

The Truth Behind the Data: Next-Level Analysis of 2021 Consumer Banking Trends

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Today's Presenters



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SVP, Product
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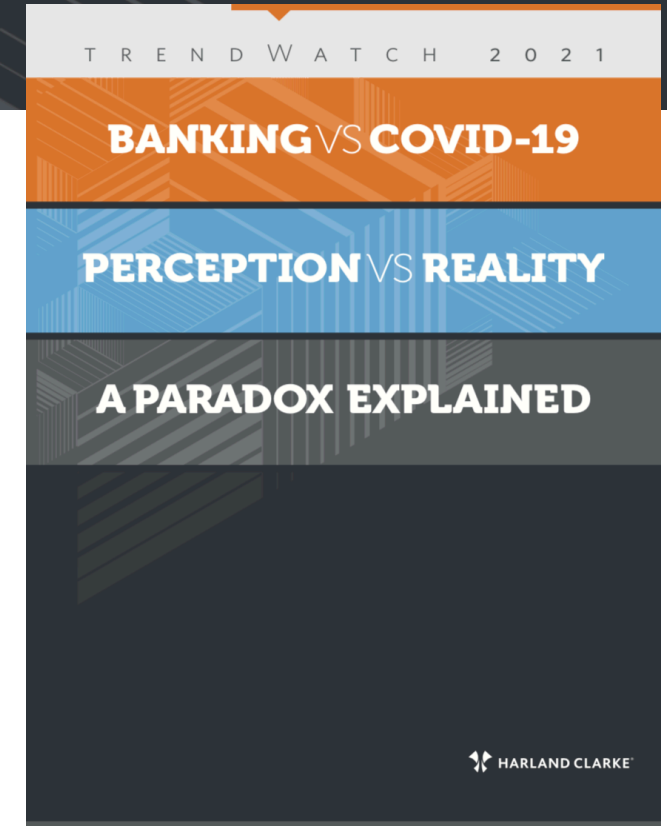
Terri Panhans
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What We'll Cover Today

- About the Harland Clarke TrendWatch Report
- Five Extraordinary Industry Trends affecting change in 2021
- Deep Dive Into Our Research Industry Trends
- Tactical Planning for Achieving Goals and Objectives

First-Ever Data-Driven TrendWatch Report

- 25,000 Senior-Level Clients and Prospects
- 29 Survey Questions
- 280 Complete Responses
- Banks and Credit Unions



5 OVERNIGHT CHANGES

to how banking engagement is delivered

- **Trend 1:** Digitalization, A Sudden Change in Speed and Course
- **Trend 2:** Increased Value of Fully Connected Consumer Experiences
- **Trend 3:** Finding Success With The Disrupted Consumer
- **Trend 4:** Making Work From Home Work For Everyone
- **Trend 5:** Supercharge Your Consumer Data

PERCEPTION VS REALITY

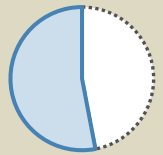
Digitalization

PERCEPTION: Digitalization is moving all traditional banking services and activities, previously only available inside a branch, to online channels.

REALITY: Digitalization is less about the technology and more about **how banking engagement** is delivered — how we create connected experiences with customers and employees in the new reality.

Trend 1

Digitalization: A Sudden Change in the Speed and Course



53% of

responders ranked digital transformation a low or medium priority coming into 2020

PERCEPTION

*Prior to 2020, digital banking adoption was a **nice-to-have innovation** for which there was no rush to complete.*



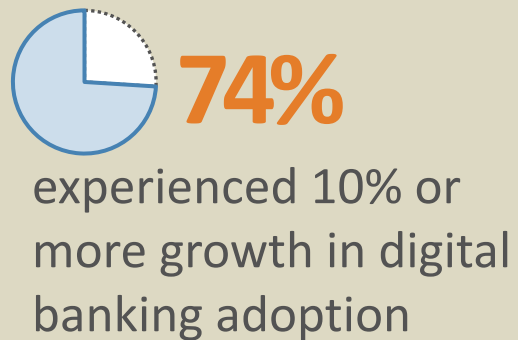
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Trend 1

Digitalization: A Sudden Change in the Speed and Course

Post-COVID ...



REALITY

*Digitalization has gone from **how's it coming** to **how fast can we get there?***

The challenge is creating fully connected customer experiences by combining the convenience of self-service with the **authenticity of human interaction.**

Trend 2

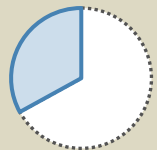
Increased Value of Fully Connected Customer Experiences

Coming into 2020,



61% of

responders ranked
“**better enable self-
service channels**”
as a top priority



33% ranked

“**improve integrated
multichannel delivery**”
as a secondary priority

PERCEPTION

*Prior to 2020, digital banking adoption was pursued as a way to **reduce operating costs** and minimize the reliance on high-cost branch interactions.*



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Trend 2

Increased Value of Fully Connected Customer Experiences

“The objective then — accelerated by the pandemic — is to add value by digitizing and connecting all aspects of the consumer journey.”

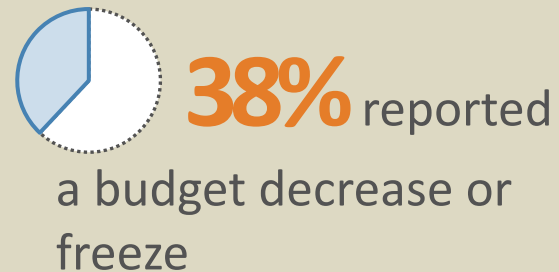
REALITY

*Digital transformation **can't be about just checking a box** — having an app or online account opening.*

The challenge is creating **fully connected experiences** across all channels that begin and end with the consumer experience in mind.

Trend 3

Finding Success With the Disrupted Consumer



PERCEPTION

*During the earliest days of the pandemic, financial institutions **curtailed their marketing spending** to get a sense of how consumers and the industry would be affected.*



Trend 3

Finding Success With the Disrupted Consumer

*“Be there for them today,
so you earn the right to
be there tomorrow.”*

REALITY

*Financial institutions play an important role in
helping consumers achieve their financial priorities.*

The challenge is staying engaged with consumers. Meaningful dialogue and helpful interactions play an important role in **acquiring new relationships** as well as **growing and retaining existing ones.**

Trend 4

Making Work From Home Work for Everyone

QUESTION: Since COVID, what challenges has your contact center experienced?

68% reported inbound call volume

39% reported work-from-home

37% reported capacity limitations due to social distancing

PERCEPTION

*Employees working from home full-time will have a **damaging effect on morale, focus, teamwork and communication**, negatively impacting the customer or member experience.*



Trend 4

Making Work From Home Work For Everyone

Since COVID-19,



respondents prioritized enabling productivity of a remote workforce



respondents consider working from home the new normal in banking

REALITY

*The crisis has exposed our ability to **connect with each other** — employees and customers — in new ways.*

The challenge is creating a remote work culture that allows employees to work from anywhere and supports seamless, high-quality engagement among coworkers and consumers alike.

Trend 5

Supercharge Your Consumer Data

“Financial institutions seem intent on ramping up communications, but consumers say they want relevant messaging — not more messaging.”

PERCEPTION

*Most banking providers consider themselves to be ahead of the competition in **relevance of messaging**, and product and service personalization.*



Trend 5

Supercharge Your Consumer Data

40% of respondents do not use consumer data and analytics to enable personalized offerings and interactions

34% use name and address information only

9% report personalizing offers as a best practice

REALITY

*The overwhelming majority of institutions are missing out on the huge upside of **data-driven personalization**.*

The challenge is building consistent, memorable experiences — attaining consumer-centric status — by gathering actionable insight with what consumers are experiencing at every touchpoint of their financial journey.

5 OVERNIGHT CHANGES

to how banking engagement is delivered

Trend 1

Digitalization,
A Sudden Change in
Speed and Course

Helping consumers
navigate new digital
banking experiences
with expert, high-touch
support.

Trend 2

Increased Value of
Fully Connected
Consumer
Experiences

Creating consistent and
connected consumer
experiences —
everywhere,
every time.

Trend 3

Finding Success
With The Disrupted
Consumer

Being there with the
loans consumers need,
the moment they
need them.

Trend 4

Making Work From
Home Work For
Everyone

Providing high-quality
customer service
remotely and with
no loss in business
continuity.

Trend 5

Supercharge Your
Consumer Data

Leveraging
consumer data to
meet consumers
exactly where they
are in their financial
journey.

Keep an eye on email!

TrendWatch 2021

HOT OFF THE PRESS! TRENDWATCH 2021

For our 2021 TrendWatch Report, we surveyed financial institutions of all sizes to get a sense of which trends are shaping the future of the financial services industry as we enter a new year and continue to adapt to the impact of a global pandemic. From our research, five trends emerged, each playing a crucial role in the new normal of consumer engagement. In the report, our own team of experts provides their analysis and in-depth insight on these findings.



You'll be receiving your complimentary copy of the TrendWatch 2021 survey report in the next few days.

Q&A

Type your question in the questions panel



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Thank You