



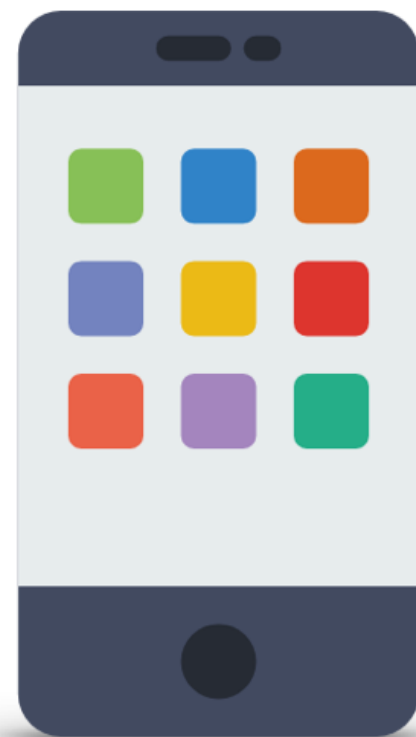
Mobile: Key to Member Relationship & Engagement



Everything really is mobile

When you leave the house...

1st



2nd



3rd



[illegible]

Mobile is becoming central to our lives



Anything not nailed down,
and lots of stuff that is,
becomes connected.
enabled by eSIM/IoT



Everything can become
financially-enabled.
Wearables, appliances, car.



Expect a lot of
uber moments

The background image shows a hand touching a smartphone screen. Overlaid on this is a semi-transparent blue world map. Scattered across the map are several circular icons, each containing a stylized human figure. These icons are connected by thin, light-colored lines, suggesting a global network or data flow. The overall color palette is muted, with blues, greys, and the skin tones of the hand.

Mobile is global

 bayberry

Because everyone has a mobile, mobile banking is key to **financial inclusion** and **member engagement**.



Soon more people will have mobiles than
bank accounts

Mobile is really convenience banking,
it's about fitting into the consumer lifestyle.



Consumer life revolves around the mobile.
Banking needs to be present in this or it
will be disintermediated

People want to...

**Track
savings**
like



**Check
balances**
like



**Be notified of
spending**
like



**Get new
services**
like



**Pay
transparently**
like



Mobile is by far **the fastest** growing banking channel in today's market

In 2015 the number of people using mobile banking **officially surpassed** the number of customers still going to their local branch
(Javelin research)



Everything is now mobile first

Everyone is using it, not just the connected generation

2.27m

customers aged 70+
are registered to use
online banking



600k of these
are **80+**

457,000

downloads of
banking apps by
aged 60+



20,000 of these
are **80+**

306,000

aged 60+ have
signed up to receive
text alerts from their
bank, which can help
customers avoid fees
when breaching
borrowing limits

The market is responding to this

TANDEM



There is a threat of **disintermediation** and commoditization



Banking is no longer somewhere
you go, but **something you do.**

Credit Unions need to adapt to the new paradigm that mobile is not merely an extension of your website, but is fast becoming the primary channel to **engage your members.**



Mobile and digital banking needs to be
a **C level function** in your organization



Only 24%

in EMEA has an
end-to-end strategy
to engage customers



21%

has Chief
Digital Officer
(CDO)

Mobile banking isn't just an app.

It's providing consumers the **financial tools** they need when they need it to help them through their daily journey

- ✓ balance checking
- ✓ internet banking
- ✓ digital onboarding
- ✓ wallets & eMoney
- ✓ payments
- ✓ fraud alerts
- ✓ payment notifications
- ✓ government payments
- ✓ virtual branches
- ✓ agent banking in rural areas

It's about “wants” not just “needs”



It's about making banking services available when and where your consumers need them, embedding it in their experience.

This completely changes the **banking model**

The key to mobile success

Engagement

Availability

Relevance

Friction

Consumption



But...don't view mobile in isolation



Consumers are omnichannel. They flit between channels and experiences,



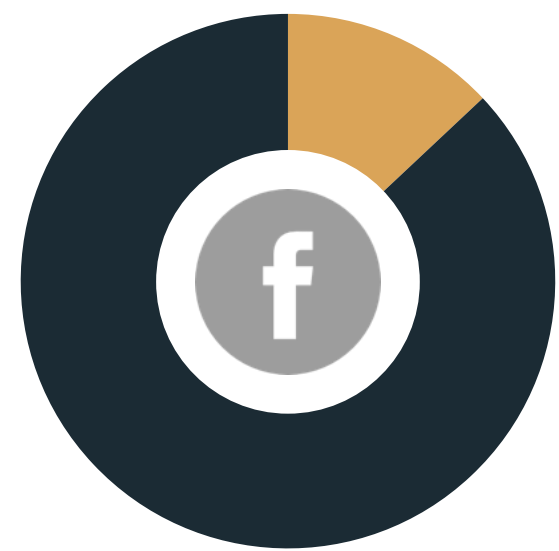
Although primary, mobile needs to become the centre of an omnichannel experience



Driving new forms of digital engagement and behaviour across all banking channels, from payments to mortgage applications.

So you need to rethink how you engage your customers, making yourself **relevant and presence** as and when they want to consume your services.

Making mobile relevant



13%

of a mobile users
time is spent on
Facebook



5%

of a mobile users
time is spent on
shopping



2%

of a mobile users
time is spent on
banking

So the bank needs to not only be available on the mobile channel but also **in the places where consumers most use it**

Mobile is channel



Mobile is not a device, it's a channel in to the customer, unlike the branch or Point of sale which are owned by the credit union the **customer owns** the mobile channel

Therefore being omnipresent as they move within this **channel is key** to successful engagement

Social Media unlocking the mobile.

Social Networks must be central to your plan.

More functionality is being moved from traditional banking apps into **non bank open networks**.

- ✓ On boarding
- ✓ Gamification
- ✓ p2p payments
- ✓ peer to peer lending



2.55 billion


users of social networks by 2017 according to a report by eMarketer.

More than just an app and device



The mobile app or device is just the point of engagement between the member and the credit union

More than just an app and device



To make the service and experience great depends on the infrastructure you have in place behind the scenes.

More than just an app and device

Adding internet banking or an app as a bolt on to your back office systems is not the way.



More than just an app and device

Credit Unions need to transform their front and middle office to deliver a mobile first strategy that truly delivers what members want



Avoiding mistakes

What should Cus actually do?



Bolting on a mobile version of Internet banking has proved not to work



Initiatives often fail but being first can often cost less



Most CUs can't afford to set up big technology plays only to find their members don't use them (Facebook branch, etc)

Do it the right way



Be customer
centric



Be easy
to use.



Find a basis to
test and build at
low risk.



Iterate and expand –
think about long-term
technical flexibility



Leverage data
to add value and
build relationships



Work smart
and partner



Understand wants
and needs

Things are just getting started



Mobile is only going to increase



PSD2 and open access in Europe, Mobile first-in Asia, contactless in the US Fintech disrupting the traditional banking models



As mobile moves from phones into every device, mobile models will be redefined but it's still about weaving your products into consumers lifestyle through more touchpoints.

“Consumer first, not bank first”

In the credit union world we’ve always been members first. **We just need to align our IT to deliver it.**





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