Apps: How to realize their full value

Finance, Pakistan
Background & Methodology
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=1,083 for Singapore 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 app users
- Light finance users: Use finance apps 1-3x a month and conducts 4 different app activities
- Heavy finance users: Use finance apps at least once a week and conduct 4 different app activities
Who are generally using finance apps?

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>62%</td>
<td>38%</td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>18-34</th>
<th>35-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>61%</td>
<td>39%</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Income</th>
<th>Below Rs 40,000</th>
<th>Rs 40,001 - Rs 60,000</th>
<th>Rs 60,001 - Rs 80,000</th>
<th>Rs 80,001 - Rs 100,000</th>
<th>Rs 100,001 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td>23%</td>
<td>23%</td>
<td>13%</td>
<td>5%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Internet Usage</th>
<th>Daily</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>95%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating System</th>
<th>Android</th>
<th>iOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>97%</td>
<td>3%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Metro</th>
<th>Non-Metro</th>
</tr>
</thead>
<tbody>
<tr>
<td>71%</td>
<td>29%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Smartphone Storage</th>
<th>Under 16GB</th>
<th>16GB</th>
<th>32GB</th>
<th>64GB</th>
<th>128GB</th>
<th>Over 128GB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2%</td>
<td>14%</td>
<td>29%</td>
<td>30%</td>
<td>16%</td>
<td>4%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Connection Devices</th>
<th>Smartphone</th>
<th>Tablet</th>
<th>Laptop Computer</th>
<th>Desktop Computer</th>
<th>Smart Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td></td>
<td>5%</td>
<td>13%</td>
<td>4%</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Prepaid v/s Postpaid</th>
<th>Top up in advance online</th>
<th>Top up in advance in-store</th>
<th>Contract/Fixed bills</th>
</tr>
</thead>
<tbody>
<tr>
<td>44%</td>
<td>49%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>What insights did we want to uncover?</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>---------------------------------</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>01</strong></td>
<td>What constitutes an ‘effective’ finance app for app users?</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>02</strong></td>
<td>How do app users perceive businesses who have an ‘effective’ app?</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>03</strong></td>
<td>What is the link between an ‘effective’ app and business outcomes?</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>04</strong></td>
<td>How are individual brands performing?</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>05</strong></td>
<td>Deep dive into consumer app behaviour: types of app activities, frequency of usage and reasons for install, deletion and usage</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>06</strong></td>
<td>What are their current payment methods and attitude towards using cash?</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>07</strong></td>
<td>What impact has the pandemic had on consumer behaviour in finance apps?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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

- Customers are **highly aware of finance providers’ apps** (awareness of apps between 75-100%) - but **brand usage is low** (average: 16%)

- On average, 30% of recent brand customers (used the brand in the last 3 months) are not using the apps of the respective brands

- App discovery is a starting link to **building brand affinity** - 32% of positive first users have strong brand affinity

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

- There has been a **digital shift** during the pandemic and this trend will accelerate - 57% will prefer to pay digitally post Covid - due to **convenience and comfort**

Recommendations to improve brand metrics

- **Focus less on awareness of the app**
  High awareness so time is better spent on promoting install or trial - or even encouraging signing up to bank accounts in general before focusing on apps

- **Encourage installation through regularly used and influential touchpoints**
  E.g. app stores, search advertising

- **Focus more on improving trial**
  **Key reasons** why app users do not try apps after install are: they need help (27%), they don’t understand what the app provides (24%), need to go in-branch to sign up (19%). Could further education (e.g. online tutorials) help overcome these perceived complexities? Can digital sign up be provided (or promoted)?
App Engagement: Key insights and recommendations

Insights

- App engagement has a strong positive correlation with brand satisfaction and customer retention
  - 71% of ‘most frequent’ users are satisfied with the brand
  - 94% of ‘most frequent’ users are “quite or very likely” to stay with the brand

- 83% of app users prefer to engage with brands via apps - apps are quick, easy and safe.

- Over 75% of app users prefer to use apps for critical tasks such as paying bills, money transfers, and checking account balances

- App users are encouraged to continue usage when apps take up less memory (30%), sends useful notifications (29%), proved it was safe and secure (28%) and shows relevance during Covid (25%)

Recommendations to improve brand metrics

- Upkeep core features that bring app users back
  - E.g. checking account balances (63% perform regularly), person to person transfers (50%) and transferring between accounts (46%)

- Maximize opportunity areas around discounts, particularly during Covid
  - Financial apps are becoming increasingly popular for discounts (23%)

- Raise awareness of underutilized yet helpful features
  - Assuming the features work well, underutilized features such as payment reminders (21% perform regularly) and budgeting (16%) can help increase the value of an app to users

- Ensure notifications are hyper-relevant
  - Consumers enjoy useful notifications - could this be a way of promoting under-utilized activities.
App Satisfaction: Key insights and recommendations

Insights

- App satisfaction is **strongly correlated** with brand recommendation - **68% who positively rate an app regard themselves as brand promoters**

- **69%** of app users would **prefer a multi-functional singular app** compared to multiple single purpose apps.

- Brands can meet **changing consumer needs** by providing convenience and safety during a pandemic - **41% strongly agree** they can use apps anywhere and anytime, **38% strongly agree** they enjoy completing tasks within a few seconds and **38% 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. Poor interfaces and memory concerns quickly put users off - to the point where some may revert to offline touchpoints.

- **Understand changing consumer needs**
  Consumers need apps to be convenient and provide safety during the pandemic.

- **Innovate to meet consumer needs**
  Old habits die hard - many regular cash users are aware they need to move to banking apps in the future, yet are frustrated by no offline connectivity for example. Brands can take this opportunity to educate consumers about the benefits of online transfers, and start to develop regular usage of online payment methods, especially with how consumers are eager to see online shopping apart of the finance app experience.
The highest increase in brand affinity occurs when a user transitions from successfully onboarding to regularly using an app.

<table>
<thead>
<tr>
<th>Affinity Brand Metric</th>
<th>Unaware Of app</th>
<th>Initial Awareness of app</th>
<th>Deeper awareness of app</th>
<th>Successful app onboarding</th>
<th>Use app regularly</th>
<th>Use app Most frequent</th>
<th>Rated as great app (top2box)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12%</td>
<td>8%</td>
<td>14%</td>
<td>32%</td>
<td>74%</td>
<td>90%</td>
<td>84%</td>
</tr>
</tbody>
</table>

NOTE: Similar pattern is seen for other brand metrics.
Positive uplifts are reflective with other significant brand metrics, correlating with the consumer app journey.

**Summary of Findings**

- **Unaware of app**: 73%
- **Initial Awareness of app**: 55%
- **Deeper awareness of app**: 66%
- **Successful App Onboarding**: 66%
- **Use app regularly**: 53%
- **Use app Most frequent**: 39%
- **Rated as great app (top2box)**: 87%

**Key Metrics**:

- **Note**: Similar pattern is seen for other brand metrics.
- **Satisfied R² = 0.6148**
- **Retention R² = 0.6777**
- **Brand Promoter R² = 0.8394**
App Discovery and Onboarding

How does onboarding of an app impact brand metrics?
App Discovery and Onboarding: Key insights and recommendations

**Insights**

- Customers are **highly aware of finance providers’ apps** (awareness of apps between 75-100%) - but **brand usage is low** (average: 16%)
- On average, 30% of recent brand customers (used the brand in the last 3 months) are not **using the apps of the respective brands**
- App discovery is a starting link to **building brand affinity** - 32% of positive first users have strong brand affinity
- 40% of App users have **installed at least one finance app but never used**
- There has been a **digital shift** during the pandemic and this trend will accelerate - 57% will prefer to pay digitally post Covid - due to **convenience and comfort**

**Recommendations to improve brand metrics**

- **Focus less on awareness of the app**
  High awareness so time is better spent on promoting install or trial - or even encouraging signing up to bank accounts in general before focusing on apps
- **Encourage installation through regularly used and influential touchpoints**
  E.g. app stores, search advertising
- **Focus more on improving trial**
  **Key reasons** why app users do not try apps after install are: they need help (27%), they don’t understand what the app provides (24%), need to go in-branch to sign up (19%). Could further education (e.g. online tutorials) help overcome these perceived complexities? Can digital sign up be provided (or promoted)?
When users shift from being aware to actually trying an app, there is a significant impact on brand affinity.

- Unaware of app: 12%
- Initial awareness of app: 8%
- Deeper awareness of app: 14%
- Successful app onboarding: 32%
- Use app regularly: 74%
- Use app most frequent: 90%
- Rated as great app (top2box): 84%

Affinity Brand Metric:
- Raw text: +18%
- Formula: $R^2 = 0.867$

Think with Google
Online touchpoints are crucial to app installation and are complemented by offline word of mouth.

**Crucial Discovery Touchpoints**

Touchpoints that are frequently used and influential in installation decision making.

- **Online**
  - Searching within app stores
  - Featured apps within app store
  - Through brand websites
  - Search engine results
  - I see it shared / talk about on social networks

- **Offline**
  - Family / friends recommend them

**Typical touchpoints used**

0% 10% 20% 30% 40% 50% 60%

- **Very Influential**
  - Offline advertising
  - Staff recommend them
  - Through news articles

- **Niche Touchpoints**
  - Reading reviews online
  - Advertising on websites
  - Advertising on video sites (eg. YouTube)

- **Less Influential**
  - Searching within app stores
  - Friends/Family recommend them

- **Secondary Touchpoints**
  - Through brand websites
  - Search engine results

Source: CJ5. How do you typically find out about new apps? CJ6. How influential are these in persuading you to install a app? Total Sample = 374
Online reviews help amplify the likelihood of app discovery due to their positive influence on research.
Successful app discovery hinges on bank staff/friends recommendations and smooth onboarding

Friends/ family and bank staff recommendations are important for app discovery

App awareness and push to install and use is often triggered by bank staff at the branch or by peer-group influence. Hence it’s crucial that bank staff are communicating the benefits and existence of the app to customers.

There was a long queue in Bank A. When I went to a customer care person after transferring check, he told me that I can use an online app instead of going to the bank. Then I asked him how do I install and is it secure? Manager told me, first your verification will be done, after that you can get login access.

- Male app user

Conveniences of banking through app help transition from offline to digital

The ease of banking such as checking account balances and making money transfers without going to the branch / ATM is a strong motivation to switch from traditional/ offline ways of banking.

Finance App B is very easy and nationwide. You can do everything at home, without going anywhere: online transactions, bill payments, etc. However if you go to a bank, you can see long queues.

- Female app user

Smooth onboarding is critical to app first-use

Interaction with bank staff or guidance from friends/ family is critical to ensure smooth onboarding, removing any hesitation or concerns to banking in a new and different way.

My sister helped me register on Finance App C for the first time. She entered the account number and set everything up for me, now I can make transactions easily.

- Female app user
Opportunity to drive app discovery by making it easy to transition from offline to online

**Friends/family and bank staff recommendations are important for app discovery**

**Key ask:** Rewards for sharing and recommendations

**How:** Consumer suggestions
Incentivize recommendations through referral programs.

**Conveniences of banking through app help transition from offline to digital**

**Key ask:** Ease of conducting core banking features to be the hook

**How:** Consumer suggestions
Regular banking features / activities that consumers will find most value are checking account balances, fund transfers and bill payments - these need to be available and easily accessible on the app.

**Smooth onboarding is critical to app first-use**

**Key ask:** Support app discovery with online guidance

**How:** Consumer suggestions
In addition to offline branch onboarding, offer human interaction via live chat or video call to help with the onboarding.

A manual, a preview option, or a video on how to use the app, during first time login to help them through app-navigation.
Installation does not equal trial; many have unused apps installed due to perceived complexities or in-person sign up

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

Reasons to install but not use

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I need someone to help me</td>
<td>27%</td>
</tr>
<tr>
<td>I use a different app instead</td>
<td>25%</td>
</tr>
<tr>
<td>I don't understand what the app provides me</td>
<td>24%</td>
</tr>
<tr>
<td>I haven't had the time</td>
<td>23%</td>
</tr>
<tr>
<td>It is too risky to sign up to new products during Covid</td>
<td>21%</td>
</tr>
<tr>
<td>I need to go in branch to complete sign up processes</td>
<td>19%</td>
</tr>
<tr>
<td>The app design or user experience is complicated</td>
<td>18%</td>
</tr>
<tr>
<td>The sign-up process looks complex</td>
<td>15%</td>
</tr>
</tbody>
</table>

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 = 374, Have installed apps but not used = 150
Apps need to live up to expectations to encourage trial; they need to keep users safe by having all details in one place

### Installation Triggers (Top 10)

<table>
<thead>
<tr>
<th>Trigger</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is from a well known brand</td>
<td>33%</td>
</tr>
<tr>
<td>It had features that looked useful</td>
<td>30%</td>
</tr>
<tr>
<td>It is a safer option during Covid-19</td>
<td>29%</td>
</tr>
<tr>
<td>Everyone uses this app / I was recommended to use it</td>
<td>28%</td>
</tr>
<tr>
<td>I wanted to be able to deal with all my finances in one place</td>
<td>27%</td>
</tr>
<tr>
<td>I wanted to change the way I do my banking</td>
<td>22%</td>
</tr>
<tr>
<td>I needed help with saving money / budgeting</td>
<td>22%</td>
</tr>
<tr>
<td>I wanted to open a new account / sign up to a new product</td>
<td>22%</td>
</tr>
<tr>
<td>They are from my current financial provider</td>
<td>19%</td>
</tr>
<tr>
<td>I wanted to change the way I make payments due to Covid-19</td>
<td>19%</td>
</tr>
<tr>
<td>I need financial help during Covid-19</td>
<td>19%</td>
</tr>
</tbody>
</table>

There is a preference for finance apps with all functionality in one place. People are looking for features that meet their needs, with the added convenience of having them all together.

Covid is having an impact on downloads as more consumers move to digital banking as a result of lockdowns and cautious behavior. Apps need to deliver to all users in these unprecedented times:

- new users need an easy introduction to digital banking
- current users could expand their activity repertoire
- families and those financially impacted may benefit from budgeting tools and discounts

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 = 374
There has been a shift to digital banking during the pandemic and this trend is only going to accelerate in the future.

<table>
<thead>
<tr>
<th>Payment Method</th>
<th>Past</th>
<th>Current</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>47%</td>
<td>44%</td>
<td>27%</td>
</tr>
<tr>
<td>Debit / Credit Cards</td>
<td>17%</td>
<td>12%</td>
<td>17%</td>
</tr>
<tr>
<td>Banking Apps</td>
<td>35%</td>
<td>43%</td>
<td>55%</td>
</tr>
<tr>
<td>E-Wallet Apps</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
</tr>
</tbody>
</table>

57% for digital post Covid

CASH1. When you currently make purchases in-store, what is your preferred method of payment? CASH2. When you made purchases in-store before the Covid-19 pandemic, what was your preferred method of payment? CASH3. Thinking ahead to after the Covid-19 pandemic, what do you think will be your preferred method of payment?

Total Sample = 374
Digital is the preference in future - users appear comfortable with their numerous benefits (i.e. convenience, safety)

<table>
<thead>
<tr>
<th>Preferred Payment Method After Covid</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>27%</td>
</tr>
<tr>
<td>Debit / credit Cards</td>
<td>17%</td>
</tr>
<tr>
<td>Banking Apps</td>
<td>55%</td>
</tr>
<tr>
<td>E - Wallet Apps</td>
<td>2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reasons For Choosing Banking Apps</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>I always carry my smartphone with me</td>
<td>56%</td>
</tr>
<tr>
<td>I am most comfortable using banking apps</td>
<td>47%</td>
</tr>
<tr>
<td>It helps me track how much I am spending</td>
<td>38%</td>
</tr>
<tr>
<td>It is a safer option compared to cash</td>
<td>37%</td>
</tr>
<tr>
<td>It is what I am used to doing</td>
<td>32%</td>
</tr>
</tbody>
</table>

CASH3. Thinking ahead to after the Covid-19 pandemic, what do you think will be your preferred method of payment? CASH6. Why will you look to pay via banking apps for your purchases after the Covid-19 pandemic? Total Sample = 374; Banking app users n=204
Within digital banking, we see that banking apps are the safer choice, but e-wallets has advantage of wider merchant acceptance.

**Platform preference**

**Banking apps as first choice as security is priority** Established infrastructure of banks is a safeguard against any fraudulent activities.

**E-wallets and payment apps are also popular due to wider merchant acceptance**

E-wallets tend to be used for transactions where banking apps are not available:

- Selected bill payments such as traffic fines are not available through banking apps.
- Funds transfers or cash withdrawal is more accessible in almost any retailer shops compared to finding bank branches or ATMs, especially in small towns and cities.

"Banks have insurance. If any mishaps happen, then you can get insurance but e-wallet apps don't have insurance. My neighbor has an e-wallet account and few days ago money got out from his account without his knowledge. It doesn't seem secure."

- Male app user

"E-wallet apps are very easy to use for local payments. If you have a traffic fine; you can easily pay it through an e-wallet, either using money in your e-wallet or by transferring from your bank account. These types of things are very easy in e-wallet apps. Banking apps do not have the option to pay for fines."

- Male app user

"The benefit of e-wallets apps is you can use it where banks are not available. Rather than searching for an ATM, it is easier to go to any small shops to get money for my e-wallet app. I keep money in my e-wallet app for emergencies."

- Male app user
App Engagement

How frequently is the app used?
App Engagement: Key insights and recommendations

Insights

- App engagement has a **strong positive correlation** with brand satisfaction and customer retention
  - 71% of ‘most frequent’ users are satisfied with the brand
  - 94% of ‘most frequent’ users are “quite or very likely” to stay with the brand
- 83% of **app users** prefer to **engage with brands via apps** - apps are quick, easy and safe.
- Over 75% of **app users** prefer to **use apps for critical tasks** such as paying bills, money transfers, and checking account balances
- App users are encouraged to **continue usage** when apps take up less memory (30%), sends useful notifications (29%), proved it was safe and secure (28%) and shows relevance during Covid (25%)

Recommendations to improve brand metrics

- **Upkeep core features** that bring **app users back**
  E.g. checking account balances (63% perform regularly), person to person transfers (50%) and transferring between accounts (46%)
- **Maximize opportunity areas** around discounts, particularly during Covid
  Financial apps are becoming increasingly popular for discounts (23%)
- **Raise awareness of underutilized yet helpful features**
  Assuming the features work well, underutilized features such as payment reminders (21% perform regularly) and budgeting (16%) can help increase the value of an app to users
- **Ensure notifications are hyper-relevant**
  Consumers enjoy useful notifications - could this be a way of promoting under-utilized activities.

Think with Google
Regular usage is key as we see the highest increase in brand affinity occurring when a user transitions to using an app regularly.

App Engagement

**Unaware Of app**
- 12%

**Initial Awareness of app**
- 8%

**Deeper awareness of app**
- 14%

**Successful app onboarding**
- 32%

**Use app regularly**
- 74%

**Use app Most frequent**
- 90%

**Rated as great app (top2box)**
- 84%

**Affinity Brand Metric**
- $R^2 = 0.867$

**App Satisfaction**
- +42%

**App Engagement**
- +25%

**App Familiarity**
- 4
People stick with their main finance apps, for specific, occasional usage

- 1.8 financial apps installed on average
- 3.6 activities are regularly performed in finance apps, on average
- 1.6 activities are performed weekly, on average

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps?
Total Sample = 374
Finance apps are heavily preferred over other touchpoints

83% prefer to engage with brands through apps

- 7% Via their website
- 6% Via their ATMs
- 2% Via an employee in person
- 1% Via email
- 1% Via an employee on the phone

Source: CU10. Which would be your preferred way to engage with brands? CU10a. You said you would prefer to engage with brands via apps. Why is this?

Total Sample = 374; Prefer to engage via App n = 312
Finance apps are valued because they are quick, easy and safe to use (especially during a pandemic)

Reasons for engaging with brands through an app

- I find it easier: 55%
- I can do it from anywhere: 43%
- It is quicker: 39%
- It is the method I have always used: 30%
- I can access it anytime of the day or night: 30%
- It is safer in the current climate (i.e. covid 19): 30%
- They are very user friendly: 28%
- They have all my details stored: 27%
- I prefer not having in person interaction: 24%
- The app provides special features that other channels don't: 21%
- I can deal with all my accounts in one place: 21%
- It has all the features I need: 20%
- I prefer the limited features: 14%
- I prefer the security processes: 14%

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 = 374; Prefer to engage via App n = 312
Apps are preferred across critical tasks - but some activities do skew to other touchpoints

### Activity Preference

<table>
<thead>
<tr>
<th>Activity</th>
<th>App</th>
<th>Mobile Website</th>
<th>Desktop Website</th>
<th>ATM</th>
<th>Call centre</th>
<th>Store / Branch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Bills (e.g. credit card, utilities, etc)</td>
<td>83%</td>
<td>5%</td>
<td>8%</td>
<td>5%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Transfer money between my accounts</td>
<td>78%</td>
<td>5%</td>
<td>5%</td>
<td>4%</td>
<td>6%</td>
<td>12%</td>
</tr>
<tr>
<td>Engage with customer service (i.e. text chat / chat bots etc)</td>
<td>76%</td>
<td>6%</td>
<td>6%</td>
<td>4%</td>
<td>6%</td>
<td>15%</td>
</tr>
<tr>
<td>Check account balances</td>
<td>75%</td>
<td>2%</td>
<td>7%</td>
<td>4%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Make a person to person money transfer</td>
<td>74%</td>
<td>13%</td>
<td>7%</td>
<td>4%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Make an investment</td>
<td>74%</td>
<td>10%</td>
<td>2%</td>
<td>7%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Budgeting / managing my phone / expenditure</td>
<td>73%</td>
<td>9%</td>
<td>2%</td>
<td>7%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Look for discounts / promotions</td>
<td>72%</td>
<td>9%</td>
<td>2%</td>
<td>7%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Apply for new services and products</td>
<td>62%</td>
<td>13%</td>
<td>3%</td>
<td>8%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Check or redeem rewards / Loyalty schemes</td>
<td>67%</td>
<td>8%</td>
<td>2%</td>
<td>10%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Set payment reminders / recurring transactions</td>
<td>60%</td>
<td>13%</td>
<td>3%</td>
<td>10%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Dispute a transaction</td>
<td>60%</td>
<td>8%</td>
<td>2%</td>
<td>10%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Setup / activate security options (PIN, 2-factor authentication, digital token)</td>
<td>55%</td>
<td>8%</td>
<td>5%</td>
<td>15%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Make a retail payment</td>
<td>50%</td>
<td>8%</td>
<td>1%</td>
<td>12%</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Lock or pause lost cards</td>
<td>47%</td>
<td>16%</td>
<td>11%</td>
<td>2%</td>
<td>13%</td>
<td>11%</td>
</tr>
</tbody>
</table>

App Average: **67%**

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

**Total Sample = 374**
Checking account balances and making transfers are the most common behaviors within finance apps

<table>
<thead>
<tr>
<th>Behavior</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Check account balances</td>
<td>63%</td>
</tr>
<tr>
<td>Make a person to person money transfer</td>
<td>50%</td>
</tr>
<tr>
<td>Transfer money between my accounts</td>
<td>46%</td>
</tr>
<tr>
<td>Pay Bills</td>
<td>28%</td>
</tr>
<tr>
<td>Make a retail payment</td>
<td>28%</td>
</tr>
<tr>
<td>Apply for new services and products</td>
<td>23%</td>
</tr>
<tr>
<td>Look for discounts / promotions</td>
<td>23%</td>
</tr>
<tr>
<td>Set payment reminders / recurring transactions</td>
<td>21%</td>
</tr>
<tr>
<td>Dispute a transaction</td>
<td>16%</td>
</tr>
<tr>
<td>Budgeting / managing my phone / expenditure</td>
<td>16%</td>
</tr>
<tr>
<td>Lock or pause lost cards</td>
<td>12%</td>
</tr>
<tr>
<td>Setup / activate security options</td>
<td>11%</td>
</tr>
<tr>
<td>Check or redeem rewards / Loyalty schemes</td>
<td>10%</td>
</tr>
<tr>
<td>Make an investment</td>
<td>6%</td>
</tr>
<tr>
<td>Engage with customer service</td>
<td>5%</td>
</tr>
</tbody>
</table>

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps? Total Sample = 374
App users are often looking to check rewards or look for promotions - a popular but secondary function with users.

**Common Finance App Behaviours**

- Check account balances: 63%
- Make a person to person money transfer: 50%
- Transfer money between my accounts: 46%
- Pay Bills: 28%
- Make a retail payment: 28%
- Apply for new services and products: 23%
- Look for discounts / promotions: 23%
- Set payment reminders / recurring transactions: 21%
- Dispute a transaction: 16%
- Budgeting / managing my phone / expenditure: 16%
- Lock or pause lost cards: 12%
- Setup / activate security options: 11%
- Check or redeem rewards / Loyalty schemes: 10%
- Make an investment: 6%
- Engage with customer service: 5%

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps? Total Sample = 374
Budgeting and payment reminders are not frequently used but could prove to be helpful during Covid.

Common Finance App Behaviours

- Check account balances: 63%
- Make a person to person money transfer: 50%
- Transfer money between my accounts: 46%
- Pay Bills: 28%
- Make a retail payment: 28%
- Apply for new services and products: 23%
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- Dispute a transaction: 16%
- Budgeting / managing my phone / expenditure: 16%
- Lock or pause lost cards: 12%
- Setup / activate security options: 11%
- Check or redeem rewards / Loyalty schemes: 10%
- Make an investment: 6%
- Engage with customer service: 5%

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps?
Total Sample = 374
Engagement centers around ease-of-use and financial security of a banking app

Stable and smooth app experience is the basics for app engagement

Convenience of banking anytime, anywhere is delivered only when app is stable, easy to understand and use, and consumers are able to regularly complete transactions without facing hurdles of login issues, laggy or out-of-service app.

Bank A app does not connect easily. It is problematic with iPhone. Whereas Bank B and Bank C connect quickly. You can do speedy mobile top-up etc. Bank B is also very fast - it has lot of options and also visible on the homepage.

- Male app user

Higher engagement when app is perceived to continuously stay safe and secure

Pakistani consumers are concerned about financial fraud, hence ensuring a safe and secure banking platform that is also very convenient and easy-to-use increases usage of app over offline platforms.

Obviously, if we feel more secure then we will use app more. For now, I avoid using apps to do retail payment as I am not sure about the security.

- Female app user

Apps mainly used for simple banking but offline preferred for advanced banking

Outside of simple transactions such as checking account balances, bill payment, funds transfers, consumers still default to offline for all other banking (i.e. lock/pause cards, apply new products) - finance providers can benefit by increasing awareness and confidence amongst consumers to explore different features on the app.

If I need personal loan, I will not use the app - I will go to directly to the bank because I want to ask questions about the criteria to apply and understand the tax.

- Male app user
Opportunity to increase app engagement with a secure and seamless app experience

Stable and smooth app experience is the basics for app engagement

Key ask: A stable, smooth, easy-to-use app interface

How: Consumer suggestions
A reliable platform that consumers can turn to for banking activities - free of issues such as unable to login, downtime, lags, being out-of-service

Higher engagement when app is perceived to continuously stay safe and secure

Key ask: Ensure a continuously safe and secure platform

How: Consumer suggestions
Prompt consumers on not using common passwords, and provide continuous reminders on changing passwords at periodic intervals i.e. every 3-6 months. Demonstrate efforts to continuously ensure security of app through service updates and new features to the app

Apps mainly used for simple banking but offline preferred for advanced banking

Key ask: More hand holding on using different features on app

How: Consumer suggestions
A manual, a preview option or tutorial videos for step-by-step introduction to any new app features or updates (i.e. bill reminders, budgeting)

Social influence from widespread adoption of more advanced functions of the app can help drive interest and understanding of differentiated qualities
App Satisfaction

How satisfied is the user with the app?
App Satisfaction:
Key insights and recommendations

Insights

- App satisfaction is **strongly correlated** with brand recommendation - **68% who positively rate an app regard themselves as brand promoters**

- **69% of app users would prefer a multi-functional singular app** compared to multiple single purpose apps.

- Brands can meet **changing consumer needs** by providing convenience and safety during a pandemic - **41% strongly agree they can use apps anywhere and anytime, 38% strongly agree they enjoy completing tasks within a few seconds and 38% 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. **Poor interfaces** and memory concerns quickly put users off - to the point where some may revert to offline touchpoints

- **Understand changing consumer needs**
  Consumers need apps to be convenient and provide safety during the pandemic

- **Innovate to meet consumer needs**
  Old habits die hard - many regular cash users are aware they need to move to banking apps in the future, yet are frustrated by no offline connectivity (for example). Brands can take this opportunity to educate consumers about the benefits of online transfers, and start to develop regular usage of online payment methods, especially with how consumers are eager to see online shopping apart of the finance app experience
When a user uses an app very frequently and is satisfied by it, we see very strong links to brand affinity.

Affinity Brand Metric:
- 12% Unaware of app
- 8% Initial awareness of app
- 14% Deeper awareness of app
- 32% Successful app onboarding
- 74% Use app regularly
- 90% Use app Most frequent
- 84% Rated as great app (top2box)

R² = 0.867
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><strong>8 in 10</strong> like / love the brand (top2box)</td>
<td><strong>9 in 10</strong> are satisfied with the Brand (top2box)</td>
<td><strong>9.5 in 10</strong> are likely to stay with the brand (top2box)</td>
<td><strong>7 in 10</strong> 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

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

**App Preference**

<table>
<thead>
<tr>
<th>68%</th>
<th>32%</th>
</tr>
</thead>
<tbody>
<tr>
<td>of app users prefer a single financial app covering multiple functions</td>
<td>of app users prefer multiple apps that cover specific functionality</td>
</tr>
</tbody>
</table>

**Influences to app usage**

“I like having all my financial details in one place”
33% strongly agree; 85% 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 in Pakistan.

One third would prefer multiple apps - this could be due to limited data and storage space.

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 = 374
App satisfaction is driven by convenience of managing finances and rewarding experiences

Aided financial planning provides greater satisfaction with support provided by banks

An app that goes beyond completing transactions to educate and guide them on their journey towards greater financial literacy, security and freedom increases satisfaction.

“Banking app should monitor your financial goals so some apps have pop-ups option that you have done this thing and we are giving you these suggestions according to it. This pop-up can be given according to conversation or they can give you ideas or they can ask you what do you want to do. They can give an option of budgeting; you are spending that much amount and how can you manage it.

- Female app user

Lifestyle deals and rewards fosters stronger emotional connections

Offering deals and promotions on the banking app elevates it from just a transactional platform, to one that generates excitement and interest.

“Banks give discounts on their credit cards only. They don’t give discounts on banking apps. But [e-wallet A] gives discount on purchasing of train tickets payments, on airline tickets payments. Such these kinds of things are available in [e-wallet A].

- Male app user
App satisfaction is driven by convenience of managing finances and rewarding experiences

Aided financial planning provides greater satisfaction with support provided by banks

Lifestyle deals and rewards fosters stronger emotional connections

Key ask: Digital finance planner or bank relationship manager

How: Consumer suggestions

Financial planner: Help consumers set goals, and give suggestions on steps to reach the goals - budgeting and managing expenditure, personal loans and investment options

Assistive tools: Features that help better exploration and faster resolution to queries for financial growth options e.g., Voice search, Live Chat

Key ask: Loyalty benefits and rewards

How: Consumer suggestions

Attractive perks: Simple, immediate, compelling, perks like cashback, discounts comparable to e-wallet apps

Incentivize advanced usage: Reward users for using multiple functions, and for setting the app as a default payment option

Think with Google
Covid pushed many online, and apps have responded with quality functions to meet critical (and budgeting) needs.

When I first opened my bank account, I was informed about the banking app however I didn't really pay attention to it or download it. But during COVID, it was easy for me to download it and use it for money transfer. That is when I started doing it. It was easy to transfer money to make payments.

- Female app user

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 = 374
Addressing the user experience can alleviate consumer frustrations who have recently joined due to the pandemic

Deletion Top 10

<table>
<thead>
<tr>
<th>Reason</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor interface</td>
<td>22%</td>
</tr>
<tr>
<td>It takes up too much memory on my smartphone</td>
<td>16%</td>
</tr>
<tr>
<td>I delete apps and reinstall them when I need them again</td>
<td>15%</td>
</tr>
<tr>
<td>There were too many ads</td>
<td>15%</td>
</tr>
<tr>
<td>My current app does a better job</td>
<td>15%</td>
</tr>
<tr>
<td>I was having a general clean up of my apps</td>
<td>15%</td>
</tr>
<tr>
<td>Lockdown had eased and no longer required the app</td>
<td>13%</td>
</tr>
<tr>
<td>It had provided me with the information I needed</td>
<td>13%</td>
</tr>
<tr>
<td>It has bugs / keeps crashing</td>
<td>12%</td>
</tr>
<tr>
<td>It was using too much data from my mobile data plan</td>
<td>11%</td>
</tr>
</tbody>
</table>

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.

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

Some app users have concerns over storage and battery - this leads to reinstallation as and when apps are needed. But there is a preference for the larger multi-purpose apps which will take up storage.

Finance app deletion is rare. Consumer are tied to their provider - but apps still need to hit expectations or brand equity will suffer.

46% do not delete finance apps
36% delete finance apps less often than every few months

Source: CJ9. Thinking now specifically about <PIPE DUMMY CODE FROM S6a> apps, what are the typical reasons why you delete / uninstall these?

CJ10. Thinking of the reasons you chose previously, please rank in terms of importance when it comes to deleting a <PIPE DUMMY CODE FROM S6a> app

Total Sample = 374
To maintain and improve satisfaction, finance providers can explore ways to improve cost savings.

Cost Savings

The impact of the pandemic is shifting the ways people pay for things in Pakistan. Some may be facing financial difficulties, and having to shift from cash (ATMs) to online transfers; those being pushed online are more sensitive to new fees.

- “ATM charges should not be deducted”
- “There should be no fee of ATM card”
- “There should be no cutting on payment like 0.6% cutting on 25000 payment”

Source: CU8. Are there any features you wish your apps had that are currently not available? Total Sample = 374
Finance providers can innovate by expanding into online shopping

Online shopping

To enhance the experience of using a finance app, some are interested in adding online shopping - demonstrate and educate the variety of payment methods available so as to link the finance brand to the idea of shopping

- “Online shopping with delivery system”
- “Order online food”
- “Online shopping should be easy”
- “Online shopping should be easy, there should be payment of petrol”

Source: CUB. Are there any features you wish your <PIPE DUMMY CODE FROM S6a> apps had that are currently not available? Total Sample = 374
Basic access to finance apps is disrupted by connectivity issues, which will make regular usage difficult to maintain

Offline access

Some face difficulties accessing accounts that need online connectivity; while at times outside of a brand’s control, showing initiative to overcome these barriers can promote more regular usage and grow positive affinity towards the brand

- “Online payment of every product, it should work without internet”
- “Network issue, it should work without internet”
- “Make it easy to use connectivity with bank, should be quick and secure”
- “Operating system is simple, it should run without internet” we can use it offline”
Thank you