Think with Google | KANTAR | SIXTH FACTOR

# Apps: How to realize their full value

Finance, Singapore

# 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=1001 for Singapore Quantitative with 2 playgroups (n=4, each) per vertical for Qualitative. Research covered 17 brands and their respective apps*.

**KANTAR**

(Quantitative)

**SIXTH FACTOR**

(Qualitative)

## Respondent Criteria

**Quantitative**

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

**Qualitative**

- Mixture of male & female app users
- 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 70%.**

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* DBS, UOB, OCBC, Citibank, HSBC, Standard Chartered Bank, Maybank, Grab Finance, StashAway, PayPal, TransferWise, IQOption, Revolut, Alipay, Western Union SG, POEMS SG 2.0, Singtel Dash

# Who are generally using finance apps?

Profiling

## Gender

**50%** Male          **49%** Female

## Age

**40%** (18-34)          **60%** (35-64)

## Income

| | |
|---|---|
| Below S$3,999 | **21%** |
| S$4,000 - S$5,999 | **17%** |
| S$6,000 - S$8,999 | **23%** |
| S$9,000 - S$11,999 | **15%** |
| S$12,000 or more | **21%** |

## Internet Usage

**97%** Daily

## Operating System

**39%** iOS          **60%** Android

## Connection Devices

| | |
|---|---|
| Smartphone | **100%** |
| Tablet | **45%** |
| Laptop Computer | **82%** |
| Desktop Computer | **35%** |
| Smart Speaker | **15%** |

## Smartphone Storage

| | |
|---|---|
| Under 16GB | **3%** |
| 16GB | **5%** |
| 32GB | **11%** |
| 64GB | **29%** |
| 128GB | **30%** |
| Over 128GB | **18%** |

## Prepaid v/s Postpaid

| | |
|---|---|
| Top up in advance online | **9%** |
| Top up in advance in-store | **3%** |
| Contract/Fixed bills | **88%** |

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# What insights did the research aim to uncover?

**01**  What constitutes an 'effective' finance app for app users?

**02**  How do app users perceive businesses who have an 'effective' app?

**03**  What is the link between an 'effective' app and business outcomes?

**04**  How are individual brands performing?

**05**  Deep dive into consumer app behaviour: types of app activities, frequency of usage and reasons for install, deletion and usage

**06**  What impact has the pandemic had on consumer behaviour in finance apps?

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# This research also includes a deep dive into different financial needs

Specific interactions with brands in these finance categories

**93%**  **75%**  **42%**  **31%**
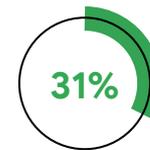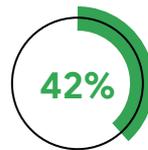
Apps for analysis that relate to finance category

**Personal Banking**

DBS Digibank SG

UOB Mighty

OCBC SG Mobile Banking

Citibank SG

HSBC Singapore

SC Mobile Singapore

Maybank 2u SG

**Payments**

UOB Mighty

Grab

Singtel Dash

PayPal

DBS PayLah

**Investments**
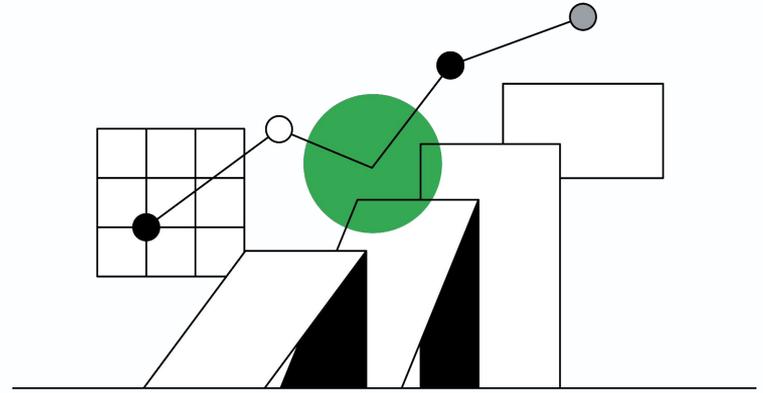
StashAway

IQ Option

POEMS SG 2.0

**Remittance**

TransferWise

Western Union SG

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# 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.

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# 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)"

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# App Discovery and Onboarding:
# Key insights and recommendations

## Insights

- **90-100%** of finance brand's customers are aware of finance apps in Singapore

- On average, **25% of recent brand users** (past 3 months) are **not using the respective apps**

- App discovery is a starting link to building brand affinity
    - **37%** of successful onboarders have strong affinity
    - **13%** of successful onboarders "love" the brand

- **38%** of App users have installed at least one finance app but never used

- **64%** are likely to try a digital/app-only bank for financial services

## Recommendations to improve brand metrics

- **Focus less on awareness of the app as awareness is high**
  Time is better spent on promoting install or onboarding

- **Encourage installation through regularly used and influential touchpoints** (and key demographics)
  E.g. brand websites and online reviews

- **Encourage installation by promoting influential yet underutilized touchpoints**
  E.g. staff recommendations, advertising on video sites

- **Focus more on improving app onboarding**
  Key reasons why app users do not try apps after install are: they are using different apps (35%), lack of time (28%). Consumers need to be enticed to try and onboard to an app.

  App users want an app that stores all details which helps them shift their behaviours to digital as a result of the pandemic

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# App Engagement:
# Key insights and recommendations

## Insights

- App engagement has a **strong positive correlation** with customer retention with mild links to brand satisfaction

  - **41%** of 'most frequent' users are satisfied with the brand
  - **95%** of 'most frequent' users are likely to stay with the brand

- **61% of app users** prefer to engage **with brands via apps** - users find apps are quick, easy and safe.

- Over **80% of app users** prefer to use apps for core features such as **checking balances and person to person transfers**.

- App users are encouraged to continue usage when apps are proven to be **secure (53%)**, when the app is **updated regularly (30%) and takes up minimal storage (22%)**

## Recommendations to improve brand metrics

- **Upkeep** core features **that bring app users back**
  E.g. checking account balances (80% perform regularly), transferring money between accounts (59%), paying bills (54%), person to person transfers (43%), and retail payments (42%)

- **Maximize** opportunity areas **around rewards and discounts, especially with the context of the pandemic**
  Financial apps are becoming increasingly popular for redeeming rewards (27% perform regularly) and discounts (25%)

- **Raise awareness of** underutilized **yet helpful features**
  There is a vast set of features like payment reminders (14% perform regularly) and budgeting (14%) that are not currently used as often which is why many apps may lack uniqueness and satisfaction. Consumers want to perform tasks within apps so brands need to be prepared for this continuing shift to digital and meet evolving needs.

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# App Satisfaction:
# Key insights and recommendations

## Insights

- App satisfaction is correlated with brand recommendation - but there is room for improvement **67% who positively rate an app regard themselves as brand promoters**

- **75%** 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 such as an app, brands can **meet changing consumer needs** providing convenience - **35% strongly agree they can complete tasks anytime, anywhere; 24% strongly agree apps keep them safe during Covid**

## Recommendations to improve app metrics

- **Get the basics right, consistently**
Ensure critical tasks (e.g. balances, transfers) are reliable, seamless & elicit high satisfaction. Bugs and poor interfaces quickly put users off

- **Understand changing consumer needs**
Primary reasons for using finance apps include performing tasks within seconds (34%) & being more convenient than in-store (34%)

- **Innovate to meet consumer needs**
New technologies entice non-users to research and explore current offerings. To keep your satisfied customers, look into app improvements that can compliment unmet consumer needs (e.g. QR scanning, in-app customization by users, stock investing in the same app as banking)

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# Positive uplifts are reflective with other significant brand metrics, correlating with the app journey

**App Discovery and Onboarding**  **App Engagement**  **App Satisfaction**

Brand Metric

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)

App Familiarity

Satisfied $R^2$ = 0.7989    Retention $R^2$ = 0.6876    Brand Promoter $R^2$ = 0.8654

Retention line: 78%, 70%, 80%, 73%, 90%, 95%, 95%
Satisfied line: 7%, 12%, 18%, 13%, 27%, 41%, 69%
Brand Promoter line: 3%, 4%, 6%, 13%, 26%, 49%, 67%

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# One of the highest increases in brand affinity occurs when a user transitions from install to successfully onboarding on an app

$R^2 = 0.9343$

**Affinity Brand Metric**

+19%  +31%

| 7% | 7% | 18% | 37% | 68% | 85% | 85% |

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)

**App Familiarity**

App Discovery and Onboarding | App Engagement | App Satisfaction

Affinity

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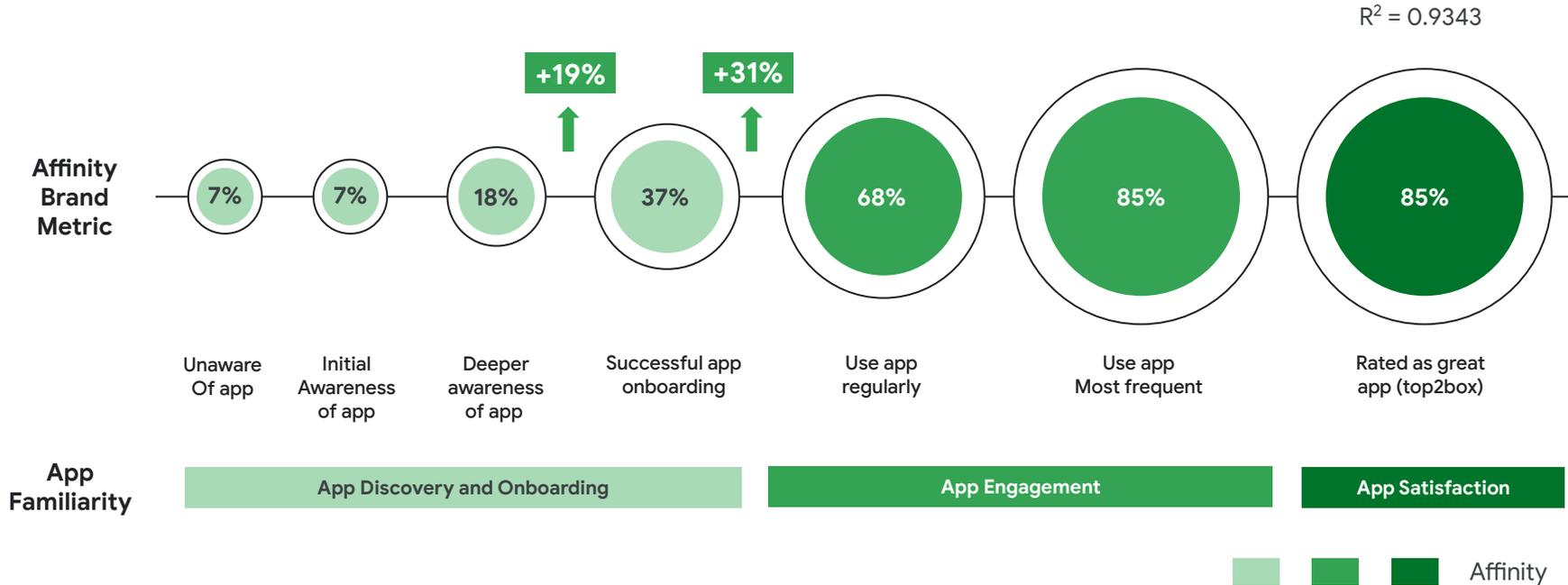
# App Discovery and Onboarding

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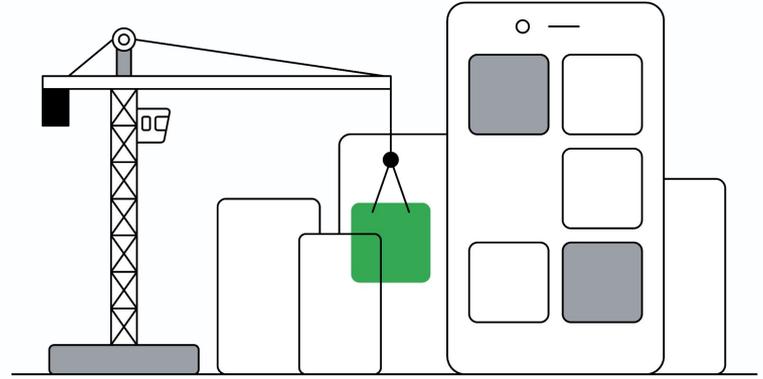
# When users shift from being aware to actually trying an app, there is a significant impact on brand affinity

$R^2 = 0.9343$



**Affinity Brand Metric**

+19%

7% — Unaware Of app

7% — Initial Awareness of app

18% — Deeper awareness of app

37% — Successful app onboarding

68% — Use app regularly

85% — Use app Most frequent

85% — Rated as great app (top2box)

**App Familiarity**

App Discovery and Onboarding

App Engagement

App Satisfaction

Affinity

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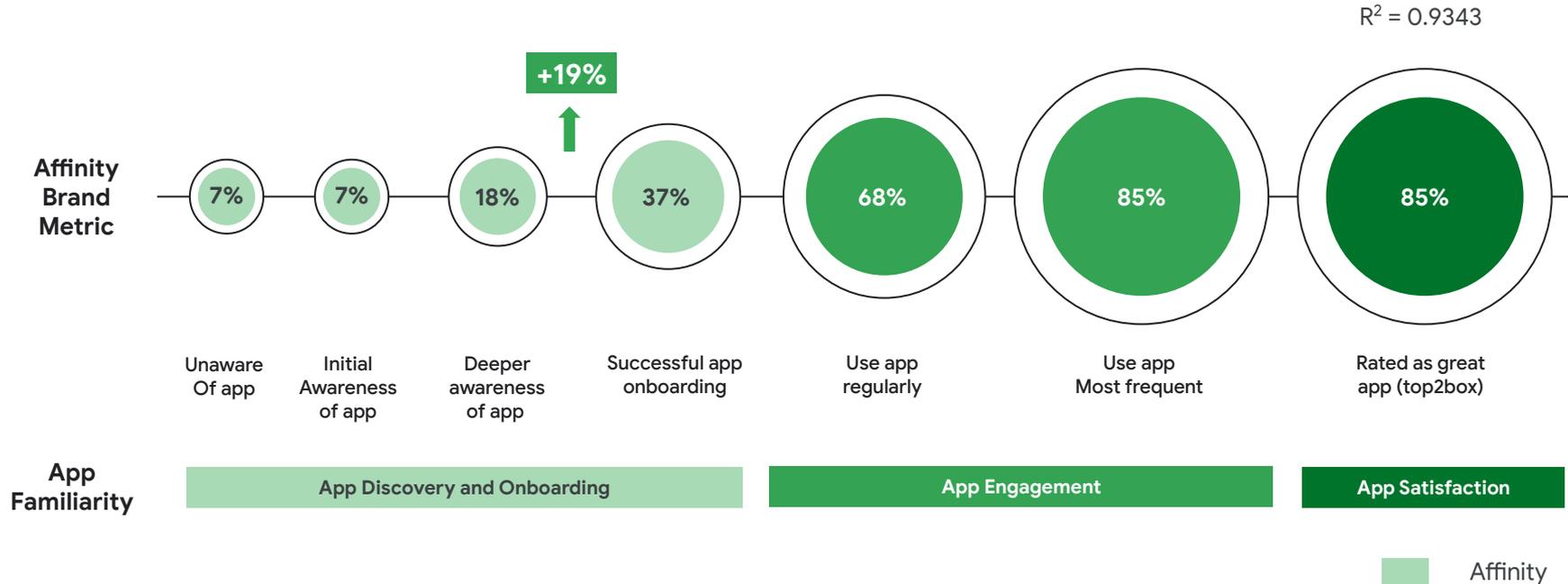
# Apps have potential to capture new users in Investments and Remittance spaces as brands grow

| | Personal Banking | Payments | Investments | Remittance |
|---|---|---|---|---|
| Brand Usage (in the past 3 months) | 37% | 52% | 8% | 5% |
| App Usage (based on a brand user in the past 3 months) | 77% | 65% | 44% | 38% |
| **Potential Size of Opportunity (diff)** | **23%** | **35%** | **56%** | **62%** |

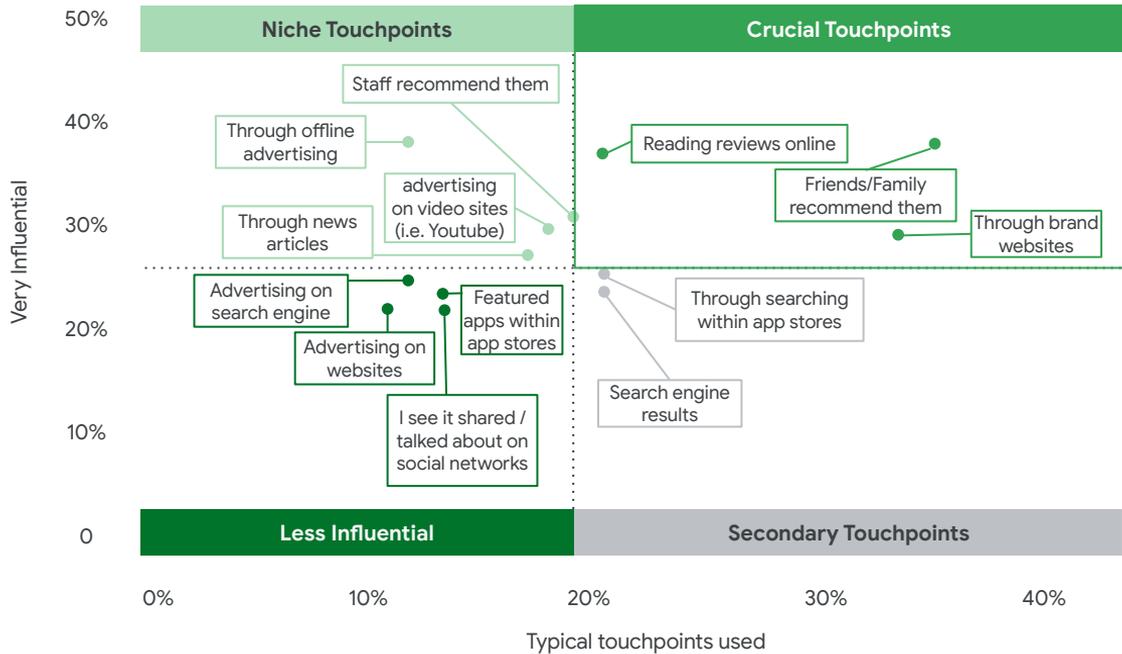*n<50    **n<30

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# No specific finance category sees high levels of churn from current past 3 month brand users

| | Personal Banking | Payments | Investments | Remittance |
|---|---|---|---|---|
| Brand Usage (in the past 3 months) | 37% | 52% | 8% | 5% |
| Tried but uninstalled (based on a brand user in the past 3 months) | 4% | 6% | 8% | 6% |

*n<50    **n<30

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# People look for clarity on apps through other's experiences or investigating the brand material

Very Influential (y-axis) · Typical touchpoints used (x-axis)

Niche Touchpoints | Crucial Touchpoints

- Staff recommend them
- Through offline advertising
- advertising on video sites (i.e. Youtube)
- Through news articles
- Reading reviews online
- Friends/Family recommend them
- Through brand websites
- Advertising on search engine
- Featured apps within app stores
- Advertising on websites
- Through searching within app stores
- I see it shared / talked about on social networks
- Search engine results

Less Influential | Secondary Touchpoints

## Crucial Touchpoints

Touchpoints that are frequently used and influential in installation decision making

| Online | Offline |
|---|---|
| Reading reviews online | Family / friends recommend them |
| Brand websites | |

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# Potential areas to refocus engagement could be through video advertising or staff recommendations
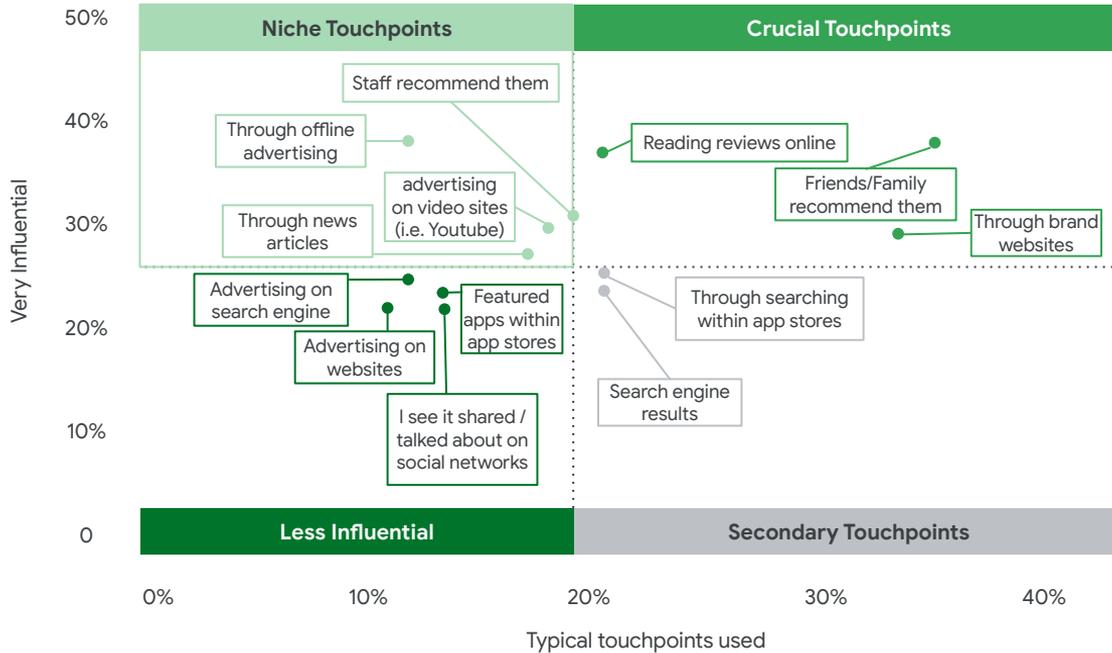
**Opportunity / Invest Touchpoints**

Touchpoints that are not frequently used yet are influential in installation decision making

| Online | Offline |
|---|---|
| Advertising on video sites (i.e. YouTube) | Staff recommend them |
| Through news articles | Offline advertising |

Chart labels:
- Niche Touchpoints
- Crucial Touchpoints
- Less Influential
- Secondary Touchpoints
- Very Influential (y-axis)
- Typical touchpoints used (x-axis)

Plotted points:
- Staff recommend them
- Through offline advertising
- advertising on video sites (i.e. Youtube)
- Through news articles
- Reading reviews online
- Friends/Family recommend them
- Through brand websites
- Advertising on search engine
- Advertising on websites
- Featured apps within app stores
- Through searching within app stores
- I see it shared / talked about on social networks
- Search engine results

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# App users want an app that stores all details which helps them shift their behaviours to digital as a result of the pandemic

## Installation Triggers (Top 10)

| | |
|---|---|
| They are from my current financial provider | 36% |
| I wanted to be able to deal with my finances in one place | 30% |
| It had features that looked useful | 28% |
| It is a safer option during Covid-19 | 26% |
| I wanted to change the way I do my banking | 24% |
| Everyone uses this app / I was recommended to use it | 19% |
| It is from a well known brand | 18% |
| I wanted to change the way I make payments due to Covid | 18% |
| The app is a local brand/ made in my country | 14% |
| I needed help with saving money / budgeting | 12% |

There is a preference for finance apps with all functionality in one place

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

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# Installation does not equal trial; trial needs to be encouraged as consumers often have multiple installed

**Reasons To Install But Not Use**

| | |
|---|---|
| I use a different app instead | 35% |
| I haven't had the time | 28% |
| The app design or user experience is complicated | 19% |
| I don't understand what the app provides me | 16% |
| It is too risky to sign up to new products during Covid | 15% |
| The sign up process looks complex | 13% |
| I need to go in branch to complete sign up processes | 11% |
| I need someone to help me / teach me more | 10% |

**38%**

have installed at least one finance app but never used

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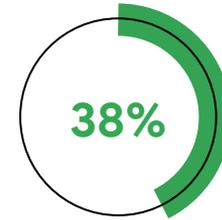
# People are intrigued by 'online only' offerings for finances, believing it will be more convenient and appeal to their needs

Reasons To Try Digital Only Bank

| | |
|---|---|
| I already do a lot of my banking online | 50% |
| Banking apps are easy to use | 47% |
| It will be quicker than going into branches | 43% |
| I am technologically savvy | 37% |
| Apps have all the features I need | 32% |
| It is safer during Covid-19 | 30% |
| I prefer to deal with issues online if possible | 27% |
| I don't like dealing with financial issues in-person | 13% |
| My nearest branch is far away | 12% |

**64%**
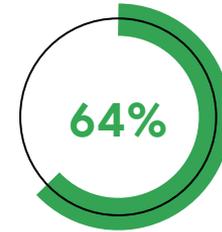
are likely to use financial services offered by a digital/app only bank without physical branches

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# Hesitations towards online only banking centres over security concerns and being able to address problems when they arise

Reasons To Not Try Digital Only Bank

| | |
|---|---|
| I want the option of both | 50% |
| They don't sound as secure as traditional providers | 48% |
| I don't think apps will be able to answer all my questions | 38% |
| I prefer to deal with issues offline if possible | 23% |
| I like interacting in-person | 15% |
| My nearest branch is very close to me | 13% |
| I am not technologically savvy | 10% |
| I prefer to go into branches | 8% |

**14%\***
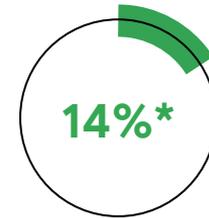
are not likely to use financial services offered by a digital/app only bank without physical branches

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# Saturation of finance apps in Singapore is a challenge for app discovery

### Apps are the default platforms for banking and finance, but installation does not always lead to trial

Digital finance is well-established and consumers are very comfortable to transact via apps. However, download does not always equate trial given the proliferation of apps offering similar features and services e.g. payment service can be done on banking apps, payment apps, digital wallets.

❝ I downloaded [E wallet App A] but never used it. It's just a middlemen because it's still going through my [App A] so I don't see the point.

**- Light app user**

### Consumers are confident to self-register on app, but the process needs to be easy and simple

Singaporean consumers are savvy with technology and confident to explore apps on their own. App discovery hinges on the onboarding process - needs to be seamless, easy to understand and quick to complete on their own.

❝ In the past, banks will mail us a letter with instructions and the token which is required to set up the app. But now, everything can be done online through the app.

**- Light app user**

### Open to online-only financial offering but customer service is important

The key concern for an online-only financial offering is being able to connect with a customer representative in case of any issues. Consumers are comfortable with digital but want to connect directly a human representative.

❝ Only concern is that if anything happens, it might be difficult to reach out to the customer service.

**- Heavy app user**

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# Opportunity to improve app discovery with strong benefits to use and easy DIY onboarding process

## Apps are the default platforms for banking and finance, but installation does not always lead to onboarding

**Key ask:** Incentivize first-time use, provide more use occasions

**How: Consumer suggestions**
**Incentives/ rewards for first-time use**: First-time usage discounts and promotions are attractive and are a big motivation for consumers to not only install but also use the app

**Wider merchant acceptance:** Create more use occasions with wider merchant acceptance across both online and offline retailers/ providers

## Consumers are confident to self-register on app, but the process needs to be easy and simple

**Key ask:** Easy do-it-yourself (DIY) onboarding

**How: Consumer suggestions**
**Simplified process:** Entire process of registration to be completed on the app alone instead of directing consumers to a separate browser/ website.

**Auto-fill feature:** Allow consumers to register with Singpass so their information is automatically filled in and for easy link up with other relevant parties for permissions to access financial data.

## Open to online-only financial offering but customer service is important

**Key ask:** Human representative for customer service

**How: Consumer suggestions**
**Online human support:** Provide options for resolution of any issues or disputes, or clarifications of queries via instant chat/ video call with a human representative

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# App Discovery and Onboarding:
## Key insights and recommendations

### Insights

- **90-100%** of finance brand's customers are aware of finance apps in Singapore

- On average, **25% of recent brand users** (past 3 months) are **not using the respective apps**

- App discovery is a starting link to building brand affinity
    - **37%** of successful onboarders have strong affinity
    - **13%** of successful onboarders "love" the brand

- **38%** of App users have installed at least one finance app but never used

- **64%** are likely to try a digital/app-only bank for financial services

### Recommendations to improve brand metrics

- **Focus less on awareness of the app as awareness is high**
Time is better spent on promoting install or onboarding

- **Encourage installation through** regularly used and influential touchpoints (and key demographics)
 E.g. brand websites and online reviews

- **Encourage installation by promoting** influential yet underutilized touchpoints
E.g. staff recommendations, advertising on video sites

- **Focus more on improving app onboarding**
Key reasons why app users do not try apps after install are: they are using different apps (35%), lack of time (28%). Consumers need to be enticed to try and onboard to an app.

   App users want an app that stores all details which helps them shift their behaviours to digital as a result of the pandemic

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# App Engagement

How frequently is the app used?

# Apps are the preferred channel for app users to engage with brands
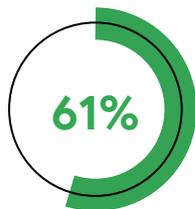
**61%** prefer to engage with brands through apps

> I haven't used website in 2 to 3 years. It is more straightforward on the app. Can see all the info at one glance. Website have to navigate.

**- Light app users**

**18%** Via their website

**9%** Via an employee in person

**6%** Via an employee on the phone

**4%** Via email

**1%** Via their ATMs
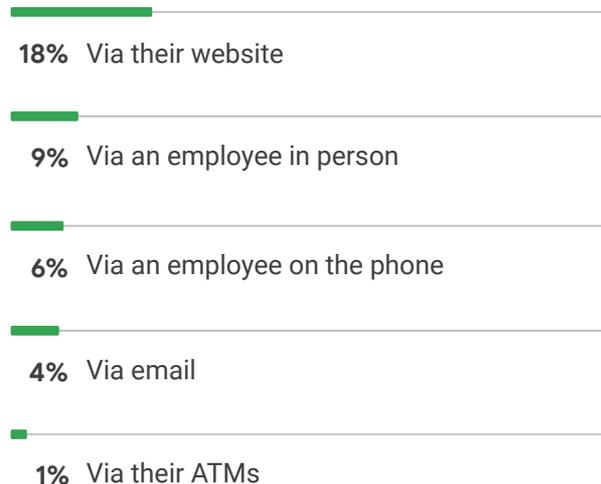
# Apps are preferred due to their convenience and accessibility

## Reasons for engaging with brands through an app

| Reason | Percentage |
|--------|-----------|
| It is quicker | 56% |
| I can do it from anywhere | 55% |
| I can access it anytime of the day or night | 53% |
| I find it easier | 51% |
| I can deal with all my accounts in one place | 39% |
| They are very user friendly | 31% |
| It is the method I have always used | 26% |
| It is safer in the current climate (i.e. covid 19) | 24% |
| It has all the features I need | 24% |
| I prefer the security processes (i.e 2 Factor authentication ) | 24% |
| They have all my details stored | 22% |
| I prefer not having in person interaction | 14% |
| The app provides special features that other channels don't | 6% |
| I prefer the limited features | 3% |

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# App users have multiple retail apps installed which appear to have specific functions for them

## 5
financial apps installed on average

## 4.3
activities are regularly performed in finance apps, on average

## 2
activities are performed weekly, on average

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# Apps are the clear preference for finance activity. Some users are comfortable sticking with websites for tasks

**Activity Preference (%)**  *n<50  **n<30

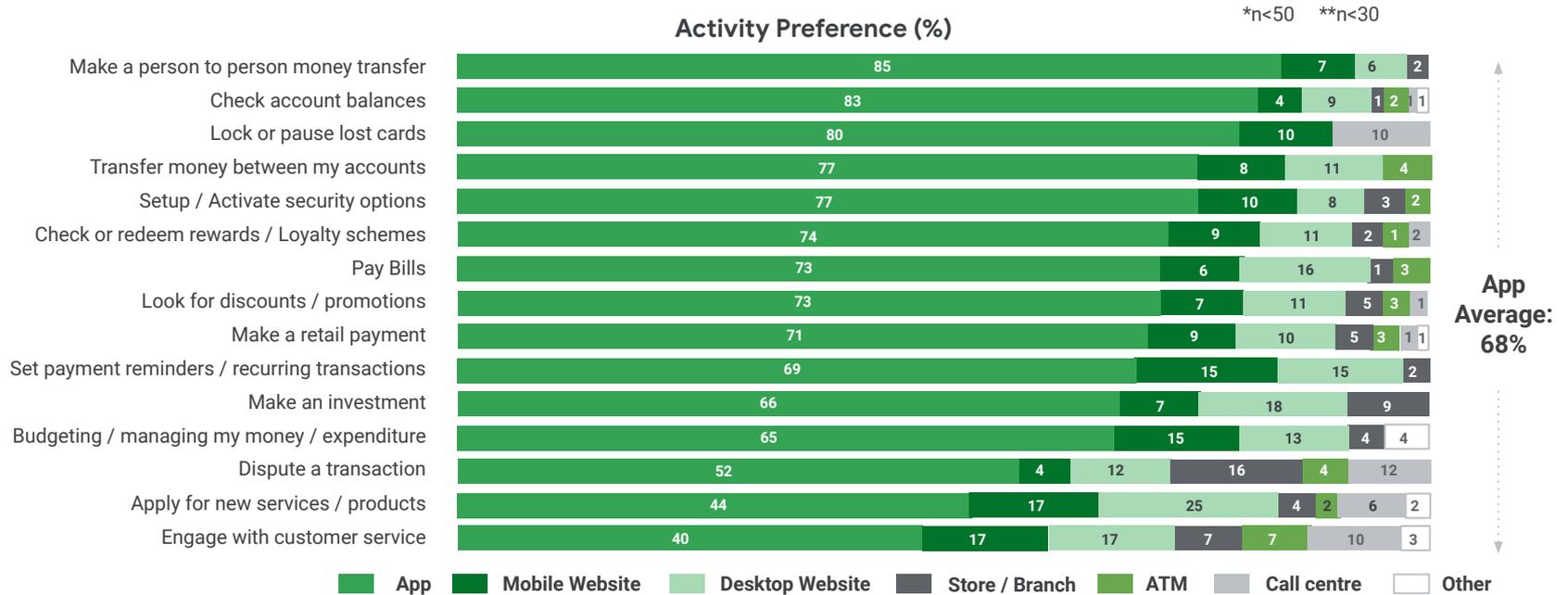| Activity | App | Mobile Website | Desktop Website | Store / Branch | ATM | Call centre | Other |
|---|---|---|---|---|---|---|---|
| Make a person to person money transfer | 85 | 7 | 6 | 2 | | | |
| Check account balances | 83 | 4 | 9 | 1 | 2 | 1 | 1 |
| Lock or pause lost cards | 80 | 10 | 10 | | | | |
| Transfer money between my accounts | 77 | 8 | 11 | 4 | | | |
| Setup / Activate security options | 77 | 10 | 8 | 3 | 2 | | |
| Check or redeem rewards / Loyalty schemes | 74 | 9 | 11 | 2 | 1 | 2 | |
| Pay Bills | 73 | 6 | 16 | 1 | 3 | | |
| Look for discounts / promotions | 73 | 7 | 11 | 5 | 3 | 1 | |
| Make a retail payment | 71 | 9 | 10 | 5 | 3 | 1 | 1 |
| Set payment reminders / recurring transactions | 69 | 15 | 15 | 2 | | | |
| Make an investment | 66 | 7 | 18 | 9 | | | |
| Budgeting / managing my money / expenditure | 65 | 15 | 13 | 4 | | | 4 |
| Dispute a transaction | 52 | 4 | 12 | 16 | 4 | 12 | |
| Apply for new services / products | 44 | 17 | 25 | 4 | 2 | 6 | 2 |
| Engage with customer service | 40 | 17 | 17 | 7 | 7 | 10 | 3 |

**App Average: 68%**

**Legend:** App | Mobile Website | Desktop Website | Store / Branch | ATM | Call centre | Other

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# Developing regular usage works best when addressing security concerns and delivering updates to meet needs

## Continued Usage (Top 10)

| | |
|---|---|
| If it proved it was secure and safe | **53%** |
| I have to use the app as it is with my provider | 33% |
| If the app was updated regularly with new, useful features | **30%** |
| If the app was updated regularly to fix bugs | **27%** |
| It it takes up less memory on my smartphone | 22% |
| If it sends useful notifications | 20% |
| If it uses less mobile data | 18% |
| When the app notifies me of any changes | 17% |
| If it shows its relevance during COVID-19 | 17% |
| If my friends or family are using / talking about it more | 15% |

Financial app users are generally trusting of apps in terms of data security but any lapses would result in deletion. It is 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
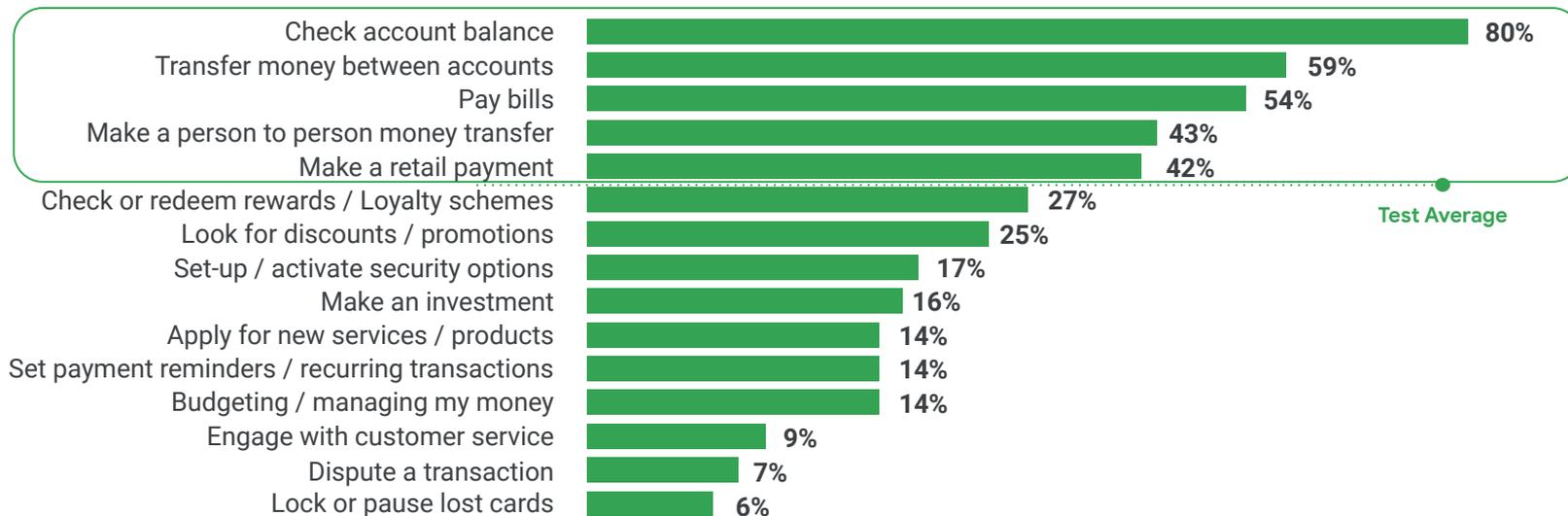
Regular updates are crucial to continued app usage whether it be new features, or fixing issues. App developers and finance brands can not stand still, particularly in a time when so many are moving to digital

App design needs to work with the phones in market (both old and new) and create and option that can suit all storage and data needs
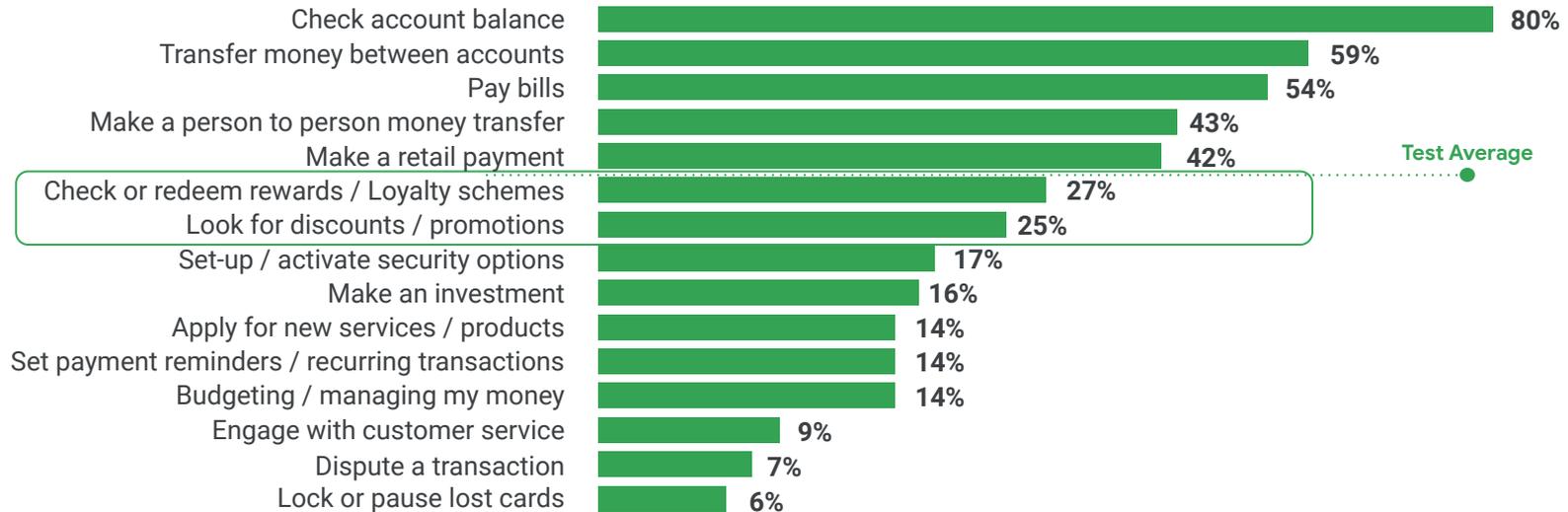
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# Core features (i.e. money transfer / management) of finance apps are the most common behaviours of app users

**Common Finance App Behaviours**



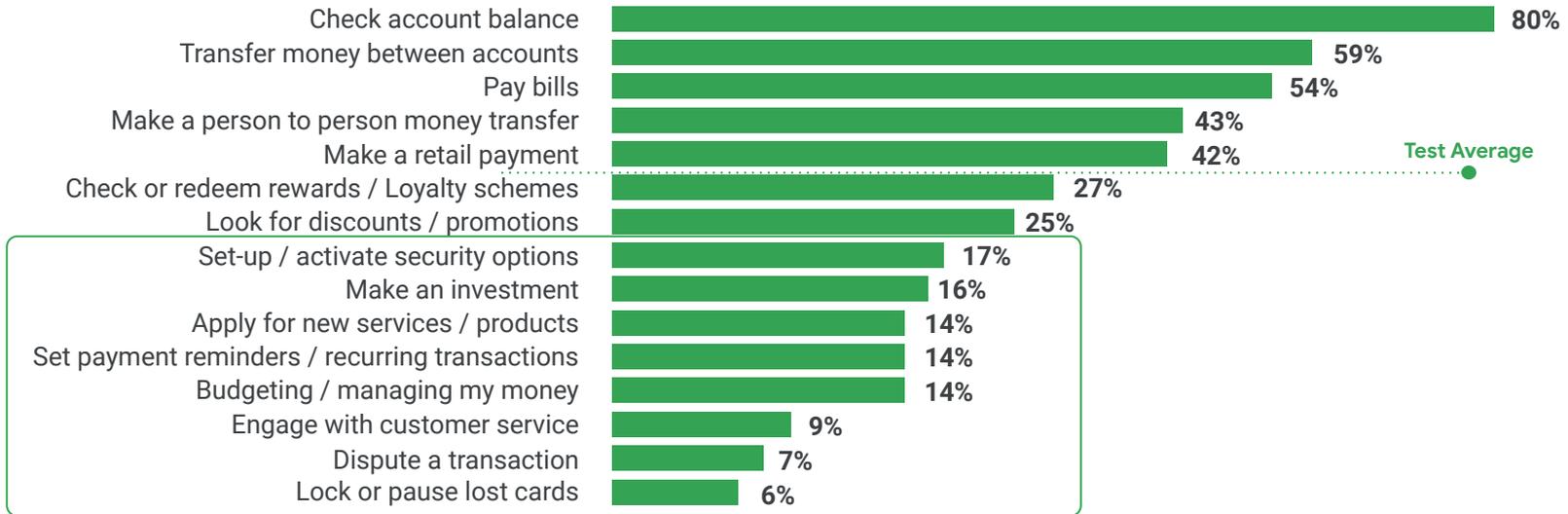| Behaviour | % |
|---|---|
| Check account balance | 80% |
| Transfer money between accounts | 59% |
| Pay bills | 54% |
| Make a person to person money transfer | 43% |
| Make a retail payment | 42% |
| Check or redeem rewards / Loyalty schemes | 27% |
| Look for discounts / promotions | 25% |
| Set-up / activate security options | 17% |
| Make an investment | 16% |
| Apply for new services / products | 14% |
| Set payment reminders / recurring transactions | 14% |
| Budgeting / managing my money | 14% |
| Engage with customer service | 9% |
| Dispute a transaction | 7% |
| Lock or pause lost cards | 6% |

**Test Average**

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# App users are often looking to check rewards or look for promotions - a popular but secondary function with users

## Common Finance App Behaviours



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**Test Average**

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# Many activities are not used however they could also prove to be helpful during the pandemic (e.g. budgeting and reminders)

## Common Finance App Behaviours

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**Test Average**

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# App engagement is about facilitating consumers to do more, but in less time and with less effort

## Simple and quick is important for high app engagement

Consumers conduct these financial transactions frequently, hence, they seek the simplest and quickest app journey. Unnecessary steps, complex journeys, and multiple stages of access lead to app dormancy and app deletion over time.

---

" I used to prefer banking apps for peer-to-peer transfers, but now I use [E wallet app A] because it is faster. Login is faster, one-step only, the OTP procsss is also slower for banking apps.

**- Light app user**

## Rewards and incentives to use app help it to stand out

Rewards and incentives on transactions is a strong trigger to choose the app over other apps offering similar features and services.

---

" [E wallet app B] is my first choice if it is available because of the cashback. Also, I can just scan QR code so it's convenient. Just open favepay and scan. Bank apps have no cashback and takes more steps.

**- Heavy app user**

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# App engagement is about facilitating consumers to do more, but in less time and with less effort

App Engagement

**Preference for the convenience of an all-in-one platform**

Finance apps that offer limited functionality are quickly deleted or passed over for those that offer more features and services so consumers can complete multiple tasks all on one app.

**Intuitive and streamline app interface is critical**

Consumers are expecting apps to deliver beyond a user-friendly interface with a more streamlined process - complete activities on app itself instead of redirected to web browser and reduce the manual process with auto-fill features.

> [Finance provider A] has wider services - I can pay fines and summons, even pay for toll in Malaysia. On [Finance provider A], with one click, I can see the amount that needs to be paid. No need to key in the amount.

**- Heavy app user**

> Applying new products and services through the app helps me to save a lot of effort to key in the details and fill in the forms.

**- Light app user**

# Opportunity to increase app engagement with a seamless and comprehensive experience

## Simple and quick is important for high app engagement

**Key ask:** Simplify the experience

**How: Consumer suggestions**
**One-step login**: Simple and quick login using biometrics or 6-digit PIN

**No login required for some features**: Reduce the need to login for features such as DBS Peek Balance where consumers do not need to login to check their account balance.

## Rewards and incentives to use app help it to stand out

**Key ask:** Rewarding experience

**How: Consumer suggestions**
**Rewards and incentives to use**: Cashbacks and direct discounts are preferred the most, followed by merchant/ partner deals as rewards or incentives.

## Preference for the convenience of an all-in-one platform

**Key ask:** Expand the use occasions

**How: Consumer suggestions**
**Wider merchant acceptance**: More partnerships to increase the actions and activities that consumers can conduct on the app.

## Intuitive and streamline app interface is critical

**Key ask:** Intuitive and seamless user interface

**How: Consumer suggestions**
**Seamless integration:** Financial services to be available on app itself and not redirected to browser for the service to reduce time and effort to conduct activity.

**Streamline process:** When applying for new products/ services via the banking app, automatically fill in the details to streamline the process

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# App Engagement:
# Key insights and recommendations

## Insights

- App engagement has a **strong positive correlation** with customer retention with mild links to brand satisfaction

    - **41%** of 'most frequent' users are satisfied with the brand
    - **95%** of 'most frequent' users are likely to stay with the brand

- **61% of app users** prefer to engage **with brands via apps** - users find apps are quick, easy and safe.

- Over **80% of app users** prefer to use apps for core features such as **checking balances and person to person transfers**.

- App users are encouraged to continue usage when apps are proven to be **secure (53%)**, when the app is **updated regularly (30%) and takes up minimal storage (22%)**

## Recommendations to improve brand metrics

- **Upkeep core features that bring app users back**
  E.g. checking account balances (80% perform regularly), transferring money between accounts (59%), paying bills (54%), person to person transfers (43%), and retail payments (42%)

- **Maximize opportunity areas around rewards and discounts, especially with the context of the pandemic**
  Financial apps are becoming increasingly popular for redeeming rewards (27% perform regularly) and discounts (25%)

- **Raise awareness of underutilized yet helpful features**
  There is a vast set of features like payment reminders (14% perform regularly) and budgeting (14%) that are not currently used as often which is why many apps may lack uniqueness and satisfaction. Consumers want to perform tasks within apps so brands need to be prepared for this continuing shift to digital and meet evolving needs.
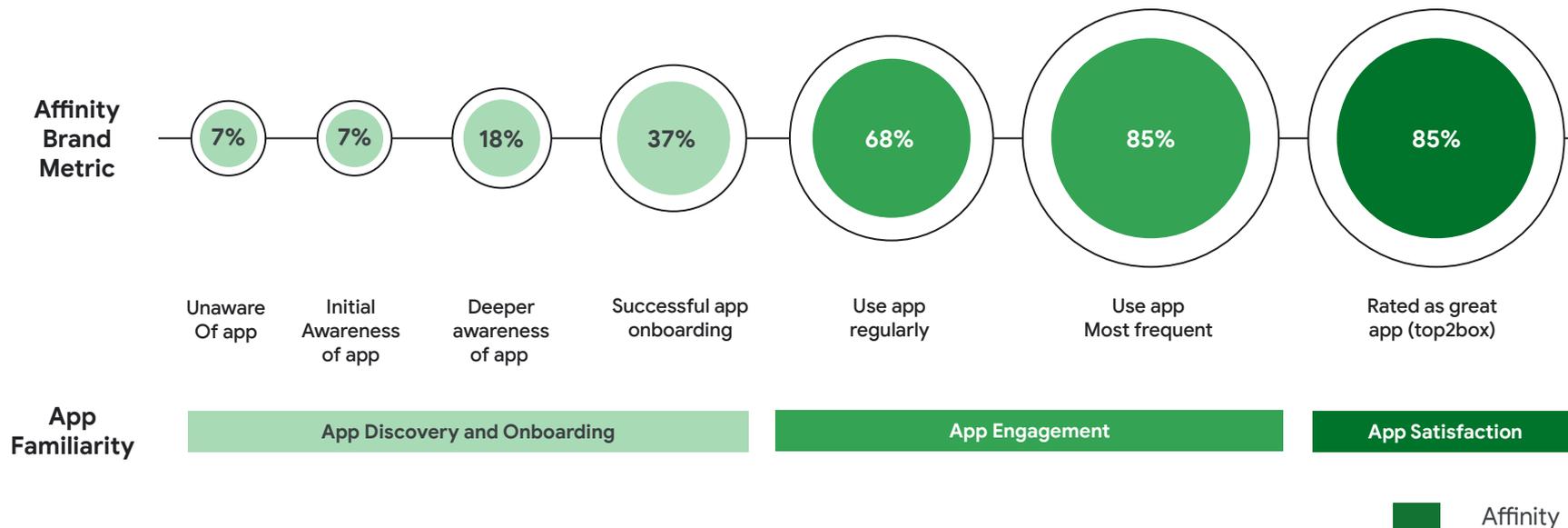
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# App Satisfaction

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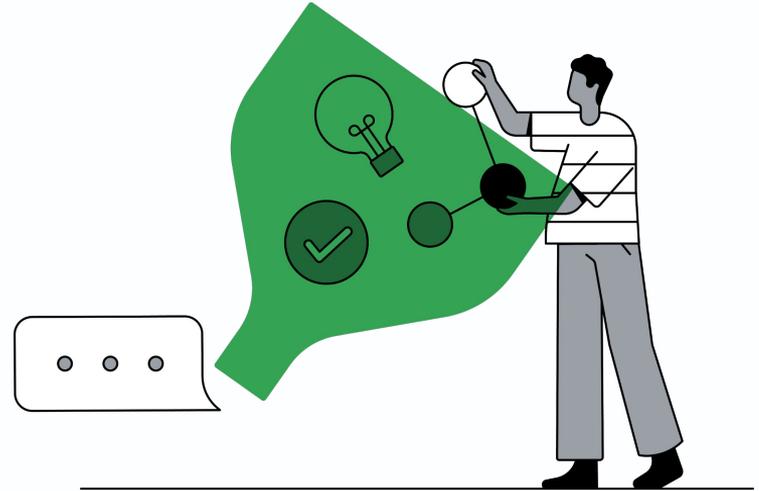
# When a user uses an app very frequently and is satisfied by it, we see very strong links to brand affinity

$R^2 = 0.9343$

**Affinity Brand Metric**

| 7% | 7% | 18% | 37% | 68% | 85% | 85% |

| 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) |

**App Familiarity**

| App Discovery and Onboarding | App Engagement | App Satisfaction |

Affinity

Think with **Google**

# Increasing app satisfaction links to strong brand recommendation.... so how do we increase satisfaction?

| When app users are highly satisfied with the app (9 or 10 out of 10)..... | | | |
|---|---|---|---|
| **Affinity** (among brand users) | **Satisfaction** (among brand users) | **Retention** (among brand users) | **NPS** (among brand users) |
| **9 in 10** like / love the brand (top2box) | **7 in 10** are satisfied with the Brand (top2box) | **9.5 in 10** are likely to stay with the brand (top2box) | **7 in 10** are likely to recommend the brand (top2box) |
| 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 |

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

## App Preference

**75%**

of app users prefer a **single** finance app covering multiple functions

**25%**
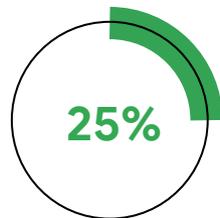
of app users prefer **multiple** apps that cover specific functionality

## Influences to App Usage

"I like having all my financial details in one place"

Strongly agree — **24%**

'Agree' and 'Strongly agree' — **78%**

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 Singapore.

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

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# Core features used on a regular basis elicit high satisfaction; alleviate future frustrations by maintaining functionality
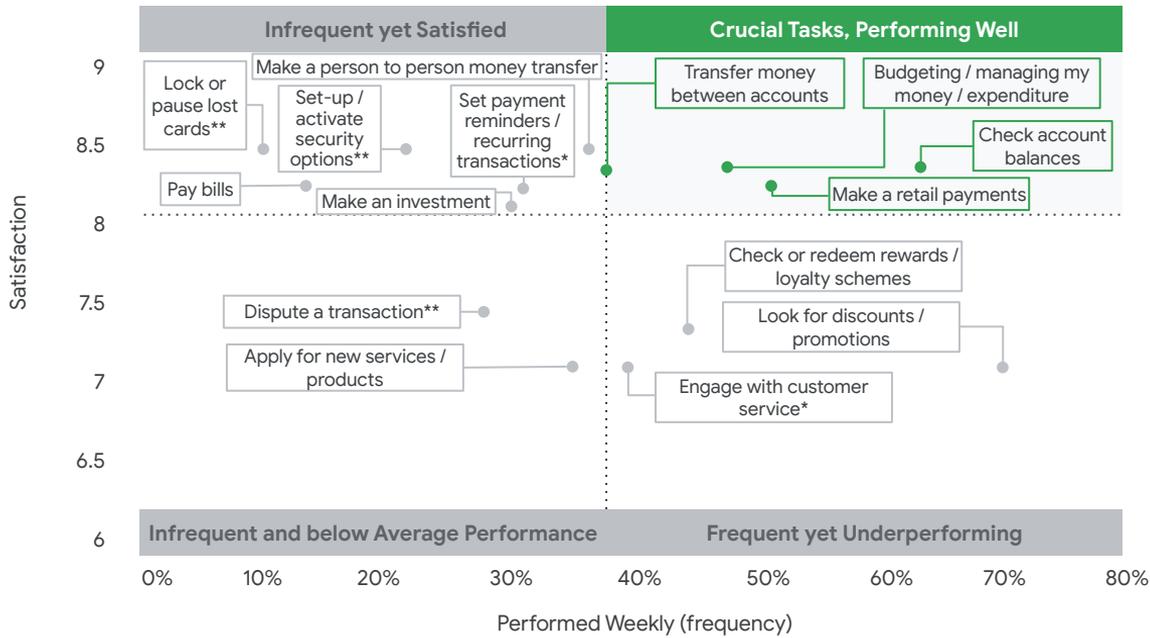
**Frequent Activities x Satisfaction**

Apps need to continue to deliver to these critical activities



Satisfaction (y-axis) vs Performed Weekly (frequency) (x-axis)

**Infrequent yet Satisfied**
- Lock or pause lost cards**
- Make a person to person money transfer
- Set-up / activate security options**
- Set payment reminders / recurring transactions*
- Pay bills
- Make an investment

**Crucial Tasks, Performing Well**
- Transfer money between accounts
- Budgeting / managing my money / expenditure
- Check account balances
- Make a retail payments

- Check or redeem rewards / loyalty schemes
- Look for discounts / promotions
- Engage with customer service*

- Dispute a transaction**
- Apply for new services / products

**Infrequent and below Average Performance**

**Frequent yet Underperforming**

Y-axis: Satisfaction — 6, 6.5, 7, 7.5, 8, 8.5, 9
X-axis: Performed Weekly (frequency) — 0%, 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80%

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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 = 351

# Technical frustrations or over-intrusive push notifications can be triggers that encourage app removal

## Deletion Top 10

| | |
|---|---|
| I don't use it enough | 31% |
| It has bugs / keeps crashing | 30% |
| It's too difficult to use | 23% |
| Poor interface | 22% |
| I changed financial provider | 20% |
| I had security and/or privacy concerns | 18% |
| There were too many ads | 15% |
| I was having a general clean up of my apps | 15% |
| It seemed to be draining my battery | 14% |
| It gives too many push notifications | 14% |

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.

A lack of awareness for the security of your users will only amplify any existing concerns users have about their data and privacy - leading possibly 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)

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

**42%** do not delete finance apps

**40%** delete finance apps less often than every few months

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# Apps can build upon existing software with innovative technology, as well as remind users of current features

## Multi-functionality

Given recent advancements in the tech space, app users are expecting to see this progress applied. Accessing accounts via QR or making investments (buying/selling stocks) in banking apps are potential opportunities for brands looking to expand

- "Probably **a QR scanner for login** from back of bank cards"

- "Live **trading** of shares"

- "Offers an **overview of all assets** including investments"

- "**Auto invest** with guarantees"

# Apps can build upon existing software with innovative technology, as well as remind users of current features
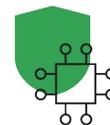
## Digital safety

Serving customers online means protecting details and finances from any threat. As more users come online, either by choice or force due to Covid, app users are expecting better security procedures in place

- "More alerts to **notify me of potential scams or infringement** of data security"

- "Allow **wrongly transferred funds** to be **cancelled at my end**"

- "Yes, **a secure payment system like [E wallet app A] for online purchases**. I like that there are other local e-wallets but **too much information is transmitted** and only local websites allow those payment mode"

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# Apps can build upon existing software with innovative technology, as well as remind users of current features

## Money Management

Staying on-top of finances are great habits to develop for all app users, and brands can help educate current or new users about different budgeting tools or payment reminders to demonstrate the convenience apps offer on money management

- "Don't show me things I don't need to see, **allow me to configure what I want to see**"

- "Selecting my **own backgrounds in app**. To make it unique and comfortable for my use."

- "**Ability to track and monitor** all expenditure"

- "**How much interest being earned** in each account each month"

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# Financial management and wealth accumulation are areas of opportunity to increase app satisfaction

## Finance management is currently a very manual and tedious process

Finances are often manually managed through separate budgeting apps or on excel sheets. This personal bookkeeping process takes a lot of time and effort and consumers are on the look out for more proficient methods.

> Used to use Excel but now I use the [App A] because it is more organised. Banking apps might miscategorise. Although I can change it manually, it is a hassle. I also have multiple accounts. But [App B] can only track expenditure on [Bank B] accounts.
>
> **- Heavy app user**

## Seek investment recommendations but also want the flexibility of final say

Singaporean consumers are relatively financially savvy and take the initiative to seek information and benefits, methods and ways, and recommendations and guidance on growing their wealth. While they want to get expert's recommendations, they want to have the final say in their investment decisions.

> [Investment App A] will model out your returns every month based on your risk appetite. Its very easy to use - it gives you choices and recommendations without forcing you to go along with it.
>
> **- Heavy app user**

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# Opportunity to enhance app satisfaction with more automation and personalization

## Finance management is currently a very manual and tedious process

**Key ask:** Enhancements in finance management tools

**How: Consumer suggestions**

**Smarter budgeting tools:** More detailed functions and features for managing budget and monitoring spending, more intuitive categorisation of expenditures.

**Smarter fraud detection:** Apps that are smart and proactive at detecting potential fraudulent activities, and sending prompt alerts to inform consumers.

## Seek investment recommendations but also want the flexibility of final say

**Key ask:** Tailor recommendations for financial growth

**How: Consumer suggestions**

**Real-time information and updates:** Provide relevant information and real-time updates on app itself for consumers to peruse before making decision.

**Tailored recommendations:** Make investments simple and easy to understand - reduce the decision making steps by making recommendations based on their risk appetite.

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# App Satisfaction:
## Key insights and recommendations

### Insights

### Recommendations to improve app metrics

- App satisfaction is <u>correlated</u> with brand recommendation - but there is room for improvement **67% who positively rate an app regard themselves as brand promoters**

- **75%** of app users would **prefer a** <u>multi-functional</u> **singular app** compared to multiple single purpose apps.

- As well as providing a channel that is safe during Covid such as an app, brands can **meet changing consumer needs** providing convenience - **35% strongly agree they can complete tasks anytime, anywhere; 24% strongly agree apps keep them safe during Covid**

- **Get the basics right, consistently**
Ensure <u>critical tasks</u> (e.g. balances, transfers) are reliable, seamless & elicit high satisfaction. <u>Bugs and poor interfaces</u> quickly put users off

- **Understand changing consumer needs**
Primary reasons for using finance apps include performing tasks within seconds (34%) & being more convenient than in-store (34%)

- **Innovate to meet consumer needs**
New technologies entice non-users to research and explore current offerings. To keep your satisfied customers, look into <u>app improvements that can compliment unmet consumer needs</u> (e.g. QR scanning, in-app customization by users, stock investing in the same app as banking)

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# Thank you