcare Distributor– Ms. Sadowski led the contact center consolidation project, which consolidated 34 field and warehouse contact center locations into 2 greenfield centralized centers. 7 customer segments (per LoB) were defined and tailored customer experiences for each segment was designed. The design and implementation was delivered.

David Helin, Research Director (New York office)

Email is david.w.helin@Accenture.com

- Based in New York, David is a Thought Leadership Research Director at Accenture, where he serves as the North American lead for both financial services research and the 45-member regional research team; he also is the global research lead for Accenture Credit Services
- David has more than 29 years experience in business research and has spent the past 19 years at Accenture focused on issues pertaining to the banking industry, including survey-based customer experience analysis, M&A strategy, strategic cost management, SVA-based financial analysis, wholesale banking and equipment leasing
- David and his banking team conduct opportunity-based financial analysis all over the world, including on UK, Gulf region and midsize US banks most recently
- Prior to Accenture, David built and managed an international team at a New York-based research boutique as well as serving as a sports journalist upon graduation from the University of Oklahoma, where he competed for the track and cross country teams. David earned a Masters degree in International Journalism from Baylor University and spent an academic year in Poland. He was also co-captain for his high school's debate team.



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