

Fact Sheet, Key Findings & Methodology

DIEBOLD'S CONSUMER RESEARCH SHOWS ROOM FOR IMPROVEMENT IN BANKING

Candid insights highlight need for enhanced technologies, better banking relationships

About Diebold's Research

From 2011 to 2013, Diebold conducted a series of primary research projects in eight countries around the globe focused on gathering consumer feedback about banking relationships. Including generative, evaluative and validation research phases that built on each set of findings, the end result provides Diebold and its financial institution partners with a catalog of in-depth, qualitative feedback about the optimal banking experience.

Key Research Findings

In-depth, qualitative data is displayed below that describes consumers' frustrations and satisfactions with the current banking experience. Major takeaways from Diebold's consumer research have been segmented into three major categories based on the scope of the feedback:

- 1) overall banking relationships,
- 2) channel-specific banking and
- 3) self-service technology.

Finding: "Banking Relationships Must Evolve"

Research indicates consumers' demands for secure, convenient banking have not yet been fulfilled.

Diebold research revealed that **consumers want a more personalized relationship** with their bank or credit union that allows them to be **confident about their decisions** without putting in a lot of extra effort.

Consumers want control of their finances regardless of the channel they use, expecting seamless interactions that offer the **same interface and information – in real time – via mobile, online, ATM, call center or the branch.**

Diebold's research found that consumers demand:

- Anywhere, anytime, anyhow access
- Real-time accuracy and synchronization of account info across channels
- Option for face-to-face interactions at self-service channels
- Personalized financial management advice

- Transparent banking practices

Consumers said they expect but don't always receive:

- Absolute accuracy of information
- Security of financial account and personal info
- Reliable access to their money and account information
- Personalized help for troubleshooting
- Professional interactions with competent FI personnel

Diebold validated that **banking behaviors and expectations differ by country**, which can complicate meeting consumer demands depending on FI footprint and customer nationalities. For instance, consumers in some countries were more concerned about security, more predisposed to using self-service technology or more attracted to specific channels versus others.

Finding:
“Consumers Want a Self-Directed Experience”

Diebold’s in-depth consumer research informs a new interaction model based on consumers’ desire to direct their own banking experiences.

Research findings confirm that consumers aren't using banking channels – specifically the branch – the same way they used to. **Consumers desire a hybrid service model that offers face-to-face and self-directed options.**

Consumers said they want a more personalized banking experience:

- Consumers want special treatment from their financial institutions and they want to be remembered for their individual preferences, regardless of which channel they use to conduct their banking.

EXAMPLE: Whether they are dealing with a teller in the branch or a self-service technology (mobile/online/ATM), consumers said a financial institution should personalize and individualize the experience by remembering their preferences from channel to channel and catering the experience based on those preferences.

Fact Sheet, Key Findings & Methodology: DIEBOLD GLOBAL RESEARCH SHOWS CONSUMERS EXPECT MORE FROM FINANCIAL INSTITUTIONS

Consumers said they expect accuracy and updates in real time, regardless of the channel.

- Accurate account tracking is one of the most important consumer expectations a financial institution can meet.

EXAMPLE: After a consumer deposits a check at an ATM, she should be able to verify her updated account balance through a mobile device immediately. All banking channels should be operating off the same back-end system.

Consumers said they expect reliability and security from their bank or credit union.

- Financial information must be secure and accessible to consumers from varying, convenient access points.

EXAMPLE: Consumers said they are concerned about cyberhacking, fraud and other breaches and depend on their financial institutions to keep their money and information secure. They appreciate the confidence advanced security brings but are also annoyed when security measures prevent them from accessing their accounts.

***Finding:
“Consumers
Expect Intuitive
Technology
Design”***

Effortless interactions with self-service technology rely on creating an exceptional user experience, regardless of gadget functionality.

Consumers said they value convenience, simplicity and ease of use above all else when banking with self-service channels, which have become much more than “alternative” channels in today’s banking landscape. Varying functionalities of mobile, online and ATM channels aside, **an effortless consumer experience is the key to increasing consumer adoption** of new self-service technology.

Diebold’s research about how consumers use automated teller machines (ATMs) indicates self-service banking interfaces must be **consistent across channels** and provide an **approachable platform** that is **easy to use and understand**.

Some of the basic experiential findings from Diebold's research included:

- Consumers said they expect technology that is intuitive, logical and user-friendly. It must:
 - > Offer a consistent and familiar look and feel (ATM, mobile and online channels)
 - > Be visually simple and easy to understand
 - > Connect all of the consumer's access points to all accounts
 - > Use understandable language that relates to the tasks they're performing
 - > Provide simplified options that eliminate unneeded choices as the transaction progresses
 - > Include a physical or touch-screen keyboard option to allow for manual entry of information

- Participants in Diebold studies said basic services available in a bank or credit union branch should also be available via the ATM, including:
 - > Document/check reading
 - > Versatile printing (receipts, checks, documents, etc.)
 - > Option to schedule in-person branch appointments (advisory or otherwise)
 - > Digital signatures for checks, applications, contracts, etc.
 - > Cross-channel integration and communication (from the ATM to mobile/online and back)
 - > Access to face-to-face communication, when needed

- When conducting transactions, consumers said they want the same kinds of visual/audible feedback from ATMs that they receive from bank tellers.

- Consumers said they want self-service access to their financial information at any time, and often don't put much forethought or planning into this access.

Consumer Quotes Through in-depth interviews and observational testing, Diebold collected verbatim consumer reactions that underscore specific gaps between what they demand from banking relationships and what banks and credit unions currently offer.

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“I prefer working face to face with a teller, because building a relationship with them makes me feel taken care of and looked after.”

“I like seeing my transaction being completed immediately in front of me.”

“I care about getting in and out quickly, and sometimes going inside to a teller takes longer and isn’t as efficient.”

“New technology that offers me cool benefits and makes my life easier is always welcome. When I see my bank incorporating banking innovations, it makes me feel like they care about my needs.”

“In my ideal in-branch self-service experience, I want to feel in control. I don’t want to wait or to rely on anyone else.”

“I want to feel confident that my money is safe and my money managing is on track. That it’s being productive and moving forward continually and smoothly.”

Other Feedback

Consumers approach banking from a far different perspective than banks and credit unions do.

- A relationship is important to consumers, but that’s not always what they need.
- Consumers understand technology has growing importance in the branch but don’t want machines to “take over.”
- Consumers want to maintain control of the transaction experience regardless of the channel they use.
- Branch banking gives consumers a certain sense of completion by seeing a transaction finished – they want this sense of completion at other channels too.
- A branch is where consumers choose to complete more complex transactions – face to face is key for them here and could be in other channels.
- Consumers want a sense of seclusion and privacy when banking, even in an open layout of a branch. They say private offices, areas and dividers are helpful.

Research Uses

Diebold is using the findings to:

- Inform product and service development
- Enhance security of self-service and in-branch banking technology
- Educate financial institution customers about consumer usage and behavior trends
- Guide branch and channel transformation projects with banks and credit unions
- Develop cross-channel strategies for financial institution partners

Research Methodology

Diebold's three-phased, two-year consumer research progressively built on the findings of each phase, narrowing the focus during each step. When reviewed comprehensively, the research provides valuable, directional insight for the industry complete with rich qualitative feedback from consumers that can help financial institutions and their partners create the optimal banking experience. The various research methods used throughout can be described as:

- **Global** – Diebold's research included participants in the United States, Mexico, Spain, France, India, Turkey, Thailand and China.
- **Substantiated** – During the phases, Diebold worked with between 21 and 105 consumers, depending on prescribed best-practices for qualitative research.
- **Varied** – Research participants were a variety of age ranges; both banked and underbanked; early and late technology adopters (early/late majority); of varying incomes; users of banks and/or credit unions; male and female; predisposed to different channels; and users of multiple financial institutions.
- **Experiential** – Diebold's research used interrogative (question-and-answer) and observational (show-and-tell) formats so consumers felt comfortable providing candid feedback based on current and ideal banking experiences.
- **Qualitative** – Rich data about consumers' interactions provided in-depth qualitative findings. While insights were coded and quantified to identify key themes, takeaways from the research are best seen through consumers' direct feedback about their banking experiences.

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Media Contacts:

Alissa Black
+1-330-490-5842
alissa.black@diebold.com

Kelly Piero
+ 1 330 490-3741
kelly.piero@diebold.com