



The Future of Mobile Banking



MICHAEL NUCIFORO

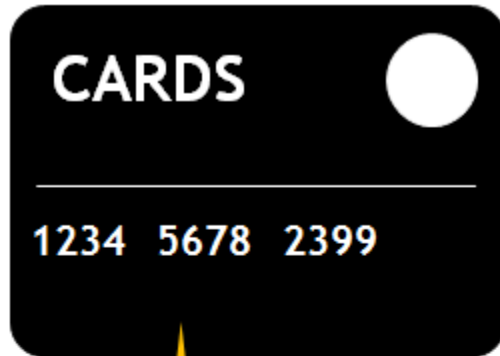
Mobile Consultant, Innovator and Futurist

About me...



- **Co founder of Mipaga** – Mobile Commerce start-up
- **Co founder of Keatan** – Mobile Consultancy
- **Former Head of Mobile Banking** – Royal Bank of Scotland
- **Former Mobile Banking Channel Manager** – ANZ Banking Group
- **Launched first Mobile Banking service** – 2008
- **Winner of 6 industry awards**
- **Regular blogger** – www.theboldwar.com
- **And tweeter** - @theboldwar

We heard it all before...



Telephone
Banking

1950's

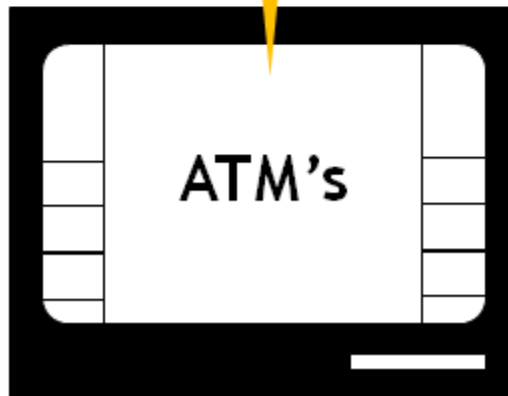
1960's

1970's

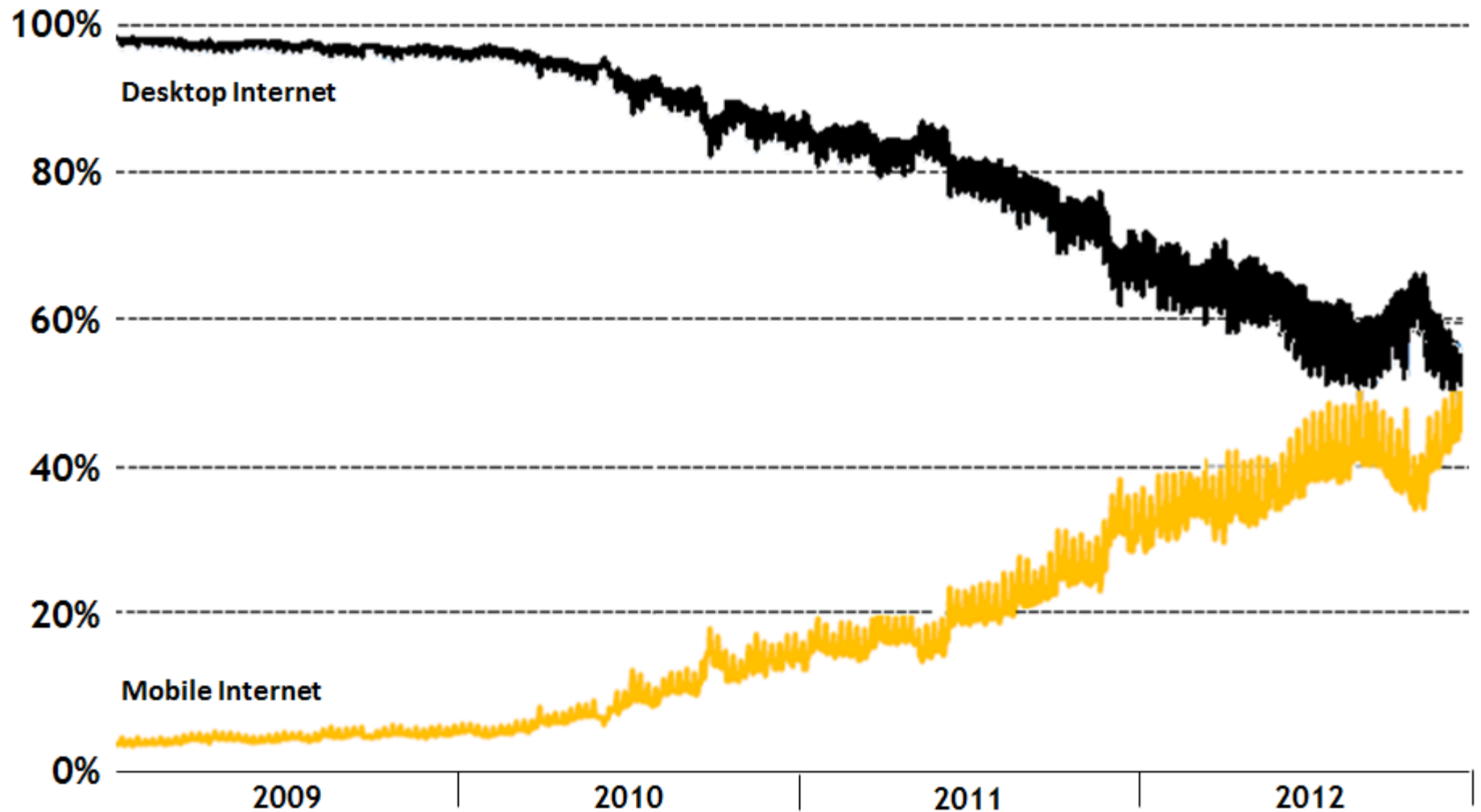
1980's

1990's

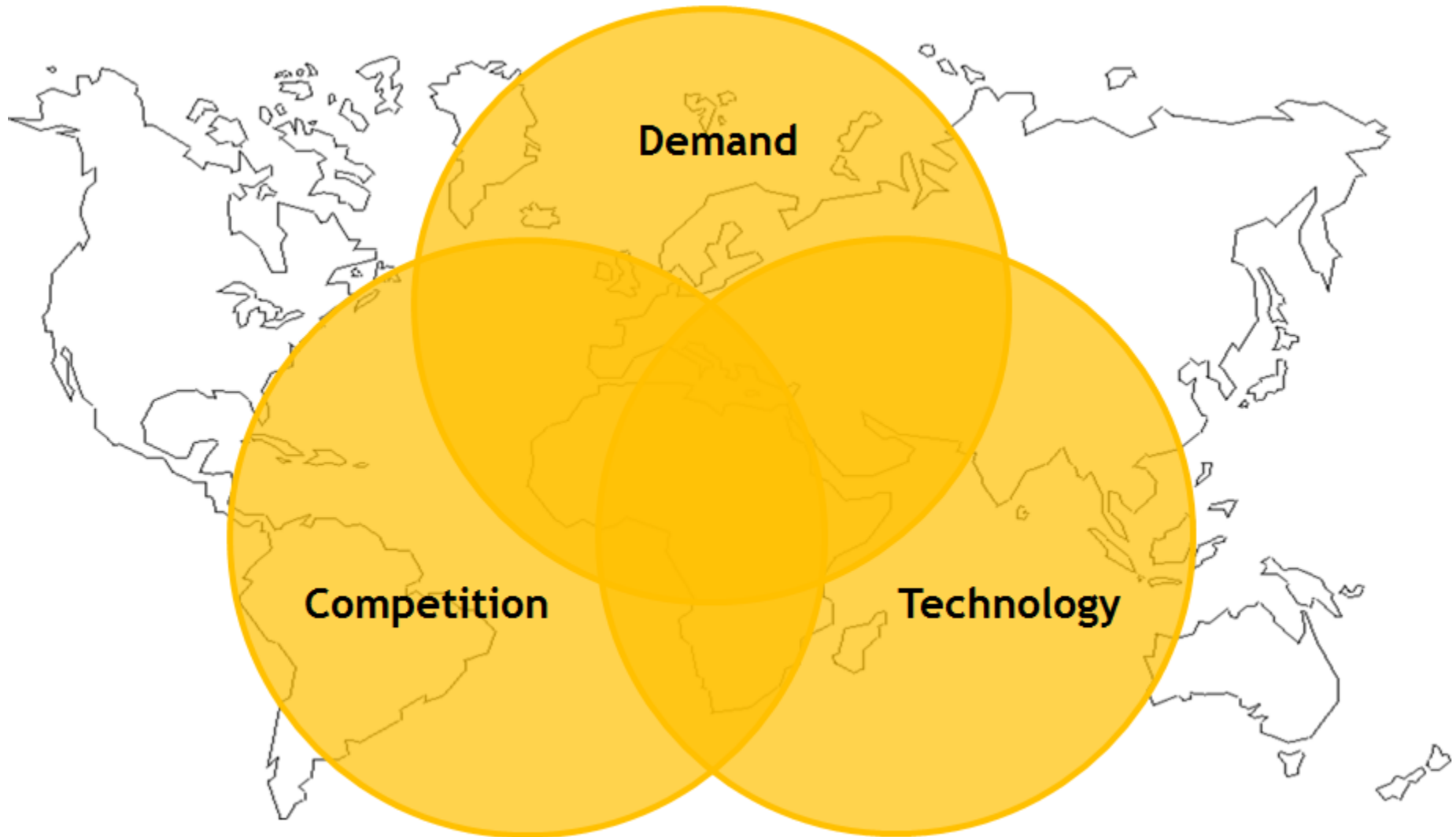
2000's



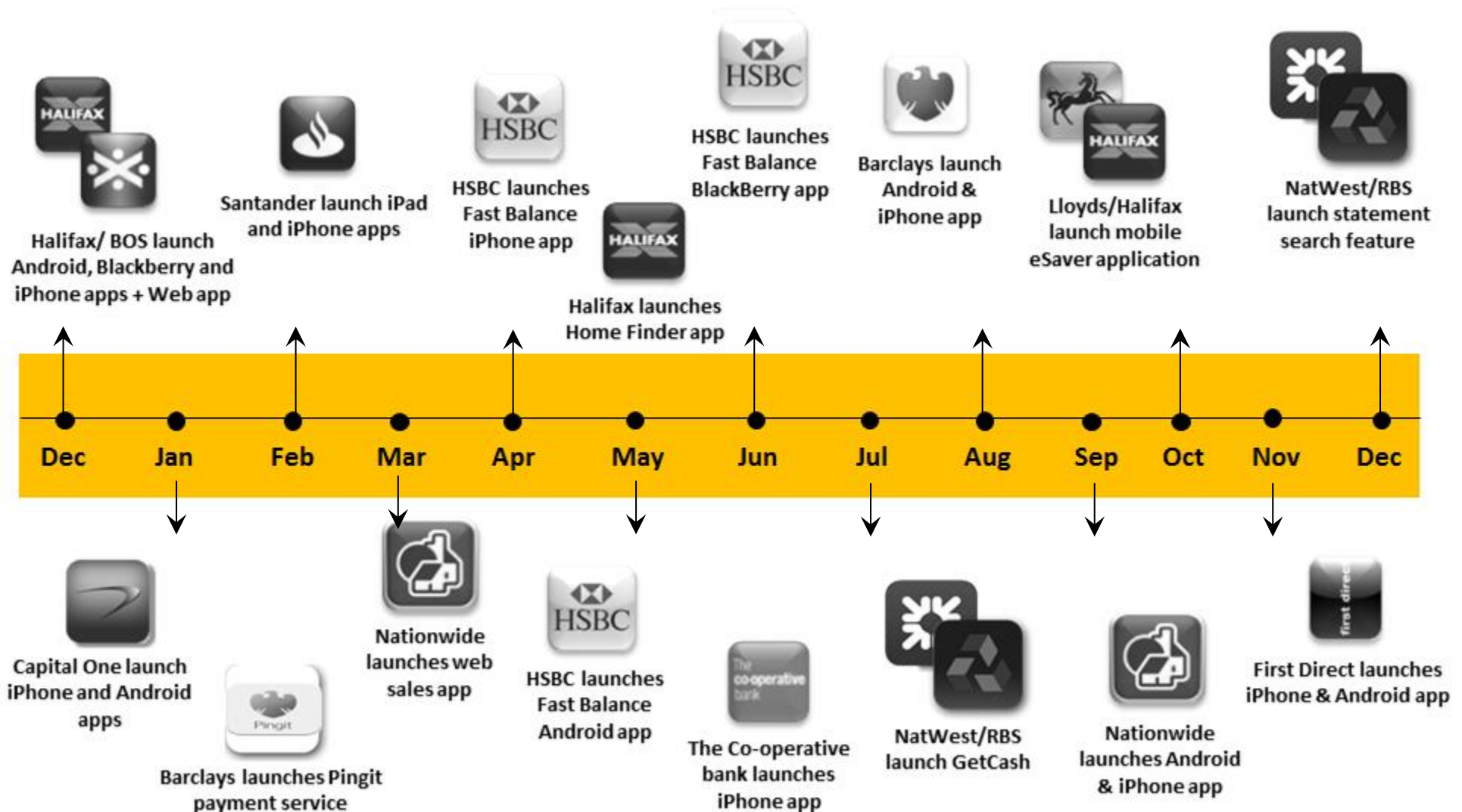
This time it's different...



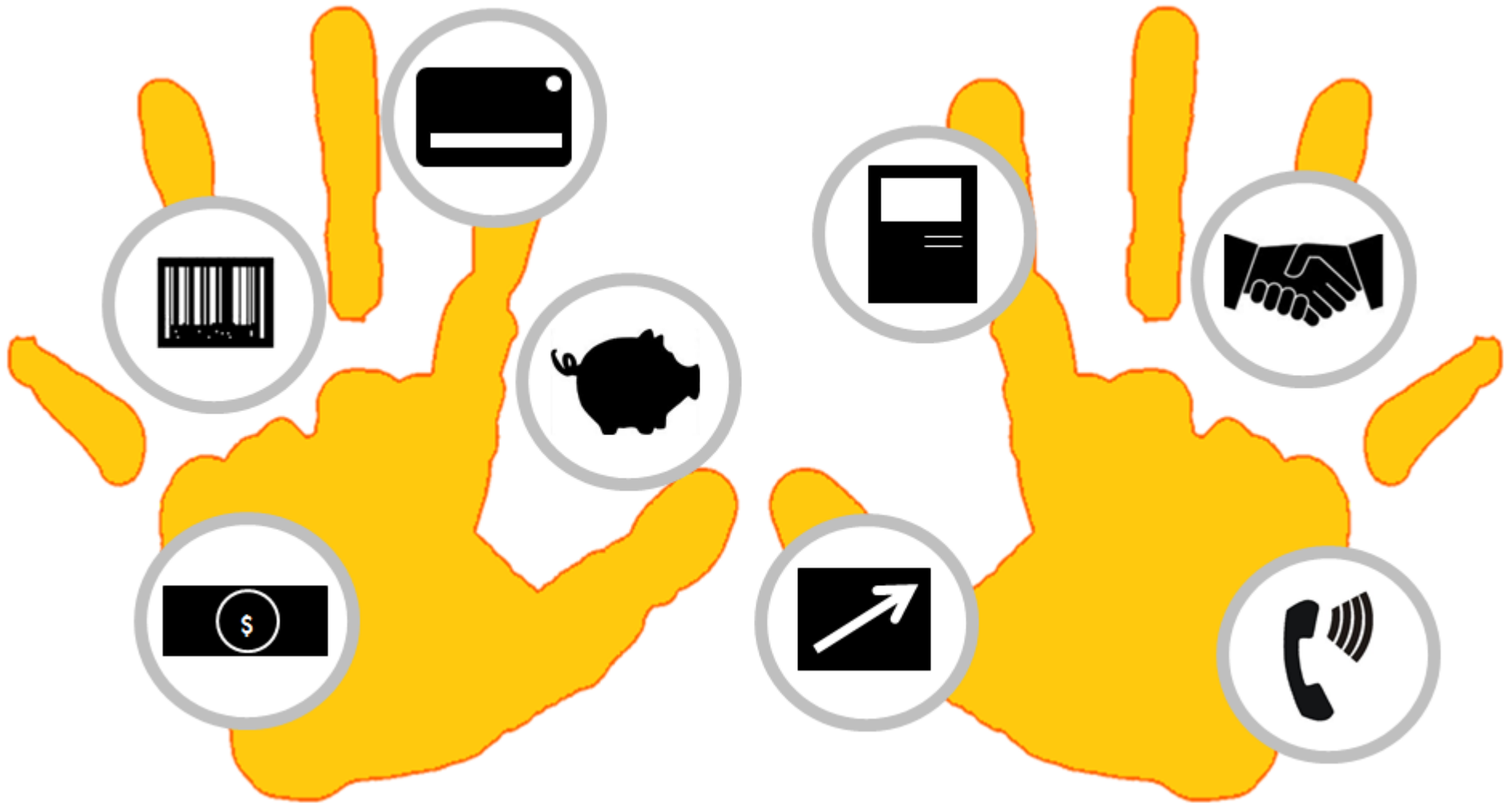
Everything aligned...



Mobile banking has now arrived...



And it's impacting everything...



Boundaries are being blurred...



Tech and Social
company's are
becoming both



Banks are
becoming
telecomm
operators



Operators are
becoming
banks



Two perspectives...



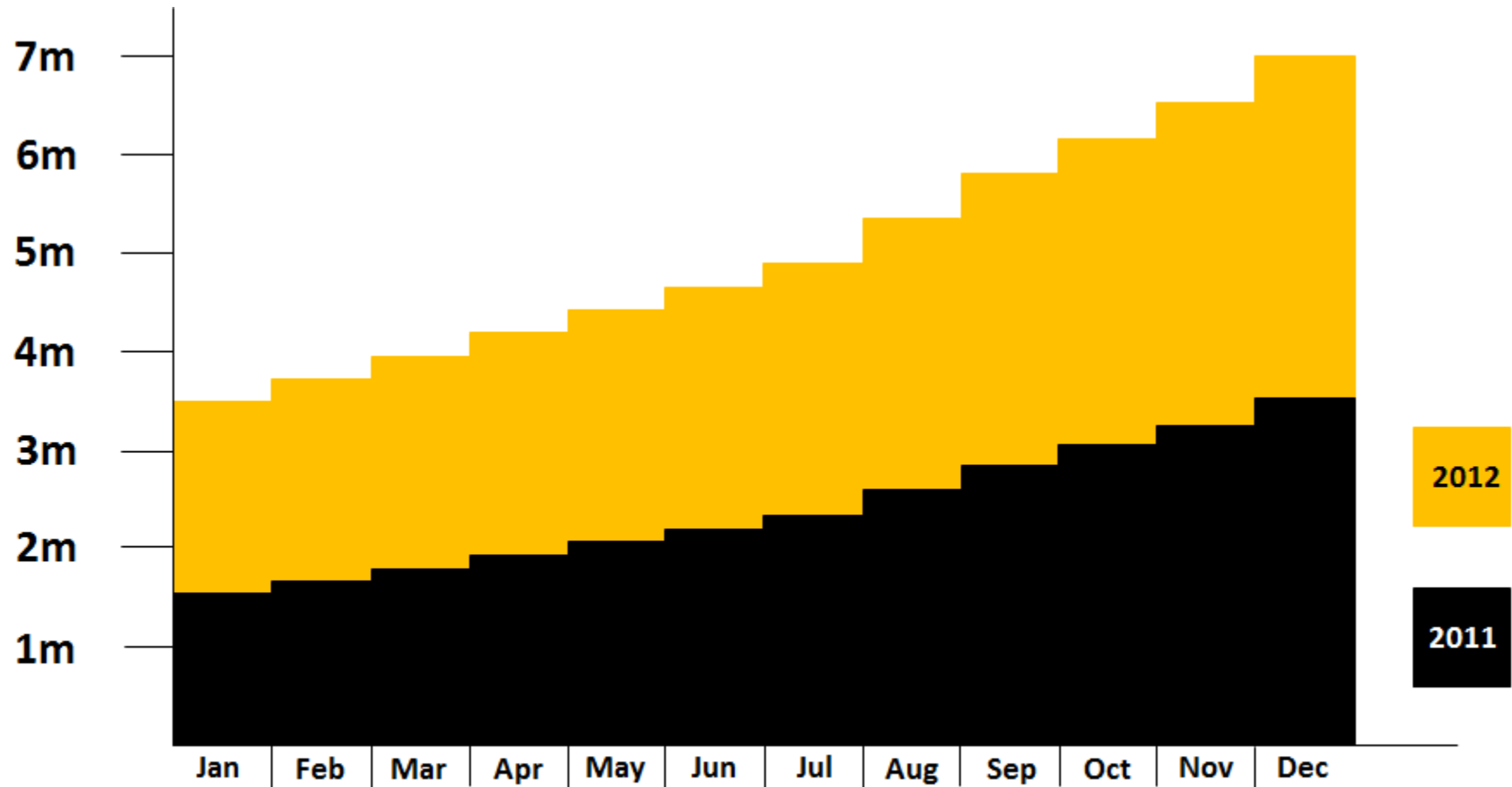
CUSTOMERS



STAFF

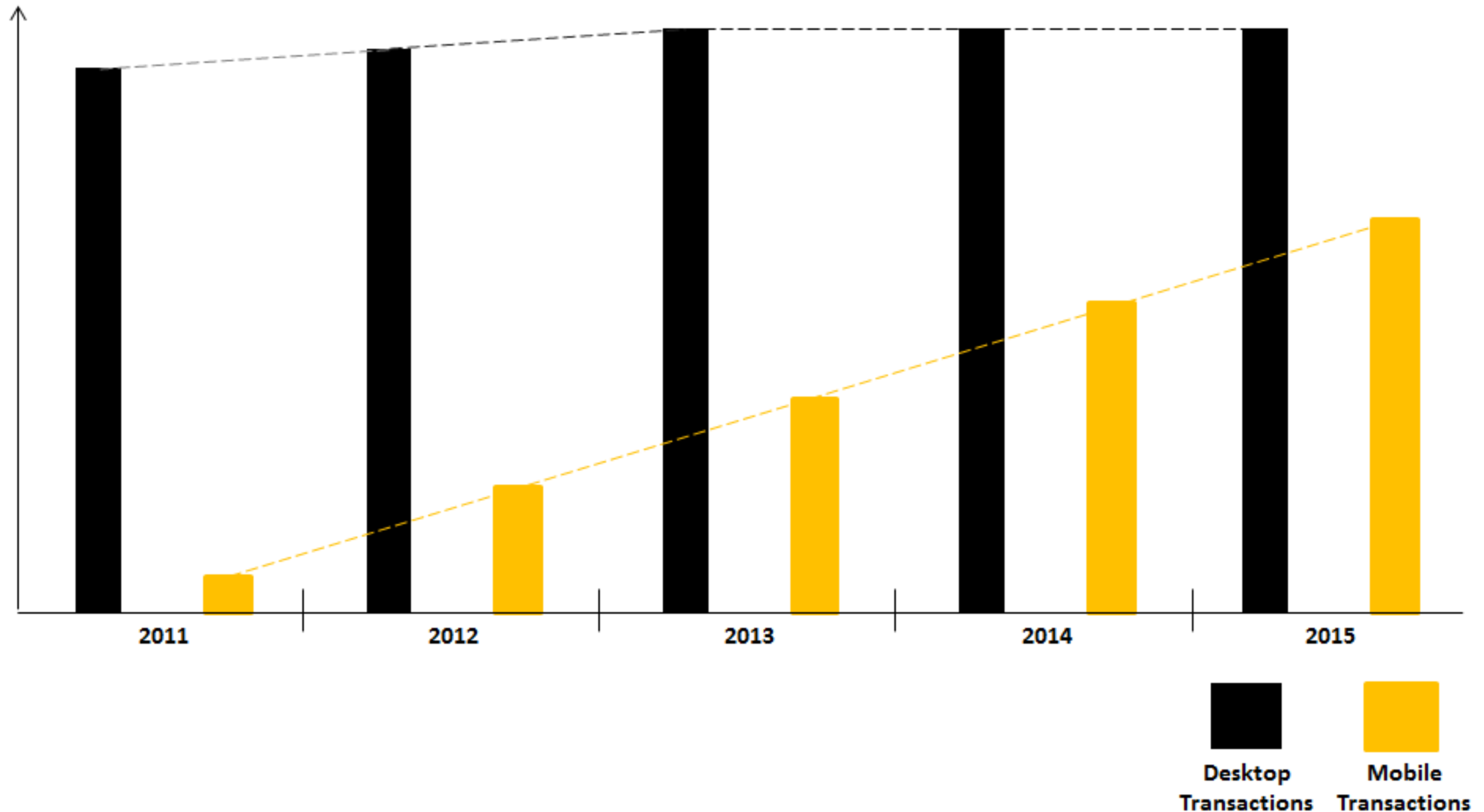


7 million users and growing...



- Over 300,000 new active banking users per month across the UK

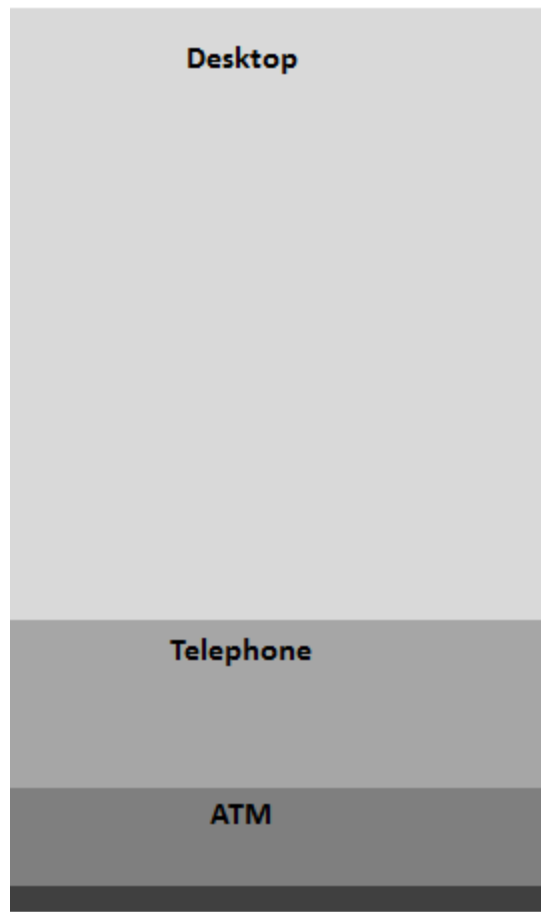
Desktop plateau...



Increasing and shifting...

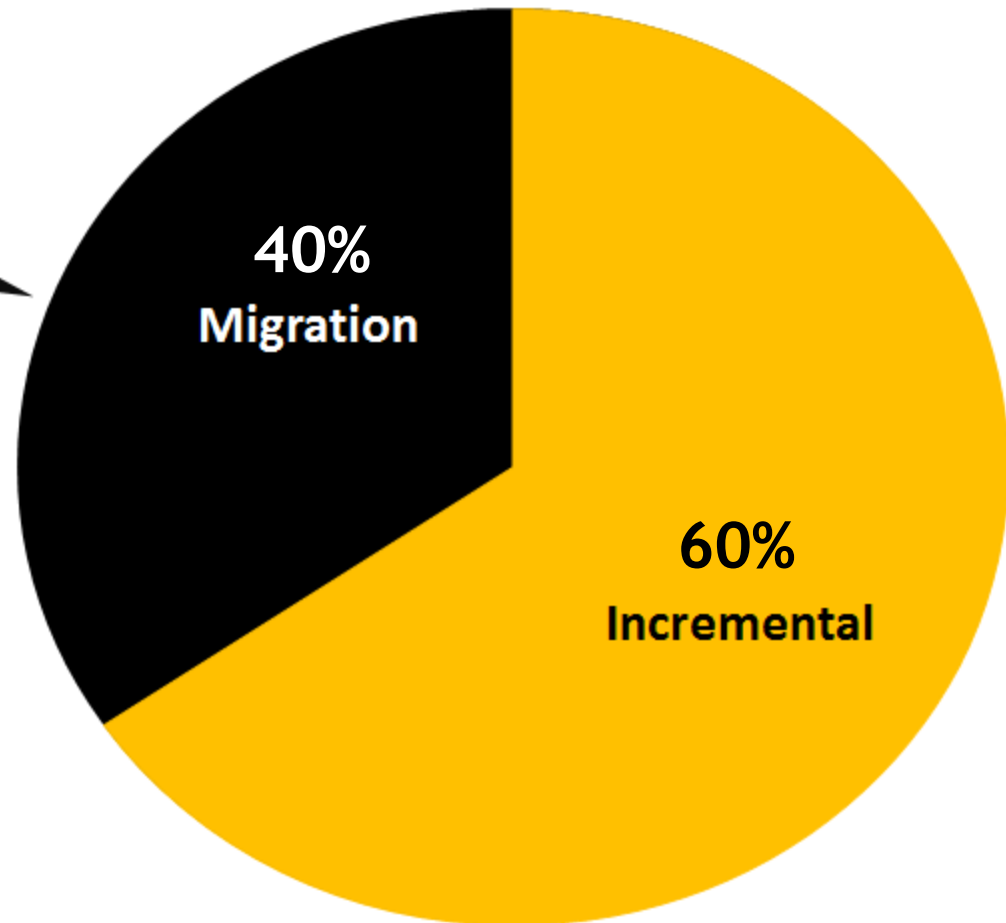


Channel Shift



Branch

Mobile Banking Transactions



Incremental interactions...



- On average an active Mobile Banking user will login **20** times a month.
- This means **1** Mobile Banking user will log in the same amount of times as **5** Online Banking users.



This means...



“The number of interactions consumers are having with their bank has increased from once a week, for much of the last century, to nearly once a day”



The product sales conundrum...



HIGH SALES



NO SALES











Transaction Migration



No sales yet...



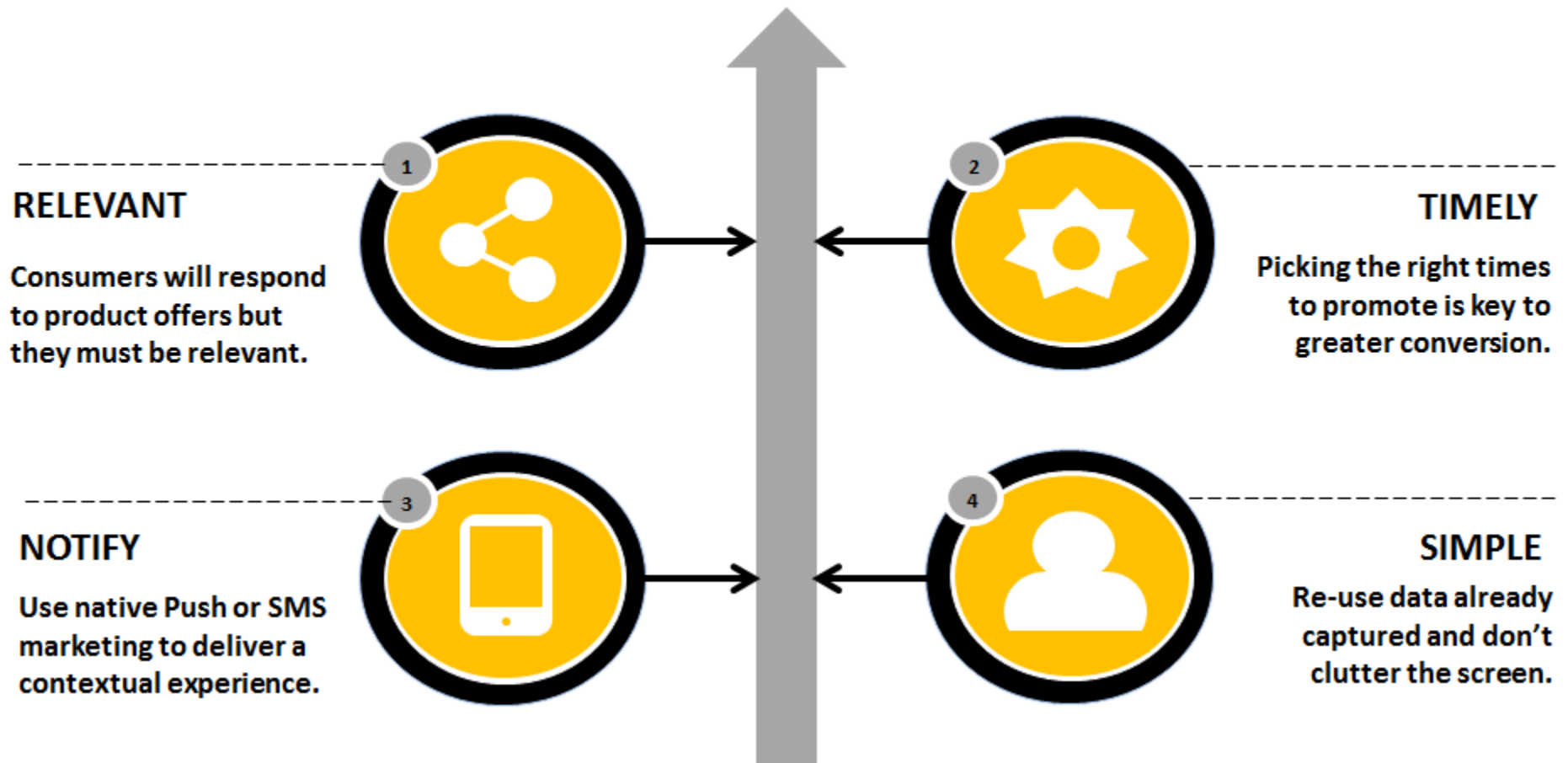
Channel	 Internet	 Branch	 Phone	 ATM	 Mobile
1. Offer Marketing	●	●	◐	◐	○
2. Needs Analysis	◐	●	◐	○	○
3. Leads Management	●	●	●	○	○
4. Offer Fulfilment	●	●	●	○	○
5. Application Management	●	◐	◐	○	○
6. Switching Enablement	○	●	●	○	○

 Good
  Average
  Poor

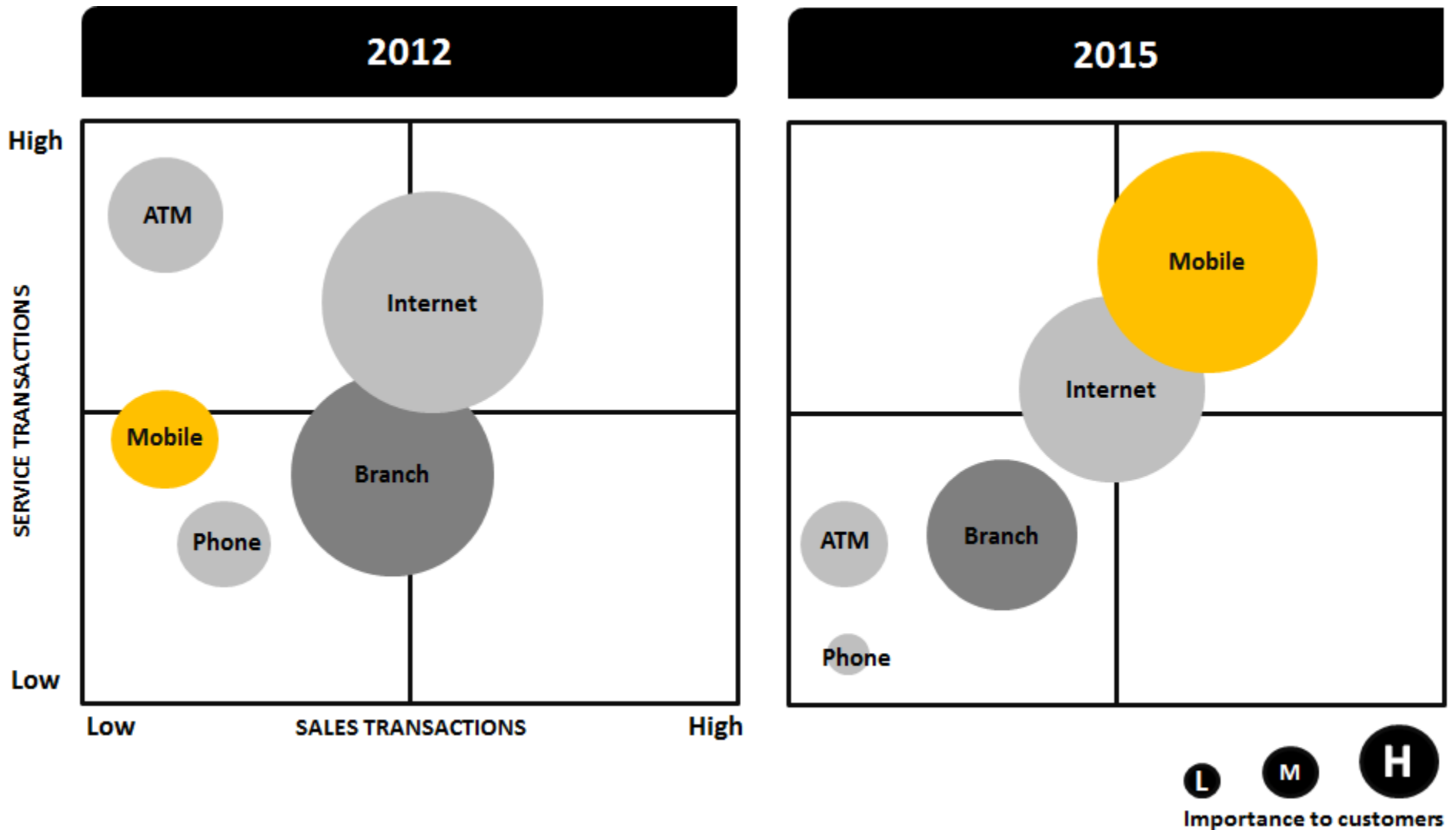
New sales opportunities...



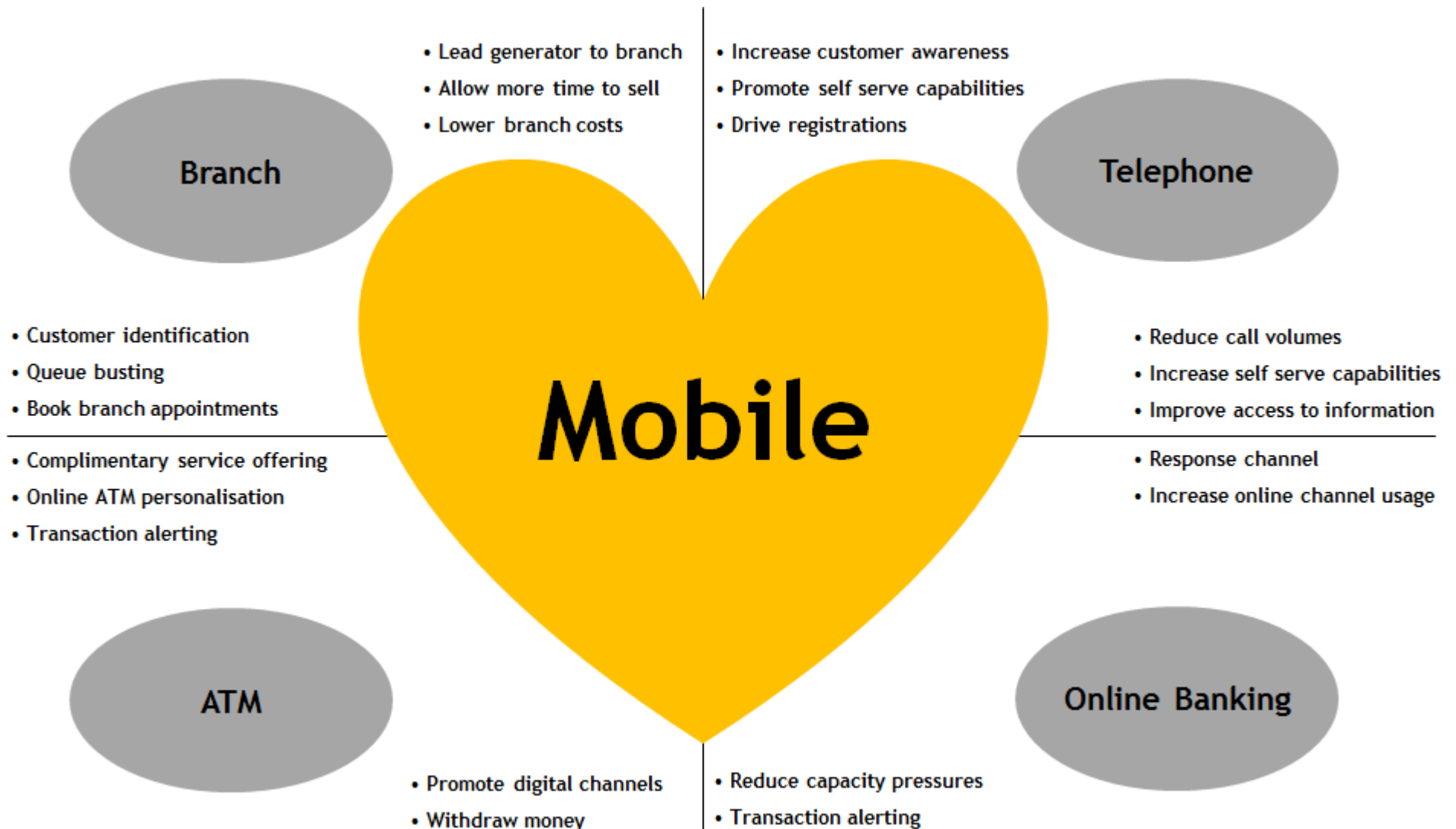
Incremental Sales



New business model...



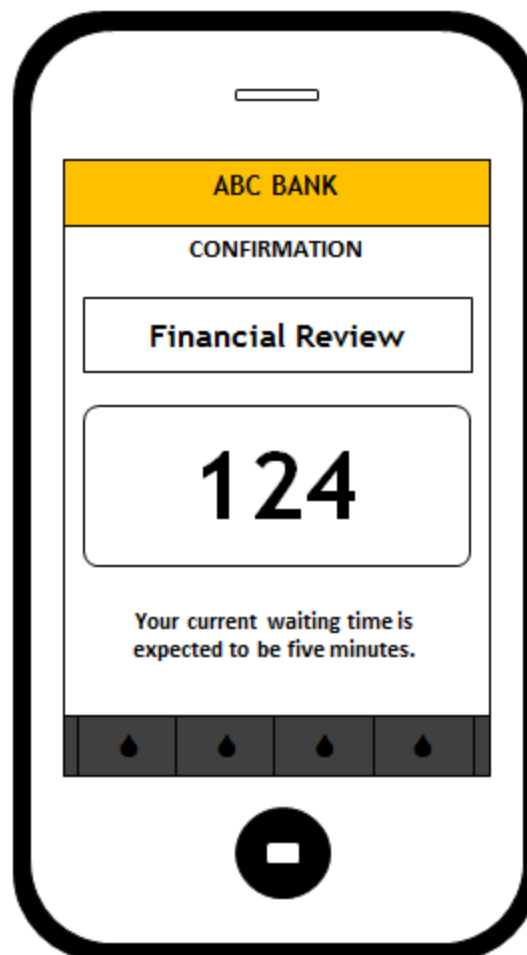
With Mobile at its heart...



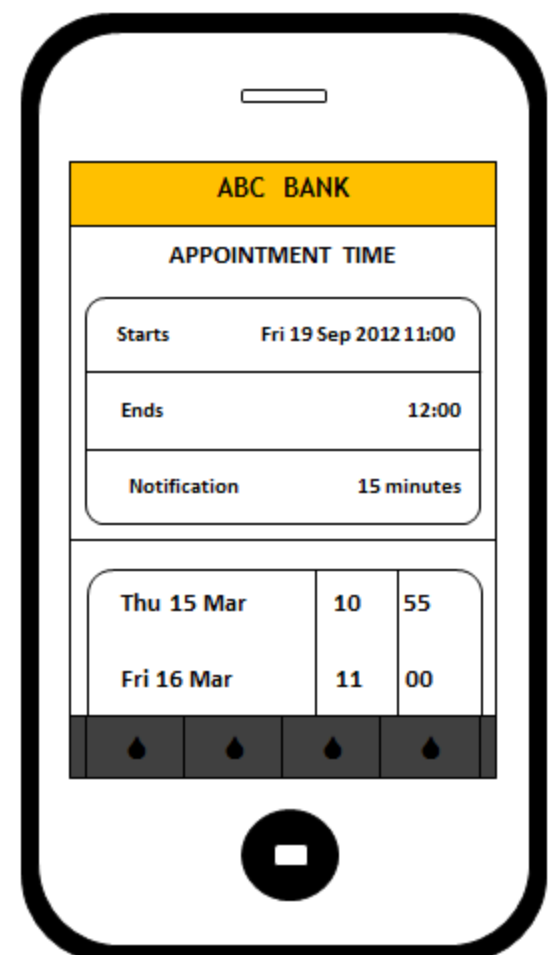
Two rivals can be friends...



CUSTOMER IDENTIFICATION

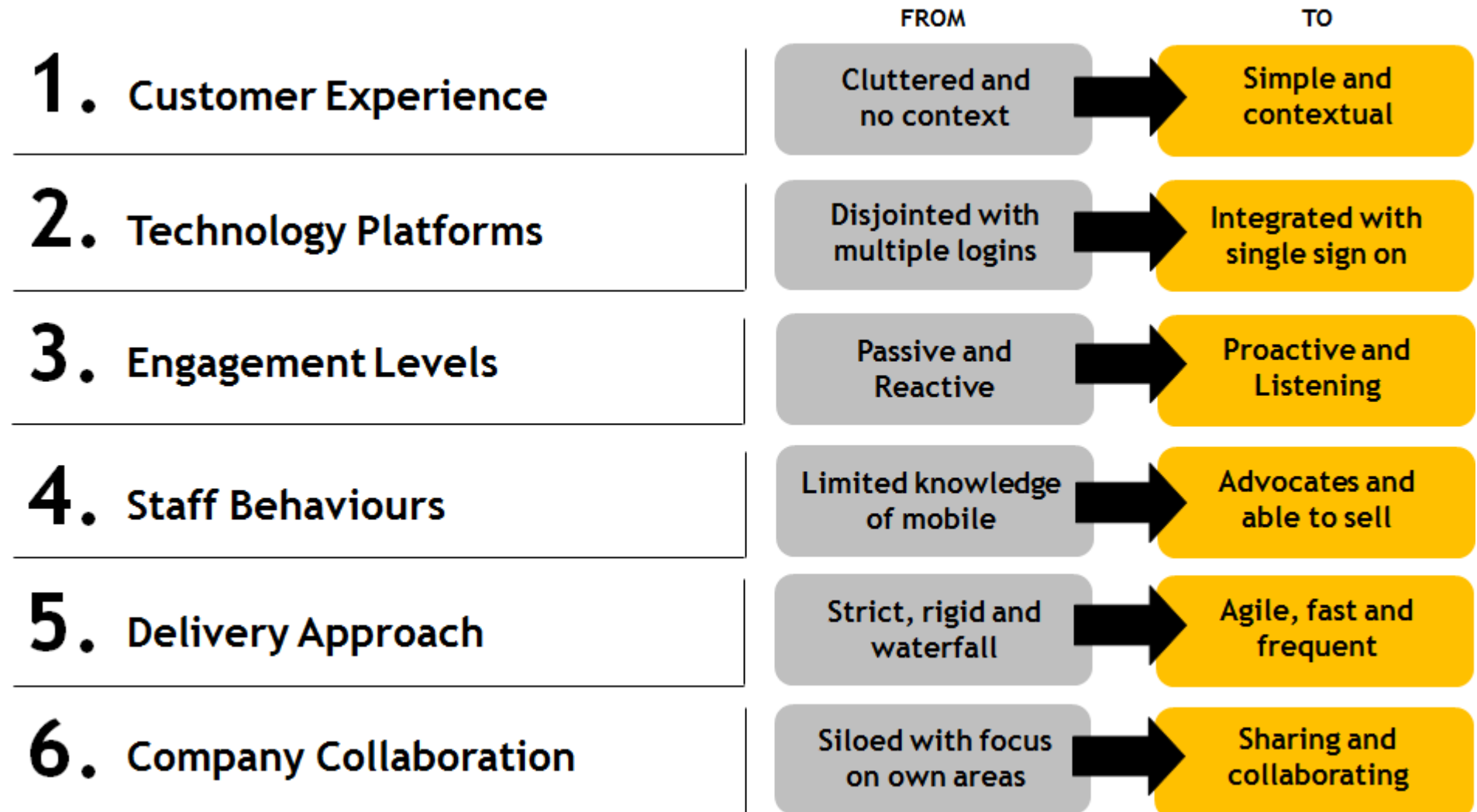


QUEUE TICKETING



APPOINTMENTS

Transformation must occur...



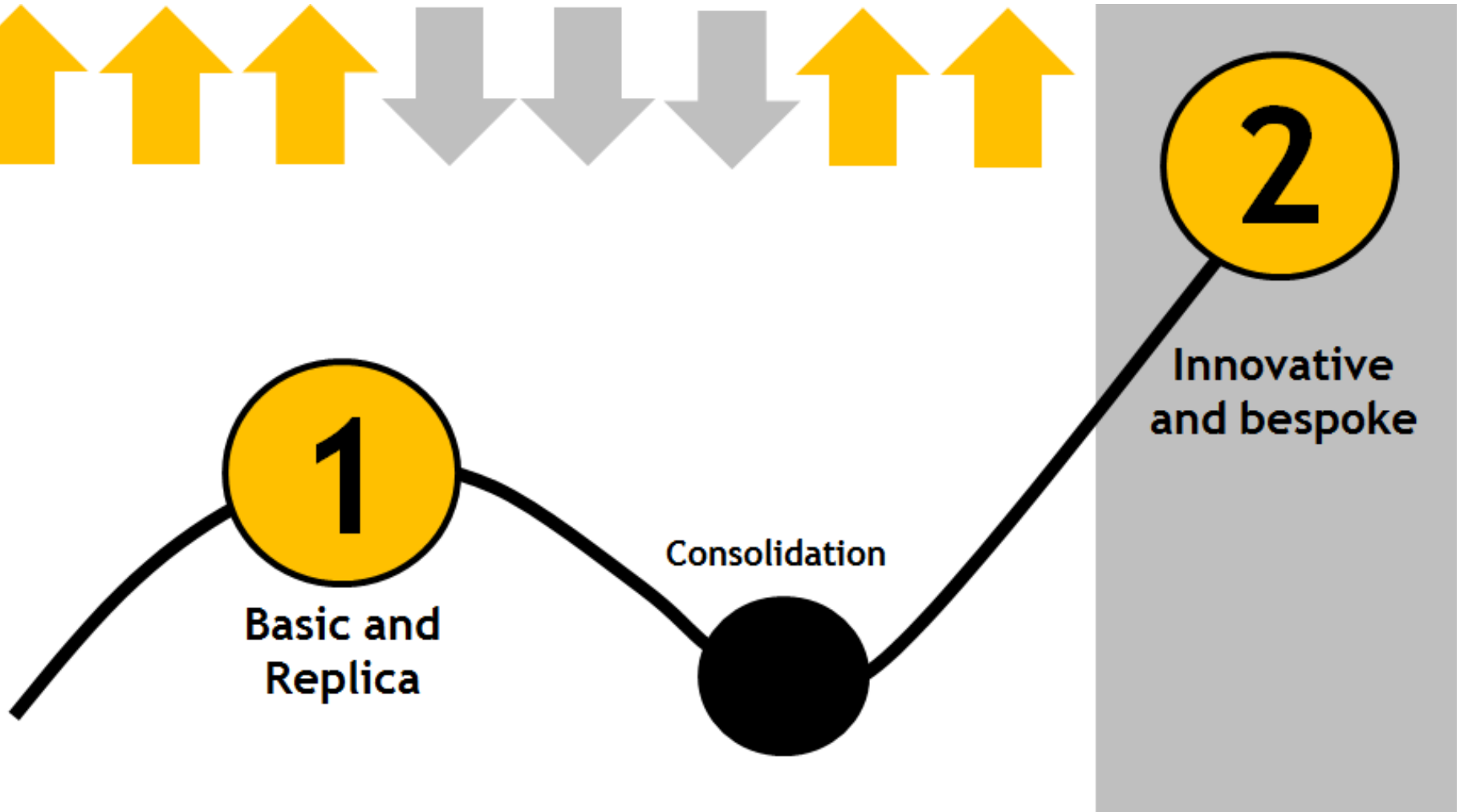
This means...



Banks have been given permission to be in their customers pocket. What will they do with that honour?



The second wave is coming...



Screens will be everywhere...



In the future we will manage
our finances everywhere



New propositions will emerge...



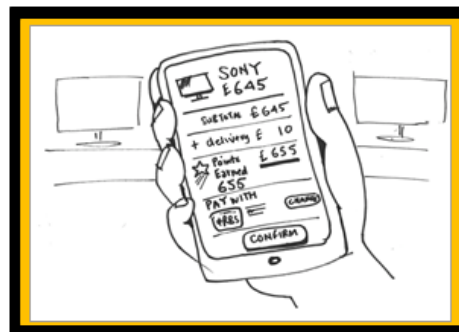
Jack, aged 56

Teacher - \$40,000

“My friends and I all use Mobile banking but I can’t wait until I can do more...”



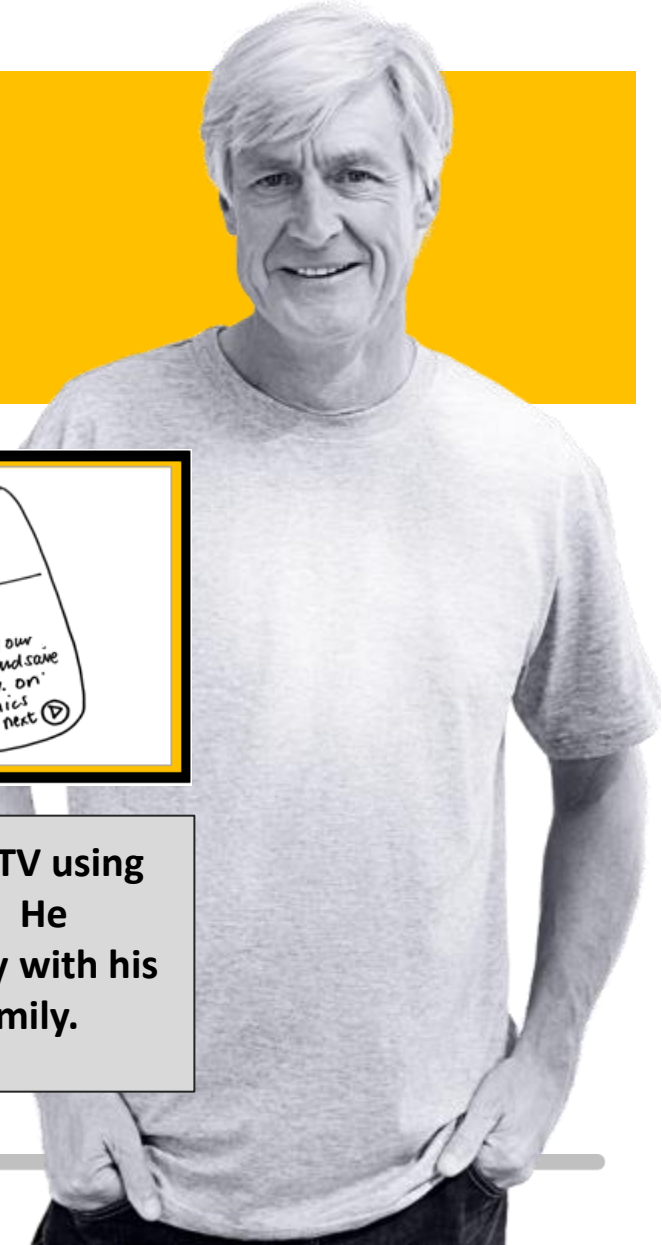
Jack opens his new Mobile app and takes a scan of the TV he wants to purchase.



The app tells Jack the price of the TV and the current balance of his bank accounts.



Jack buys the TV using his debit card. He shares the buy with his friends and family.



...and change behaviours...



Sam, aged 27

Real Estate - \$50,000

“It is really exciting to see where mobile is heading and what it means for my lifestyle...”



Sam is walking past his favourite store. He gets a push notification about a new deal.



He uses the new tap-and-collect service to order the goods and get them instantly.



Sam then shares the deal with his friends. He gets a rewarded for socialising it.

For staff...



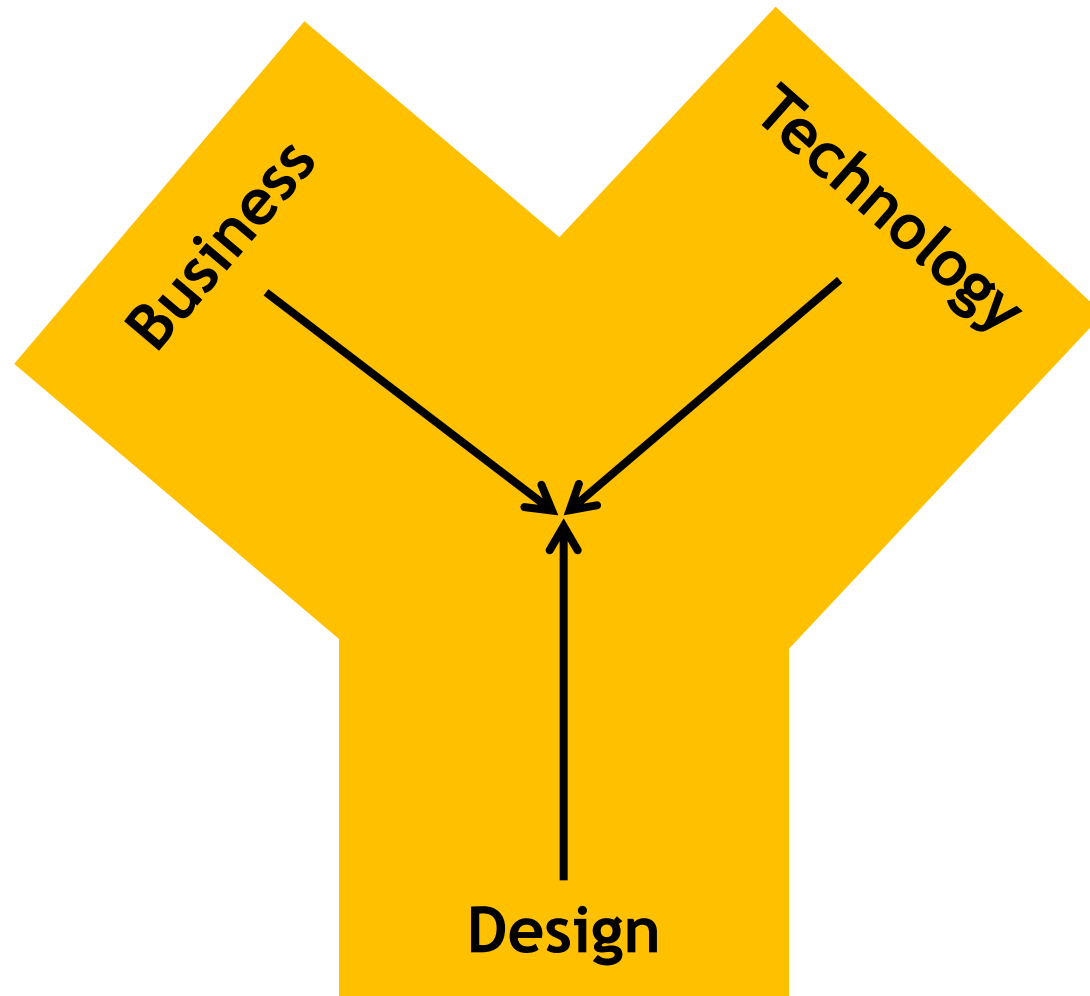
Unintended consequences...



- Organisational investment and structure are not in place
- Business processes are not aligned to mobile
- Skills and knowledge gaps are holding back progress
- You need to educate so you don't have time to innovate
- Systems are not in place for testing and development
- Mobile should be BAU but its still a project



No where to hide...



Will deliver significant benefits...



- More Mobile = Less Cash and Paper
- Cash is expensive to manage and maintain
- Cost and environmental footprint reduction

- More Mobile Transactions = Cost Reduction
- Less will be spent on property and equipment
- Branch head count will reduce



- More Mobile = Anytime, Anywhere
- Greater staff productivity and accountability
- Better interaction and speed of communication

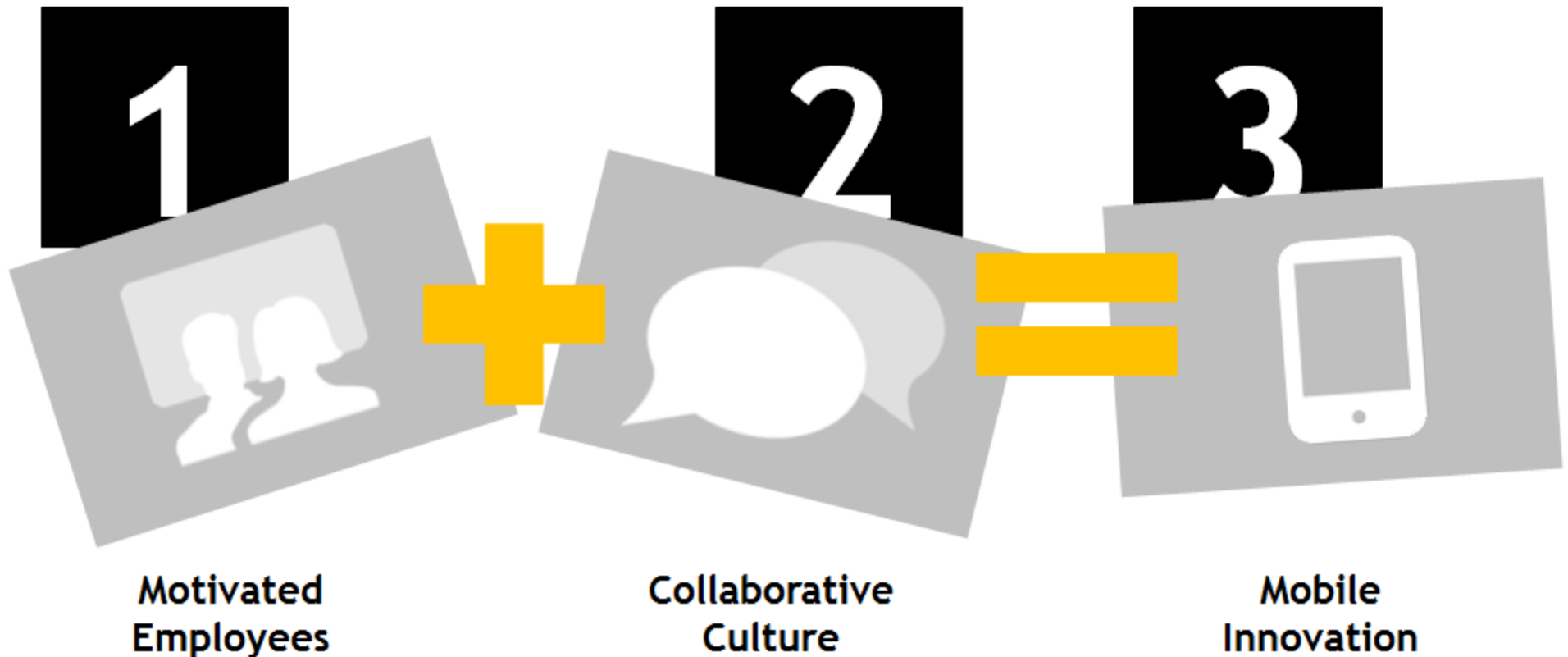
This means...



“Everyone is investing in mobile. The winners will be the banks that can deliver - not just talk about it”



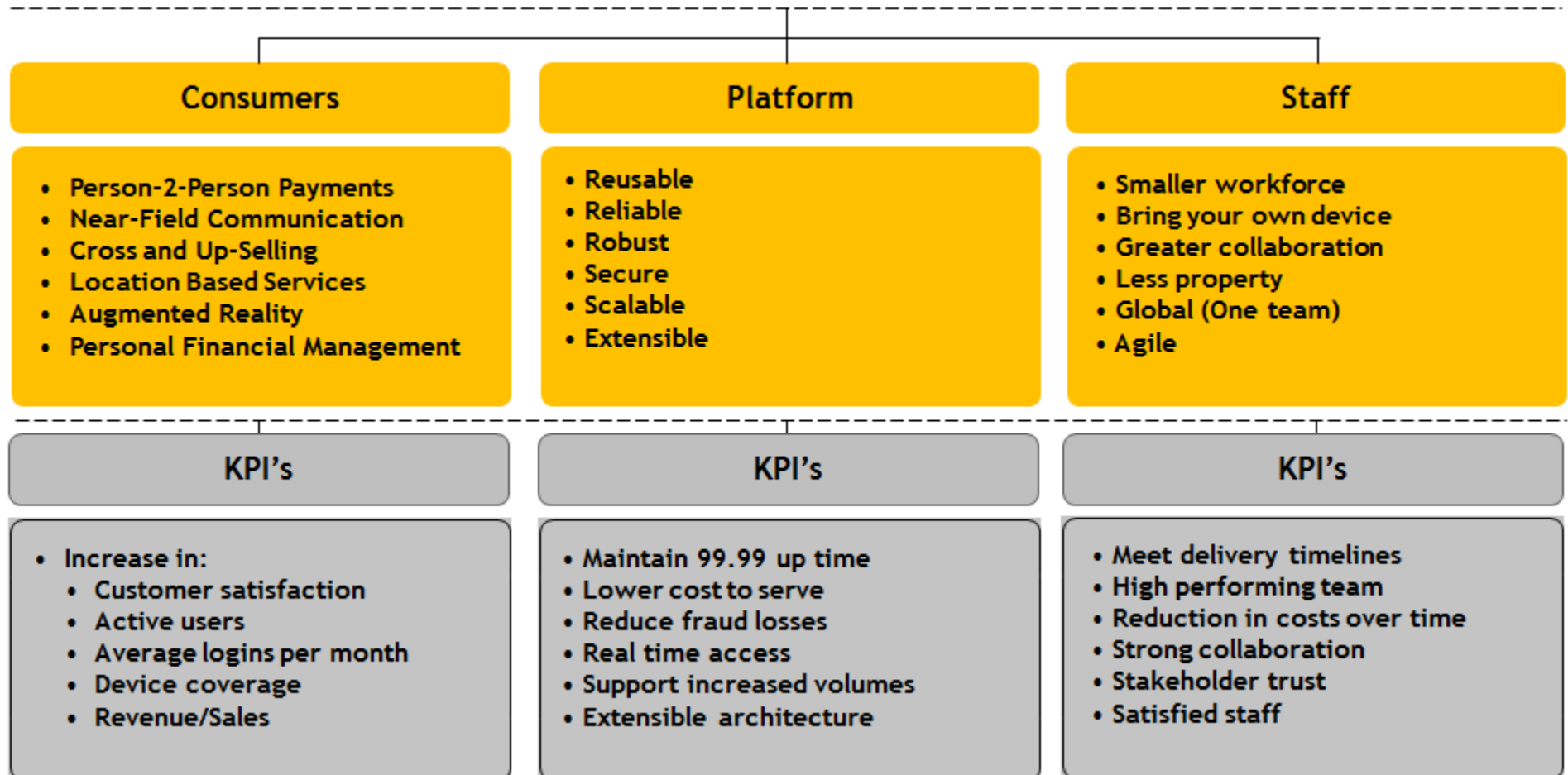
New attitude...



Across all areas...



Mobile



Key Takeaways...



1. **Don't ignore it - Mobile is here and now**
2. **If you embrace its impacts you will find opportunities**
3. **You have more opportunities than ever to interact with customers**
4. **Close the gap now – think about Mobile product sales**
5. **Product sales can be incremental if you approach them differently**
6. **Mobile can deliver greater efficiency in all your channels**
7. **New propositions can deliver a better experience and new revenue**
8. **Staff can also benefit from the adoption of Mobile**
9. **Enjoy the ride – they don't come around often!**