



*How financial institutions can  
entice customers with*  
**A MORE COMPREHENSIVE  
MOBILE EXPERIENCE**

The volume of mobile interactions is increasing more rapidly  
than interactions in any other channel.

BASED ON  
RESEARCH  
FROM



A close-up, slightly high-angle shot of a woman with long, wavy brown hair. She is looking down, presumably at a mobile device, with a focused and slightly smiling expression. The background is blurred, showing what appears to be an indoor setting with warm lighting.

*Driving mobile adoption by*

# **IMPROVING THE CUSTOMER EXPERIENCE**

Consumers are using mobile devices more than ever, but for financial institutions, research shows the mobile channel is the most likely to cause a negative customer experience. By improving the mobile experience for their customers, banks and insurers could see a positive return on their technology investments along with a number of other significant benefits.

The mobile channel offers financial institutions the chance to support service in other channels. By using mobile devices in multifactor authentication systems, banks can use the mobile channel to help improve security. While roughly half of customers prefer digital channels to learn about and use financial products, under 30 percent prefer digital for purchasing new products and receiving customer support. Banks seeking to optimize the digital customer experience should focus on improving customer support and purchase processes through the mobile channel.

With all the potential benefits, it's no wonder that half of all retail banking executives are planning to invest in new mobile banking technology. CEB, a leading member-based advisory company, conducted research on how best to enhance the mobile experience. The following white paper, sponsored by Verizon, is CEB's unaltered study in its entirety, "Driving Mobile Adoption by Improving the Experience."





## DRIVING MOBILE ADOPTION BY IMPROVING THE EXPERIENCE

An estimated eighty percent of financial services institution (FSI) customers own a tablet or smartphone. Subsequently, the volume of mobile interactions is increasing more rapidly than in any other channel. Customers are primarily using digital channels for accessing and servicing their accounts or learning about new products.

FSIs are responding to the customer demand with investment in their mobile platforms. Seventy percent of banks are investing 5% or more of their IT project portfolio into mobility, and 50% of retail banking executives plan to invest in new mobile banking technology by 2017. Banks value mobility primarily as a source of competitive advantage.

### MOBILE CHANNEL OFFERS A UNIQUE SERVICE OPPORTUNITY

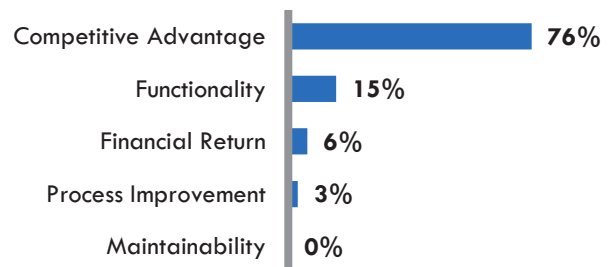
Despite consumer and institutional investment in mobile technology, the majority of FSI customers do not use their firm's mobile application. Only among the youngest segment, 18-29 year olds, do most customers use the application.

When considering wealth and relationship to the institution, a recent CEB survey found that the more products a customer uses from the bank, the more likely they were to adopt the mobile application. However, 1 in 5 of the total high-net-worth (HNW) customers chose not to use the mobile application because of an unfriendly user experience.

The idea of a poor mobile experience is not unique to customers. Forty-five percent of executives believe their customers have a poor experience in the mobile channel. When compared to other channels, mobile is the most likely to cause a negative customer experience.

The combination of limited customer adoption and low customer support levels create a unique service opportunity for FSIs, especially among target segments like HNW and Gen Y clients. By improving the sales and service customer experience in the mobile channel, banks could see a positive impact on customer adoption rates and financial return on the technology investment.

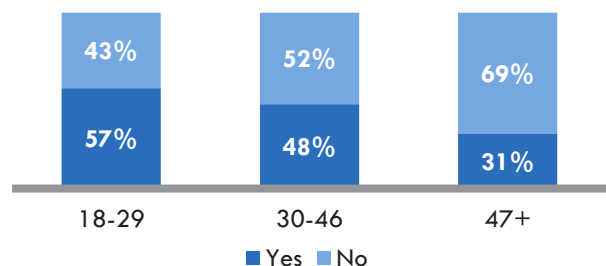
**Value Drivers of Mobile Banking Technology**  
Percentage of Global Retail Banking Executives, 2013



n = 66

Source: CEB 2013 Technology Adoption & Investment Survey.

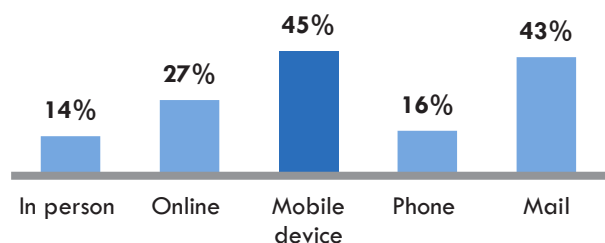
**Customers that Use a Mobile Application from any FSI**  
Percentage of Respondents, 2013



n = 4076

Source: CEB 2013 Customer Experience Survey.

**Likelihood of Negative Customer Experience by Channel**  
Percentage of Global FS Executives, 2013



n = 699

\*Responses included Fair, Poor, or Awful

Source: CEB 2013 Technology Adoption & Investment Survey.

## OPTIMIZE THE MOBILE CHANNEL

To expand usage of the mobile channel, FSIs should consider the following factors in their customer's mobile experience.

### UNDERSTAND THAT MOBILE NEEDS VARY

FSIs are investing in customer facing technology before 2017. In addition to mobile investments, CEB anticipates an increase in technology spending on CRM, online banking and client portals for wealth, unified communications, and digital marketing. Customers no longer want to interact with their financial institutions through a single channel.

FSIs should tailor investment in mobile functionality to suit the needs of their customer base and to attract targeted segments. The level of comfort with mobile applications varies significantly by age, wealth status, device choice, and number of products from the institution. A successful FSI must incorporate all of these needs into a single mobile strategy that also accommodates a consistent and cohesive multichannel experience for customers.

### CREATE A MOBILE-ENABLED WORKFORCE

Banks with a well-supported mobile workforce will more easily leverage their employees' comfort and familiarity with mobile devices to drive mobile adoption. Banks receive many benefits from investing in mobile technology for employees, especially in the branch, including the ability to untether employees from behind the desk and to enable self-service for client onboarding.

The benefits can extend beyond the branch when any staff involved directly in customer service can provide customers device specific support across any channel. With an understanding of the technology, staff can better discuss the advantages of mobile with customers and help overcome basic use challenges for customers considering adoption.

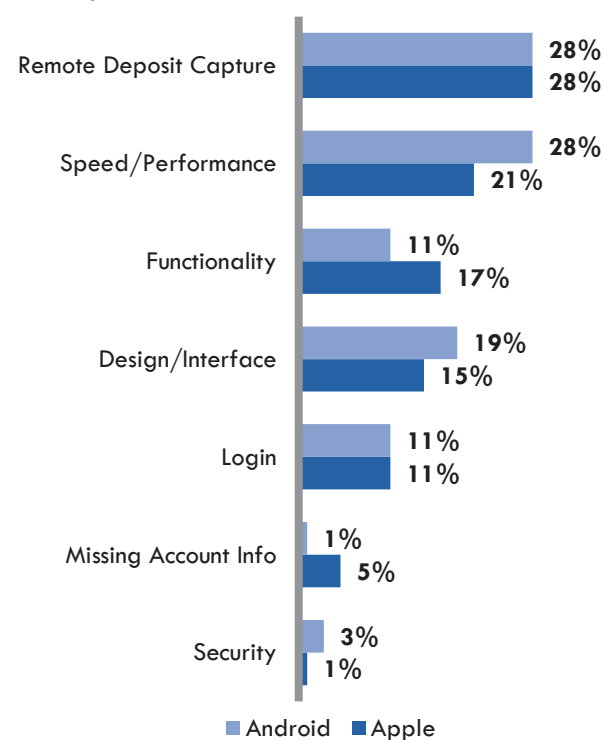
### IMPROVE SERVICE IN THE MOBILE CHANNEL

Improvement of mobile support and issue resolution should be a top priority for FSIs. Institutions must identify recurring issues faced in the mobile channel and prevent known problems before they occur. The mobile channel also offers the opportunity to support service in other channels. FSIs can leverage a mobile device's peripherals to improve security both within the mobile applications as well as a secondary authentication method for other channels and interactions.

### DESIGN FOR MULTI-PRODUCT CUSTOMERS

FSIs should prioritize the mobile customer that has many products and ensure easy viewing and management of distinct financial products in the mobile application. These investments positively impact adoption and satisfaction among a high value and high potential customers. Improved product management and mobile marketing, including location-based services, may incent customers to purchase more products from within the bank.

**Customer Complaints with Mobile Application**  
*Usability and Performance, 2013*



n = 72.

Source: CEB Analysis.

Despite consumers' increased use of mobile devices and financial institutions' investment in mobile technology, less than half of customers use their banks' mobile apps. Banks can drive adoption by improving service in the mobile channel, designing apps for multiproduct customers, and mobile-enabling their own workforces.

Our solutions can help you improve the mobile experience for your customers and succeed in a world of increasing cyber threats and intensifying competitive pressure. Don't settle for solutions that just meet challenges; get solutions that provide you with competitive advantages. With Verizon, you can learn to manage risk, understand your customers, and transform operations in ways that drive growth and increase performance.



<b>Improve the Customer Experience</b>	<b>Drive Growth and Business Performance</b>	<b>Manage Risk</b>
<ul style="list-style-type: none"> <li>• Omnichannel strategy</li> <li>• Web/digital experiences</li> <li>• Customer intelligence</li> </ul>	<ul style="list-style-type: none"> <li>• Expansion and innovation</li> <li>• Operational efficiency</li> <li>• Workforce productivity</li> </ul>	<ul style="list-style-type: none"> <li>• Security</li> <li>• Compliance</li> <li>• Operational continuity</li> </ul>

**Verizon Solutions:**

<b>Customer Interaction Solutions</b>	<b>Secure Application Delivery</b>	<b>Risk Monitoring and Management</b>
<b>Digital Experience Optimization</b>	<b>Operational Transformation</b>	<b>Technology Compliance</b>
<b>Customer Analytics Enablement</b>	<b>Productivity and Collaboration</b>	<b>Defense and Continuity</b>

## Platforms

- Intelligent Networking**
- Advanced Communications**
- Cloud**
- M2M Mobility**
- Security**

**Managed Services**

**Professional Services**

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- We build, manage, and deliver an integrated suite of global technologies that help enterprises implement and accelerate their business strategies.
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