



The Changing Profile of the Banking Consumer Driven by Technology

With

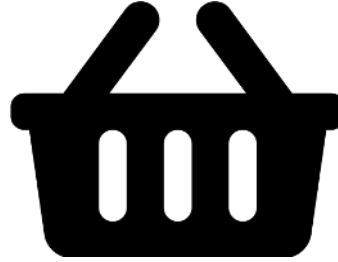


Our Business



Financial

We work with financial institutions to solve cash handling problems in their branches.



Retail

We work with retail operators to automate high volume cash environments.



OEM

We supply and support cash and payment modules to manufacturers around the world.

Global Presence

★ Global Headquarters:
Mebane, NC

45,000+

Recyclers deployed
worldwide



The Impact of Apps

Planning a Trip?

Research Where to Go:
Book a Flight:
Map Out Your Itinerary:
Reserve a Great Place to Stay:
Make Dinner Reservations:
Check the Weather:
Decide What You Need to Pack:
Order All Last Minute Necessities:
Catch A Ride to the Airport:
And Go!

Expedia
Kayak
CityMapper
Air BNB
Open Table
Accuweather
Packpoint
Amazon
Uber/Lyft





Automation is Making Waves in Retail



- Scan/Bag/Go Concepts Using Scanners or Phones
- Emailed Receipts
- Tablets
- Mobile POS Technology
- Smart Shelves
- Robotic Inventory Management

- But this must be balanced with opportunities for personal interaction

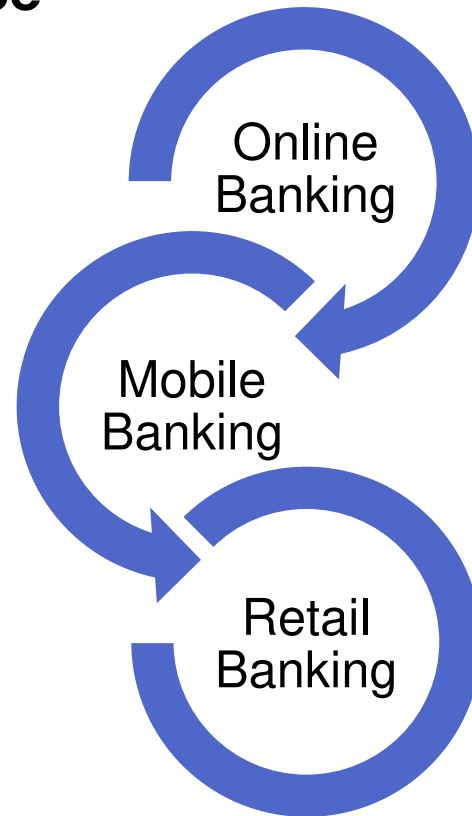


Consumer Experience Redefined: How This Translates to Banking



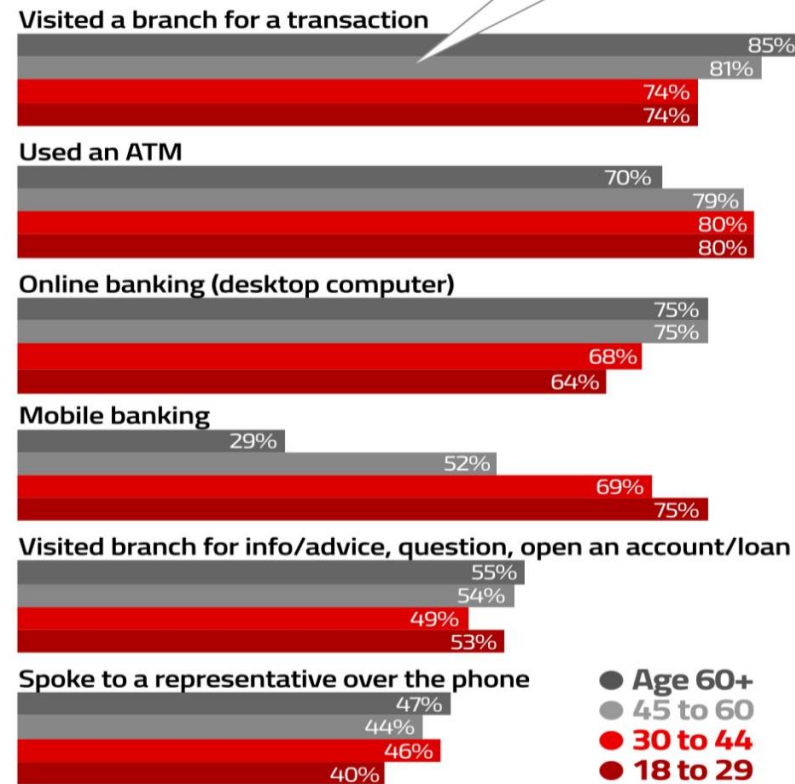


Shift to the Omni-Channel Banking Experience





How consumers have interacted with their banking provider in past two years



SOURCE: Celent © June 2018 The Financial Brand



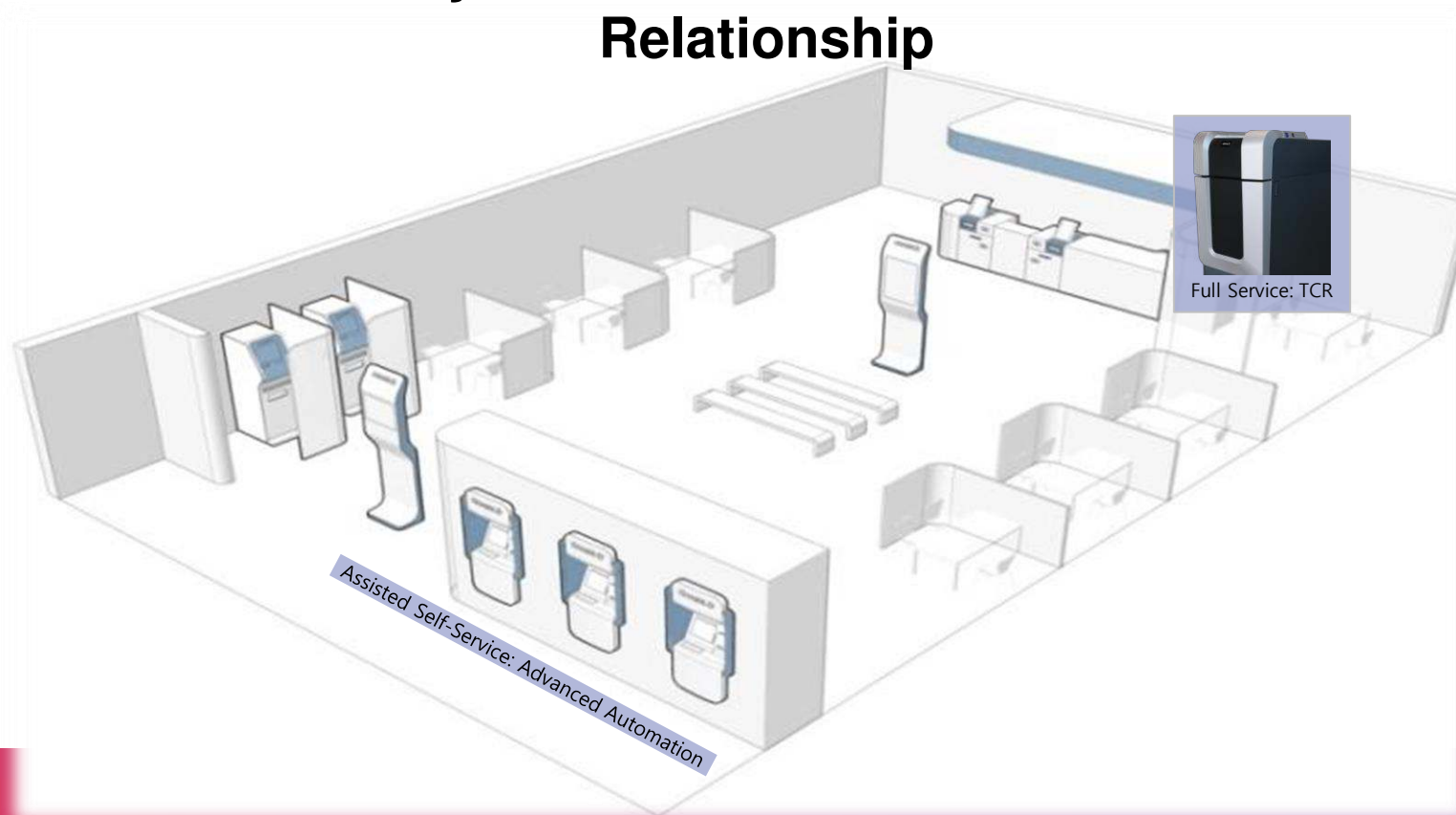
The Branch Remains Relevant

- 65% of bank consumer interact with their banks through multiple channels
 - **Human interaction is generally reserved for more complex transaction/interactions**
 - Customers have embraced multichannel access but demand more from their face-to-face interactions
 - If banks can't meet requirements, they may lose business to alternatives
- Consumers' demand for their bank re investment
 - Online banking
 - **Branch**
 - ATM
 - Mobile Banking

Sources: McKinsey & Company, Accenture

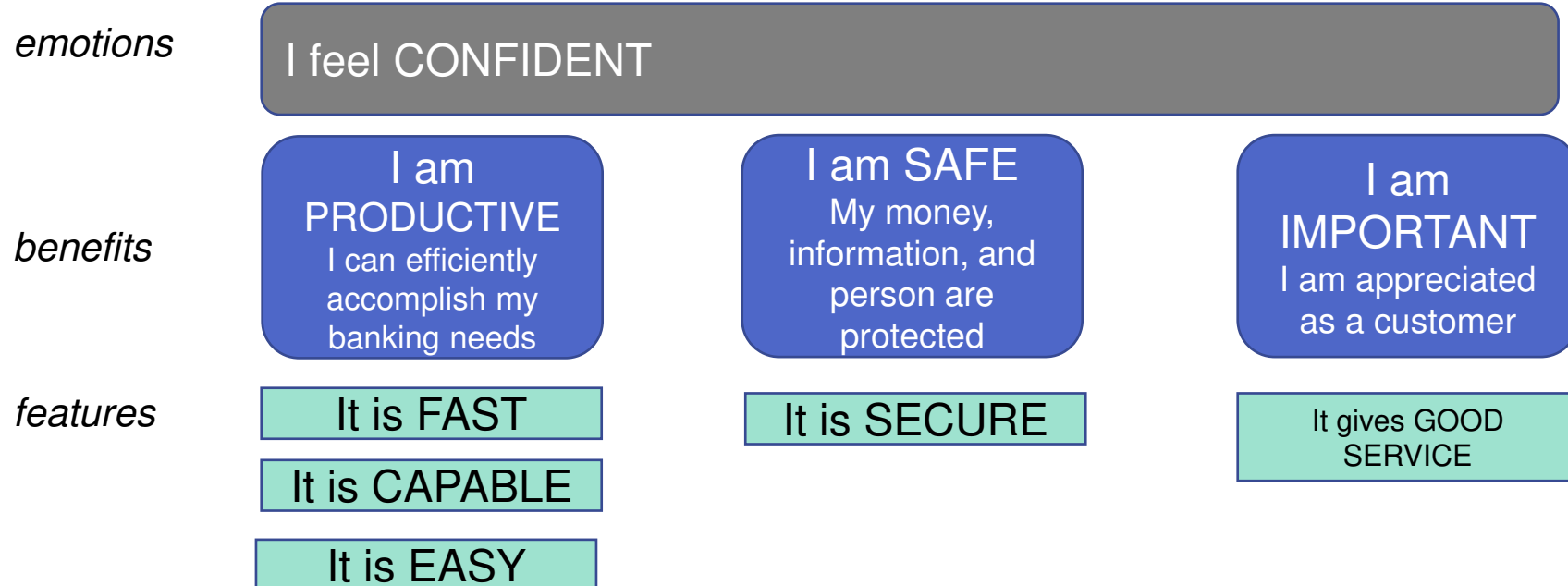


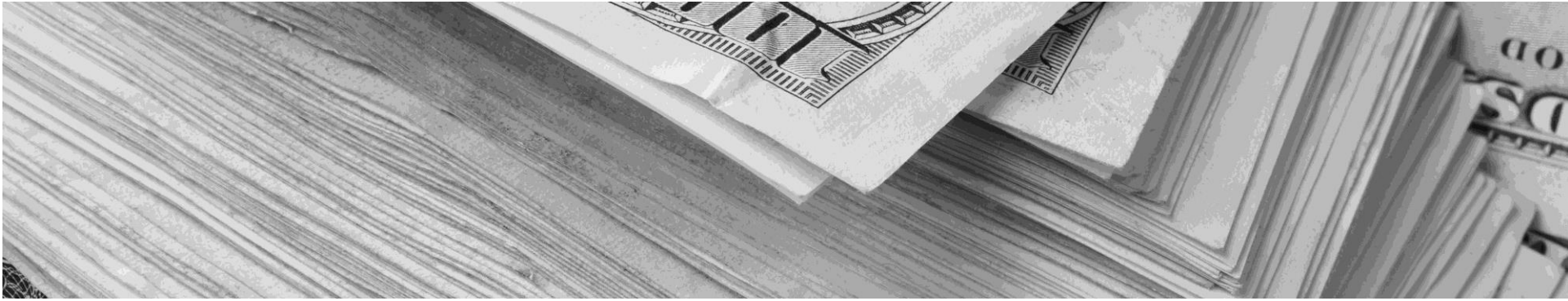
Branch Transformation Driven by Automation and the Consumer Relationship





What Makes Automation Effective: From a Consumer Perspective





The Outcome with Cash Automation



1

Efficiencies

- Automate Low-Profit Transactions
- Reduce Costs
- Increase Profits

2

Customer Service

- Increase Customer Satisfaction
- Improve Customer Retention
- Expand Customer Base

3

Competence

- Cross-Selling Capabilities
- Increased Teller Productivity
- Customer Focused



The Benefits of Transformation



1 For Financial Institutions

- Greater Productivity
- Enhanced Employee Loyalty/Retention
- Improved Brand Image
- Extended Hours

2 For Customers

- Faster Service
- Customized Attention
- High-tech and Enjoyable Retail Experience

3 For Employees

- Reduced Mundane Tasks
- Increased Professional Pride and Fulfillment
- Greater Opportunity for Interaction
- Improved Compensation Plans



What it Requires : The Commitment from You



1

People

- Skill Development and Training
- Emphasis on Sales and Customer Engagement
- Shifting Roles: The Universal Banker
- Compensation

2

Processes

- Determine What Gets Done Where/How
- Assess Expansion of Hours of Operation
- Implement Customer Education Programs to Encourage Adoption
- Revise Balancing Protocol

3

Technology

- Cash Recyclers
- ATMS
- Advanced Automation



Have More Questions?

Dan Miller

Director of Alliance Management

dmiller@arca.com

