

Expectations & Experiences

Our Quarterly Consumer Trends Research

Channels and New Entrants



fiserv.



- 1 With more than half of consumers checking their phones every half hour or more**, it's not surprising that mobile banking is increasingly preferred over other channels. However, current behavior shows stable levels of mobile and online use.
- 2 From gig incomes to receiving refunds, rebates and reimbursements**, approximately half of consumers prefer electronic payments. Even for disbursements where paper checks are most common, consumers often prefer the speed and convenience of electronic payments.
- 3 Voice-activated banking is early in the adoption curve and plenty of opportunity exists.** Interest is strongest among those who consider it a valuable tool for making life easier, helping monitor finances and providing greater flexibility. Still, privacy and security concerns are common and should be addressed as benefits are promoted.

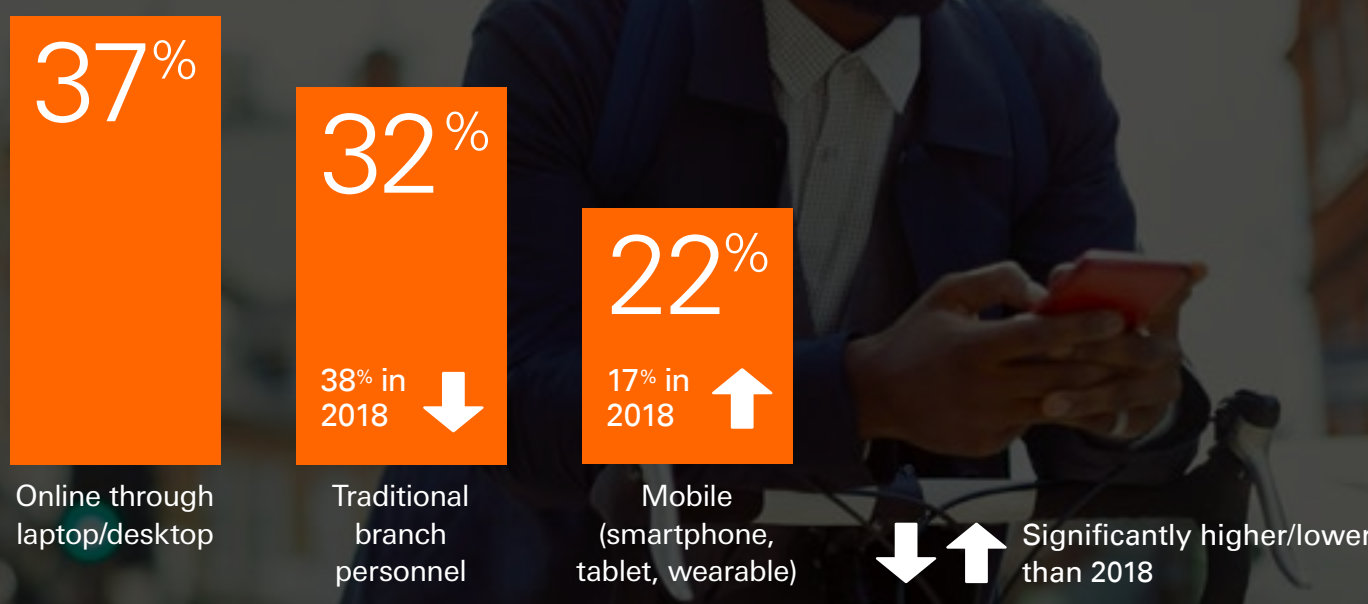
Digital Channels Widen the Gap as Preferred Way to Interact

The majority of consumers prefer to interact with their primary financial organization via online or mobile. The net preference for digital interactions (online plus mobile) is 58 percent – significantly higher than the 32 percent who prefer branch interactions.

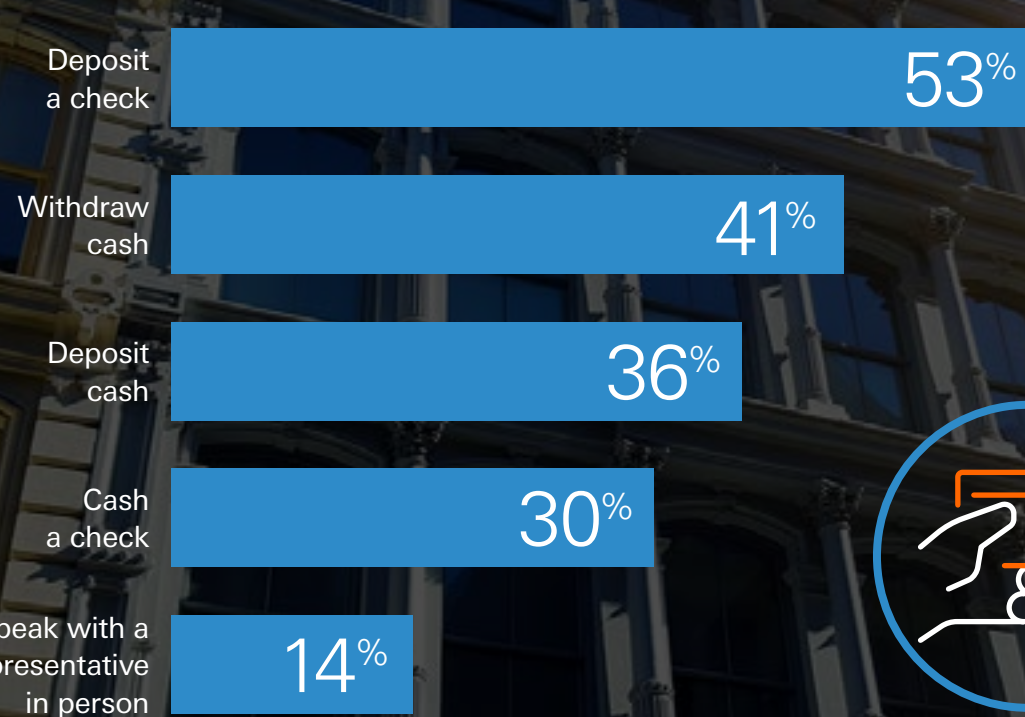
That discrepancy is due to the rising number of consumers who prefer mobile. Those preferences, however, are highly related to age. Seniors have the highest preference for branch visits (57%). Every other generation prefers to interact with their primary financial organization through online and mobile. Gen Z strongly prefers online and mobile channels (77 percent) over the branch (18 percent).

Survey question to all qualified respondents: In which of the following ways would you most prefer to interact with your primary financial organization (FO)? Only top three responses shown.

Most Preferred Method of Interaction With Primary Financial Organization



Reason for Visiting Primary Financial Organization in the Past Month



Deposits and Withdrawals Bring Consumers to the Branch

Half (50 percent) of consumers have made an in-person branch visit in the prior month – a number that is holding steady from 2018. The most common reasons for visiting a branch are for depositing or withdrawing funds, cited by 9 in 10 consumers who visited a branch in the past month.

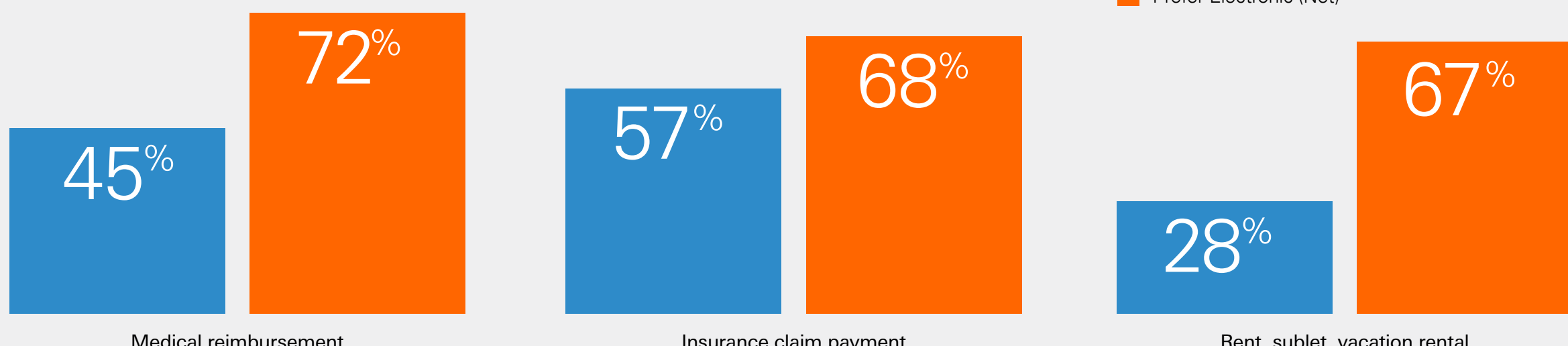
Digital capabilities such as remote deposit capture are likely influencing branch visits. Depositing a check is still the top reason for branch visits (53 percent), but that number has dropped significantly in two years.

53% visited a branch to deposit a check in 2019, down from **61%** in 2018 and **72%** in 2017

Survey question to those with a nonvirtual primary FO: Which best describes the last time you visited your primary FO's branch, not including ATM visits? / Survey question to those who visited a branch in the past month: For which of the following reasons, if any, did you visit your primary FO's branch in the past month? Select all that apply. Top five responses shown.

Disbursement Preferences Don't Always Match Reality

Despite Preferences for Electronic Payments, Many Disbursement Types **Are Still Made by Check**



31% have received gig job or side hustle income via paper check, but only **13%** want to Electronic disbursements for gig work are preferred by **70%**

Survey question to respondents who received a disbursement in the past year: In which of the following ways have you received payment for each of the following? In which of the following ways would you most prefer to receive payment for each of the following? / Survey question to respondents who have a side job: How did you currently get paid for this work? How would you most like to get paid for this work? Net responses shown for electronic payments (direct deposit, electronic or mobile payment, payment to debit or credit card).

Voice-Activated Banking Gaining Consumers' Attention

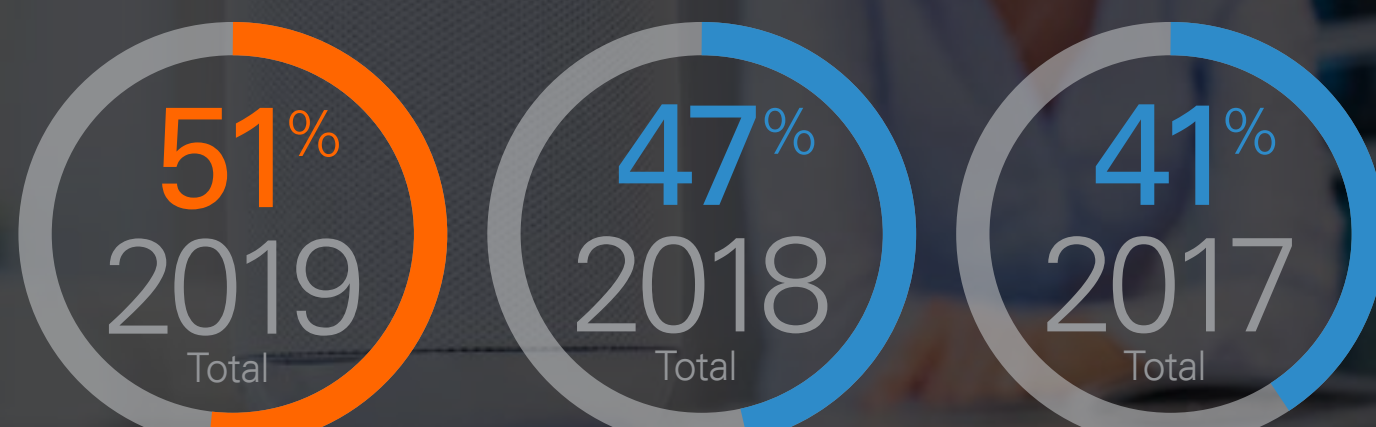
There is a small uptick in interest for voice banking among nonusers (19 percent in 2019 compared to 15 percent in 2018). In addition, more people see potential benefits to voice banking than in previous surveys (see chart at right). Still, many see no use for the technology and 66 percent of all consumers don't know if it's even possible. Privacy and security are also prevalent issues.

Based upon analytical models of consumer demographics, attitudes and behaviors, the strongest predictors of interest are recognition of the benefits to monitoring finances and streamlining schedules.

Survey question to all qualified respondents: Which of the following would you consider to be the benefits of using your voice to perform banking functions via a voice-activated device? Please select all that apply. Not all responses shown.

Perception of Voice Banking Benefits Growing

See **any benefit** to voice banking

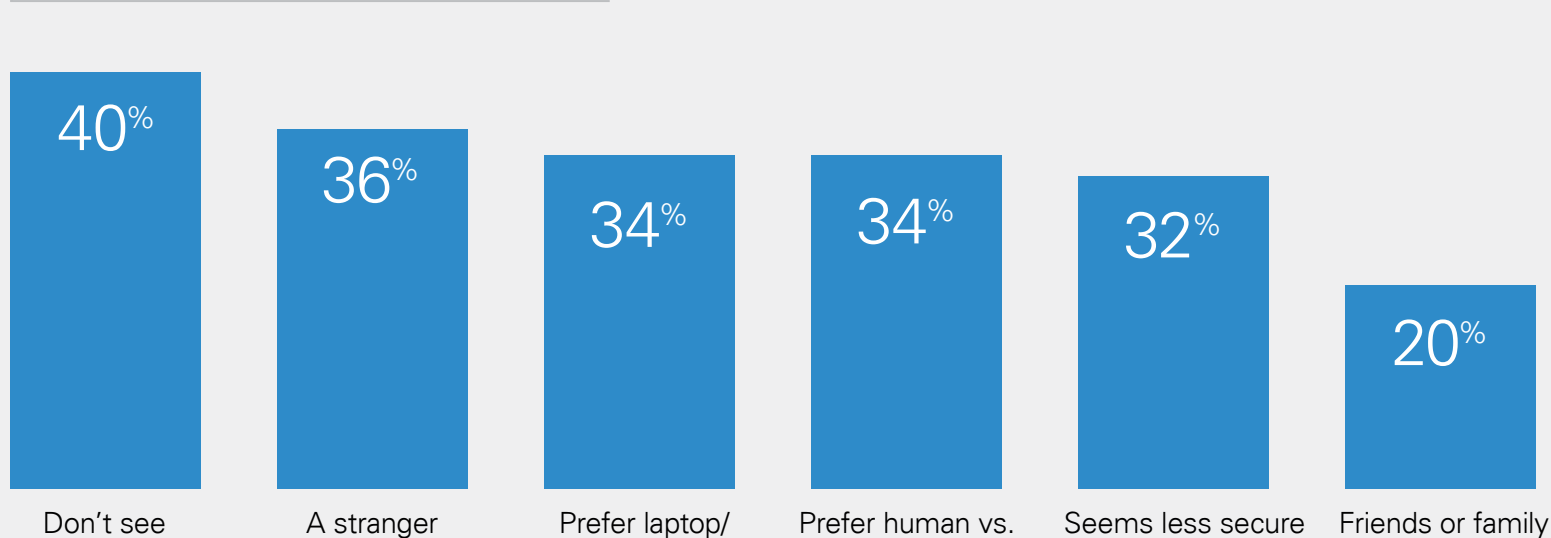


Top Drivers of Voice Banking

1. Make life easier
2. Help monitor finances
3. Schedule flexibility
4. Free up my hands



Top Barriers of Voice Banking



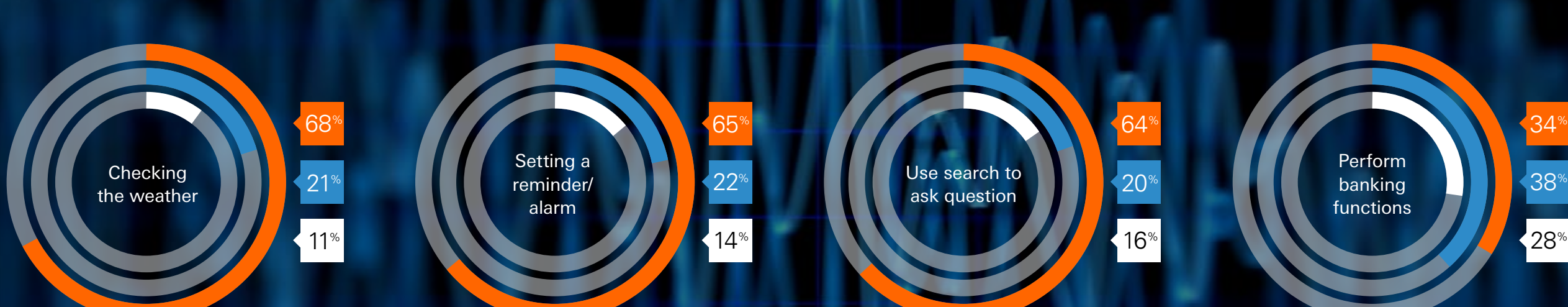
Survey questions to all qualified respondents: Which of the following would you consider to be the benefits of using your voice to perform banking functions via a voice-activated device? Please select all that apply. / What would prevent you from using a voice-activated device to perform banking functions? Not all responses shown.

There is an opportunity to educate consumers about voice banking

While a majority of consumers know it's possible to use voice activation to check the weather, set an alarm or ask a question, there is greater uncertainty as it relates to banking functions.

Opinions Toward Using Voice Activation for Various Uses

Possible to use Not sure if I can use Not possible to use



Survey question to all qualified respondents: Select which statement best reflects your opinion on the ability to use voice activation for each of the following uses?

About Fiserv

Fiserv, Inc. (NASDAQ:FISV) enables clients to achieve best-in-class results by driving quality and innovation in payments, processing services, risk and compliance, customer and channel management, and business insights and optimization. For more than 30 years, Fiserv has been a global leader in financial services technology. Fiserv is a FORTUNE 500 company and this year was honored to be named to the FORTUNE Magazine list of World's Most Admired Companies® for the sixth consecutive year. For more information, visit fiserv.com.

About The Harris Poll

The Harris Poll is one of the longest running surveys in the U.S. tracking public opinion, motivations and social sentiment since 1963 that is now part of Harris Insights & Analytics, a global consulting and market research firm that delivers social intelligence for organizational times. We work with clients in three primary areas: building twenty-first-century corporate reputation, crafting brand strategy and performance tracking and earning organic media through public relations research. Our mission is to provide insights and advisory to help leaders make the best decisions possible. To learn more, visit theharris.com.

Methodology

The survey was conducted online within the U.S. by The Harris Poll from February 14–March 4, 2019. A total of 3,055 interviews were conducted among U.S. adults ages 18 and older who met the following criteria: Someone in the household currently has a checking account with a bank, credit union, brokerage firm or other financial organization and has used their checking account to pay a bill or make a purchase in the past 30 days. The data were weighted to ensure that relevant demographic characteristics of the sample matched those of the U.S. general population. All respondents (not only those who met the qualifying criteria) were weighted to U.S. Census Bureau demographic profiles for the U.S. population, age 18+ on education, age, gender, race, income, region, marital status, employment status, household size and number of hours spent on the internet (with targets for this variable coming from Nielsen Scarborough).

Notes: The age groups and answer text provided here are in some cases shortened due to space constraints. The complete text for any questions referenced in this report is available upon request. Age groups referenced in the survey are defined as follows: Gen Z (18–22), millennials (23–38), Gen X (39–54), boomers (55–73) and seniors (74+).