



Alternative Channels: Increased Usage

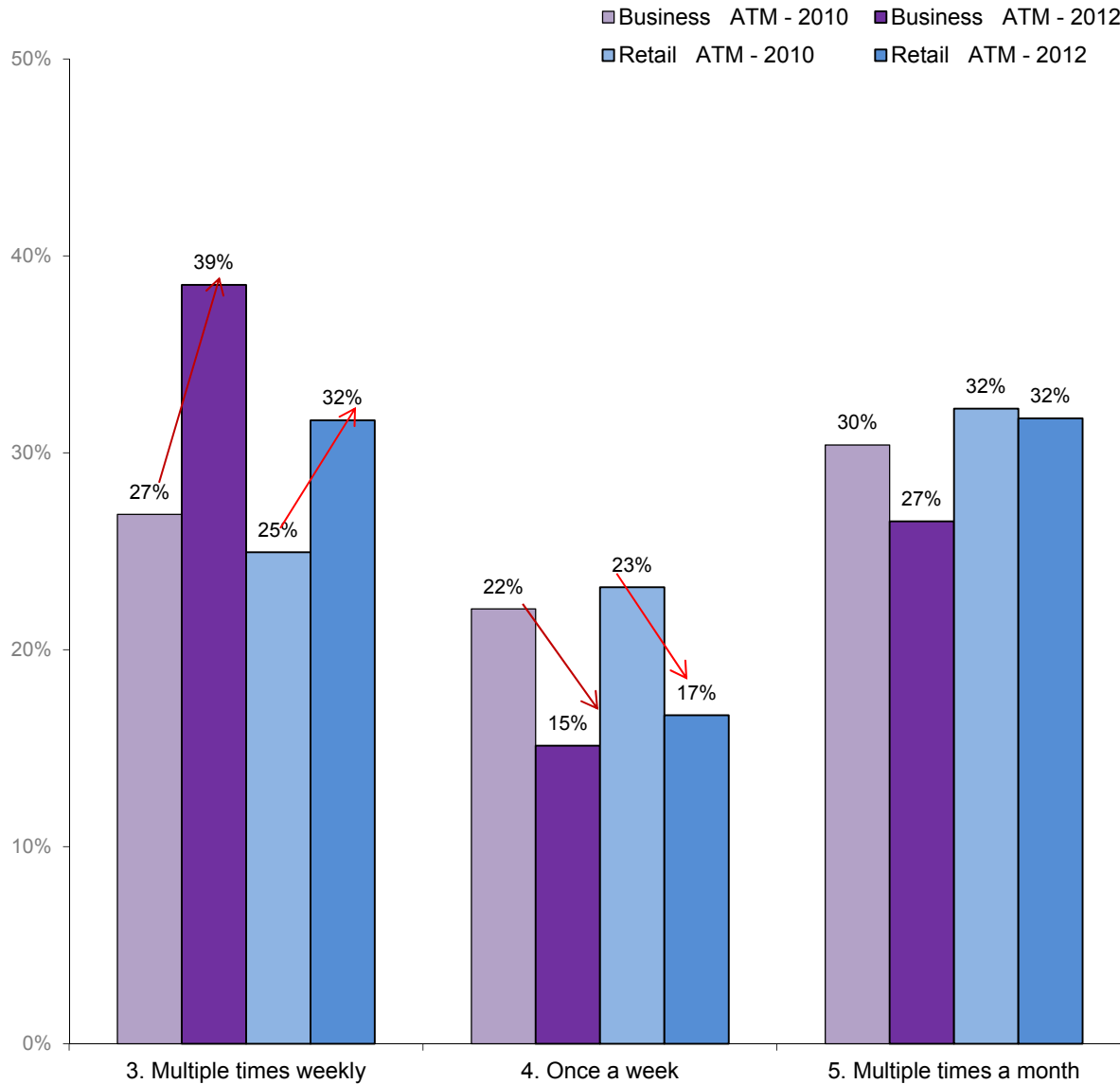
Kimberly Clay
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THE ART OF POSITIONING

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ATM Usage

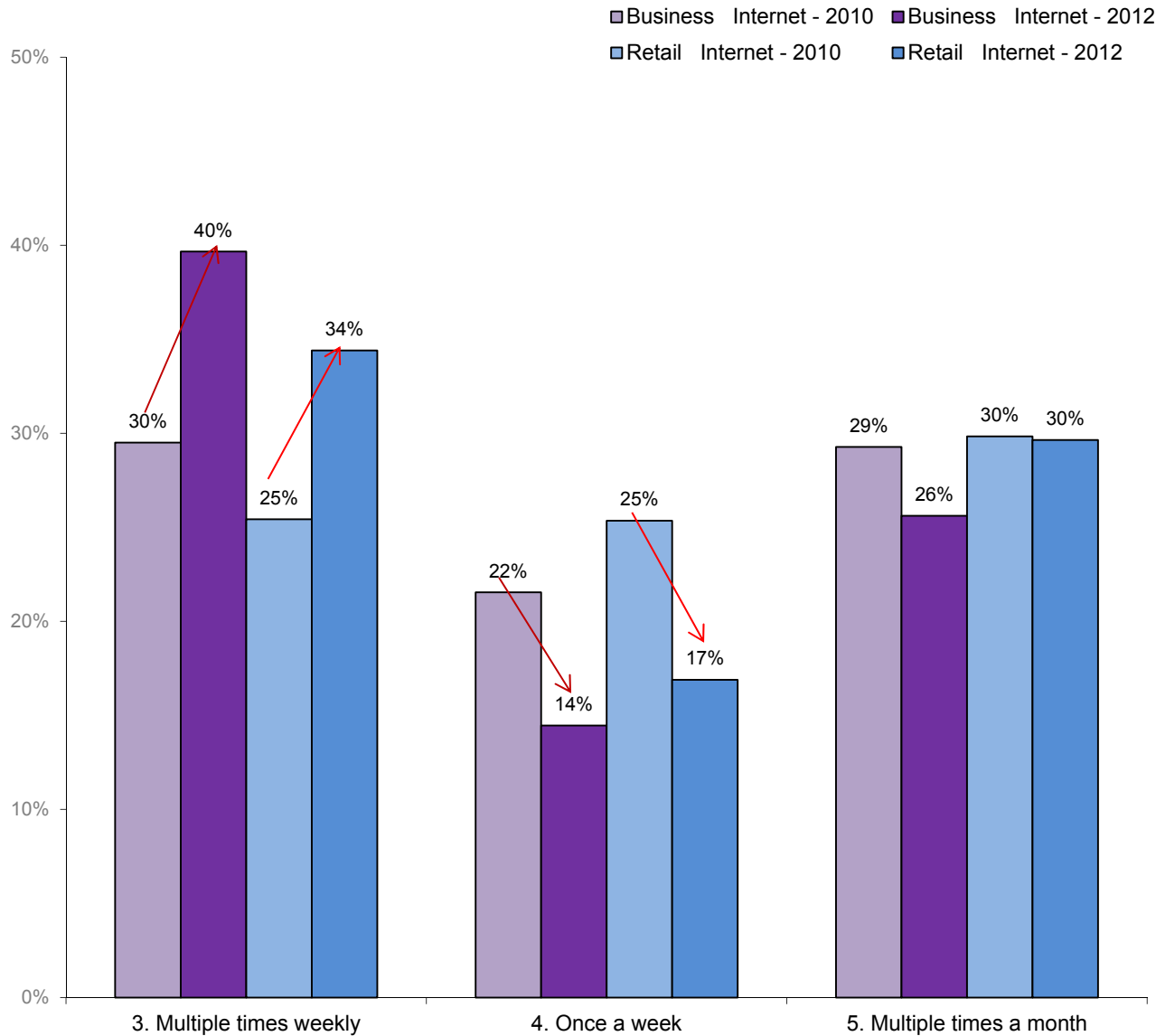


Bancography's Customer Service, Satisfaction and Loyalty tracking studies measure how often customers use the alternative channels – ATM, Internet Banking and the Call Center. The frequency scale features seven choices, beginning at *multiple times daily* and ending at *rarely* using the channel at all. The significant changes from 2010 in the frequency of usage occurred at the middle range of the scale.

Usage of the ATM, Internet Banking and speaking to a Call Center representative increased significantly for those who formerly accessed it *once a week*. They now reportedly use it *multiple times weekly*.

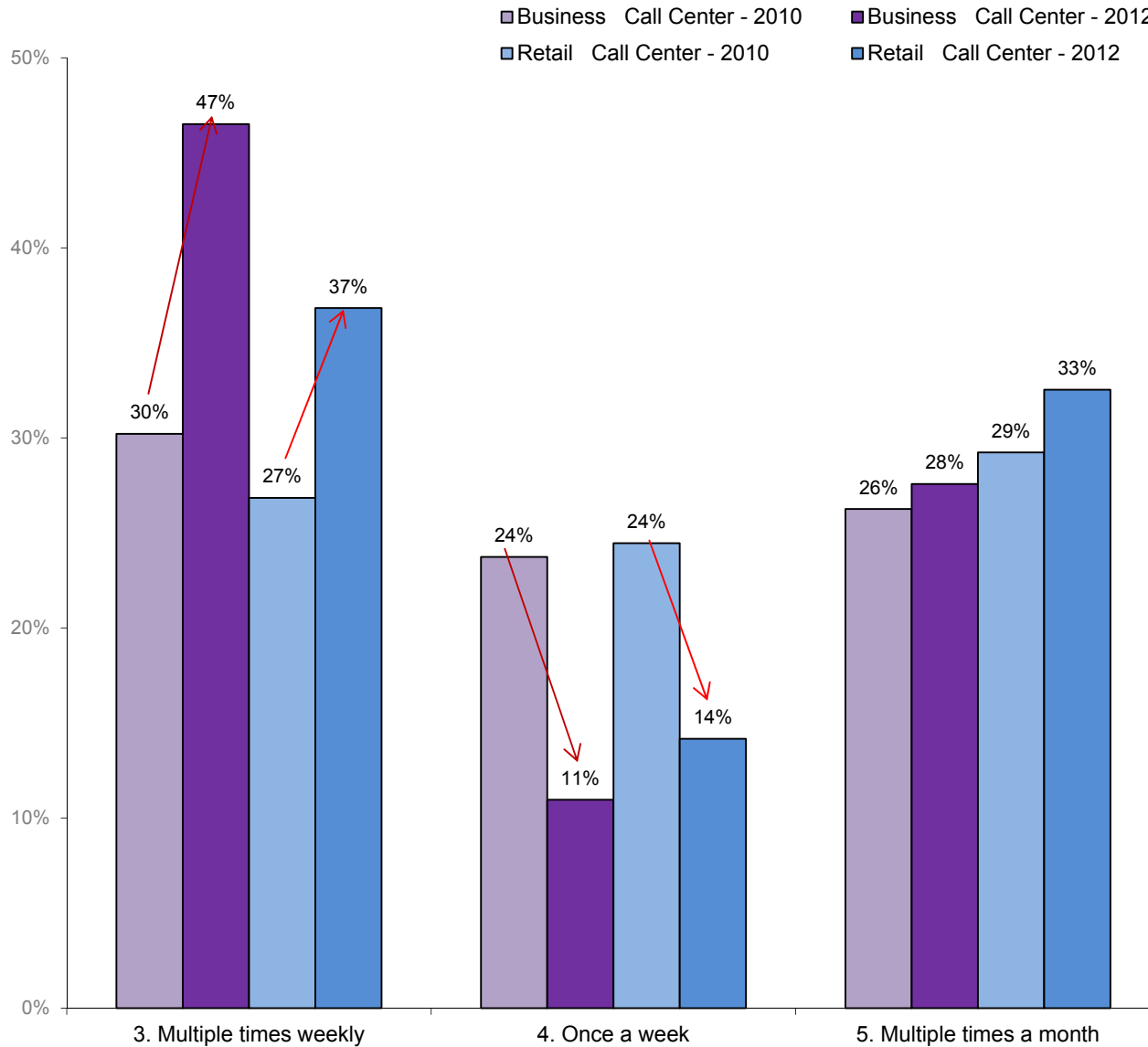
Bancography's research found that those who utilized the ATM for transactions remained steady at 50% for consumers and about 33% for businesses since 2010. However, the rate of recurrence for both groups has tremendously increased, which bodes well for any associated fee income. While advanced function ATMs experience greater usage and frequency of visits, few institutions have invested in such expensive technology. Bancography expects that once more of these "super" ATMs are in production, usage and, most importantly, frequency will continue to increase.

Internet Banking Usage



Consumers who use Internet Banking remained unchanged since 2010 at 36%. In that same time frame, roughly 41% of businesses reportedly utilized this channel. As with the ATM, the frequency of customers visiting the institutions' websites has greatly increased. Comfort with the web, improved online banking platforms and the rise in Bill Pay usage were most likely responsible.

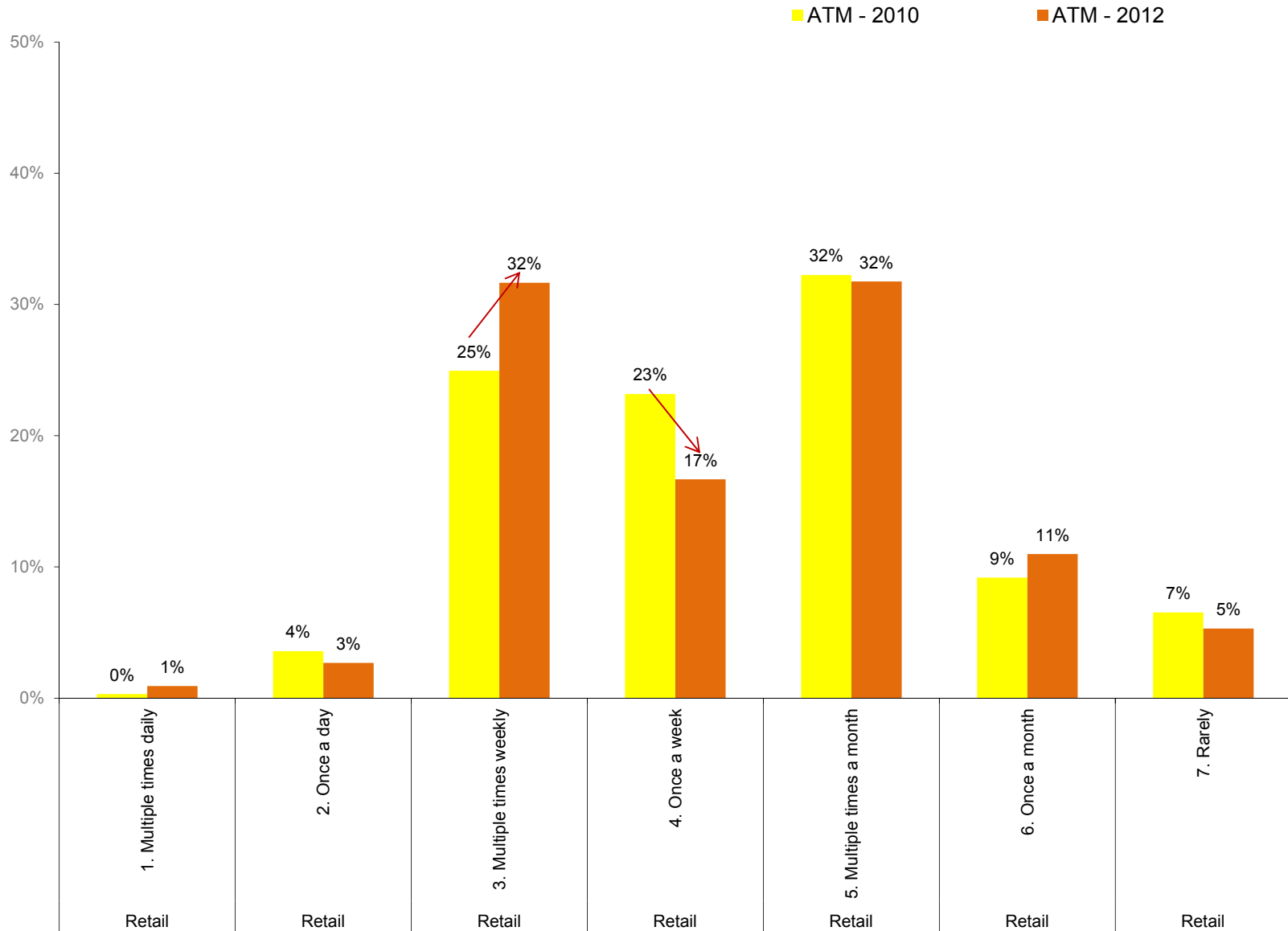
Call Center Usage



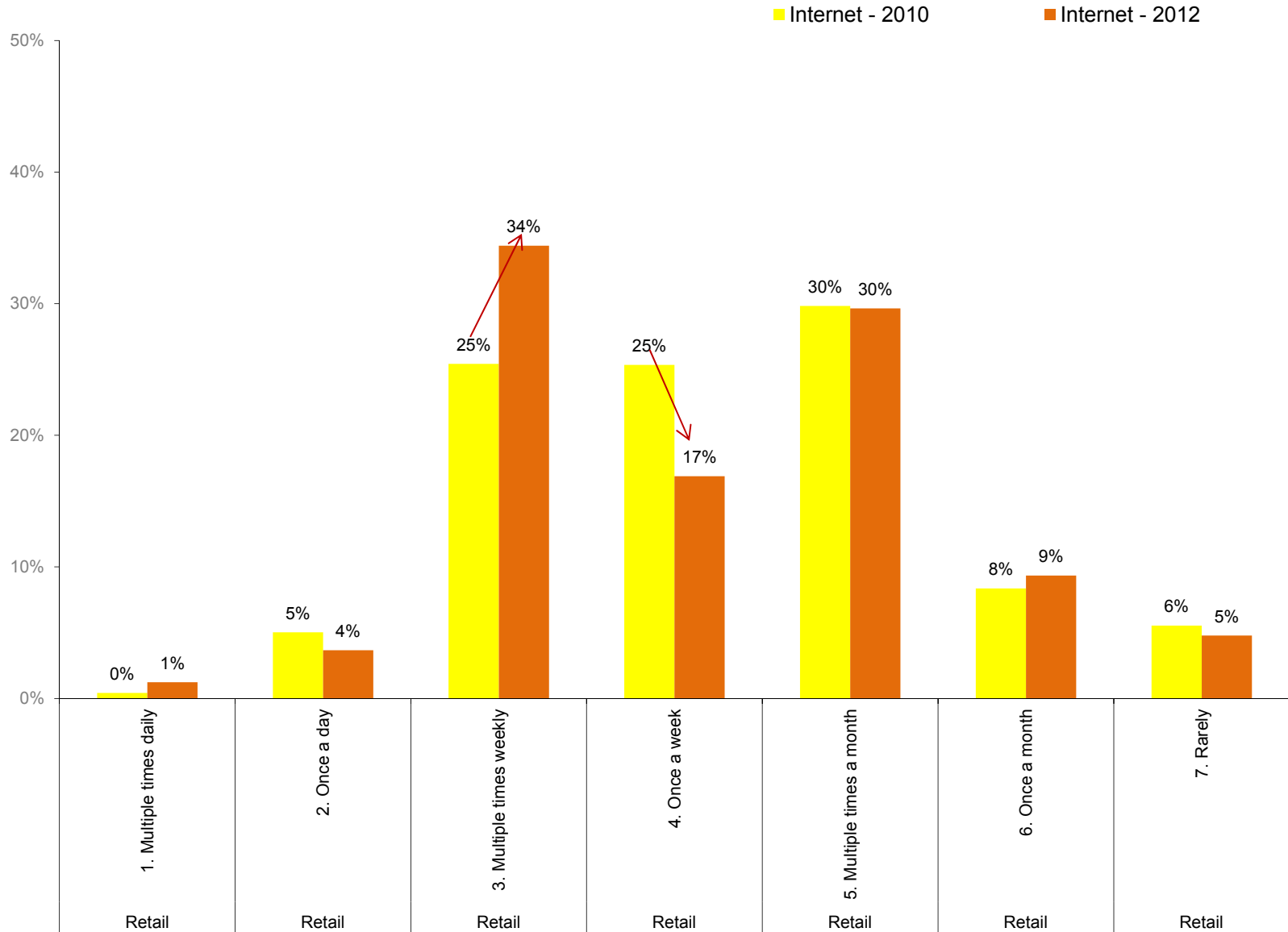
Bancography research also identified that approximately 20% of consumers and businesses speak to a telephone representative at the Call Center. This percentage has not varied since 2010. As with the other channels, the frequency of these calls has increased dramatically, especially for businesses. Unfortunately this escalation in utilizing Call Center agents results in increased personnel, which is expensive. See the chart below for Call Center channel usage.

No alternative channel replaces another; the channels give the customer more avenues in which to transact. And they are using these alternative channels more often.

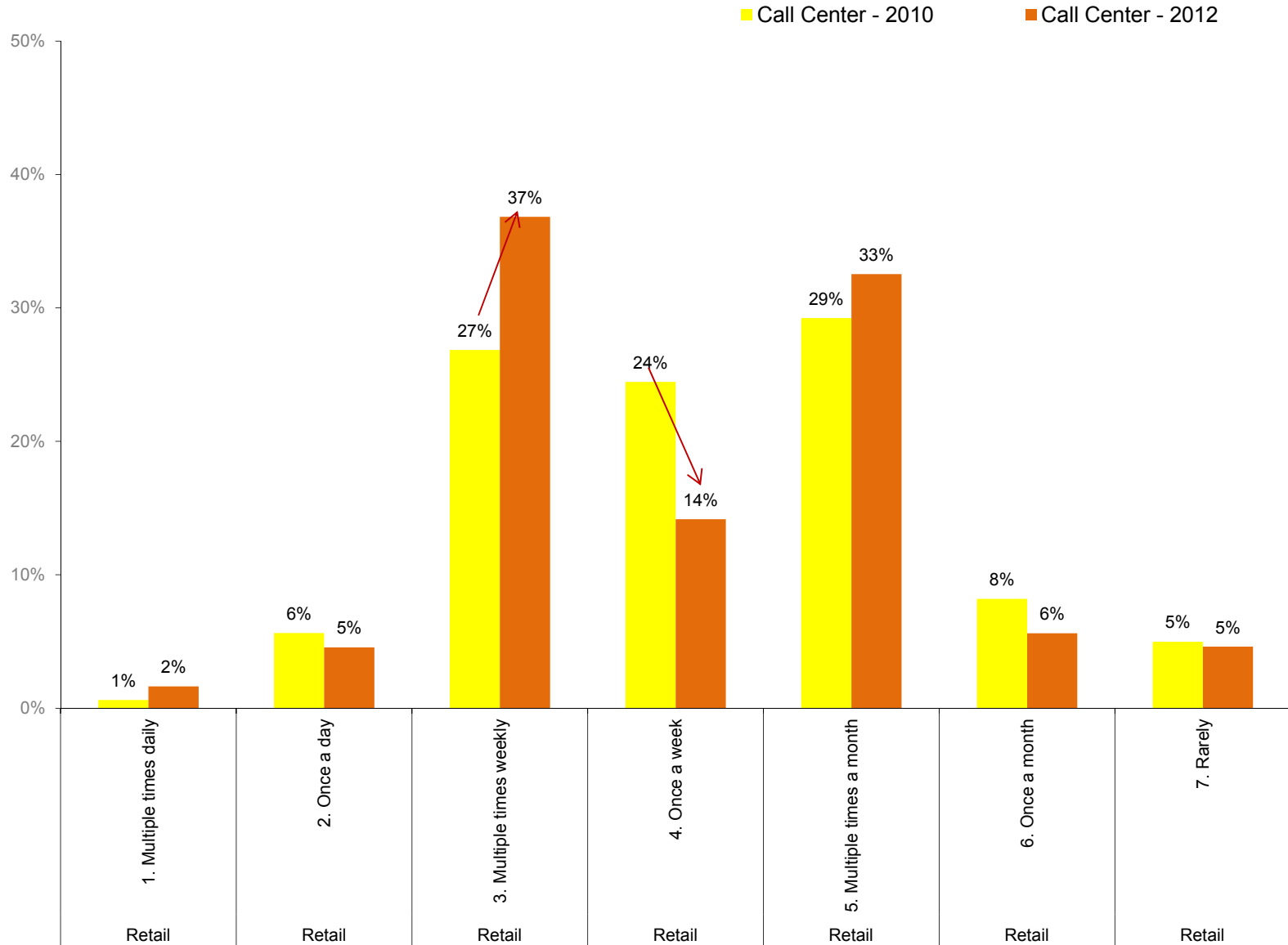
ATM – Retail Usage



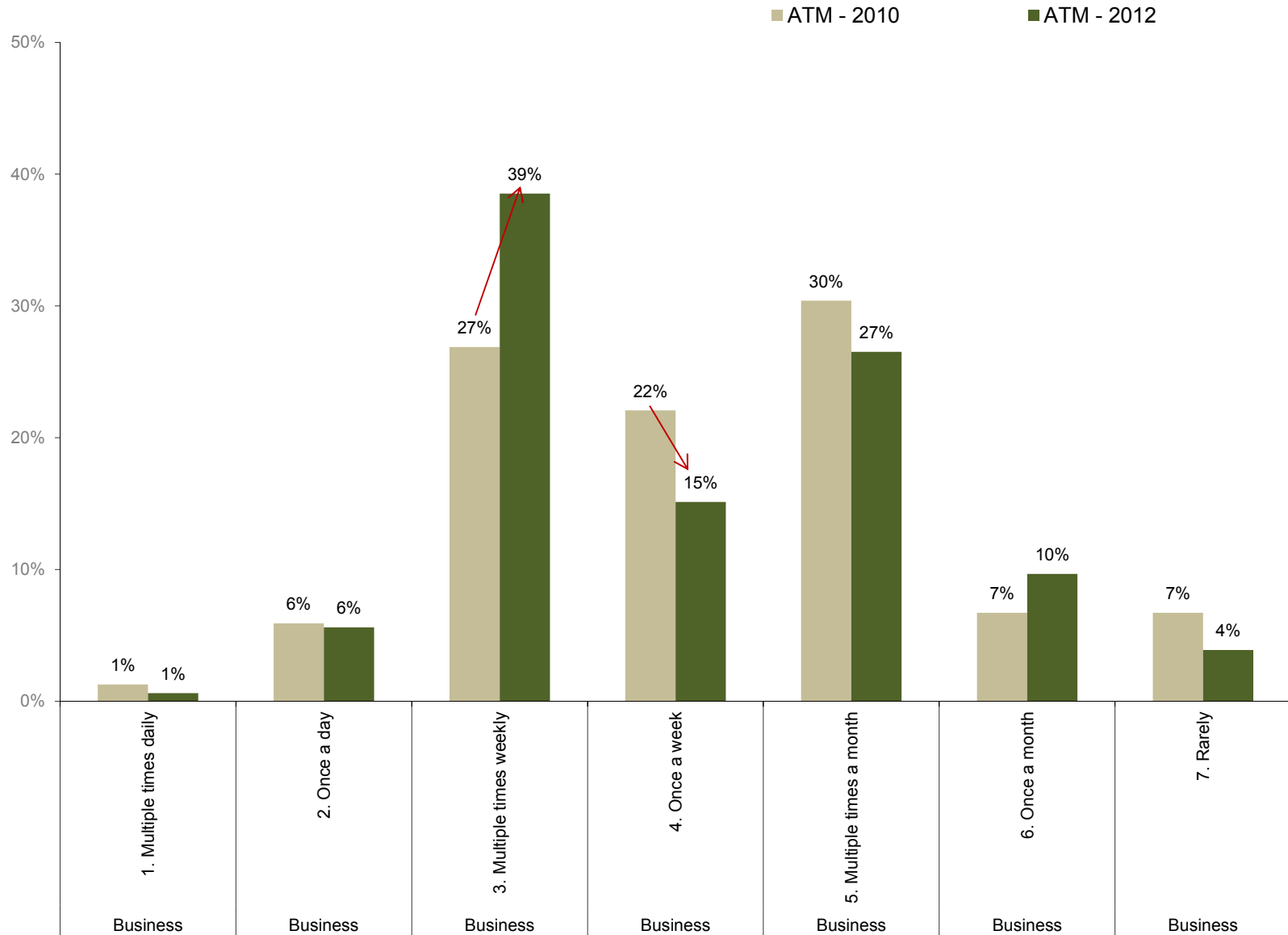
Internet Banking – Retail Usage



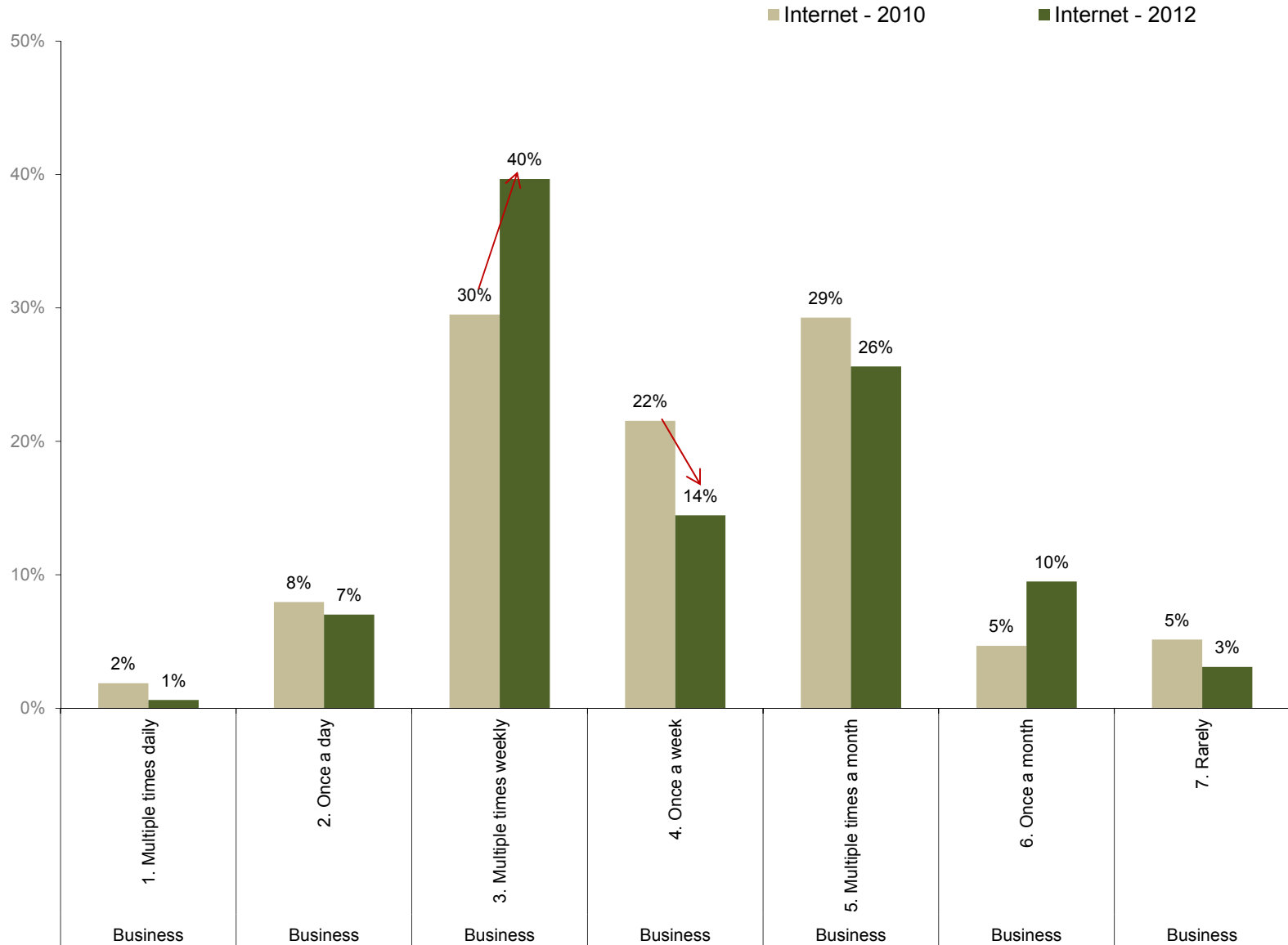
Call Center Representative – Retail Usage



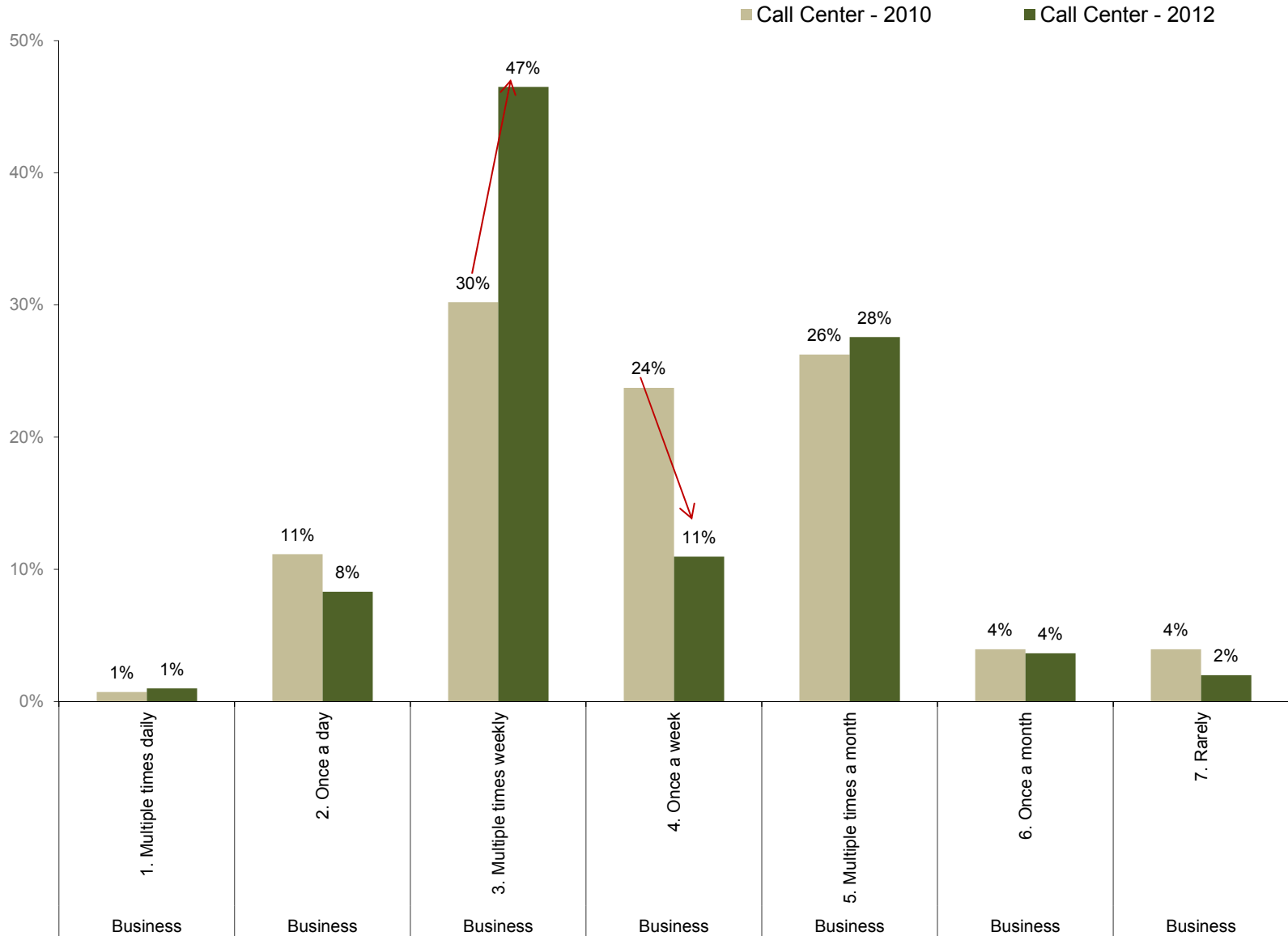
ATM – Business Usage



Internet Banking – Business Usage



Call Center Representative – Business Usage





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