

STRATEGIC PLANNING FOR 2022

Help your Financial Institution
thrive, no matter what the new
year brings.

POP*i/o*®



Branches



Self-Service



Call Centers

STRATEGIC PLANNING FOR 2022

“The world is changing very fast now. Big will not beat small anymore. It will be the fast beating the slow.”

- Rupert Murdoch



The last two years have been a whirlwind of change. Consumer behaviors have undergone rapid and permanent shifts, and Financial Institutions (FI's) are evolving to keep up with them. Digital transformation has been accelerated as the demand for online services has skyrocketed.

This has required many FI's to think on their feet. But it's not all doom and gloom. FI's that have rolled out extensive digital services are seeing substantial, lasting benefits. By providing a full-spectrum digital banking experience, they can massively expand the reach of their service, maximize revenue-generating interactions, and provide a friendly, personalized experience to the people they serve.

With 2022 on the horizon, a single topic has emerged as the biggest necessity for FI's: a push to provide more efficient and comprehensive digital services. The topic has become so prevalent, it's getting hard to find a blog or article on a financial services publication that doesn't mention "digital transformation".



But what makes this push for digital services so urgent? And what does it really entail? In the following sections, we'll take a look at some of the urgent factors that necessitate the expansion of digital services. Then, we'll explain some of the long-term solutions and the benefits they provide—based on feedback from FI's that have implemented the POPi/o platform.

PRESSING FACTORS

CHANGING CONSUMER BEHAVIOR



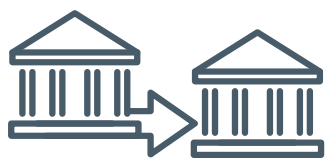
A recent [survey by McKinsey](#) shows that rates of digital adoption are years ahead of where they were before the pandemic. “Respondents are three times likelier now than before the crisis to say that at least 80% of their customer interactions are digital in nature.” Because more people are getting accustomed to online services, their expectations are also growing. Today’s digital consumer expects to be offered simple and efficient digital alternatives to in-person services.

INCREASING PREVALENCE OF DIGITAL SERVICES



85%

OF CEO'S AGREE ON INCREASE IN
SPEED OF DIGITAL TRANSFORMATION



27%

CUSTOMERS LEAVING THEIR
FINANCIAL INSTITUTION FOR ANOTHER

2022 will be the biggest year in history for IT spending. A survey by [Fortune/Deloitte](#) says 85% of CEOs agree their organizations’ digital transformation had been significantly accelerated by the [COVID-19] crisis. Furthermore, in a study by [Foresight Research](#) involving 11,000 bank and credit union members in 44 markets, research showed that significant customer churn is expected over the next 2 years. “In the two years prior to the pandemic, the number of customers leaving their financial institution for another was around 12%—whereas this survey suggests it will jump to 27% for large banks between 2020 and 2022. Of those who indicated they intend to leave their financial institution, almost three fourths are Millennials or Generation-Z consumers.” This means the competition will be very high for FI’s that don’t provide extensive digital tools to consumers.

For many consumers, brand loyalty is now contingent on digital services.

UNPREDICTABLE STAFFING

The [US Chamber of Commerce](#) showed 8.1 million job openings in the US in March of 2021, and half the available workers for every open job as there had been for the past two decades. By June, the number of unfilled jobs had grown to over 10 million, and continues to remain high. “The worker shortage is real—and it’s getting worse by the day,” US Chamber of Commerce President and CEO Suzanne Clark said in an announcement. With this ongoing issue, businesses are challenged with finding a way to deliver optimal service to their customers without hiring new staff.



ONGOING PANDEMIC REQUIREMENTS



Ongoing Pandemic Requirements – The COVID-19 pandemic began over a year-and-a-half ago, and still, cases are surging in many cities across the US. With this ongoing public health battle, it’s no longer realistic for businesses to rely on in-person transactions to secure revenue. Ongoing effects from the pandemic, such as breakout infections, temporary closures, and work from home orders are just some of the things that could act to inhibit an FI’s ability to perform services in-branch. These factors make it vital for FI’s to be able to provide suitable digital alternatives to their in-branch operations.

NOT ALL DIGITAL BANKING SOLUTIONS ARE CREATED EQUAL

With so many FI's increasing their tech budgets and developing their online services, more than a few have discovered that some digital transformations are more effective than others.

Because of the continued changes in consumer behavior, expectations for digital services have risen dramatically. A one-size-fits-all approach, using only self-service tools and chatbots for customer service, does not typically produce results.

In a [study by IDC](#), abandonment rates of self-service banking operations were evaluated. One product manager at a top-50 US bank said that their institution's new account abandonment rates "were historically in the 70-85% range, and were not improving over time."

NEW ACCOUNT
ABANDONMENT
RATES CAN BE AS
HIGH AS
75-85%



When given only cumbersome, inconvenient digital tools, customers grow frustrated and give up on the desired task. This not only creates frustration for the customer, but also restricts brand loyalty, contributing to many consumers' decision to leave their FI for another one.

Inefficient self-service tools can also account for a loss of revenue for an FI. The same processes that are difficult to accomplish using self-service tools are the ones that comprise the largest revenue streams for most institutions. New account openings, loan applications, and other detailed processes that ensure revenue are some of the most difficult to complete through self-service.

In their [Digital Banking Report](#), Javelin research revealed that only 8% of successful account openings are completed start-to-finish on a mobile device. The reason for this is not because customers are inept phone users; it's because they haven't been given the proper digital tools to complete their desired task.



8%

OF SUCCESSFULL ACCOUNT OPENINGS
ARE COMPLETED START-TO-FINISH ON
A MOBILE DEVICE

A NEW WAY FORWARD

So, if 2022 will be a year when FI's can't rely on in-person or self-service means for completing their most vital operations, what will they be able to rely on? The best solution for these circumstances is the implementation **Digital Customer Engagement** platform, like **POPi/o**.

With POPi/o's unique technology, consumers can quickly access the appropriate level of help for their needs. Detailed interactions can be completed over collaborative video, offering extensive tools like document exchange, e-sign, video check deposit, and more. This gives users single-touch access to account opening and loan applications, preventing the excessive abandonment rates of platforms that only offer self-service.

For simpler, high-frequency interactions, a chatbot or self-service tool can still be used. This way, customer service call centers aren't overloaded, and every customer interaction doesn't require the attention of a staff member.

However, when the personal assistance of a banking specialist is needed, they can be quickly accessed, whether they're in-branch, at home, or in a centralized location.

By offering wide compatibility and readily-available integrations, POPi/o helps you provide solutions for all your customers' needs—from simple, high-frequency customer service inquiries, to complex, personalized services that are typically performed in a branch.



SUCCESS STORIES



Assets: 525 Million | Members: 27,000+

**As of October 2021*



- 147% increase in engagement with the POPI/o platform during Q2 of 2021, 218% increase in engagement during Q3
- POPI/o channels are responsible for 25% of funded consumer loans, and 31% of funded auto loans



Assets: 164 Million | Members: 8000+

**As of October 2021*



- 60% increase in memberships opening through digital channels
- 20% reduction in branch staff
- 49% of loans driven through POPI/o channels
- 70% reduction in "Lost Opportunities" due to excessive wait times



These stories are not unique. Banks and credit unions across the country are seeing the benefits of having a complete banking ecosystem as part of their customer experience. And those benefits are not only measured in dollars and percentages. Because POPI/o also gives FI's a way to see their customers, to provide personalized, face-to-face service. And that has a value all its own.

But if you want to ensure customer loyalty and the ability to service those relationships, you have to act fast.

DON'T BE A VICTIM OF THE DIGITAL REVOLUTION—LEAD IT



The fact is action is needed, and it's needed now. The changes continuing to unfold as we step into 2022 are unprecedented shifts in the dynamics of our business and personal lives. In the past two years, the world has taught all of us just how quickly things can change.

Putting off planning for your digital platform could leave you without a reliable way to manage customer relationships and secure revenue. So don't wait.

The changes we're seeing right now are not things to react to—they're things to prepare for. But you don't have to prepare alone. We're here to help you discover, explore, collaborate, and ultimately, when you've found the ideal solution for your FI, roll out a capable and efficient Digital Customer Engagement platform. Our team can offer guidance and consultation on the process, as well as insight from some of the hundreds of banks and credit unions meeting their goals with the help of POPi/o.

To learn more about the POPi/o Digital Customer Engagement solution, [Talk to an expert today.](#)