

Relationship banking in a post-pandemic world



When COVID-19 drove more of our lives online, even traditional customers who regularly visit their local bank were forced to go digital. As social restrictions ease, will customers return to in-branch banking? What role does interpersonal human connection play in digitally reimagining a better banking experience for all customers, regardless of their digital-savvy?

Let's look at the data to discover why relationships and personal experiences will be key to bridging the divide between branch bankers and digital customers everywhere.

1/10 primarily prefer in-person interactions

More likely to be:

- Age 60+ (3.7x more likely for "entirely in person" customers)
- From a rural area



1. Banking behaviors

How did people prefer to engage with their bank before the pandemic and what changes have they made since it started?

1/4 rely equally on banking in person and digitally

More likely to be:

- Ages 45-60
- From a rural area

2/3 interact with banks entirely or mostly digitally

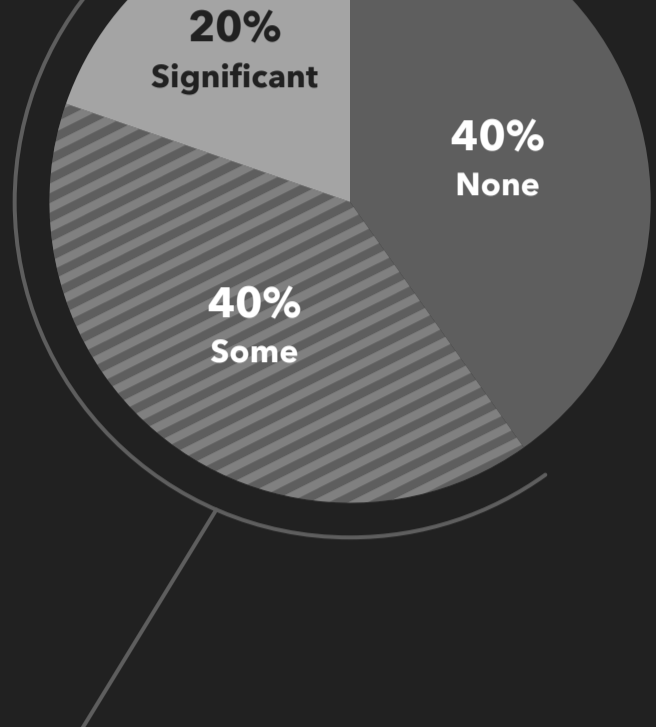
More likely to be:

- Ages 30-44
- From an urban area, especially "entirely digital" customers

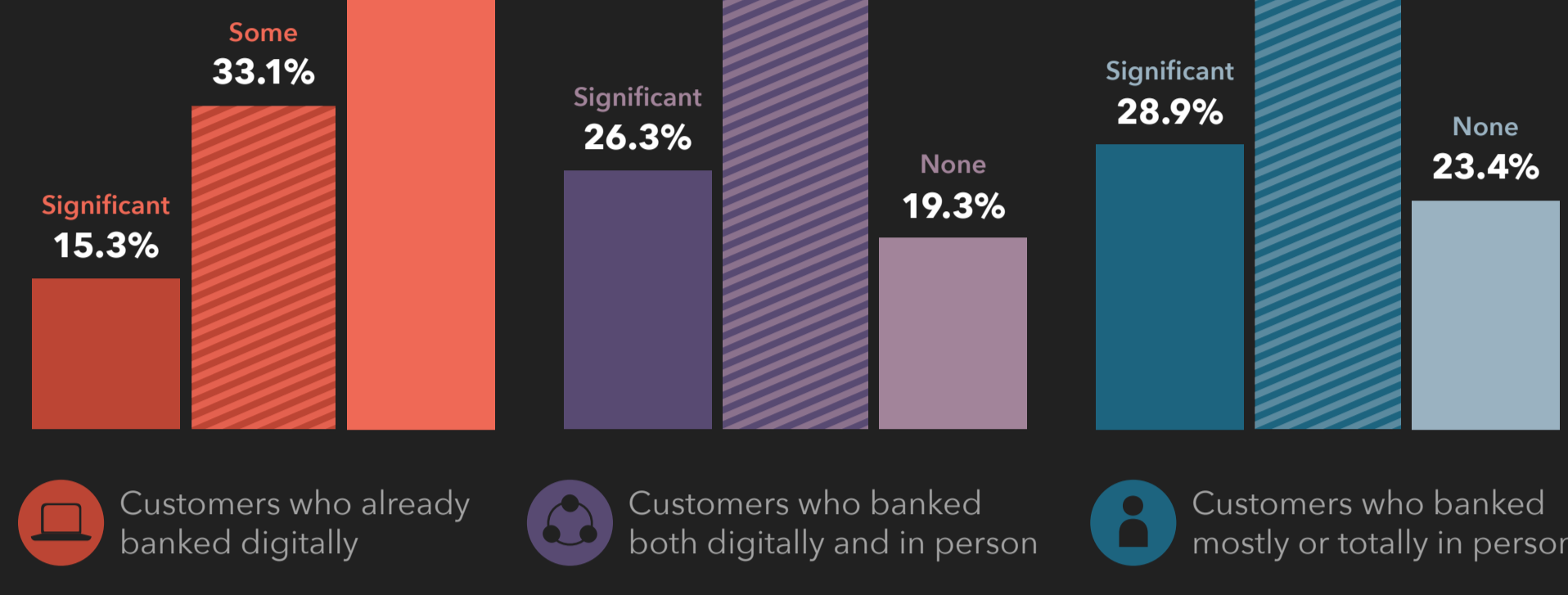
Preferred banking interaction style

Impact of COVID-19

Overall changes to banking style



Change by audience



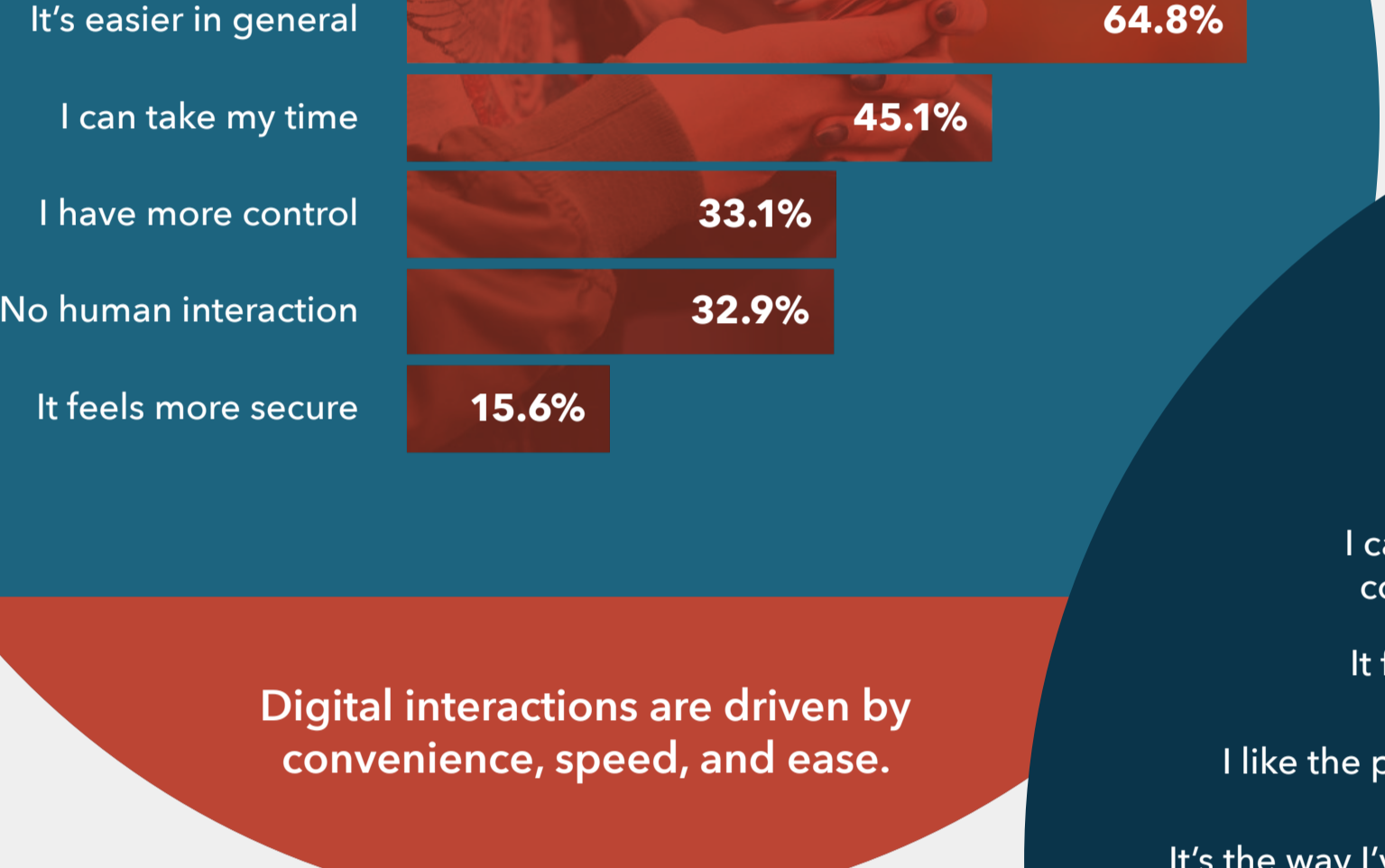
Since the start of the pandemic, **60%** of customers say that they've had to adjust the ways they interact with their bank.

With many branches operating in a limited capacity, up to **80%** of customers who prefer to bank in person have changed their banking style.

2. Understanding customer choices

What drove preferences for in-person vs. digital engagement before the pandemic?

Digital preference drivers



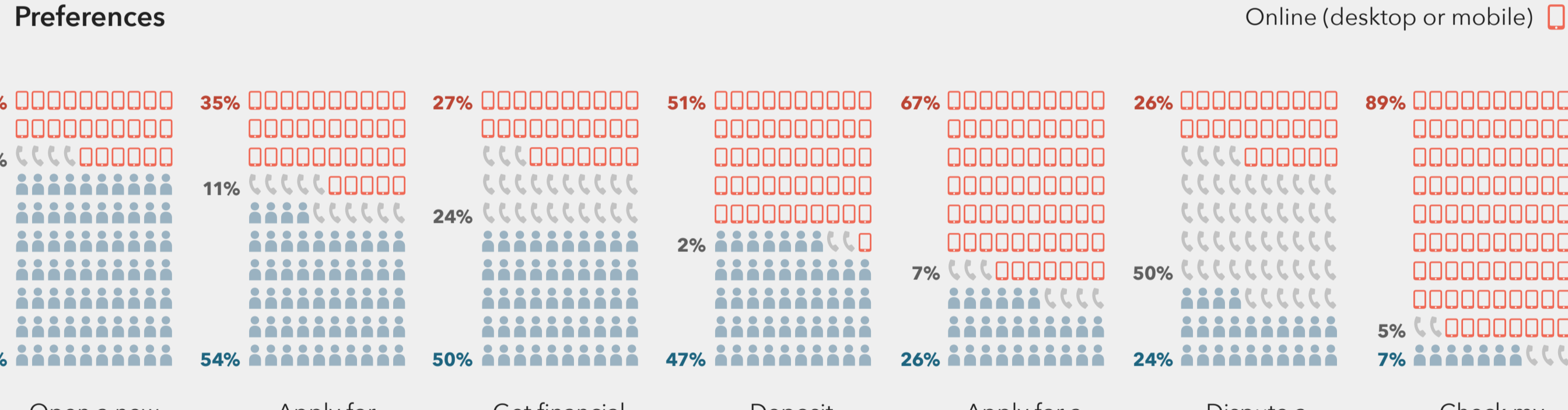
Digital interactions are driven by convenience, speed, and ease.

In-person preference drivers



In-person interactions are about security and deeper relationships.

In-person vs. digital activities



The branch plays an important role in acquisition and other more complex advisory activities where a personalized experience can be valuable.

More frequent but transactional banking activities like checking balances are primarily done online.

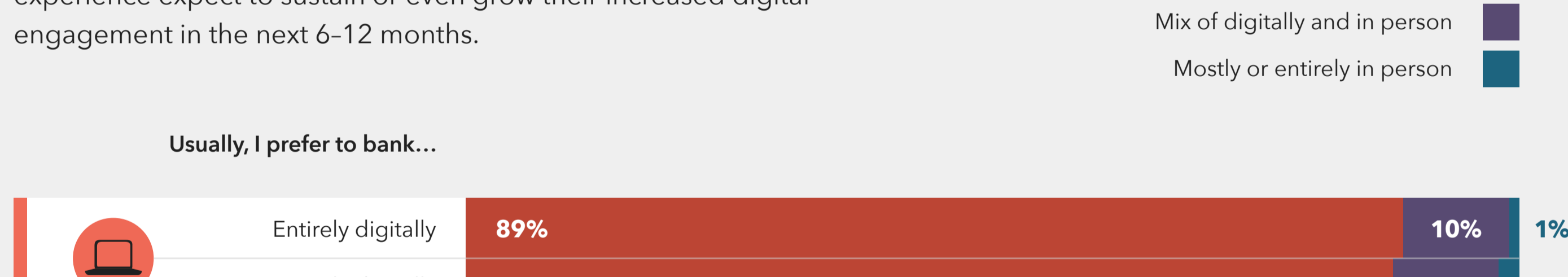
3. Future predictions

Do customers expect the pandemic to create lasting change in their banking behaviors?

Anticipated changes

While customers who prefer to bank digitally plan to continue their digital engagement as is, many customers who prefer the in-person experience expect to sustain or even grow their increased digital engagement in the next 6-12 months.

In the next 6-12 months, I plan to bank...



Planning for increased digital engagement:

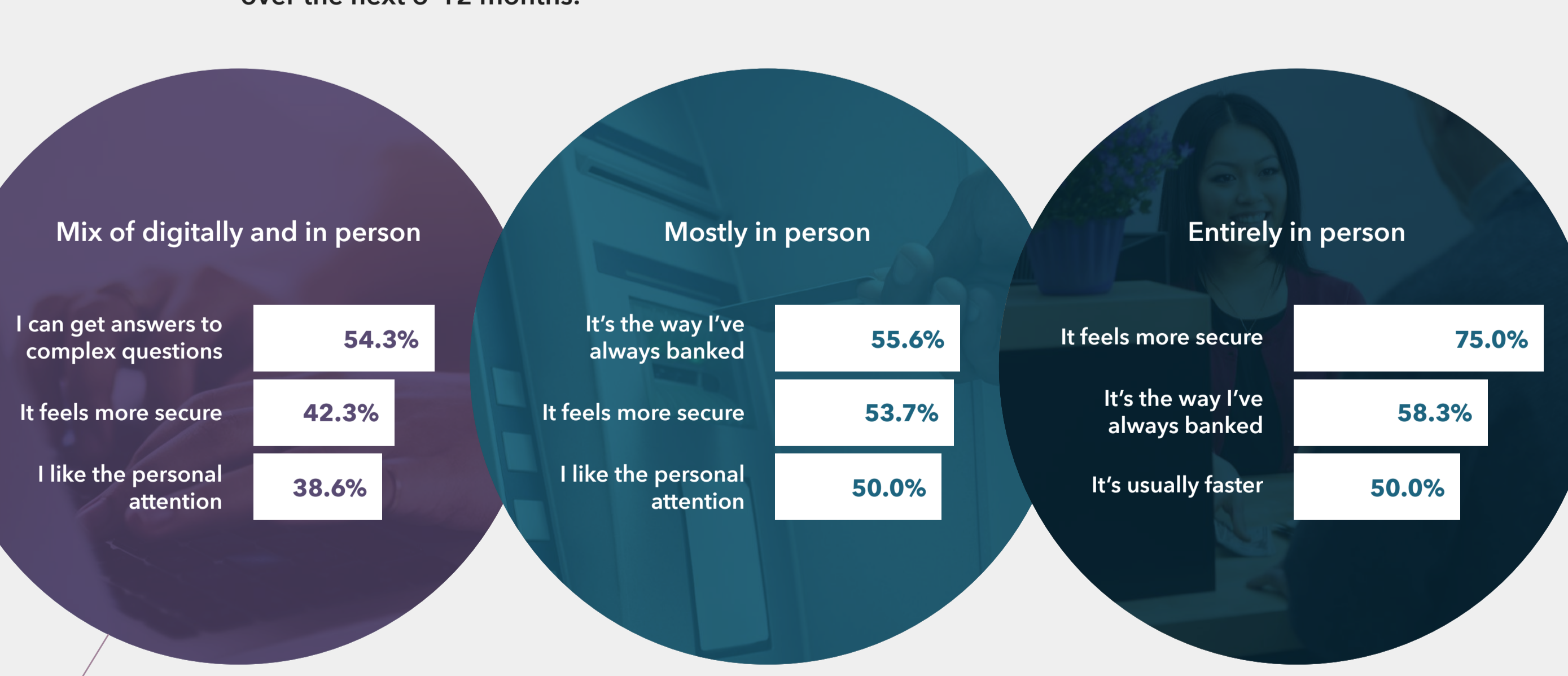
1/2 of customers who prefer to bank entirely in person

3/4 of customers who prefer to bank mostly in person

<6% of people overall feel they will be banking mostly or entirely in person, either by choice or because of an inability to engage digitally.

Forward-looking customer choices

Top 3 reasons for engaging in person over the next 6-12 months:



These customers rely on branch employees to address complex questions.

These customers are driven by emotion—seeking peace of mind and avoiding change.

The opportunity

The local bank branch and its knowledgeable staff often play an essential role in complicated, long-term banking activities, from applying for a new loan to getting ongoing financial advice. While transactional engagement will be increasingly automated, the need for personal support and education in complex activities isn't going anywhere. And as the pandemic rattles our economy, customers need expert counsel more than ever.

Opportunity lies in inventing new, seamless digital-to-in-person banking experiences that offer all clients the care, personalization, and guidance they need to become meaningful, long-term customers.