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Instant Access to Information Changing Consumer Search Patterns When It Comes to Choosing Banking Products

New independent research indicates customer expectations rapidly changing

SHOREVIEW, Minn.--(BUSINESS WIRE)-- Customer search patterns and the ability to attain information in an instant is changing the way consumers choose banking products, according to a new commissioned study conducted by Forrester Consulting on behalf of Deluxe Corporation.

Forrester Consulting conducted an online survey of more than 3,500 U.S. adults who had either opened a checking account, IRA, or certificate of deposit (CD) or applied for and obtained a new mortgage, refinance, home equity loan, auto loan, credit card or personal loan/line of credit within the last 12 months. While recommendations from family and friends remain a key driver in checking and savings account selection, consumers prefer to research their credit card, personal loan and mortgage needs online before deciding which products to purchase. Further, consumers want the ability to search for banking products on all mobile channels, and they want that information available in an instant.

According to the Forrester study, "as customer expectations rapidly rise, consumers gravitate toward companies who can deliver the best omni-channel experiences at the drop of a hat." Even banks and credit unions have to continue to become increasingly agile and deliver superior customer service.

"As financial institution customers have more and more interactions with consumer brands that provide multi-channel communications, they will demand those same channels when it comes to their interaction with banks and credit unions," explained Scott Wallace, vice president of marketing, Deluxe Financial Services. "We believe this survey shows that customers want multiple research channels and tools before they will engage their local branch to open a new account."

Indeed, the Forrester study ("Solving the Omni-Channel Dilemma: The Digital Consumers' Path to Purchase a Financial Product") indicates that while customers prefer to research online with comparison and calculator tools, the more complex the product becomes, the more likely they are to seek human interaction. For example, when completing a mortgage or personal loan application, 41 percent of respondents turn to the in-store option. On the other side, the prevalence of credit card options online lead to a nearly 60 percent completion rate digitally.

The study found that financial institutions need tools and options to help the consumer across the entire path to purchase. For example, while customers prefer to do their own research online, they will often lean on friends and family recommendations when choosing a checking or savings product. In these instances, consumers are less reliant on interest rates and more reliant on reputation and relationships.

With larger purchases like mortgages and personal loans, interest rates matter more to consumers, as do online tools to compare and contrast among options. Financial institutions that make information hard to find online will endanger their reputations with digitally-savvy consumers. At the same time, those institutions that have not optimized their digital channels for mobile and social media usage will also run afoul of tech-savvy consumers.

“What we feel this research shows is that you have to be able to communicate and interact where the consumer is, whether on smart phones, tablets, the internet, direct mail, email, you name it,” explained John Filby, president, Deluxe Financial Services.

Among the findings from the Forrester study are:

- Consumers will do their research online and with their personal connections before engaging with the financial institution.
- Credit card customers prefer to research and purchase online. The commoditized nature of credit cards makes it easier to finalize the process without speaking with a representative.
- Shorter, less intensive application processes would improve pathway to purchase for all consumers.
- Tools and calculators play a large role in decision-making.

While some parts of the financial relationship remain rooted in human interactions, as time goes by, more and more customers will seek to complete their path to purchase online. In order to meet customer expectations, the research report says financial institutions must engage in a dedicated effort to attract and retain customers. To succeed, the study indicates that financial institutions must:

- Collaborate across the business to deliver better customer experiences.
- Take a needs-based, not product-based, approach.
- Use digital technology to support prospects across all touch points.
- Weave human interaction and digital channels together to amplify sales.

To learn more about this study, go to <http://fi.deluxe.com/resources/research-reports/solving-the-omnichannel-dilemma/>.

About Deluxe

Deluxe Corp. is a growth engine for small businesses and financial institutions. Nearly 4.6 million small business customers access Deluxe’s wide range of products and services, including customized checks and forms, as well as website development and hosting, email marketing, search engine optimization and logo design. For our approximately 5,600 financial institution customers, Deluxe offers industry-leading programs in checks, customer acquisition, engagement, fraud prevention and profitability. Deluxe is also a leading provider of checks and accessories sold directly to consumers. For more information, visit us at www.deluxe.com, <https://www.facebook.com/deluxecorp> or www.twitter.com/deluxecorp

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Deluxe Corporation
Cameron Potts, 651-233-7735
cameron.potts@deluxe.com

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