Apps: How to realize their full value

Finance, Indonesia
Background & Methodology
Research overview

Objectives
Understand how apps can help improve business brand, growth, and revenue, particularly in light of changing behaviour as a result of COVID-19, by exploring the different and developing customer engagements on apps.

Methodology
Part of a larger consumer research conducted among mobile App users covering Retail, Telco, and Finance verticals. n=2002 for Indonesia Quantitative with 2 playgroups (n=4, each) per vertical for Qualitative. Research covered 9 brands and their respective apps*.

Respondent Criteria

Quantitative
- Frequent internet user
- 18-64 years old smartphone user
- Interacts with vertical via app

Qualitative
- Mixture of male and female
- Light finance users: Use finance apps 1-3x a month & conducts 4 different app activities
- Heavy finance users: Use finance apps at least once a week & conducts 4 different app activities

Using screenout data, the incidence of finance app usage is approximately 83%.

* Alfamart, Indomart, Lazada, Blibli, BukaLapak, Transmart (Carrefour), Giant (no app), Hypermart, Happy Fresh
### Who are generally using finance apps?

#### Profiling

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>44%</td>
</tr>
<tr>
<td>Female</td>
<td>56%</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
</tr>
<tr>
<td>18-34</td>
<td>59%</td>
</tr>
<tr>
<td>35-64</td>
<td>41%</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
</tr>
<tr>
<td>Less than Rp. 2,500,000</td>
<td>7%</td>
</tr>
<tr>
<td>Rp. 2,500,001 - Rp. 4,000,000</td>
<td>14%</td>
</tr>
<tr>
<td>Rp. 4,000,001 - Rp. 6,000,000</td>
<td>24%</td>
</tr>
<tr>
<td>Rp. 6,000,001 or more</td>
<td>54%</td>
</tr>
<tr>
<td><strong>Operating System</strong></td>
<td></td>
</tr>
<tr>
<td>iOS</td>
<td>7%</td>
</tr>
<tr>
<td>Android</td>
<td>93%</td>
</tr>
<tr>
<td><strong>Internet Usage</strong></td>
<td></td>
</tr>
<tr>
<td>Daily</td>
<td>99%</td>
</tr>
<tr>
<td><strong>Connected Devices</strong></td>
<td></td>
</tr>
<tr>
<td>Smartphone</td>
<td>100%</td>
</tr>
<tr>
<td>Tablet</td>
<td>37%</td>
</tr>
<tr>
<td>Laptop computer</td>
<td>85%</td>
</tr>
<tr>
<td>Desktop computer</td>
<td>44%</td>
</tr>
<tr>
<td>Smart speaker</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Region</strong></td>
<td></td>
</tr>
<tr>
<td>Metro</td>
<td>70%</td>
</tr>
<tr>
<td>Non-Metro</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Smartphone Storage</strong></td>
<td></td>
</tr>
<tr>
<td>Under 16 GB</td>
<td>3%</td>
</tr>
<tr>
<td>16 GB</td>
<td>9%</td>
</tr>
<tr>
<td>32 GB</td>
<td>26%</td>
</tr>
<tr>
<td>64 GB</td>
<td>38%</td>
</tr>
<tr>
<td>128 GB</td>
<td>21%</td>
</tr>
<tr>
<td>Over 128 GB</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Prepaid v/s Postpaid</strong></td>
<td></td>
</tr>
<tr>
<td>Top up in advance online</td>
<td>76%</td>
</tr>
<tr>
<td>Top up in advance in-store</td>
<td>14%</td>
</tr>
<tr>
<td>Contract / fixed bills</td>
<td>9%</td>
</tr>
</tbody>
</table>
Consumers were asked about Finance & Banking in relation to the following brands and their respective apps

<table>
<thead>
<tr>
<th>Brands</th>
<th>Apps</th>
<th>Brands</th>
<th>Apps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Rakyat Indonesia</td>
<td>BRI Mobile</td>
<td>Gojek</td>
<td>Gojek</td>
</tr>
<tr>
<td>Bank Mandiri</td>
<td>mandiri online</td>
<td>Tokopedia</td>
<td>Tokopedia</td>
</tr>
<tr>
<td>Bank CIMB Niaga</td>
<td>OCTO Mobile</td>
<td>Jenius</td>
<td>Jenius</td>
</tr>
<tr>
<td>Bank Tabungan Negara</td>
<td>BTN Mobile</td>
<td>Dana</td>
<td>Dana</td>
</tr>
<tr>
<td>Bank Negara Indonesia</td>
<td>BNI Connect Mobile</td>
<td>Shopee</td>
<td>Shopee</td>
</tr>
<tr>
<td>Bank Central Asia</td>
<td>BCA Mobile</td>
<td>Ovo</td>
<td>Ovo</td>
</tr>
<tr>
<td>BTPN Sinaya</td>
<td>BTPN Sinaya Mobile</td>
<td>DBS Digibank</td>
<td>DBS Digibank</td>
</tr>
<tr>
<td>Panin Bank</td>
<td>MobilePanin</td>
<td>TMRW (UOB)</td>
<td>TMRW (UOB)</td>
</tr>
<tr>
<td>Bank OCBC NISP</td>
<td>OCBC NISP ONe Mobile</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Maybank Indonesia</td>
<td>Maybank2u ID</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTE: All brand and app linked metrics are “net” scores of the brands shown above.
Summary of findings
Introducing our 3 behavioral pillars that drive value for a brand in a consumer's app journey

**App Discovery and Onboarding**
Has the app been trialled following awareness and install?

**Key for App Discovery and Onboarding**
Consumers are beginning to form affinity with brands, which are aiming to create positive links to discovery metrics before engagement deepens.

**App Engagement**
How frequently is the app used?

**Key for App Engagement**
Consumers are using the app more frequently. Regular app usage links to increased loyalty and brand satisfaction.

**App Satisfaction**
How satisfied is the app user with the app?

**Key for App Satisfaction**
When consumers are highly satisfied with the app they will begin to recommend both the app and brand - which will help bring in more consumers to start their own discovery journey.
Stages of App Discovery and Onboarding, App Engagement, App Satisfaction in detail

App Discovery and Onboarding

Initial Awareness: shift between “Never heard of app” and “Heard a little”

Deeper Awareness: shift between “Heard a little” and “Heard a lot”

Installation: shift between “Heard a lot” and “Installed but not used”

Onboarding: shift between “Installed, not used” and “Tried app, still installed”

App Engagement

Regular Usage: shift between “Tried app, still installed” and “Use regularly”

Most Frequent: shift between “Use regularly” and “Use app most often”

App Satisfaction

Neutral: shift between “Dissatisfied (1-6)” and “Neutral (7-8)”

Positive: shift between “Neutral (7-8)” and “Satisfied (9-10)”
App Discovery and Onboarding: Key insights and recommendations

Insights

- 80-100% of finance brand’s customers are aware of finance apps in Indonesia - with full awareness for major players

- On average 25% of recent brand customers (past 3 months) are not app users of the same brand - brands used more often are performing better with app usage

- App discovery is a starting link to building brand affinity
  - 55% of successful onboarders have strong affinity

- 40% of app users have installed at least one finance app but never used

Recommendations to improve brand metrics

- Focus less on awareness of the app
  App awareness is high so time is better spent on promoting install or trial

- Encourage installation through regularly used and influential touchpoints such as online reviews
  Online and offline word of mouth is crucial

- Focus more on improving trial
  Key reasons why app users do not try apps after install are: in-person sign up needed (33%), they perceive the app to be complex (27%), sign up process are complicated (27%).

  Digital banking is here to stay and brands need to be ahead of the curve - brands need to promote the convenience and safety of digital in a time when consumers are wanting to change their habits.
App Engagement: Key insights and recommendations

**Insights**

- App engagement has a **strong positive correlation** with brand satisfaction and customer retention
  - 70% ‘most frequent’ users are satisfied with the brand
  - 98% ‘most frequent’ users are “quite or very likely” to stay with the brand
- 76% of app users prefer to engage with brands via apps - and many have **multiple apps** installed.
- Over 90% of app users prefer to use an app for critical finance activities such as checking accounts, paying bills, retail payments and person to person transfer
- App users are encouraged to continue usage when apps are secure (65%), use up little memory (46%) and are updated regularly (33%)

**Recommendations to improve brand metrics**

- **Upkeep core features that bring app users back**
  E.g. checking balances (86% perform regularly), transferring money between accounts (78%), person to person transfers (72%) paying bills (62%), payments (55%)
- **Maximize opportunity areas around check-outs**
  Financial apps are increasingly popular for discounts (47% perform regularly), redeeming rewards (29%) & budgeting purposes (33%)
- **Raise awareness of underutilized yet helpful features that can help others**
  Assuming the features work well, underutilized features such as customer service (16% perform regularly), pausing cards (16%), disputing transactions (11%)
App Satisfaction: Key insights and recommendations

Insights

- App satisfaction is strongly correlated with brand recommendation - **84% who positively rate an app regard themselves as brand promoters**
- 83% of app users would **prefer a multi-functional singular app** compared to multiple single purpose apps.
- As well as providing a channel that is safe during Covid apps can meet **changing consumer needs** regarding convenience and safety - 57% strongly agree they can use them from anywhere and 51% strongly agree apps keep them safe during Covid

Recommendations to improve brand metrics

- **Get the basics right, consistently**
  Ensure **critical tasks** (e.g. balances, transfers) are reliable, seamless & elicit high satisfaction. **Bugs**, security concerns and excessive ads quickly put users off. Ensure all functionality is available in one app

- **Understand changing consumer needs**
  Key reasons for using Finance apps include staying safe at home during Covid (51%) & being able to complete tasks in a few seconds (51%)

- **Innovate to meet consumer needs**
  The shift to digital has begun and brands need to keep up with needs by providing increased virtual access, trust in data security and relevant functions that go beyond the current critical tasks
There is a strong relationship between brands metrics and app usage. Increase in brand metrics are evident as a user engages more with the app.
App Discovery and Onboarding

How does onboarding of an app impact brand metrics?
When users shift from being aware to actually trying an app, there is a significant impact on brand affinity.

- **Unaware Of app**: 6%
- **Initial Awareness of app**: 7%
- **Deeper awareness of app**: 15%
- **Successful app onboarding**: 55%
- **Use app regularly**: 86%
- **Use app Most frequent**: 96%
- **Rated as great app (top2box)**: 94%

App Satisfaction: +40%

App Engagement: \( R^2 = 0.9062 \)

App Discovery and Onboarding:
- Unaware Of app
- Initial Awareness of app
- Deeper awareness of app
- Successful app onboarding
- Use app regularly
- Use app Most frequent
- Rated as great app (top2box)
Sharing of experiences, either through online reviews or word of mouth, are the most effective way to discover new apps.
Staff recommendations, brand websites and the app store are highly influential in decision making, but under-utilised.

**Niche Touchpoints**
- Through featured apps within app stores
- Through brand websites
- Through online advertising
- Through news articles
- Through advertising on websites

**Crucial Touchpoints**
- Staff recommend them
- Friends/Family recommend them
- I see it shared/talked about on social networks
- Through search engine results
- Through advertising on video sites
- Reading reviews online

**Opportunity / Invest Touchpoints**
- Through searching within app stores
- Through featured apps within app stores
- Through advertising on websites
- Brand websites

**Online**
- Through featured apps within app stores
- Through search engine results
- Through advertising on video sites
- Reading reviews online
- I see it shared/talked about on social networks

**Offline**
- Staff recommend them

Source: CJ5. How do you typically find out about new apps?
CJ6. How influential are these in persuading you to install an app?
Total Sample = 701
Four in ten app users have unused finance apps installed due to perceived complexities or in-person sign up

Reasons To Install But Not Use

- I need to go in branch to complete sign up processes 33%
- I use a different app instead 27%
- The sign up process looks complex 27%
- The app design or user experience is complicated 27%
- I haven't had the time 21%
- I need someone to help me / teach me more 18%
- It is too risky to sign up to new products during Covid-19 16%
- I don't understand what the app provides me 16%

Poor user experience is the top 3 barriers to usage. Invest in a seamless end-to-end banking process for users to drive engagement.

Source: CU3. How familiar are you with each of these apps? Drag each into the appropriate box below.
CU3a. Why have you installed finance apps but not used them?
Total Sample = 601, Have installed apps but not used = 200
There is a desire to change banking habits - accelerated by the pandemic

### Installation Triggers (top 10)

<table>
<thead>
<tr>
<th>Trigger</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>It had features that looked useful</td>
<td>52%</td>
</tr>
<tr>
<td>I wanted to be able to deal with all my finances in one place</td>
<td>51%</td>
</tr>
<tr>
<td>It is a safer option during Covid-19</td>
<td>48%</td>
</tr>
<tr>
<td>They are from my current financial provider</td>
<td>45%</td>
</tr>
<tr>
<td>I wanted to change payments due to Covid-19</td>
<td>41%</td>
</tr>
<tr>
<td>I wanted to change the way I do my banking</td>
<td>39%</td>
</tr>
<tr>
<td>Everyone uses this app / I was recommended to use it</td>
<td>28%</td>
</tr>
<tr>
<td>I needed help with saving money / budgeting</td>
<td>23%</td>
</tr>
<tr>
<td>They offer personalised offers and incentives</td>
<td>22%</td>
</tr>
<tr>
<td>I need financial help during Covid-19</td>
<td>22%</td>
</tr>
</tbody>
</table>

There is evidence of a switch to digital when it comes to finance, which was accelerated (perhaps forced) due to the pandemic.

Many appear to have changed the way they bank and have signed up to new products recently.

Apps need to provide support to new users whilst keeping current users happy with high performing features that provide relevance and safety during the pandemic.

Source: CJ3. Thinking specifically about <PIPE DUMMY CODE FROM S6a> apps, why do you decide to download and try these apps? CJ4. Thinking of the reasons you chose previously, please rank in terms of importance when it comes to your decision whether to download a <PIPE DUMMY CODE FROM S6a> app. Total Sample = 701
Successful app discovery and first-use often depends on existing relationships and effortless onboarding

**Builds on existing trust associations**

Apps of banks which they have a prior relationship with are downloaded with little hesitancy, and is seen as a convenient extension of their usual banking behaviour.

“I don’t look for reviews for bank app. I trust the app, because the bank itself, it’s clear what it is, it’s a big institution, established for a long time. There’s a lot of users, everyone is fine.”

- Heavy app user

**Human factor is the most persuasive**

Most are pushed to download an app by bank personnel, at roadshows, or via friend referrals. Consumers are also trend followers, keen to trial apps they see lots of people using.

“I just wanted to help out the person selling it. It was the same with [App A], it was in a mall. And a lot of my friends use it, I wanted to follow them.”

- Light app user
Successful app discovery and first-use often depends on existing relationships and effortless onboarding

Ease of onboarding is critical
Consumers appreciate having someone else do the work of setting up the app for their usage (i.e. at banks and roadshows), or else they have a high chance of getting frustrated and quitting

“I deleted [App A] because I could not authenticate using the email. And the app didn’t let me use a different email. So I gave up, it was too much of a pain.”
- Heavy app user

Guidance to get them started
Some handholding is required to get consumers familiar with the process of using the app and carrying out basic essential functions (check balance, funds transfer, etc)

“First time I knew was when I deposited cash, and the teller told me there’s this app, but at the beginning I didn’t understand how to use it. But once I understood, I found it very easy, and I don’t have to go to the atm anymore.”
- Heavy app user
App Discovery and Onboarding: Key insights and recommendations

Insights

- 80-100% of finance brand’s customers are aware of finance apps in Indonesia - with full awareness for major players
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- App discovery is a starting link to building brand affinity
  - 55% of successful onboarders have strong affinity
- 40% of app users have installed at least one finance app but never used

Recommendations to improve brand metrics

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- Focus more on improving trial
  Key reasons why app users do not try apps after install are: in-person sign up needed (33%), they perceive the app to be complex (27%), sign up process are complicated (27%).
  Digital banking is here to stay and brands need to be ahead of the curve - brands need to promote the convenience and safety of digital in a time when consumers are wanting to change their habits
App Engagement

How frequently is the app used?
Regular usage is key as we see the highest increase in brand affinity occurring when a user transitions to using an app regularly.

Unaware Of app: 6%
Initial Awareness of app: 7%
Deeper awareness of app: 15%
Successful app onboarding: 55%
Use app regularly: 86%
Use app Most frequent: 96%
Rated as great app (top2box): 94%

$R^2 = 0.9062$
Increasing the frequency of app login positively links to strong brand love, loyalty and recommendation ... 

<table>
<thead>
<tr>
<th>Affinity (among brand users)</th>
<th>Satisfaction (among brand users)</th>
<th>Retention (among brand users)</th>
<th>NPS (among brand users)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.5 in 10 like/love the brand (top2box)</td>
<td>7 in 10 are satisfied with the brand (top2box)</td>
<td>10 in 10 are likely to stay with the brand (top2box)</td>
<td>8 in 10 are likely to recommend the brand (top2box)</td>
</tr>
</tbody>
</table>

**Key for App Engagement**

- Brand affinity is strongly linked to levels of app engagement
- Correlation with brand satisfaction has risen dramatically as engagement deepens.
- Nearly all consumers are likely to stay with the brand. Very strong correlation.
- Correlation with recommendations has risen as engagement deepens - links to the stronger brand affinity
Three in four app users prefer to engage with branded through apps

76% prefer to engage with brands through their app

Source: CU10. Which would be your preferred way to engage with <PIPE DUMMY CODE FROM S6a> brands?
CU10a. You said you would prefer to engage with <PIPE DUMMY CODE FROM S6a> brands via apps. Why is this?
Total Sample = 701; Prefer to engage via App n = 532
Apps are a preferred channel as they are accessible, easy and safe

- I can do it from anywhere
- It is quicker
- I can access it any time of the day
- I find it easier
- It is safer in the current climate (i.e. covid 19)
- It has all the features I need
- I can deal with all my accounts in one place
- It is the method I have always used
- I prefer the security processes (i.e 2 Factor authentication )
- They are very user-friendly
- They have all my details stored
- I prefer not having in person interaction
- The app provides special features that other channels don't
- I prefer the limited features

Reasons for engaging with brands through an app

- I can do it from anywhere: 74%
- It is quicker: 72%
- I can access it any time of the day: 72%
- I find it easier: 68%
- It is safer in the current climate (i.e. covid 19): 63%
- It has all the features I need: 49%
- I can deal with all my accounts in one place: 44%
- It is the method I have always used: 35%
- I prefer the security processes (i.e 2 Factor authentication ): 35%
- They are very user-friendly: 33%
- They have all my details stored: 30%
- I prefer not having in person interaction: 28%
- The app provides special features that other channels don't: 19%
- I prefer the limited features: 9%

Source: CU10. Which would be your preferred way to engage with <PIPE DUMMY CODE FROM S6a> brands? CU10a. You said you would prefer to engage with <PIPE DUMMY CODE FROM S6a> brands via apps. Why is this? Total Sample = 701; Prefer to engage via App n = 532
Users have several finance apps with varied usage

7 financial apps installed on average

5 activities are regularly performed in finance apps, on average

3 activities are performed weekly, on average

Source: CU10. Which would be your preferred way to engage with <PIPE DUMMY CODE FROM S6a> brands?
CU10a. You said you would prefer to engage with <PIPE DUMMY CODE FROM S6a> brands via apps. Why is this?
Total Sample = 701; Prefer to engage via App n = 532
Apps are the preferred method for all financial activities. Brands should ensure the app can cater to all financial needs.

<table>
<thead>
<tr>
<th>Activity Preference</th>
<th>App</th>
<th>Mobile Website</th>
<th>Desktop Website</th>
<th>Store / Branch</th>
<th>ATM</th>
<th>Call centre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Check account balance</td>
<td>91%</td>
<td></td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Pay bills</td>
<td>91%</td>
<td></td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Make a person to person transfer</td>
<td>91%</td>
<td></td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Make a retail payment</td>
<td>90%</td>
<td></td>
<td>2%</td>
<td>3%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Transfer money between my accounts</td>
<td>89%</td>
<td></td>
<td>2%</td>
<td>2%</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Look for discounts / promotions</td>
<td>88%</td>
<td></td>
<td>5%</td>
<td>2%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Make an investment</td>
<td>86%</td>
<td></td>
<td>4%</td>
<td>3%</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>Budgeting / managing my money / expenditure</td>
<td>85%</td>
<td></td>
<td>6%</td>
<td>2%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Set payment reminders / recurring transactions</td>
<td>84%</td>
<td></td>
<td>5%</td>
<td>3%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Set-up / activate security options</td>
<td>82%</td>
<td></td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Check or redeem rewards / loyalty schemes</td>
<td>81%</td>
<td></td>
<td>6%</td>
<td>2%</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>Lock or pause lost cards</td>
<td>77%</td>
<td></td>
<td>3%</td>
<td>3%</td>
<td>12%</td>
<td>1%</td>
</tr>
<tr>
<td>Dispute a transaction</td>
<td>73%</td>
<td></td>
<td>8%</td>
<td>4%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Engage with customer service</td>
<td>69%</td>
<td></td>
<td>8%</td>
<td>4%</td>
<td>9%</td>
<td>3%</td>
</tr>
<tr>
<td>Apply for new services / products</td>
<td>69%</td>
<td></td>
<td>6%</td>
<td>7%</td>
<td>14%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: CU14. Please tell us your preference for which method you would prefer to perform each activity shown below?

Total Sample = 701

App Average: 83%
App users continue to use apps that are proven to be safe and secure as well as constantly evolving

### Continued Usage (Top 10)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>If it proved it was secure and safe</td>
<td>65%</td>
</tr>
<tr>
<td>If the app was updated regularly with new, useful features</td>
<td>46%</td>
</tr>
<tr>
<td>If the app was updated regularly to fix bugs</td>
<td>40%</td>
</tr>
<tr>
<td>I have to use the app as it is with my provider</td>
<td>38%</td>
</tr>
<tr>
<td>It takes up less memory on my smartphone</td>
<td>36%</td>
</tr>
<tr>
<td>If it shows its relevance during COVID-19</td>
<td>33%</td>
</tr>
<tr>
<td>If it uses less mobile data</td>
<td>27%</td>
</tr>
<tr>
<td>If my friends or family are using / talking about it more</td>
<td>27%</td>
</tr>
<tr>
<td>If it sends useful notifications</td>
<td>26%</td>
</tr>
<tr>
<td>When the app notifies me of any changes</td>
<td>25%</td>
</tr>
</tbody>
</table>

Data security is a topic at the forefront of app users’ minds even if current levels of trust appear solid - things can easily change and apps need to ensure security is always a top priority. There are potentially many new digital users who are sceptical and need reassurance over security.

Regular updates are crucial to continued app usage whether it is new features, or fixing issues. App developers and finance brands cannot stand still, particularly in a time many are keen to switch digital banking.

App users have some concerns over the size of apps as 4 in 10 Indonesians have phones with storage 32GB or under. App data usage is also a factor as 9 in 10 use prepaid mobile services and data usage allowance is limited.

1 in 3 continue to use finance apps due to its relevance during Covid, particularly as the country has been hit hard recently as cases continue to grow.

Source: CJ7. What encourages you to continue to use <PIPE DUMMY CODE FROM S6a> apps rather than delete/uninstall them?

CJ8. Thinking of the reasons you chose previously, please rank in terms of importance when it comes to continuing your use of a <PIPE DUMMY CODE FROM S6a> app.

Total Sample = 701
The App Engagement: Continued and regular usage depends on user experience, ubiquity of acceptance, and rewards

Convenience at their fingertips
Carry out their regular transactions in a convenient and easy way, from any location, at any time that they desire

“...you can receive and spend money while lying down. Everything is closer, all this time you had to go to the bank, meet the people there. here, you just open a handphone, everything you need is in one spot.

- Heavy app user

Simple interface, fewer steps
Consumers seek an interface that requires minimal time, effort and thought to navigate, without the need of anything but their phone

“...[App A] has so many things, but it’s not well organised, but I don’t know where to find things like investment, check balance. [App B] categorisation is quite simple, and a token is not required.

- Heavy app user
Continued and regular usage depends on user experience, ubiquity of acceptance, and rewards

**Widespread compatibility**

Being able to use the app in a wide range of scenarios and with a variety of relevant partners help keep it top of mind for regular and frequent usage.

“I love [App A] because I like paying cashless, don’t need to go to the atm. [App A] is very helpful, it's everywhere, even at the warung kopi. I can use it at the one near my office. Even the small coffee shop that sells toast, they accept [App A].

- Light app user

**Rewards expected for transactions**

Cashbacks & discounts are preferred the most, followed by merchant/ partner deals, gifts, bundles and raffles as a push for transactions and app-choice.

“I like e-wallet, I top it up once a month, usually there is more promos, discounts and cash back. Mobile banking has hardly any promos.

- Light app user
Checking account balances, money transfer and payments are the most common and critical tasks

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Check account balance</td>
<td>86%</td>
</tr>
<tr>
<td>Transfer money between accounts</td>
<td>78%</td>
</tr>
<tr>
<td>Make a person to person money transfer</td>
<td>72%</td>
</tr>
<tr>
<td>Pay bills</td>
<td>62%</td>
</tr>
<tr>
<td>Make a retail payment</td>
<td>55%</td>
</tr>
<tr>
<td>Look for discounts / promotions</td>
<td>47%</td>
</tr>
<tr>
<td>Budgeting / managing my money</td>
<td>33%</td>
</tr>
<tr>
<td>Check or redeem rewards / Loyalty schemes</td>
<td>29%</td>
</tr>
<tr>
<td>Set-up / activate security options</td>
<td>27%</td>
</tr>
<tr>
<td>Set payment reminders / recurring transactions</td>
<td>26%</td>
</tr>
<tr>
<td>Make an investment</td>
<td>23%</td>
</tr>
<tr>
<td>Apply for new services / products</td>
<td>17%</td>
</tr>
<tr>
<td>Engage with customer service</td>
<td>16%</td>
</tr>
<tr>
<td>Lock or pause lost cards</td>
<td>16%</td>
</tr>
<tr>
<td>Dispute a transaction</td>
<td>11%</td>
</tr>
</tbody>
</table>

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps?
Total Sample = 701
Apps are occasionally used for promotions, budgeting, rewards, or payment reminders.

**Common Finance App Behaviours**

- Check account balance: 86%
- Transfer money between accounts: 78%
- Make a person to person money transfer: 72%
- Pay bills: 62%
- Make a retail payment: 55%
- Look for discounts / promotions: 47%
- Budgeting / managing my money: 33%
- Check or redeem rewards / Loyalty schemes: 29%
- Set-up / activate security options: 27%
- Set payment reminders / recurring transactions: 26%
- Make an investment: 23%
- Apply for new services / products: 17%
- Engage with customer service: 16%
- Lock or pause lost cards: 16%
- Dispute a transaction: 11%

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps? Total Sample = 701
Stressful tasks and tasks requiring deeper knowledge / guidance are less common behaviours in finance apps.

Users may prefer being in store/ dealing with staff for more complex tasks out of comfort. For these tasks, app will need to provide users with reassurance, simplicity, sense of comfort and the option to interact with staff (e.g. via chat) if they want to.

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps?

Total Sample = 701
A super-app that can help them simplify their choices while helping them achieve broader financial goals

**Guidance in financial journey**

The pandemic increased awareness about the importance of planning for the future and diversifying one’s income streams, but the learning curve is intimidating for consumers

“[App A] is for checking balance, making transactions. I’ve not really looked at the other features”

- Heavy app user

**Innovate and educate**

While innovation can create buzz and interest in an app, it’s impact is short-lived unless consumers learn about how these functions are relevant and useful, and are incentivized to adopt

“[App B] is Light app user...

- Light app user
App Engagement: Key insights and recommendations

Insights

- App engagement has a **strong positive correlation** with brand satisfaction and customer retention
  - 70% ‘most frequent’ users are satisfied with the brand
  - 98% ‘most frequent’ users are “quite or very likely” to stay with the brand

- 76% of app users prefer to **engage with brands via apps** - and many have **multiple apps** installed.

- Over 90% of app users prefer to use **an app** for critical finance activities such as checking accounts, paying bills, retail payments and person to person transfer

- App users are encouraged to **continue usage** when apps are secure (65%), use up little memory (46%) and are updated regularly (33%)

Recommendations to improve brand metrics

- **Upkeep core features** that bring app users back
  E.g. checking balances (86% perform regularly), transferring money between accounts (78%), person to person transfers (72%) paying bills (62%), payments (55%)

- **Maximize opportunity areas around check-outs**
  Financial apps are increasingly popular for discounts (47% perform regularly), redeeming rewards (29%) & budgeting purposes (33%)

- **Raise awareness of underutilized yet helpful features that can help others**
  Assuming the features work well, underutilized features such as customer service (16% perform regularly), pausing cards (16%), disputing transactions (11%)
App Satisfaction

How satisfied is the user with the app?
When a user uses an app very frequently and is satisfied by it, we see very strong links to brand affinity.

App Satisfaction

Unaware Of app
Initial Awareness of app
Deeper awareness of app
Successful app onboarding
Use app regularly
Use app Most frequent
Rated as great app (top2box)

Affinity Brand Metric

Unaware Of app: 6%
Initial Awareness of app: 7%
Deeper awareness of app: 15%
Successful app onboarding: 55%
Use app regularly: 86%
Use app Most frequent: 96%
Rated as great app (top2box): 94%

R² = 0.9062
Increasing app satisfaction links to strong brand affinity, loyalty, and recommendation

When app users are highly satisfied with the app (9 or 10 out of 10).....

<table>
<thead>
<tr>
<th>Affinity (among brand users)</th>
<th>Satisfaction (among brand users)</th>
<th>Retention (among brand users)</th>
<th>NPS (among brand users)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 in 10 like / love the brand (top2box)</td>
<td>8 in 10 are satisfied with the Brand (top2box)</td>
<td>10 in 10 are likely to stay with the brand (top2box)</td>
<td>8 in 10 are likely to recommend the brand (top2box)</td>
</tr>
</tbody>
</table>

When consumers are satisfied with their app there are strong positive links with all metrics

If recommendation is high, it will leading to new consumers starting their app journey
There is a strong preference for singular purpose finance apps where all details can be kept.

App Preference

- 83% of app users prefer a single finance app covering multiple functions.
- 17% of app users prefer multiple apps that cover specific functionality.

Innovate and educate

“I like having all my financial details in one place”
41% strongly agree; 88% top2box

There is a strong preference for singular purpose finance apps where all details can be kept. This underlines the strong trust in financial apps and providers.

Source: CJ2. Looking at the list below, how much do you agree or disagree with the following statements as to why you use <PIPE DUMMY CODE FROM S6a> apps?
CU9. Thinking about using apps in general, which of the following options would you prefer when using your <PIPE DUMMY CODE FROM S6a> services?
Total Sample = 298

Think with Google
There is a strong preference for singular purpose finance apps where all details can be kept

Comprehensive all-in-one solution
Consumers seek to streamline their app usage and the need to transfer funds between apps, and desire an app that can do it all - including saving, spending, and investment

"I want this app to be used for everything, and can access any investment. I want to buy gold using the app, without having to sign up for other account and transfer money around"

- Light app user

Source: CJ2. Looking at the list below, how much do you agree or disagree with the following statements as to why you use <PIPE DUMMY CODE FROM S6a> apps?
CU9. Thinking about using apps in general, which of the following options would you prefer when using your <PIPE DUMMY CODE FROM S6a> services?

Total Sample = 298
Multi-functionality drives convenience; Covid has provided a need to move to digital which is boosted by levels of trust

<table>
<thead>
<tr>
<th>Primary motivations to app usage</th>
<th>Convenience (% strongly agree)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I can use them from anywhere and at anytime</td>
<td>57%</td>
</tr>
<tr>
<td>I like being able to transfer money or check my balance within a few seconds</td>
<td>51%</td>
</tr>
<tr>
<td>They are the easiest way to keep track of my finances</td>
<td>46%</td>
</tr>
<tr>
<td>They are more convenient than going in-store / in-branch</td>
<td>42%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Secondary motivations to app usage</th>
<th>Covid Safety (% strongly agree)</th>
<th>Data Security (% strongly agree)</th>
</tr>
</thead>
<tbody>
<tr>
<td>They keep me safe during the Covid pandemic as I do not have to go outside</td>
<td>51%</td>
<td>I trust them to keep my details safe</td>
</tr>
<tr>
<td>I prefer to use digital payments over cash</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td>Apps are safer than using cash</td>
<td>40%</td>
<td></td>
</tr>
</tbody>
</table>

Source: CJ2. Looking at the list below, how much do you agree or disagree with the following statements as to why you use <PIPE DUMMY CODE FROM S6a> apps? CU9. Thinking about using apps in general, which of the following options would you prefer when using your <PIPE DUMMY CODE FROM S6a> services? Total Sample = 701
Multi-functionality drives convenience; Covid has provided a need to move to digital which is boosted by levels of trust

**Seamlessness creates loyalty by default**

Bearing in mind the **overarching consumer desire to simplify**, seamless linkage with other services can encourage them to set the app as a default option where possible.

“Maybe you can have a feature that connects you to all your favourite online shops. Or another feature that links to all the investment apps you use. And then do the payment through this app, just insert your virtual account.”

- Heavy app user

Source: CJ2. Looking at the list below, how much do you agree or disagree with the following statements as to why you use <PIPE DUMMY CODE FROM S6a> apps? CU9. Thinking about using apps in general, which of the following options would you prefer when using your <PIPE DUMMY CODE FROM S6a> services? Total Sample = 701
Users are highly satisfied with the basic but important tasks e.g. transfers, payment and checking account balances.

Flowsheet: Infrequent yet Satisfied, Infrequent and Below Average Performance, Frequent yet underperforming, Crucial Tasks, Performing Well

- Infrequent yet Satisfied: Set payment reminders / recurring transactions, Make a person to person money transfer, Pay bills, Set up / activate security options, Make an investment, Lock or pause lost cards, Budgeting / managing my money / expenditure, Apply for new services / products

- Frequent yet underperforming: Make a retail payment, Transfer money between my accounts, Check account balances, Engage with customer service, Dispute a transaction, Check or redeem rewards / loyalty schemes, Look for discounts / promotions

Frequent Activities x Satisfaction

Apps need to continue to deliver to these critical activities.

Reminder: Apps are generally used for staple tasks such as checking accounts, money transfers, retail payments and bill paying.

Source: CU13. How satisfied are you with your app experience when it comes to the following activities within your <PIPE DUMMY CODE FROM S6a> apps?

CU12. How frequently do you perform the following activities within your <PIPE DUMMY CODE FROM S6a> apps?

Total Sample = 701
Unsurprisingly, app users will lose patience with apps that deliver a poor and frustrating performance. Updates need to be regular to fix bugs and improve features to keep app users happy and frequently using apps.

This could be due to poor interface, lack of relevance or features etc. Unlocking this can bring in opportunities for more app usage and brand engagement.

We have seen that security is at the forefront of app users minds and trust levels are currently high - but concerns will lead to deletion.

App users will get frustrated by regular interruptions such as notifications and advertising (both need to be hyper relevant and as infrequent as possible).

Half of app users do delete apps at some point which ties in with deletion when they are not used. 46% do not delete finance apps and 37% delete finance apps less often than every few months.

Source: CJ2. Looking at the list below, how much do you agree or disagree with the following statements as to why you use apps? CU9. Thinking about using apps in general, which of the following options would you prefer when using your services? Total Sample = 701.
Finance providers need to be continually innovating whether through digital sign-ups, trusted security or additional features.

Virtual access

This year has shown how important digital communication is, including in the finance world. Banks need to shift their services to digital as this is the first point of contact for customers. Priority is online sign ups for new products.

- “I can make a new bank account online”
- “I hope it provides a feature for make a video call with customer service”
- “The register system to become a member does not need to come to the branch office”
- “The transaction history storage space is even longer, for example 6 months backward transactions”

Source: CU8. Are there any features you wish your <PIPE DUMMY CODE FROM S6a> apps had that are currently not available?

Total Sample = 701
Finance providers need to be continually innovating whether through digital sign-ups, trusted security or additional features.

Digital safety

Serving customers online means protecting details and finances from any possible threat. As more users come online, people are expecting better security procedures in place moving forwards.

- “The fingerprint security features”
- “This app keeps the customers data secure”
- “Double security”
- “It provides face recognition system so that other people can’t use it”
- “The retina scanner feature”

Source: CUB. Are there any features you wish your apps had that are currently not available? Total Sample = 701
Finance providers need to be continually innovating whether through digital sign-ups, trusted security or additional features.

The finance industry will continue to be disrupted as new technology emerges and consumer needs will continue to evolve. Financial providers need to stay ahead by constantly innovating and offering new features or products to meet the changing demands.

- “Top up digital wallets directly through the mobile bank app.”
- “Yes, why is [App A] not connected with PayPal, Payeer or Skrill, I really look forward to that innovation”
- “The promos and cashback”
- “Paylater Card”
- “The cash withdrawal via cardless app”
- “The finance planner”
- “The QR scan feature for payments”

Source: CU8. Are there any features you wish your [PIPE DUMMY CODE FROM S6a] apps had that are currently not available? Total Sample = 701
App Satisfaction: Key insights and recommendations

Insights

- App satisfaction is strongly correlated with brand recommendation - **84%** who positively rate an app regard themselves as brand promoters

- 83% of app users would **prefer a multi-functional singular app** compared to multiple single purpose apps.

- As well as providing a channel that is safe during Covid apps can meet **changing consumer needs** regarding convenience and safety - **57%** strongly agree they can use them from anywhere and **51%** strongly agree apps keep them safe during Covid

Recommendations to improve brand metrics

- **Get the basics right, consistently**
  Ensure **critical tasks** (e.g. balances, transfers) are reliable, seamless & elicit high satisfaction. Bugs, security concerns and excessive ads quickly put users off. Ensure all functionality is available in one app

- **Understand changing consumer needs**
  Key reasons for using Finance apps include staying safe at home during Covid (51%) & being able to complete tasks in a few seconds (51%)

- **Innovate to meet consumer needs**
  The shift to digital has begun and brands need to keep up with needs by providing increased virtual access, trust in data security and relevant functions that go beyond the current critical tasks
Thank you