

EBOOK

3 WAYS BANKS CAN CASH IN WITH CROWDTESTING



APPLAUSE[°]

Consumers are shedding their loyalty to retail banks at a steady pace, with 11% leaving their bank within the last year for virtual institutions, according to research from [Accenture](#). Customers are looking for an all-in-one solution that's free, convenient, and seamless across all digital channels, and they won't stop until they find the right solution.

As FinTech digital natives continue to woo consumers with sleek, simple retail banking experiences, customer-driven software development strategies will dictate who survives and who thrives. Whether they're leaving for virtual banks or staying with traditional institutions, customers desire the power to access their bank anywhere, at any time.

Within this complex landscape lies opportunity. Consumers want it all – digital transactions, plus face-to-face interaction with knowledgeable people that only a physical branch office can provide. Some 86% of those surveyed by Accenture said they will use their retail banking branch in the future, and want interaction when they go there.

Primary Motivations For Switching Banks



**Cheaper Products
Or Services**



**Lack Of Convenient
Branches**



**Better Mobile
App**



**Better Website Or
Online Channels**



**Concerns About
Security Of My
Personal Data**



**Better CallCenters
Or Telephone
Advisors**



**Bad Customer
Service
Experience**

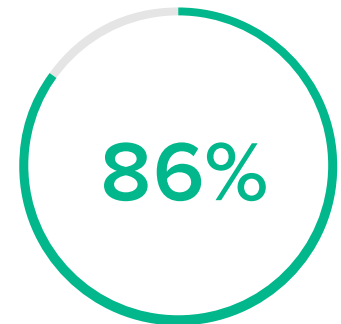


**Convenient
Branches Closed
Down**

For retail banks, providing a sound omnichannel experience is their only way forward, as easy online payments, quick balance checks, and simplified customer support are now tablestakes.

To separate the leaders from the laggards, banks need to provide all of these features and functionalities in sync with one another. Engineering teams need to launch features that work securely, flawlessly, and quickly, while gathering continuous feedback that informs the evolution and innovation of the technology.

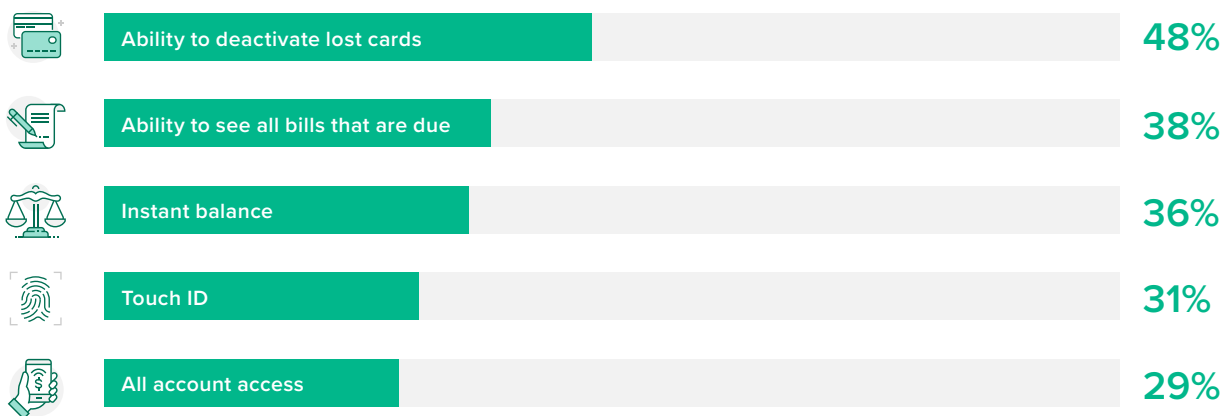
How can technical teams accomplish this in a repeatable and scalable way? Here are three areas in which to get started.



Putting Omnichannel First

86% of consumers said they will use their retail banking branch in the future, and want interaction when they go there.

Top 5 New Features Desired In Mobile Banking Apps



Source: Fiserv

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INNOVATE FASTER WITH LOWER RISK

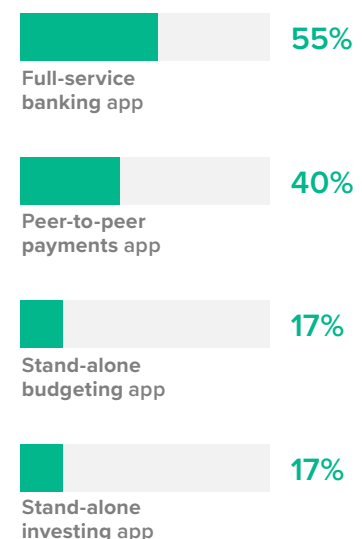
The Stakes: According to a survey by Citi Group, 79% of mobile banking users prefer to use a single app for all of their mobile banking needs, but 64% currently use multiple apps to do so.

There is tremendous opportunity when it comes to retail banking. Customers want an all-inclusive app to do their banking, but that requires constant innovation and development from the bank providers – much of which they are unprepared for or lacking the resources to manage.

Revenue-generating features like peer-to-peer (P2P) payments and lending, integration with mobile wallets, decentralized blockchain security, and rewards programs that aid retention metrics are all features that are being brought to market individually. Bringing these features together into one app is a tall order.

There are very unique complexities involved with the release of banking applications on a global scale. These include processing massive amounts of sensitive data quickly and securely, integrating the growing number of payment instruments, and catering to local currencies and payment preferences.

What Types Of Financial Apps Are Americans Using?



Source: Bankrate

Finding a testing solution that provides the scale and localization necessary to deliver quality results has proven near impossible using just in-house resources. As a result, banks are looking to crowdfunding solutions to augment their internal processes.

By enlisting a group of experienced testers that represents a target customer, teams are able to test and ultimately release products more quickly with the confidence that quality will remain at the highest level. This effectively increases revenue streams and reduces risk of any bugs escaping into production.

Applause users have reported an average increase of 150% in the number of releases each year, while downtime due to bug fixes is reduced by as much as 50%.

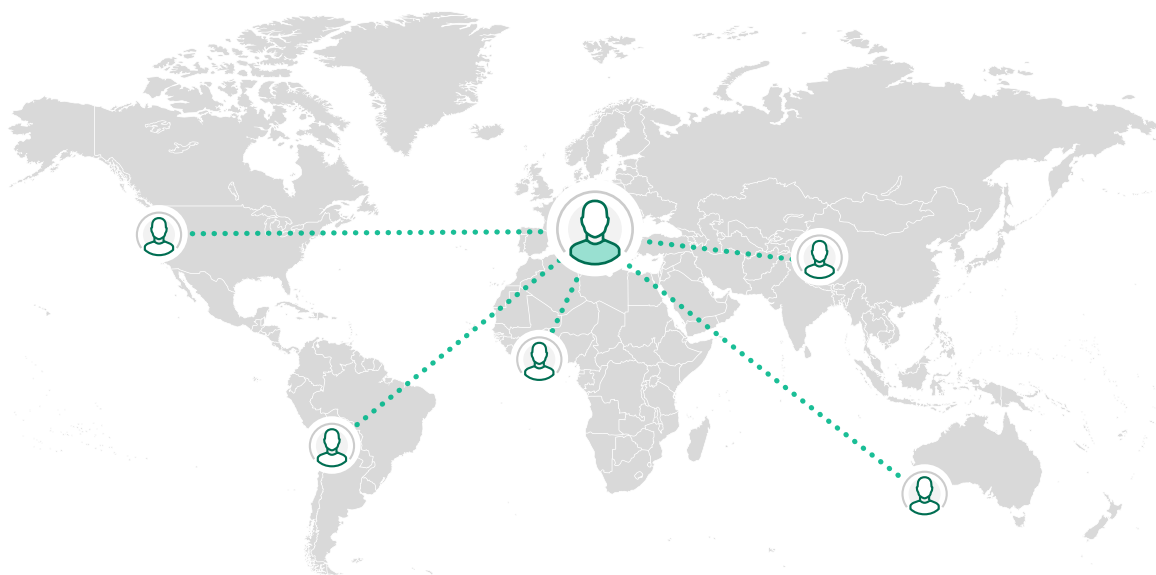


150%

increase in the number of releases each year for Applause clients.

Source: Hobson & Company

In-Market Testers In More Than 200 Countries And Territories



With a worldwide community of 400,000+ testers, Applause provides clients with around-the clock testing and feedback, enabling them to innovate far faster than ever before.

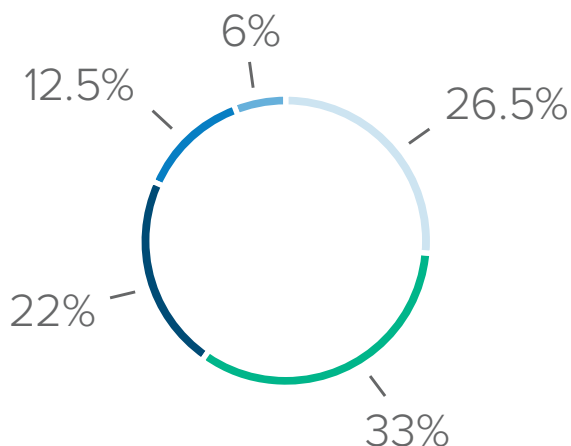
2

REDUCE TESTING EFFORT AND COST

The Stakes: According to the Deloitte Center for Financial Services, 56% of banking executives are taking on digital-focused projects that will require either a heavy investment in education or in talent procurement.

There is clearly an opportunity when it comes to innovation, but executives are running into the same challenges when addressing it – innovating in a rapid and scalable way and finding the best talent to make innovation happen.

Are You Worried About The Percentage Of Your Code Coverage Today?



- Definitely Yes
- Probably Yes
- Neutral Probably
- Not
- Definitely Not

Sample base: N=445

As features like mobile wallets and peer-to-peer payments expand to new markets, ensuring coverage across different browsers, operating systems, device types, payment instruments, and cellular connectivity options at scale will tax even the most robust internal efforts – and result in key misses.

With organizations indicating that in-house testing typically only covers a fraction of their customer base, they are leaving themselves vulnerable to severe quality issues for huge segments of their user base.

Therefore, it's critical to have access to in-market testers with the right devices to ensure a successful launch of app features and functionality.

Applause's crowdfunding solutions have helped customers reduce testing lab costs by an average of 75%, while also reducing critical fixes necessary by half.



2.4M

real devices
accessible through
the Applause
community.



200%

increase in the capacity
of internal testing teams
for Applause clients.

Source: Hobson & Company





3

IMPROVE USER EXPERIENCE

The Stakes: Only 27% of consumers say the omnichannel experience they receive from their bank is completely seamless — down 20% in just one year, according to research from Accenture.

Customers want the same features and capabilities they are offered in person to be available to them through every channel and device — all in a convenient and easy-to-use manner.

If a customer checks her mobile app and sees a fraudulent charge, she will want to report and dispute it right then and there. The same goes for bill payment, peer-to-peer transactions, and more. As soon as a customer's experience is slowed in any way, it opens the door for an alternative solution.

In addition to seamless operability between channels, customers are also clamoring for personalization. According to Accenture, 63% of mobile banking users want product and service recommendations and are willing to share personal data to get it — a primary factor when it comes to customer loyalty.



67%

67% of customers would share more data with banks in return for new benefits.



63%

63% of mobile banking users want product and service recommendations.

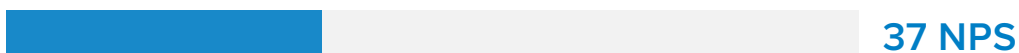
Personalization allows for increased engagement (and revenue) by offering more tailored and relevant cross-sell and upsell opportunities. Customers don't have the patience to switch away from online banking to complete a routine physical interaction. Therefore, banks need to continually be rolling out new app features that meet changing user digital needs.

Banks that provide higher quality digital experiences to their customers see far higher banking satisfaction, as shown by their NPS^{*} scores.

Digital Banking Leaders



Digital Banking Laggards



Source: Bain & Company

*A Net Promoter Score (NPS) measures customer experience and predicts business growth.

From a customer perspective, testing is critical because it gives product owners and developers insight into how users navigate the app and the ease (or lack thereof) required to accomplish banking tasks. Crowdfunding helps ensure the user experience maps to the user expectations from the very first time the app is launched by collecting unbiased insights from the perspective that counts – the customer.

Finding app and website defects before customers do creates an optimal user experience and ultimately reduces call center inquiries and costs. Most importantly, it shores up customer loyalty and overall brand.



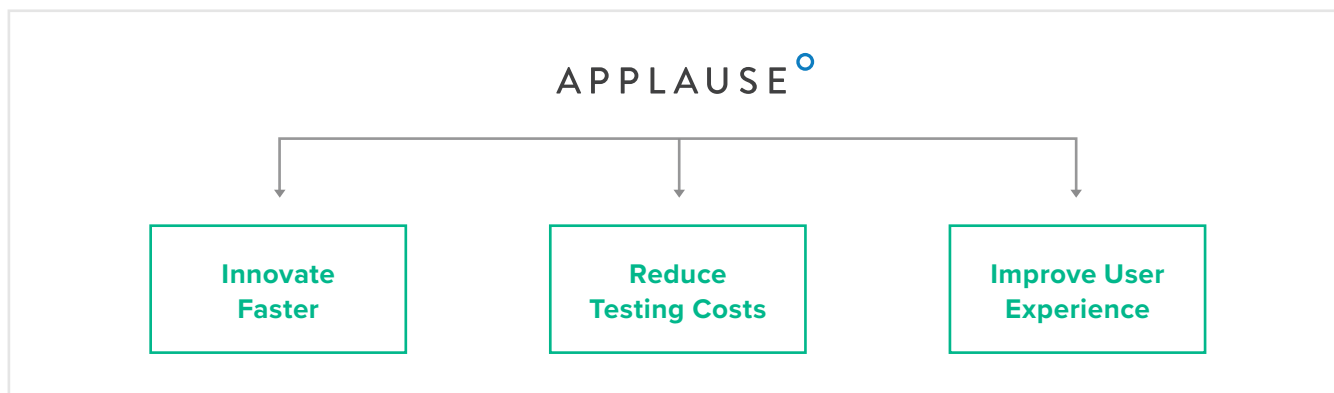
The Bottom Line

Digital banking has come a long way since the first app, as modern apps now provide a comprehensive banking experience that spans the majority of traditional banking

tasks. However, there remains a significant gap for internal testing teams to reach the performance, security, and usability that users demand to give strong reviews and stay consistently engaged with their bank. Applause can help close this gap with crowdfunding.

With Applause, financial institutions can innovate faster, reduce testing costs, and improve their user experiences. These changes increase performance and decrease challenges that plague legacy banking players.

Provide a better experience — with or without speaking with a teller — today.



Read Hobson & Company's banking report to understand the full ROI of Applause crowdfunding.

DOWNLOAD

About Applause

Applause is the worldwide leader in crowdttesting and digital quality. Software is at the heart of how all brands engage users, and digital experiences must work flawlessly everywhere. With 400,000+ testers available on-demand around the globe, Applause provides brands with a full suite of testing and feedback capabilities. This approach drastically improves testing coverage, eliminates the limitations of offshoring and traditional QA labs, and speeds time-to-market for websites, mobile apps, IoT, and in-store experiences.

Thousands of leading companies — including Citibank, JPMorgan Chase, PayPal, and Credit Suisse — rely on Applause as a best practice to deliver high-quality digital experiences that customers love.

Learn more at www.applause.com

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