How banks are responding to digital (r)evolution?
KEY TAKEAWAYS

Digital Banking Maturity identifies champions and leading practices worldwide

Covering 318 banks from 39 countries, DBM analyses digital retail banking in 3 channels, based on an outside-in ‘mystery shopper’ assessment of digital functionalities, customer needs research and UX evaluation.

Covid-19 has changed banking and fast-tracked development of digital channels

60% of banks have closed or shortened opening hours of branches but many have also implemented new digital features, such as fully digital processes, e.g. account opening (34%), remote identification & verification (23%) and contactless payments (18%).

Digital champions outperform peers on the basis of cost/income and ROE

Digital champions don’t only lead their peers in number of digital functionalities along the customer journey, those that are incumbents outperform other incumbents in their country on average on both C/I (-4.0 p.p.) and ROE (+1.9 p.p.).

Banks still need to close gaps in E2E digital sales processes to better serve online customers

Digital champions are investing in E2E digital sales processes and have widened their lead on latecomers for key products, e.g. 51% vs 23% for current accounts, 85% vs 34% for credit cards, and 84% vs 30% for cash loans.

Challengers tend to be faster than incumbents to adopt new trends and innovations

New functionalities typically gain traction faster with challenger banks than incumbents, e.g. bill split 27% vs 2%, virtual debit card 26% vs 2%, chatbots with advanced use cases 15% vs 4%, chatbots allowing transactionality 12% vs 2%.

Digital champions know UX is a key differentiator driving customer satisfaction

65% of digital champions ranked in the top 10% for analysed UX scenarios. The largest gaps between champions and latecomers are in opening an account 71% vs 23%, buying an insurance product 44% vs 7% and beyond banking service 48% vs 11%.
A G E N D A

1. LIVING IN THE NEW NORMAL
   How are banks responding to challenges caused by the Covid-19 pandemic?

2. ABOUT THE STUDY
   How to identify Digital champions worldwide to learn from them?

3. INSIGHTS FROM DIGITAL LEADERS
   Where are Digital champions ahead and where are they investing now for the future? Which innovations are gaining traction globally?

4. STATE OF UX
   Where can banks most improve UX along the digital customer journey?

5. STRATEGY FOR THE FUTURE
   How are digital investment priorities influenced by the local competitive landscape?

DBM 2020

Digital Banking Maturity 2020 is the 4th edition of the largest global benchmarking of digital retail banking channels, answering what leaders are doing to win in the digitalization race.
2020 brought a number of challenges for banks, fast-tracking digital (r)evolution

- **Social lockdowns**
  - "Coronavirus: Digital banking is no longer optional"
    - April 14th, Euromoney

- **Loan defaults**
  - "World’s Banks Brace for Rise in Loan Defaults"
    - April 17th, US News

- **Interest rates reduction**
  - "Negative Interest Rate May Not Help in Economic Recovery From COVID-19"
    - May 19th, Forbes

- **Profitability hurdles**
  - "Banks may not be profitable until 2025 even as major economies recover"
    - May 22nd, Business insider

- **Global recession forecasts**
  - "World Bank forecasts worst recession in eight decades on COVID-19"
    - June 8th, BNN Bloomberg

- **Remote working**
  - "41% of employees likely to continue remote working after pandemic"
    - April 15th, Gartner

- **Process automation**
  - "Coronavirus: will call centre workers lose their 'voice' to AI?"
    - April 22nd, Financial Times

- **Branches remodelling**
  - "'Phygital': a banking strategy for the new isolation economy"
    - June 5th, World Economic Forum

- **Digitalization fast track**
  - "COVID speeds up digital banking revolution in 10 weeks not five years"
    - June 8th, The Sydney Morning Herald

**Customer preferences changes**, **Revenue compression**, **Operating model transformation**

Illustrative
**Covid-19 related restrictions triggered immediate actions from banks**

### LIMITATIONS DUE TO COVID-19

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>Of banks closed or shortened opening hours of branches</td>
</tr>
<tr>
<td>11%</td>
<td>Of banks turned-off selected methods of account opening</td>
</tr>
<tr>
<td>6%</td>
<td>Of banks suspended account openings or limited access to products for new clients</td>
</tr>
</tbody>
</table>

### NEW FUNCTIONS IMPLEMENTED DUE TO COVID-19

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>41%</td>
<td>Of banks increased limit of contactless payments</td>
</tr>
<tr>
<td>34%</td>
<td>Of banks implemented fully digital processes (product opening etc.)</td>
</tr>
<tr>
<td>25%</td>
<td>Of banks introduced appointment bookings in branches</td>
</tr>
<tr>
<td>24%</td>
<td>Of banks enabled donations to NGOs, social actions etc.</td>
</tr>
<tr>
<td>23%</td>
<td>Of banks introduced digital ID&amp;V methods</td>
</tr>
<tr>
<td>18%</td>
<td>Of banks launched contactless payment methods</td>
</tr>
</tbody>
</table>

---


5. Copyright © 2020 Deloitte Central Europe. All rights reserved.
Digital Banking Maturity is a global accelerator helping banks respond to change

Digital Banking Maturity is the biggest global digital banking study, providing a comprehensive outside-in ‘mystery shopper’ assessment of retail banks’ digital channels and furthering discussion about future developments.
With the 4\textsuperscript{th} edition, we are able to identify key digital trends shaping the banking industry

2016 – Poland
Thought leadership material for European Financial Congress

2017 – Central Europe
Covering 15 additional CE countries and 100 banks

2018 – EMEA
From one country to 38 in just 2 years to become pioneers in assessing banks’ digital appetite

2020 – Global
Biggest global digital banking study with 4\textsuperscript{th} edition, allowing for analysis of key trends among banks worldwide
Our global reach allows us to discover digital leaders and map digital frontiers
In order to compare digital maturity between banks we assessed three components

**FUNCTIONALITIES BENCHMARKING**
Analysis of 1108 digital functionalities through ‘mystery shopper’ approach on real retail current accounts in each bank.
- Assessment of 6 customer journey steps
- Analysis of digitalization of 13 core banking products
- Functionalities library with world’s leading practices

**CUSTOMER NEEDS RESEARCH**
Survey-based research focused on identifying 26 most important banking activities and preferred channels (branch, Internet, mobile).
- Customer preferences between channels in terms of most common banking activities

**USER EXPERIENCE STUDY**
Supplementing analysis of customers perception of user experience.
- 19 UX scenarios reflecting 10 areas of customer activity from all of the stages of relationship with a bank
- UEQ survey covering a comprehensive impression of UX of mobile apps

**DBM BENCHMARK**
An exhaustive overview of digital maturity between banks

**UX ASSESSMENT**
Assessment of digital banking channels from customer experience perspective

Note: Complementary assessment comprise KPIs and Covid-19 response surveys.
We analysed 1100+ functionalities to track the customer journey focusing on day-to-day banking and expanding relationship

### A B O U T  T H E  S T U D Y

<table>
<thead>
<tr>
<th>Customer Journey step</th>
<th>Customer Journey sub-category</th>
<th>Information gathering</th>
<th>Account opening</th>
<th>Customer onboarding</th>
<th>Day-to-day banking</th>
<th>Expand relationship</th>
<th>End relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Availability of information</td>
<td>25</td>
<td>56</td>
<td>64</td>
<td>498</td>
<td>454</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Opening process</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Channels accessibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Guidance for new users</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Account &amp; product management</td>
<td></td>
<td></td>
<td></td>
<td>Product x-sell (basic)¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Authorization</td>
<td></td>
<td></td>
<td></td>
<td>Product x-sell (complementary)²</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Card management</td>
<td></td>
<td></td>
<td></td>
<td>Bancassurance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Customer support</td>
<td></td>
<td></td>
<td></td>
<td>Investment services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Personal finance management</td>
<td></td>
<td></td>
<td></td>
<td>Beyond Banking</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transfers and payments</td>
<td></td>
<td></td>
<td></td>
<td>Ecosystem and account aggregation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Product x-sell (basic) includes: debit card, credit card, overdraft, cash loan, cheque, bank draft.
2. Product x-sell (complementary) includes: car loan, mortgage, currency account, saving account, term deposit, private banking account.
Our approach splits global banks into four groups

DBM index¹

<table>
<thead>
<tr>
<th>Digital latecomers</th>
<th>Digital adopters</th>
<th>Digital smart followers</th>
<th>Digital champions</th>
</tr>
</thead>
</table>

1. DBM index measures maturity for channels and products offered by a bank. Data for 313 out of 318 banks which participated in 2020 edition.
2. Selection of 31 banks defined as Digital champions.

What defines Digital champions?

Digital champions offer a wide range of functionalities relevant for customers and a compelling user experience. Digital champions set key digital trends and have leading market practices, which makes them examples to learn from.

Defined as Top10% of banks²

Copyright © 2020 Deloitte Central Europe. All rights reserved.
Incumbent champions achieve better C/I (-4.0 p.p.) and ROE (+1.9 p.p.) on average than incumbent peers

Selected KPIs of incumbents: average difference to incumbent peers\(^2\), p.p.

- **ROE**: 1.9 p.p.
- **ROA**: 0.2 p.p.
- **Cost/income**: -4.0 p.p.

81% of Digital champions are Incumbents\(^1\)

---

1. Incumbents – banks with long-established position on the market. Challengers – relatively small bank competing with large long-established banks.
2. Average difference to peers – peers are incumbent banks in the same country that were covered in the DBM survey.
Most challenger bank *champions* remain retail focused, small and digital only

Selected characteristics of Challengers, # of banks

<table>
<thead>
<tr>
<th>Market position</th>
<th>Market share &gt;1%</th>
<th>Market share &lt;1%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customers</th>
<th>Universal</th>
<th>Retail-focused</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Independent</th>
<th>Incumbent-owned</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Channels</th>
<th>Omnichannel</th>
<th>Digital-only</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial performance</th>
<th>Turning a profit</th>
<th>Not yet break even</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4</td>
<td>2</td>
</tr>
</tbody>
</table>

19% of Digital champions are Challengers¹

---

1. Incumbents – banks with long-established position on the market. Challengers – relatively small bank competing with large long-established banks.
Along the customer journey, champions lead the way especially in expand relationship...

% of functionalities offered by banks

<table>
<thead>
<tr>
<th>Availability of information</th>
<th>Digital latecomers</th>
<th>Digital adopters</th>
<th>Digital smart followers</th>
<th>Digital champions</th>
</tr>
</thead>
<tbody>
<tr>
<td>☺ Opening process</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Channels accessibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guidance for new users</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Account and product mgmt.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Card management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal finance management (PFM)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers and payments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bancassurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beyond banking</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ecosystem and account aggregation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product x-sell (basic)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product x-sell (complementary)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Account closing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Advantage of champions over latecomers

2. Ratio of functionalities % between Digital champions and Digital latecomers score.
...which, together with products & personal finance management, was the key investment priority in the last 2 years of champions

Digital champions increase in advantage over peers
difference between % of functionalities in 2018-2020 between Digital champions and others, p.p.

<table>
<thead>
<tr>
<th>Functionalities</th>
<th>Digital Champions</th>
<th>Others</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnership ecosystem and account aggregation</td>
<td>16%</td>
<td></td>
<td>16 p.p.</td>
</tr>
<tr>
<td>PFM</td>
<td>15%</td>
<td></td>
<td>15 p.p.</td>
</tr>
<tr>
<td>Transfers and payments</td>
<td>14%</td>
<td></td>
<td>14 p.p.</td>
</tr>
<tr>
<td>Bancassurance</td>
<td>13%</td>
<td></td>
<td>13 p.p.</td>
</tr>
<tr>
<td>Beyond banking</td>
<td>10%</td>
<td></td>
<td>10 p.p.</td>
</tr>
<tr>
<td>Investment services</td>
<td>10%</td>
<td></td>
<td>10 p.p.</td>
</tr>
<tr>
<td>X-sell (basic)</td>
<td>13%</td>
<td></td>
<td>13 p.p.</td>
</tr>
<tr>
<td>Account closing</td>
<td>10%</td>
<td></td>
<td>10 p.p.</td>
</tr>
<tr>
<td>Authorization</td>
<td>5%</td>
<td></td>
<td>5 p.p.</td>
</tr>
<tr>
<td>Card management</td>
<td>5%</td>
<td></td>
<td>5 p.p.</td>
</tr>
<tr>
<td>Customer support</td>
<td>15%</td>
<td></td>
<td>15 p.p.</td>
</tr>
<tr>
<td>Account and product mgmt.</td>
<td>15%</td>
<td></td>
<td>15 p.p.</td>
</tr>
<tr>
<td>Channels accessibility</td>
<td>6%</td>
<td></td>
<td>6 p.p.</td>
</tr>
<tr>
<td>Opening process</td>
<td>8%</td>
<td></td>
<td>8 p.p.</td>
</tr>
<tr>
<td>Availability of information</td>
<td>4%</td>
<td></td>
<td>4 p.p.</td>
</tr>
</tbody>
</table>

Where have Digital champions gained the biggest advantage over peers in the last 2 years?

**Expand relationship** functionalities (avg. 13 p.p. advantage) has been a top priority for Digital champions, especially partnership **ecosystem and account aggregation** (16 p.p. advantage).

Champions have also widened their lead over other banks in **account and product management** (15 p.p.) and **PFM** (15 p.p.).

1. Based on the data for 152 banks which participated in 2018 and 2020 edition.
The mobile channel is as important as internet for champions in account opening

% of banks offering end-to-end current accounts (CA) opening method

<table>
<thead>
<tr>
<th></th>
<th>Digital latecomers</th>
<th>Digital champions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile channel</td>
<td>5%</td>
<td>55%</td>
</tr>
<tr>
<td>Internet channel</td>
<td>20%</td>
<td>58%</td>
</tr>
</tbody>
</table>

End-to-end current account opening

% of banks offering remote CA opening methods

<table>
<thead>
<tr>
<th></th>
<th>Digital champions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Picture of ID card</td>
<td>52%</td>
</tr>
<tr>
<td>Video conference</td>
<td>27%</td>
</tr>
<tr>
<td>Showing ID to courier</td>
<td>27%</td>
</tr>
<tr>
<td>E-signature</td>
<td>13%</td>
</tr>
<tr>
<td>Auth. via log in to another bank</td>
<td>13%</td>
</tr>
<tr>
<td>Penny transfer</td>
<td>10%</td>
</tr>
</tbody>
</table>

1. Data for 31 banks classified as Digital champions and 93 banks classified as Digital latecomers which participated in 2020 edition.
Champions deliver much more value-added PFM thanks to engagement drivers and x-sell boosters

Personal Finance Management

% of functionalities offered by banks

Digital latecomers

Digital champions

% of Digital champions offering given functionalities

Engagement drivers

- Setting financial goals
- Managing transaction categories
- Budget notifications
- Saving and investing advice
- Contextual offer
- Financial projections

X-sell boosters

- Measuring financial health

1. Data for 31 banks classified as Digital champions and 93 banks classified as Digital latecomers which participated in 2020 edition.
2. Average for setting and tracking savings goals, setting own financial goals, setting savings goals events and notifications.
3. Average for automatic categorization, manual change of categories, learning categorization system, adding own categories, adding and changing rules of categorization, transaction split.
Ecosystems are widespread among *champions* but the introduction of services visible to customers has been relatively slow

% of banks offering given functionality¹

<table>
<thead>
<tr>
<th>Ecosystem</th>
<th>Digital latecomers</th>
<th>Digital champions</th>
</tr>
</thead>
<tbody>
<tr>
<td>API for developers</td>
<td>61%</td>
<td>100%</td>
</tr>
<tr>
<td>FinTech accelerator program/hackathon</td>
<td>30%</td>
<td>94%</td>
</tr>
<tr>
<td>Fintech partnerships diversity²</td>
<td>39%</td>
<td>66%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Services</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketplaces with financial services from other providers</td>
<td>2%</td>
<td>35%</td>
</tr>
<tr>
<td>Account aggregation</td>
<td>4%</td>
<td>32%</td>
</tr>
<tr>
<td>Initiation of a payment from another account</td>
<td>2%</td>
<td>8%</td>
</tr>
</tbody>
</table>

1. Data for 31 banks classified as Digital champions and 93 banks classified as Digital latecomers which participated in 2020 edition.
2. Average score for 29 banks classified as Digital champions and 42 banks classified as Digital latecomers which have any type of Fintech partnership. Bank with 100% score has 6 types of partnership.
The most common areas of FinTech partnerships are payments and authorisation

% of banks with FinTech partnership by area¹

Customers prefer digital channels for transactions & savings whereas leaders are building an advantage in credit products

Customer preference to open products in digital channels

<table>
<thead>
<tr>
<th>Product</th>
<th>Transactional</th>
<th>Saving &amp; investment</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debit card</td>
<td>84%</td>
<td>85%</td>
<td>84%</td>
</tr>
<tr>
<td>Credit card</td>
<td>39%</td>
<td>51%</td>
<td>30%</td>
</tr>
<tr>
<td>Currency account</td>
<td>85%</td>
<td>84%</td>
<td>56%</td>
</tr>
<tr>
<td>Saving account</td>
<td>61%</td>
<td>45%</td>
<td>16%</td>
</tr>
<tr>
<td>Term deposit</td>
<td>22%</td>
<td>27%</td>
<td>12%</td>
</tr>
<tr>
<td>Overdraft</td>
<td>58%</td>
<td>51%</td>
<td>32%</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>20%</td>
<td>12%</td>
<td>6%</td>
</tr>
<tr>
<td>Cash loan</td>
<td>2%</td>
<td>12%</td>
<td>15%</td>
</tr>
<tr>
<td>Mortgage</td>
<td>61%</td>
<td>58%</td>
<td>75%</td>
</tr>
</tbody>
</table>

% of banks offering end-to-end digital opening of selected products

1. Customer research (CAWI) covered 4,900 respondents, mainly urban affluent, from 33 out of 39 benchmarked markets.
2. Data for 313 out of 318 banks which participated in 2020 edition, including 31 champions and 282 other banks.
In a low interest rate environment, *champions* are well prepared to offer customers fee-generating investment products

% of brokerage account & mutual funds\(^1\) functionalities offered by banks\(^2\)

- Information about investment products: 67% (Digital latecomers) vs 92% (Digital champions)
- E2E investment account opening: 10% (Digital latecomers) vs 64% (Digital champions)
- Research analysis / market reports\(^3\): 13% (Digital latecomers) vs 71% (Digital champions)
- Stocks / fund units trading: 22% (Digital latecomers) vs 72% (Digital champions)
- Portfolio profitability analysis\(^3\): 19% (Digital latecomers) vs 82% (Digital champions)

---

1. Average results for Brokerage account and Mutual funds.
3. Data for Saving & Investment products.
E2E digital sales of non-life insurance is relatively well developed whereas life insurance still requires human interaction.

% of banks offering given functionalities

<table>
<thead>
<tr>
<th>Functionality</th>
<th>Non-life insurance</th>
<th>Life insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product information</td>
<td>97%</td>
<td>87%</td>
</tr>
<tr>
<td>Pricing information</td>
<td>85%</td>
<td>78%</td>
</tr>
<tr>
<td>Opening process description</td>
<td>76%</td>
<td>69%</td>
</tr>
<tr>
<td>E2E product opening</td>
<td>73%</td>
<td>59%</td>
</tr>
</tbody>
</table>

1. Data for 31 banks classified as Digital champions and 93 banks classified as Digital latecomers which participated in 2020 edition.
INSIGHTS FROM DIGITAL LEADERS

Value added services are another source of significant differentiation for champions

Value added services do not yet play a critical role in the customer value proposition but they differentiate banks from traditional banking services and thus can be leveraged as acquisition hooks.

In the world of low interest rates, banks seek a shift from interest income to fee-based non-interest revenue. Beyond banking services can help banks that successfully monetize VAS potential.


Top 4 value added services by category, % of banks offering given functionalities

<table>
<thead>
<tr>
<th>Category</th>
<th>Digital latecomers</th>
<th>Digital champions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COMMERICAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loyalty program</td>
<td>58%</td>
<td>77%</td>
</tr>
<tr>
<td>Mobile phone top-ups</td>
<td>25%</td>
<td>82%</td>
</tr>
<tr>
<td>Special discounts and promotions</td>
<td>16%</td>
<td>79%</td>
</tr>
<tr>
<td>Buying gift cards</td>
<td>1%</td>
<td>13%</td>
</tr>
<tr>
<td><strong>AUXILIARY SERVICES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cloud storage</td>
<td>2%</td>
<td>27%</td>
</tr>
<tr>
<td>Credit scoring</td>
<td>2%</td>
<td>24%</td>
</tr>
<tr>
<td>Concierge services</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td><strong>MOBILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buying parking and transport tickets</td>
<td>7%</td>
<td>42%</td>
</tr>
<tr>
<td>Paying for motorway access</td>
<td>1%</td>
<td>16%</td>
</tr>
<tr>
<td>Booking hotels, flights, trains</td>
<td>0%</td>
<td>24%</td>
</tr>
<tr>
<td>Buying access to airport lounges</td>
<td>1%</td>
<td>10%</td>
</tr>
<tr>
<td><strong>ENTERTAINMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buying tickets for cinema or theatre</td>
<td>0%</td>
<td>18%</td>
</tr>
<tr>
<td>Buying tickets for social events</td>
<td>0%</td>
<td>13%</td>
</tr>
<tr>
<td>Accessing video-on-demand</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>Ordering books or e-books</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td><strong>PUBLIC SERVICES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applying for social benefits</td>
<td>1%</td>
<td>11%</td>
</tr>
<tr>
<td>Checking social insurance status</td>
<td>0%</td>
<td>11%</td>
</tr>
<tr>
<td>Company registration</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>Submitting PIT form</td>
<td>1%</td>
<td>2%</td>
</tr>
</tbody>
</table>
Challenger banks are differentiating themselves versus incumbents by adopting innovative customer-focused functionalities.

% of banks offering given functionality¹

- **Transfers and payments**
  - Incumbents: 2%
  - Challengers: 27%
  - Virtual debit card
  - 2%
- **PFM**
  - Incumbents: 11%
  - Challengers: 9%
  - Transfers using beneficiary's e-mail
  - 5%
- **Investment services**
  - Incumbents: 0%
  - Challengers: 1%
  - Disposable virtual card
  - 0%
- **Customer support**
  - Incumbents: 9%
  - Challengers: 21%
  - Transaction geolocation tags
  - 3%

¹ Data for 280 banks classified as Incumbents and 33 banks classified as Challengers which participated in 2020 edition.

² With global threshold of 10% for rare features.

³ Communication via other social media platforms benchmarked (You Tube, Twitter, LinkedIn, Instagram) had a much higher global adoption level than 10% (ranging from 82% - 95%)
**Champions** deliver the best UX in account opening, transfers, and buying a credit product

User experience along the customer journey

A global assessment of 19 user scenarios reflecting 10 areas of customer activity provides insight into the development of UX along the customer journey.

---

1. Data for 31 banks classified as Digital champions and 93 banks classified as Digital latecomers which participated in 2020 edition. UX score based on 209 unique functionalities. 65% of Digital champions have been classified in top 10% of banks by UX score.
Providing customers with guidance and positive UX during account opening is essential to make a positive first impression

Selected functionalities along UX scenario: Open an account, % of banks offering given functionalities

1. Data for 31 banks classified as Digital champions and 93 banks classified as Digital latecomers which participated in 2020 edition.
DBM helps banks understand the digital competitive landscape of their country...

How does DBM provide insight into the local competitive landscape?

DBM analyses individual bank positioning in comparison to local competitors across 3 dimensions:

2. To achieve comparable data, analysis is based on the results of top 8 banks by % of functionalities in given market. Average of gaps to top 1 player.
...and accelerates digital strategy development from the perspective of three lenses

**CUSTOMER PREFERENCES**
- What’s desirable from a customer perspective?
- What needs to be true for users to want, find, consume, and value the solution?
- What channels and UX are most engaging for customers? Do customers keep coming back (‘stickiness’)?
- What will make customers love us?

**LOCAL COMPETITION**
- What features, products and services should be offered?
- What to implement to catch up with the market or to differentiate over competition?
- What will bring meaningful upside over competitors value proposition?
- Which functionalities can drive acquisition, engagement, monetization?

**INTERNATIONAL INDUSTRY DIRECTION**
- What emerging digital trends are relevant for the local market?
- What international leading practices to adopt to leapfrog local competitors?
- Where are Digital champions investing for the future?
- What innovations are gaining traction globally?
- What partnerships to create to leverage the ecosystem landscape?

A successful digital proposition is desirable, competitive and informed by industry leading practice

Customer
Is there demand?

Competition
Define and prioritize backlog

Industry trends
Be inspired by leading practices
DBM can help both champions and latecomers to future-proof their digital strategy

What is a digital ambition workshop?

A dedicated workshop that discusses an individual bank’s digital maturity in retail banking channels, competitive positioning and which can help to identify potential digital initiatives, based on gaps to local and global leaders.

For more details, reach out to your local representative on the following slides or dbmaturity@deloitte.com

What’s in it for the bank?

We know the digital maturity of retail banking channels
Gain insights into the positioning of an individual bank in comparison to local and global leaders and key gaps.
Outcome: Identification of opportunities and strategic implications based on individual bank’s positioning versus peers.

We’ve identified leading market practices worldwide
Learn more about the latest trends and developments in digital retail banking channels.
Outcome: Introduction to trends, innovations and example use cases with assessment of relevance for the individual bank.

We understand the importance of UX for customers
Examine how UX features and functionalities are helping improve customer satisfaction.
Outcome: Overview of leading UX market practices and identification of key improvement areas from a customer perspective.
Will you drive the change or be driven by it?

Feel free to reach us for more information:

- Daniel A. Majewski
  Senior Manager
  Digital Strategy
  dmajewski@deloitteCE.com

- Mark MacRae
  Senior Manager
  Strategy and M&A
  mmacrae@deloitteCE.com

- Michael Wodzicki
  Partner
  Strategy and M&A
  mwodzicki@deloitteCE.com

- Website
  dbmaturity@deloitte.com
Want to know more about the study?

Contact our local representatives directly to find out more about the study and the results for your country.
Deloitte Digital Banking Maturity – Country Leaders and Managers

I T A L Y
Manuel Pincetti
Partner
mpincetti@deloitte.it
Giovanni Fontanini
Director
gfontanini@deloitte.it
Gianmaria Trapassi
Partner
gtrapassi@deloitte.it
Luigi Capitanio
Director
lcapitanio@deloitte.it

L U X E M B O U R G
Pascal Martino
Partner
pamartino@deloitte.lu
Xavier Turquin
Senior Manager
xturquin@deloitte.lu
Ronan Vander Elst
Partner
rvanderelst@deloitte.lu
Francois Bade
Director
fba@deloitte.lu

M E X I C O
Ricardo A. Garcia
Partner
rigarcia@deloittemx.com
Tania Buendia
Manager
tbuendia@deloittemx.com
Mario Valadez
Partner
mvaladez@deloittemx.com

J A P A N
Yoshiki Tanabe
Partner
ytanabe@tohmatsu.co.jp
Yukio Shinbori
Partner
yshinbori@tohmatsu.co.jp
Yuta Maruyama
Senior Manager
yutmaruyama@tohmatsu.co.jp
Brian Berkness
Senior Manager
bberkness@tohmatsu.co.jp

Khaled Hilmi
Partner
khi@deloitte.com

N E T H E R L A N D S
Emeric Van Waes
Partner
evanwaes@deloitte.nl
James Ransome
Senior Manager
jransome@deloitte.nl

Want to know more about the study?
Contact our local representatives directly to find out more about the study and the results for your country.
Contact our local representatives directly to find out more about the study and the results for your country
Want to know more about the study?

Contact our local representatives directly to find out more about the study and the results for your country

---

**SINGAPORE**

Kok Yong Ho  
Partner  
kho@deloitte.com

Nai Seng Wong  
Partner  
nawong@deloitte.com

Hugo Aldonza  
Manager  
haldonza@monitordeloitte.es

Eng Hong Lim  
Partner  
englim@deloitte.com

Alexander Douglas-Jones  
Director  
aldouglasjones@deloitte.com

---

**SPAIN**

Gerard Sanz  
Partner  
gsanz@monitordeloitte.es

Marcelo De Castro  
Manager  
mdecastro@monitordeloitte.es

---

**SWITZERLAND**

Patrik Spiller  
Partner  
pspiller@deloitte.ch

Cyrill Kiefer  
Partner  
cykiefer@deloitte.ch

Marius Virmond  
Director  
mvirmond@deloitte.ch

---

**SLOVAKIA**

Michal Kopanic  
Partner  
mkopanic@deloittece.com

Milos Cerovsky  
Manager  
mcerovsky@deloittece.com

Veronika Hraskova  
Senior Manager  
vhraskova@deloittece.com

---

**SPANISH LATIN AMERICA - ARGENTINA, COLOMBIA, PERU, URUGUAY**

Pablo Peso  
Partner  
ppeso@deloitte.com

Maximiliano Nardi  
Senior Manager  
manardi@deloitte.com

Fernando Oliva  
Partner  
foliva@deloitte.com

---
<table>
<thead>
<tr>
<th>Country</th>
<th>Leader 1</th>
<th>Role</th>
<th>Email</th>
<th>Leader 2</th>
<th>Role</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>TURKEY</td>
<td>Yaman Polat</td>
<td>Partner</td>
<td><a href="mailto:ypolat@deloitte.com">ypolat@deloitte.com</a></td>
<td>Ali Cicekli</td>
<td>Partner</td>
<td><a href="mailto:acicekli@deloitte.com">acicekli@deloitte.com</a></td>
</tr>
<tr>
<td></td>
<td>Ilkay Cakir</td>
<td>Senior Specialist</td>
<td><a href="mailto:icakir@deloitte.com">icakir@deloitte.com</a></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
<td>Jonathan Gray</td>
<td>Partner</td>
<td><a href="mailto:jonagray@deloitte.co.uk">jonagray@deloitte.co.uk</a></td>
<td>Gareth Addison</td>
<td>Director</td>
<td><a href="mailto:gaddison@deloitte.co.uk">gaddison@deloitte.co.uk</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Edward J Matheson</td>
<td>Manager</td>
<td><a href="mailto:edmatheson@deloitte.co.uk">edmatheson@deloitte.co.uk</a></td>
</tr>
</tbody>
</table>

Want to know more about the study? Contact our local representatives directly to find out more about the study and the results for your country.