

October 2022

Global Digital Banking Maturity 2022

Spotlight on Thailand

Deloitte.



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 - 02 Thailand versus global benchmarks
 - 03 Learnings from global innovation
 - 04 The way forward



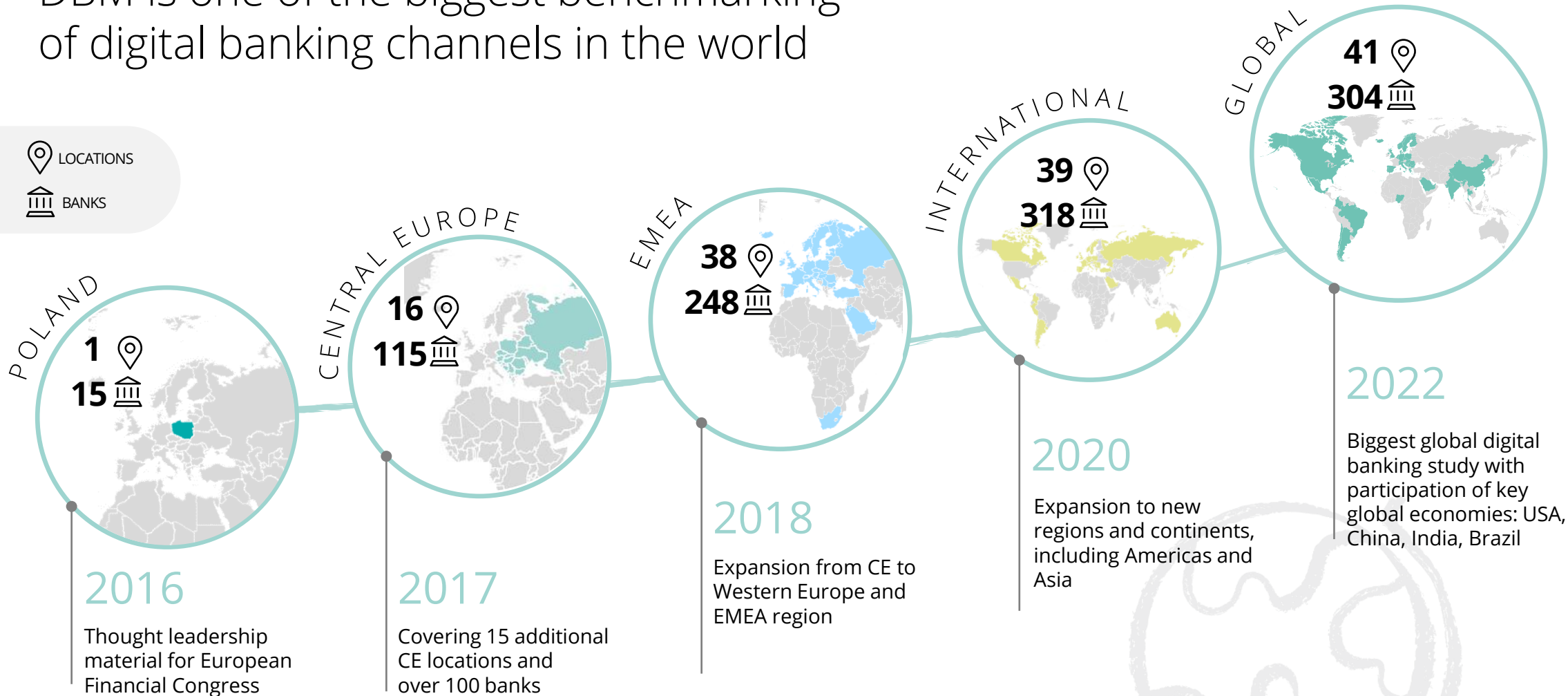
DBM is one of the biggest benchmarking of digital banking channels in the world



LOCATIONS



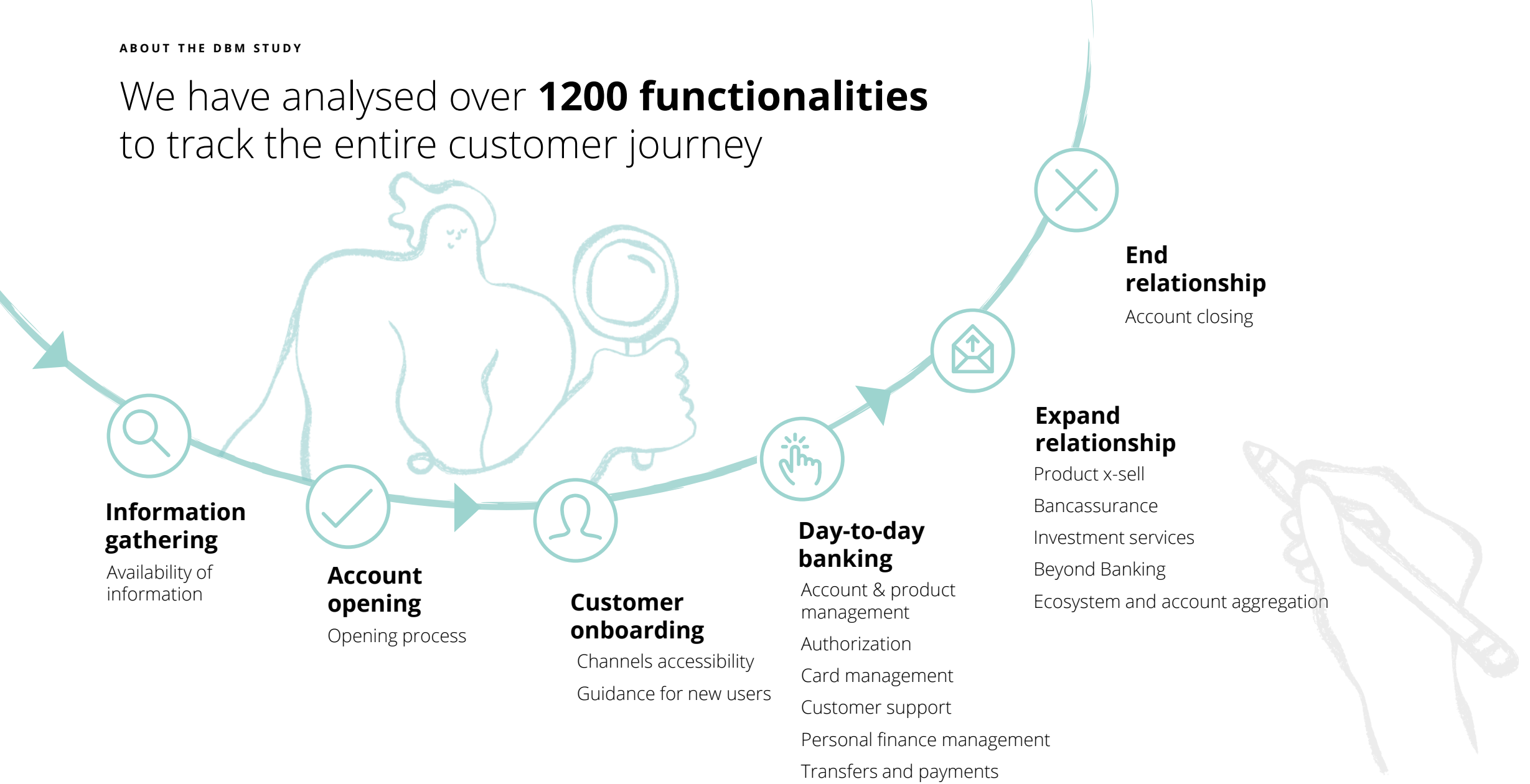
BANKS



Digital Banking Maturity 2022 covered 41 locations from 5 continents



We have analysed over **1200 functionalities** to track the entire customer journey



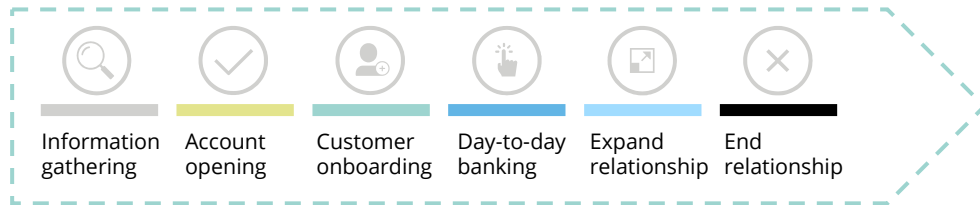
Examples of DBM survey questions asked across the customer journey to assess functionalities

<p>Does it provide an overview of products dedicated to specific needs (e.g. saving, lending, mortgage)?</p>	<p>Is it possible to open a current account fully in this channel (i.e. via the public website) in end-to-end process?</p>	<p>Does the bank provide a "light" version of the website for mobile devices?</p>	<p>Does the bank offer gamification to facilitate the onboarding experience?</p>
<p>Can the customer update personal data on his/her own?</p>	<p>Are you automatically logged out after certain time?</p>	<p>Can the customer activate new card?</p>	<p>Does the website / mobile app offer appointment scheduling?</p>
<p>Can the customer set and track savings goals?</p>	<p>Can the customer set automatic transfers from current account to mutual funds?</p>	<p>Can the customer activate card insurance?</p>	<p>Can the customer book hotels, flights, or trains?</p>
<p>Can the customer aggregate credit/ debit cards from other banks?</p>	<p>Is it possible to buy/sell mutual fund units?</p>	<p>Is information about current interest rate / fees / commissions for mortgage clearly available?</p>	<p>Is the option of closing the current account available?</p>

Functionalities were weighted according to customer preferences, as determined by a survey with over 5000 respondents

5084 respondents' answers provided insights on customers' perceived importance and preferences with regards to the customer journey steps. The results were then used to apply an appropriate weightage to the 1208 digital banking functionalities.

1 How often do you perform the following banking activities?



2 Which of the channels is/would be your preferred choice for each of the following banking services?



What kinds of activities were researched?

The activities cover all areas of engagement for bank customers. Examples:

- **Looking for information** about current accounts
- **Opening** an account and/or debit card
- **Managing** your account
- Looking for **customer support**
- Checking current **balance** or **transaction history**
- Making **payments/transfers**
- **Applying** for a personal loan
- Active **investing**

The study identified digital champions, and compared Thailand against global benchmarks

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.

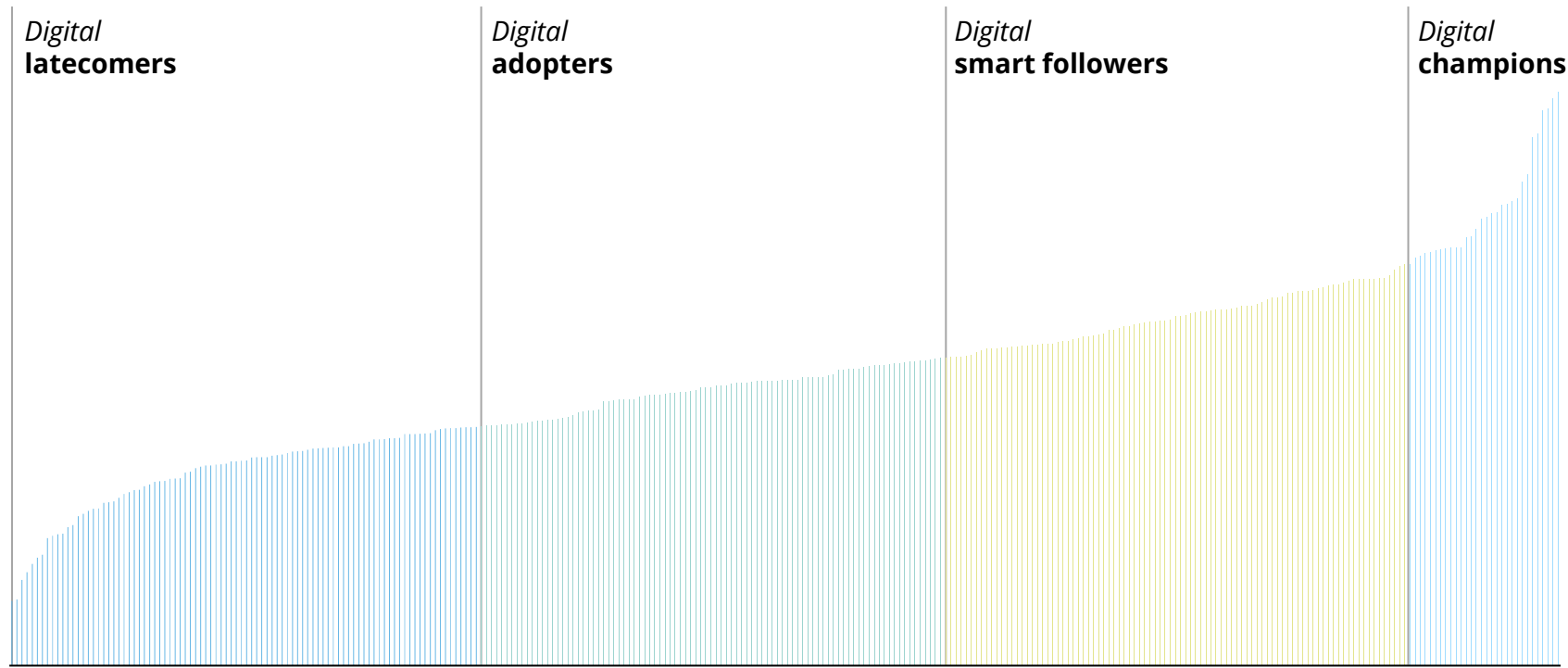
*DBM index*¹

Digital latecomers

Digital adopters

Digital smart followers

Digital champions



Defined as Top 10% of banks²

Note 1. Data for 304 banks which were covered in 2022 edition

Note 2. Selection of 30 banks defined as Digital champions

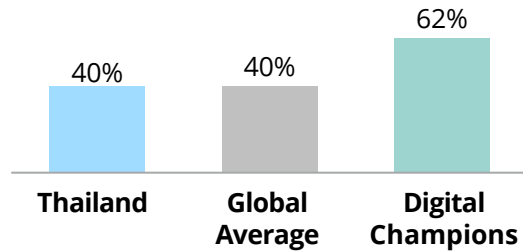
Note 3. This is scored based on the average scores of banks in each location. Ranking is based on weighted average score of functionalities from the 6 customer journey steps (information gathering, account opening, customer onboarding, day-to-day banking, expand relationship, end relationship), and scores this across the channels internet banking, public website and mobile app.

Thailand banks have room to add functionality and features for both internet and mobile banking

DBM score by channel, %

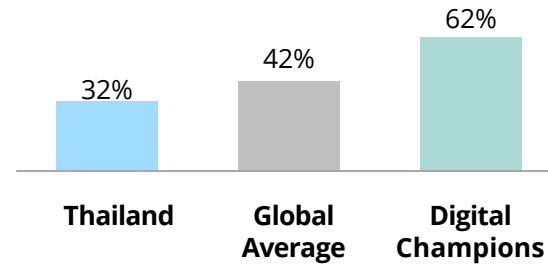
All researched channels

1208 functionalities and UX features



Internet banking

618 functionalities and UX features

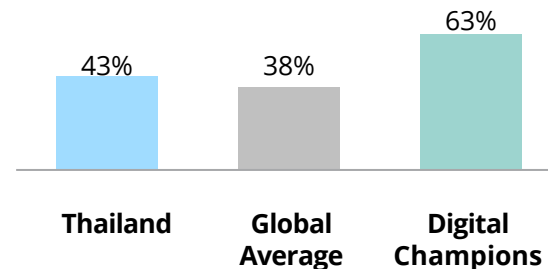


Thailand lags behind digital champions for internet banking, with widest gaps in **account opening, day-to-day banking** and **expand relationship** functionalities



Mobile banking

590 functionalities and UX features

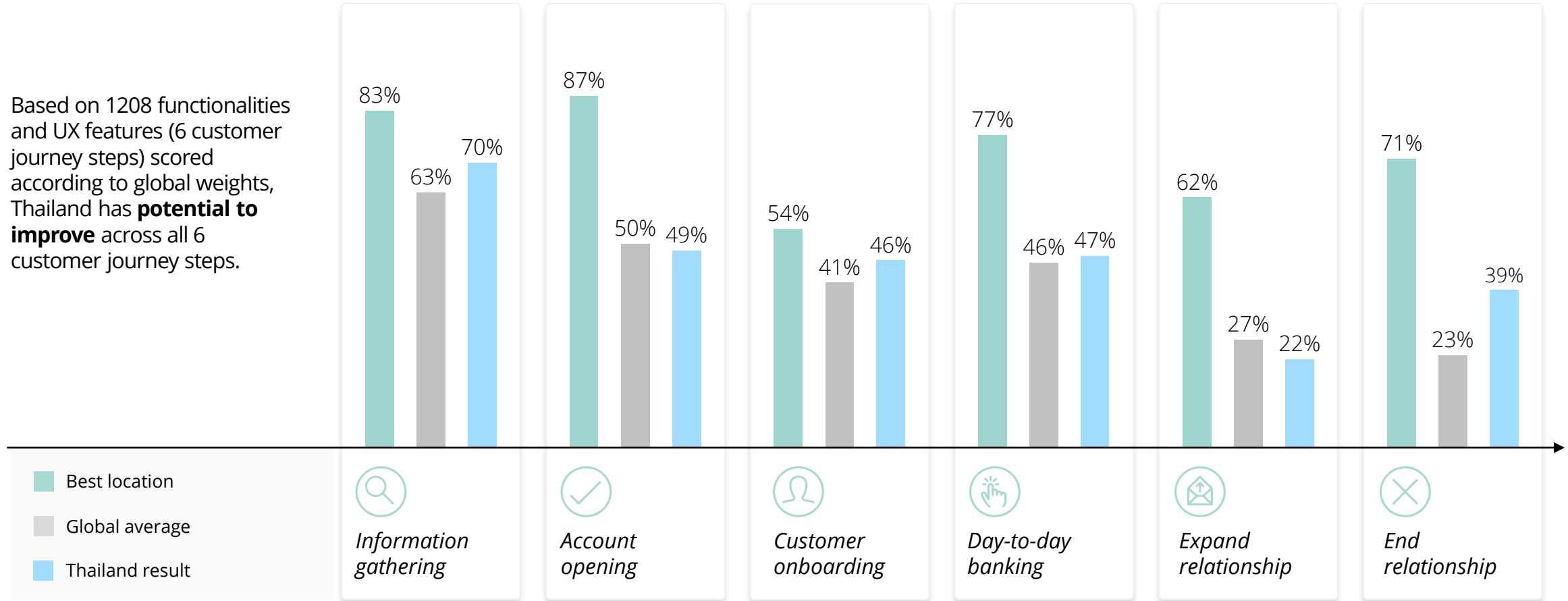


Thailand scored above average for mobile app, with gaps in **day-to-day banking** and **expand relationship** functionalities

Thailand's DBM score by customer journey step and areas for improvement



DBM score by customer journey step, %

Based on 1208 functionalities and UX features (6 customer journey steps) scored according to global weights, Thailand has **potential to improve** across all 6 customer journey steps.



Reflection on leading global practices

Legend:

-  Mobile Banking
-  Internet Banking

Below are opportunity areas for Thailand, with examples from leading global practices.

Customer Journey Steps



Information gathering



Account opening



Customer onboarding



Day-to-day banking



Expand relationship



End relationship

Examples from Global Benchmarks

Product Info for Specific Groups

Website provides overview of products dedicated to specific groups (e.g. seniors)

Information Comparison

Bank compares own current accounts with offers of other banks on app / web

Opening Process

Customer can open account fully via the public website

Error messages

Error messages for account opening in app / website are descriptive and explain the root of the problem

Channels Accessibility

Allows customer to use basic app functions without access to the internet

Guidance for New Users

Website / app offers tips to protect customer's computer and personal data in terms of logging in to customer website

Card Management

Customer can set POS limit for credit card / debit card via mobile app / internet banking

Personal Finance Management

Allows customer to set and track savings goals via app / internet banking

Investment Services

Customer can check current quotation (price) of assets via app / internet banking

Ecosystem and Account Aggregation

Customer can add a company account to their private account via app / internet banking

Retention Strategy

Customer receives retention offer on web when attempting to end relationship

Account Closing Questionnaire

Customer fills out questionnaire on internet banking to provide the reason for account closing

Reflection on leading global practices

One of the opportunity areas for Thailand Banks is account opening. Below are examples of services provided by global banks.



ACCOUNT OPENING EXAMPLES



Account opening form on web uses visual constraints (field length) corresponding to length of info to be entered (e.g. short field for zip code, long field for email address)



Ability to open current account fully via the public website



Error messages for account opening in app / website are descriptive and explain the root of the problem (e.g. Card number must begin with a digit 3,4 or 6)



Displays information on requirements for a password that are already met during password creation on app / website

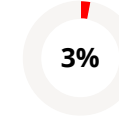
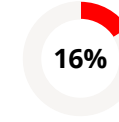
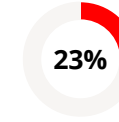
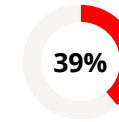
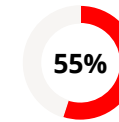


Terms and conditions of account opening form on app / web have a visible button or link to open the full description



Abandon the account opening process and come back later on app / website without having to start again (e.g. Save & Finish Later feature)

Maturity Gap
(TH lagging global average by)



Reflection on leading global practices

One of the opportunity areas for Thailand Banks is day-to-day banking. Below are examples of services provided by global banks.



DAY TO DAY BANKING EXAMPLES



Bank provides a mail box on app / internet banking where customer can send messages to customer support and receive official notifications from bank



Allows customer to set and track savings goals via app / internet banking

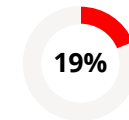
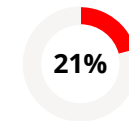
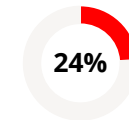
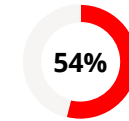


Customer can modify standing orders via app / internet banking



Customer can set POS limit for credit card / debit card via mobile app / internet banking

Maturity Gap
(TH lagging global average by)



Reflection on leading global practices

One of the opportunity areas for Thailand Banks is expand relationship. Below are examples of services provided by global banks.



EXPAND RELATIONSHIP EXAMPLES



Does the bank provide special discounts and promotions through this channel?

36%



Can you check your loyalty program points balance in this channel?

25%



Can you trade (buy/sell) foreign stocks?

13%



Is an interactive calculator comparing options of credit card available ?

10%





Can the customer purchase gift cards?

8%

Maturity Gap
(TH lagging global average by)

Reflection on leading global practices

Legend:

-  Mobile Banking
-  Internet Banking

One of the opportunity areas for Thailand Banks is End Relationship. Below are examples of services provided by global banks.



END RELATIONSHIP EXAMPLES



Customer needs to fill out questionnaire to justify the account closing on internet banking

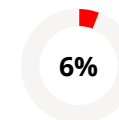
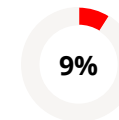
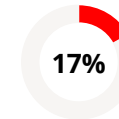


Customer receives automatic retention offer when trying to close account on web



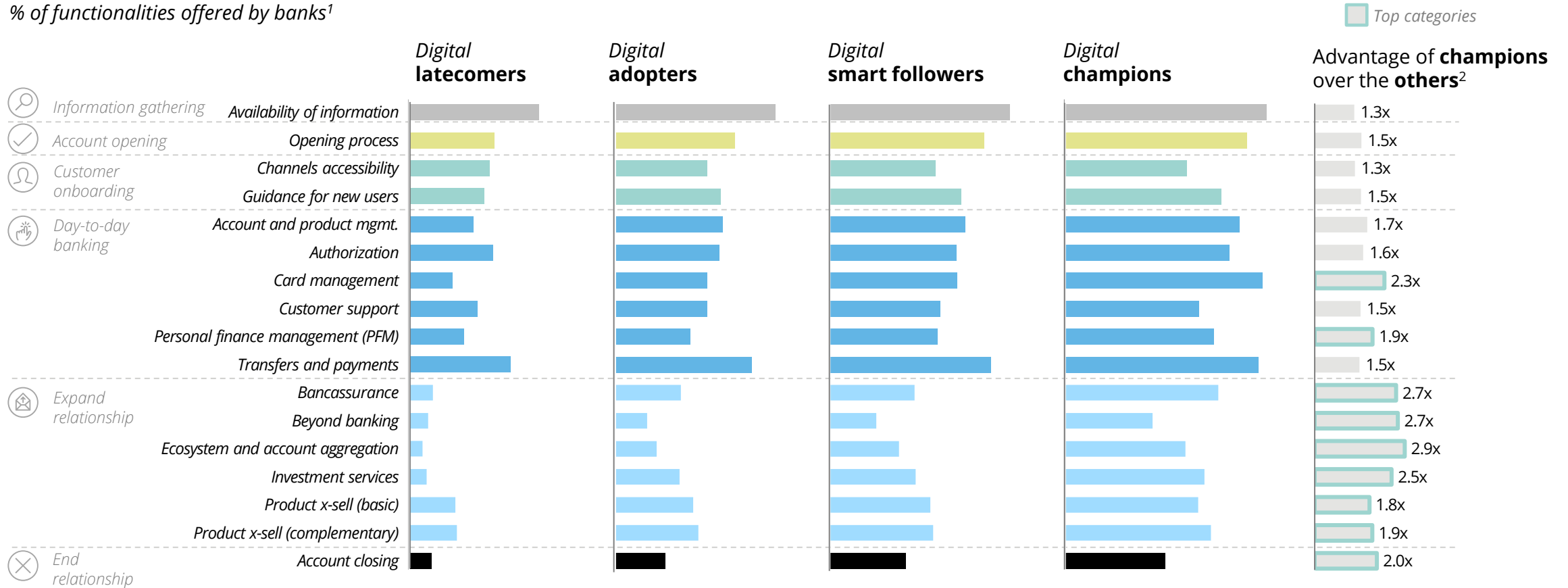
Process of closing the current account is described on internet banking

Maturity Gap
(TH lagging global average by)



Digital champions have placed more emphasis on building functionalities that expand the relationship beyond core banking services with customers

% of functionalities offered by banks¹

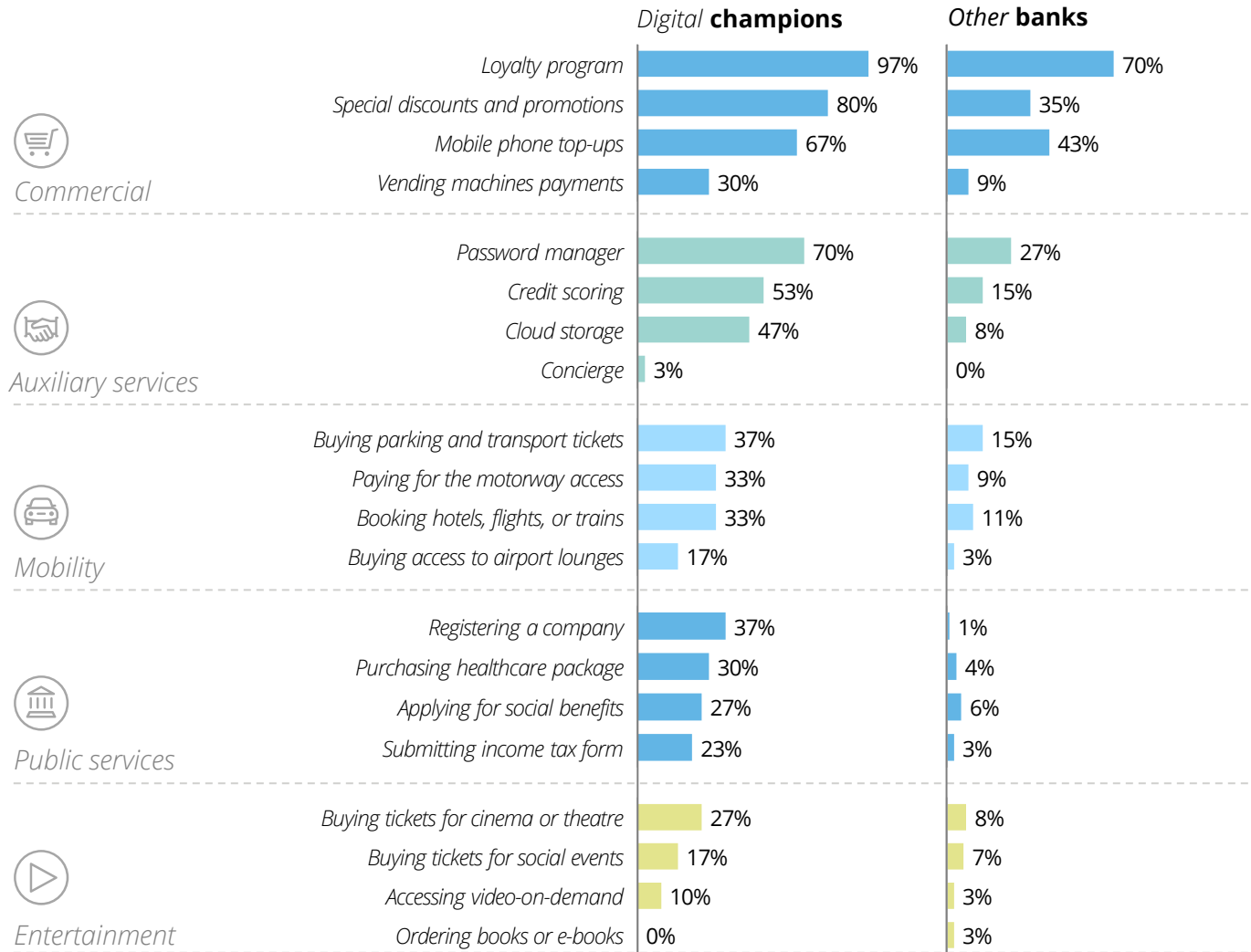


Note 1. Data for 304 banks which were covered in 2022 edition
 Note 2. Ratio of functionalities % between Digital champions and other banks score

Value-added services are a differentiator, adopted mainly by Digital champions

Value added services can boost customer engagement and loyalty and, therefore, can support both **acquiring and retaining customers**. They can also provide banks with more customer data, enabling personalization **and financial products cross-selling**.

Top Value Added Services by category, % of banks offering given functionality¹



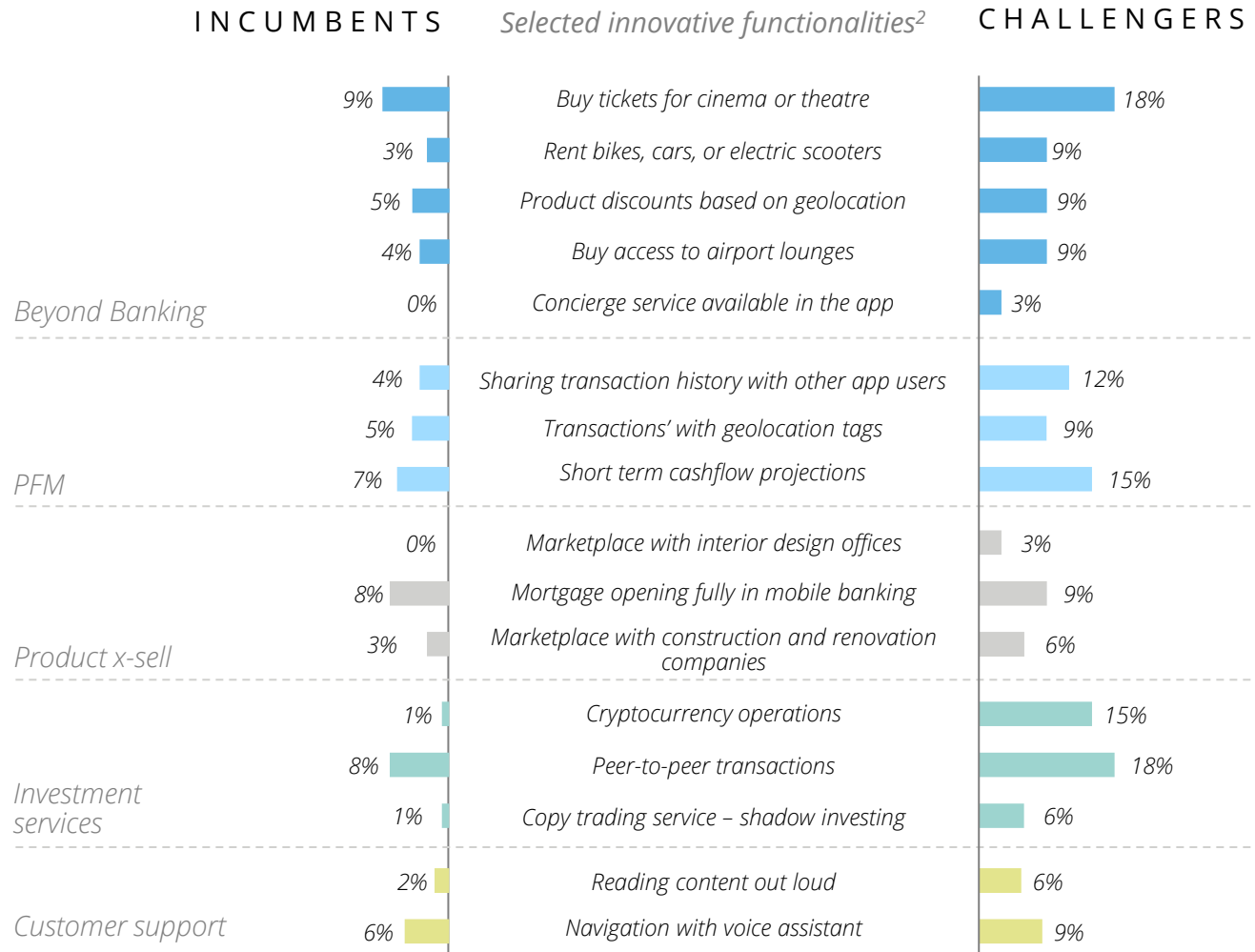
Note 1. Data for 30 banks classified as Digital champions and 274 other banks which were covered in 2022 edition

Further opportunities from how challenger banks compete with incumbents

Challengers, as relatively small banks competing with large long-established banks, are more likely to differentiate themselves by adopting innovative solutions



% of banks offering given functionality¹



Note 1. Data for 270 banks classified as Incumbents and 34 banks classified as Challengers which were covered in 2022 edition

Note 2. innovative functionalities implemented in less than 10% of surveyed banks

Key issues to consider



What are the “moments that matter” both to end-customer and to the bank?



Given the offline-to-online narratives, are the sales and service experiences seamless?



Which Customer Experience (CX) investments create bigger impact on the bank’s top and bottom line?



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