

A hand is shown from the left, reaching out with the index finger pointing towards a complex, glowing digital network structure on the right. The network is composed of numerous interconnected nodes and lines, creating a mesh-like appearance. The nodes are bright yellow and white, while the lines are thin and light blue. The background is a dark blue gradient.

STRATACACHE

Executive Insights:
Improving the in-branch
customer experience

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Executive Summary

The in-branch landscape has begun to transform. Banks are blending lessons learned from other industries and from bank customers themselves in an effort to improve their connected experiences, recognizing that the branch is a mainstay within customer relationships. Banks have an opportunity to present engaging, personalized content to their customers through digital signage assets and many are beginning to recognize this opportunity in conjunction with other strategic investments in mobile and digital personalization.

While screens have become common within most bank locations the pressure to improve in-branch messaging is growing and a lack of clear focus often gets in the way of the value that can be generated. Content is recycled from other channels, while tactical work that could be easily outsourced is kept in-house, leading to messaging that is not effectively

personalized as well as a resource drain within the organization. This lack of focus also creates a situation where many respondents are confident they are generating value from their investments, but many lack the hard metrics required to justify further investment to key stakeholders. Even those that do have metrics may still rely on qualitative feedback, as opposed to hard metrics derived from A/B testing or other quantitative methods.

Within the next 12 months, 55% of respondents believe that digital signage will have a major impact on their bank. It makes sense that the screen-dense location of the branch is ready to display a deeper, more personal level of information. It is time for banks to put the strategies and processes in place that will allow them to fully explore the potential of a connected experience that reasserts the importance of the branch as a center for building trust within customer relationships.



Key Findings

1

Over half (52%) of respondents lack the metrics needed to prove that they are gaining value from their investments in digital signage. Even those who do collect data tend to rely on qualitative feedback and comments solicited by a call-to-action, as opposed to quantitative analysis.

2

Only 9% of respondents have fully integrated digital signage into their broader customer experience strategies.

3

The majority of respondents bundle digital signage within online and television content strategies, recycling assets from other channels. Without outsourcing tactical work and leveraging strategic internal resources the channel can struggle to get dedicated assets and attention.

4

Digital signage content strategies typically feature information about the bank and offers available within the location. The vast majority of this content is general and not specifically tailored to the customer demographic of each branch.

5

Online and mobile ads, mobile apps, blockchain and personalization are continuing to change respondents' overall messaging strategies in the next 12 months.

6

While digital and mobile channels are receiving heavy investments, digital signage is now also a funding priority competing with traditional mainstays such as print media, TV and radio.

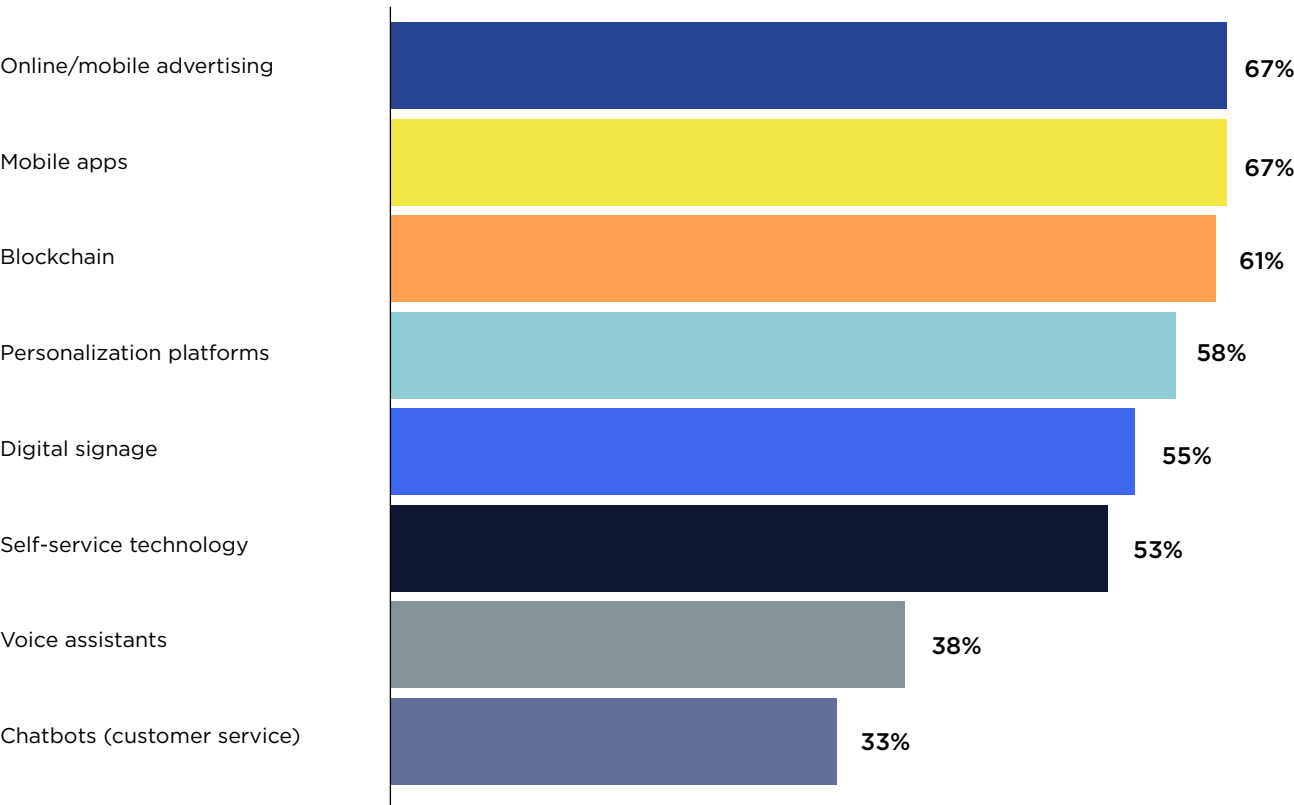
Research Analysis

Looking to the future of digital branch technologies

Six out of eight listed technologies are expected to have a significant impact on the future of the bank within the next 12 months. Banks of all sizes are actively seeking to improve their messaging strategies across all channels.

Mobile ads, apps and blockchain are the three technologies that respondents believe will most radically affect their immediate future. Personalization platforms as well as digital signage and self-service technology make up the host of options that over 50% of respondents agree will also contribute to dramatically shaping the next 12 months of their banks' progress.

Which of the following technologies will have the biggest impact on your bank in the next 12 months?



Research Analysis

Charting the evolution of messaging strategies and in-branch optimization

The number of branches and territory range of a bank will influence the extent to which they will use strategies such as billboards or radio placements. The ubiquity of the Internet has seen priority shift to digital strategies. A combination of online, mobile and in-branch digital investments make up the top three areas of priority.

Digital channels command the highest levels of investment today. This also reinforces the importance of weaving digital touchpoints into the daily routines of branch customers. Email and digital sites are still the most heavily invested areas, while mobile and in-branch channels are also growing in popularity. The continued importance of print media, even despite the rise of digital, is also manifest. Over half of respondents will allocate an above average level of investment to this channel.

Respondents ranked their levels of total staffing and funding commitments among the following on a scale of 1-5:

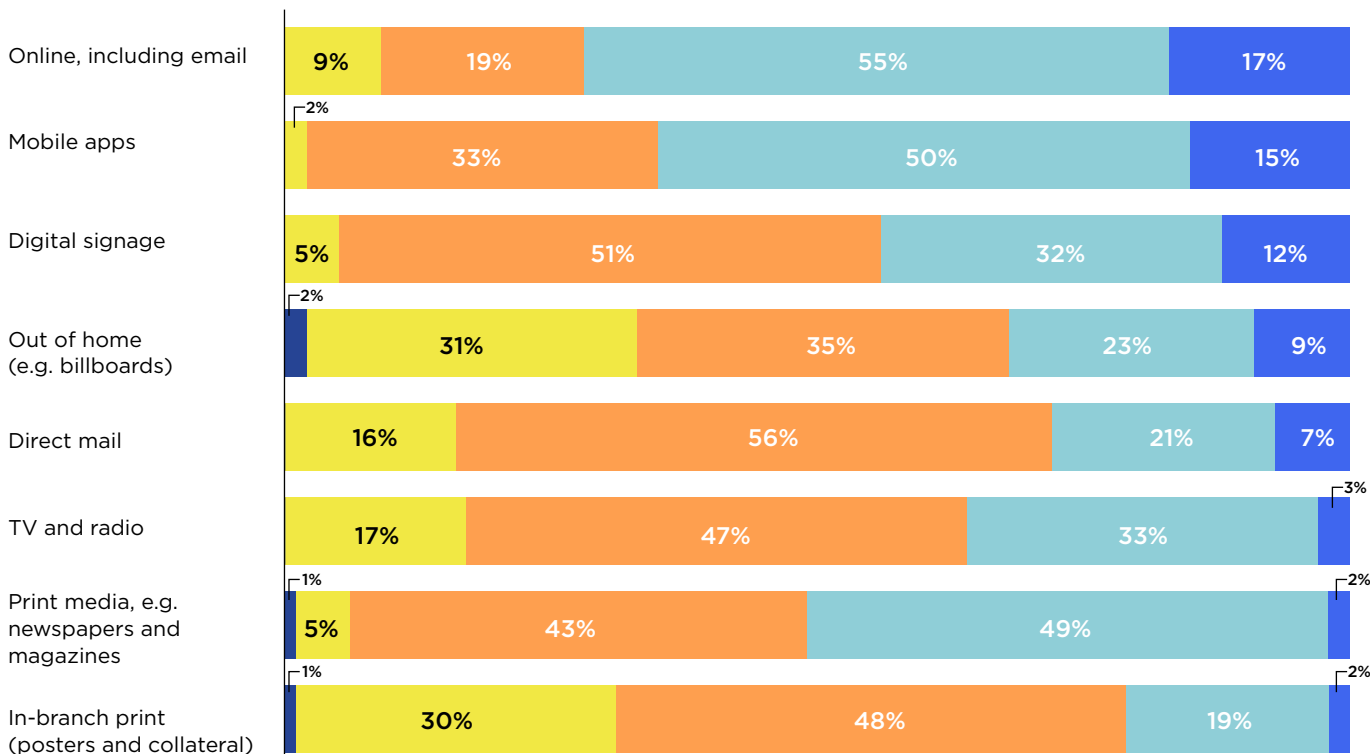
■ 1 Minimal investment

■ 2 Moderate investment

■ 3 Average investment

■ 4 Above average investment

■ 5 Significant investment

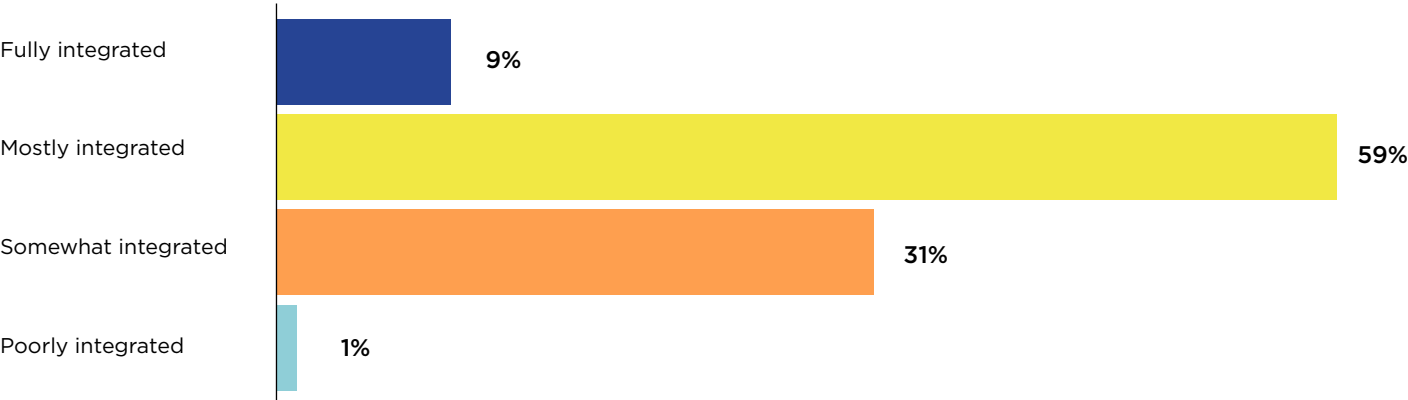


Research Analysis

The majority of banks are still integrating their branch locations into their larger messaging strategies. Taking digital signage integration as a proxy, 91% are still not at a level they consider fully up to the potential of the strategy.

With digital signage ranking as the third heaviest area of investment according to respondents, how well it is integrated into a customer experience strategy can be a proxy for the overall level of strategic development within a bank. The norm is a level of integration that approaches completion, but does not achieve it fully. As we will see later in this report, despite the fact that digital signage or at least the presence of screens within bank locations is approaching saturation levels, leveraging their presence to become part of a more personalized messaging strategy is an area where many still struggle.

How well integrated is your use of digital signage with your overall messaging strategy? (i.e. interaction with mobile apps, display of personalized content or offers, cohesiveness of messaging, etc.)



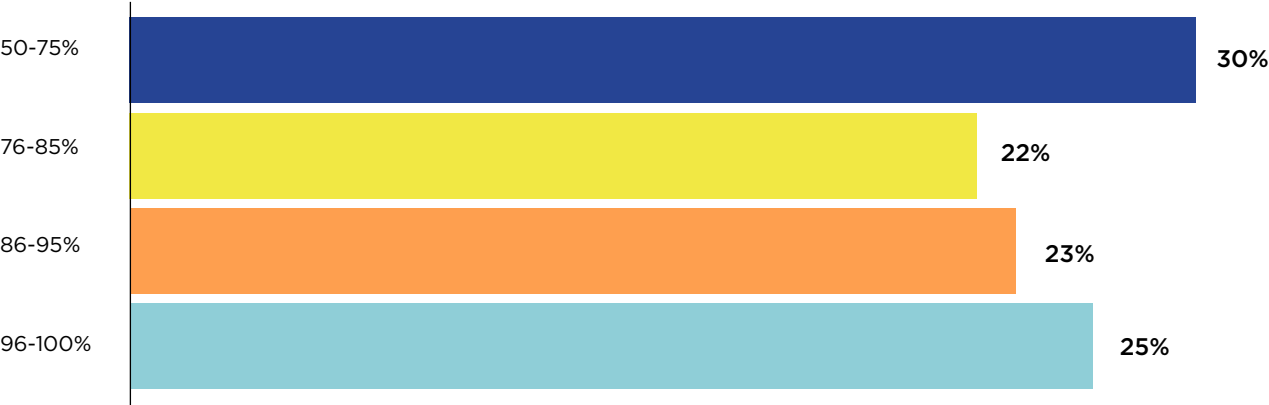
Research Analysis

Exploring the technology environment of the modern branch location

The role of physical branch locations in the future will be heavily linked to the extent to which they are integrated into the bank's customer experience strategy. Considering that the branch is the location of some of the most important communications that take place between the bank and the customer, the branch deserves to be empowered with a personalization strategy that can both benefit from and feed into digital strategies.

It has now become common for at least 75% of branches in a network to be equipped with digital signage. This holds true across banks with hundreds of brick-and-mortar locations to those that number in the thousands. While the strategies currently in place for implementing these assets will vary in maturity across these organizations, their presence reflects an overall movement towards investing in stronger and more integrated in-branch technologies.

What percentage of your branch locations are currently equipped with digital signage?



Research Analysis

93% of respondents feature wall- or ceiling-mounted digital displays within their bank locations. In a typical bank location screens are already present, though more advanced features such as interactive kiosks may only be present within a select few branches across a larger network.

It is now common for banking customers to be exposed to at least one digital display once they visit a physical bank location, whether to make a routine deposit or request a loan. While mounted screens are the most common screen type and are now virtually ubiquitous 75% of respondents now offer either interactive kiosks, countertop digital displays, or both, but not necessarily network-wide.

75% of respondents now offer either interactive kiosks, countertop digital displays, or both within one or more branch locations.

Please select all the features you have currently deployed within your branch locations:



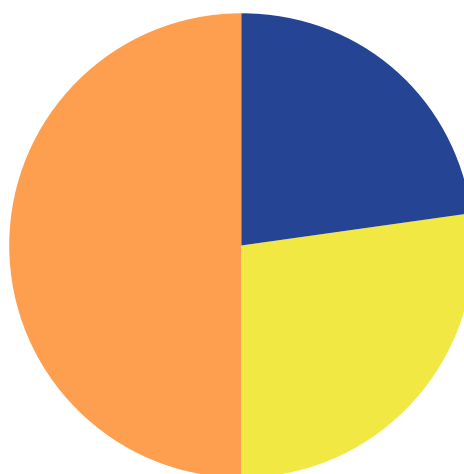
Research Analysis

How digital signage is currently used and the potential for optimization

Ownership of digital signage is shared in 50% of cases between an internal group and external agency staff. When properly managed, this division can allow tactical work such as playlist management to be outsourced, freeing internal resources to focus on strategic initiatives.

The approach that banks will take to the creative assets displayed still differs widely. Ownership of digital signage is shared in 50% of cases between an internal group and external agency staff. In another 27% of cases, this responsibility is fully outsourced to an external creative group. The smallest subset of respondents, 23%, retain full responsibility for the content appearing on their digital signage assets internally. Developing a split between internal and external management can be the key to offloading administrative and tactical management of the digital network to partners so that internal resources can focus on strategy.

How is your digital signage network managed?



- 23% Internal staff
- 27% Outsourced
- 50% Combination of both



Research Analysis

Only 19% of respondents consider digital signage as a content channel that requires specific content assets without recycling from other channels.

While the majority of respondents repurpose content from other channels, it is encouraging to see the majority also develop at least some assets specifically for display within digital signage. The majority of respondents acknowledge that specifically tailored content is more desirable regardless of whether they are able to fully support the creation of such assets at scale.

Developing several specific content assets is a start. However, without scaling dedicated content production for in-branch channels the full benefit of digital signage will not be felt. With the right metrics and personalization strategies in place in-branch content can be tailored to the location and purpose of a specific screen, as well as the demographics of the geographic location of the branch. For example, the impact of an outward facing screen with a curated playlist of branding material is different than a screen in a lobby area meant to educate customers waiting to see a specialist.

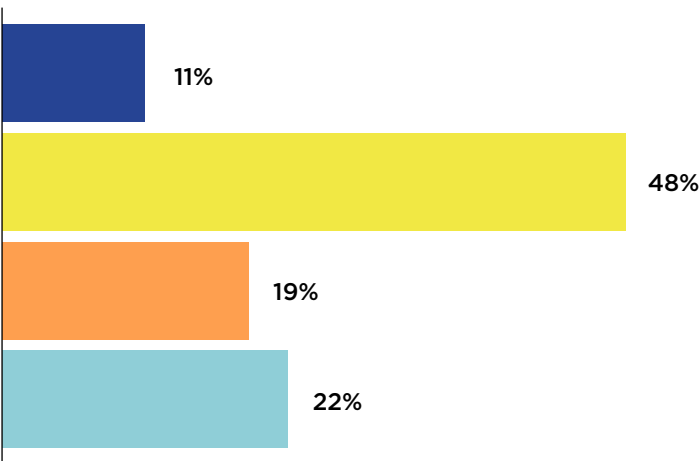
Is digital signage content considered an extension of online or television content, or is this a content type of its own? Do you create unique assets for DS?

This is considered an extension of online/television content and assets from these channels are recycled

This is considered an extension of online/television content and assets from these channels are recycled though some specific assets are also developed for this channel

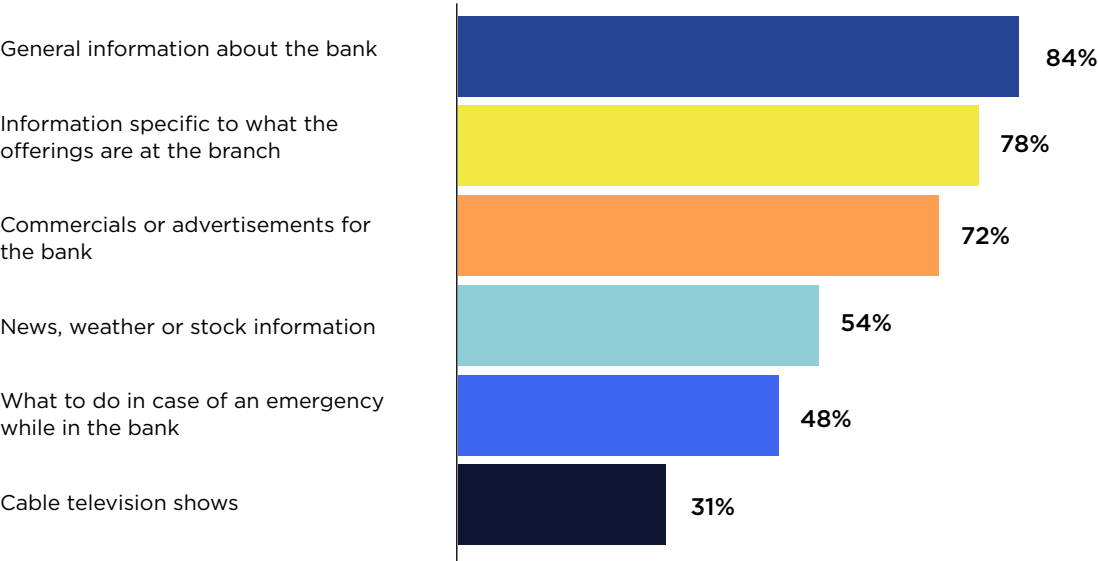
This is considered a separate content type with specific content developed for the channel

This is considered a separate content type with specific content developed for the channel though content from other channels is also recycled



Research Analysis

What specific types of content have you found the most effective for engaging customers through your digital signage?



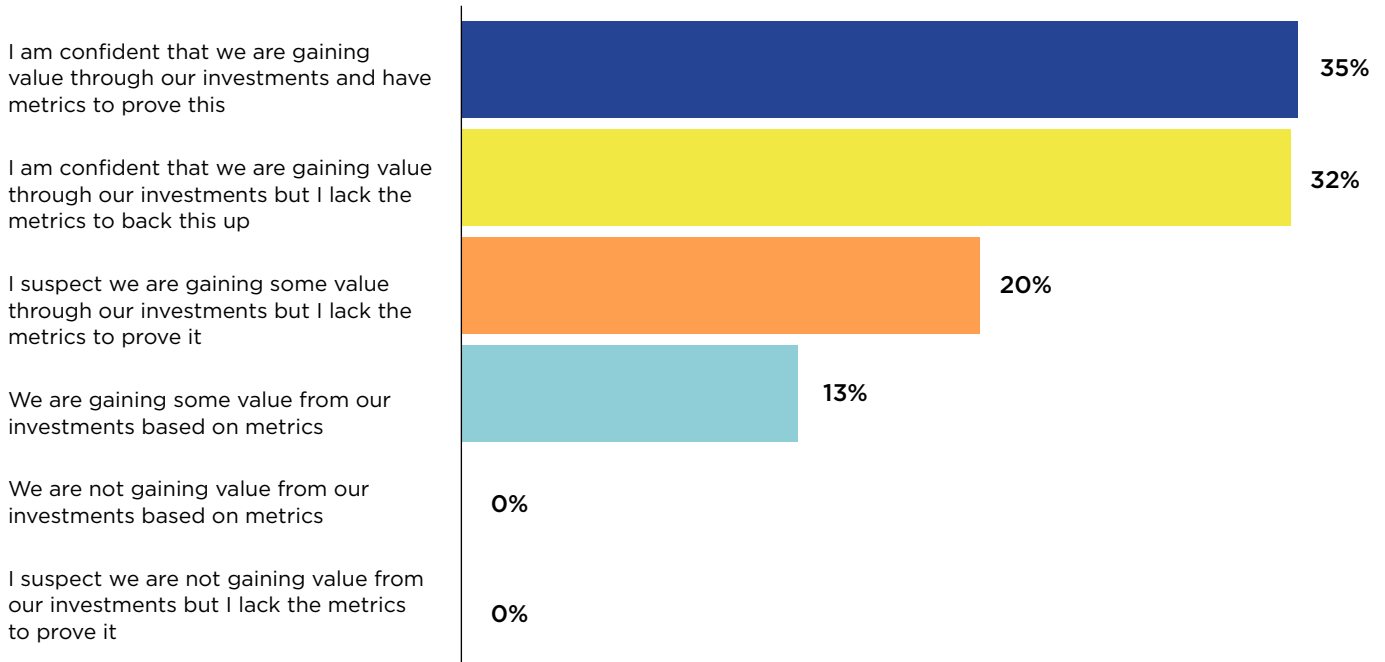
The more relevant the information is—particularly when content is pertinent to the banking experience and bank’s brand—the more engagement potential it will have for in-branch customers. This is why information that illustrates banking options is at the top of the list, and why bringing personalization into the equation can create more engagement with digital signage.

Respondents are clear in acknowledging that materials related to the bank are often the most advantageous to display using digital signage, while other content types serve as filler content with less of a clear strategic advantage to be gained from their display. Banks have an opportunity to provide tailored content based on the demographics of their branch locations, as well as the purpose and location of their screens. Digital signage equipped areas should be recognized as zones of customer activation and display information relevant to the desired customer action that the bank wants to inspire.

Research Analysis

Comparing digital signage maturity across bank sizes

Which statement most closely reflects your feelings about your digital signage strategy?



The fact that confidence in digital signage performance is high contrasts with the lack of metrics in place to verify the ROI of the channel. Over half of respondents rely on their intuition to tell them that their investments are gaining value, as opposed to quantitative performance metrics and A/B testing. The development of hard metrics and testing will be key to unlocking the full potential of the channel.

Digital maturity can vary depending on the size of the bank in question, with larger, more geographically dispersed banks often exhibiting a higher-level of centralization of marketing activities. A good example

can be found in the levels of insight banks have around the performance of their digital signage. With the context of customer-facing screens present in 80% of bank locations on average, the ability to point to metrics on the performance of this channel is an indicator of overall maturity. The fact that almost one third of respondents feel strongly that they are gaining value from their investments, yet have not set in place metrics that can provide proof indicates that adding screens to the bank branch has been a reflexive development on the part of many banks. Increasing the ROI of investments in digital signage requires the same formalized approach as any other marketing channel. It is not adequate to assume that the presence of a screen is enough to guarantee value.

Research Analysis

Small Banks:

Only 13% of banks with 300 branch locations or fewer have metrics in place to prove that they are gaining value from their digital signage investments.

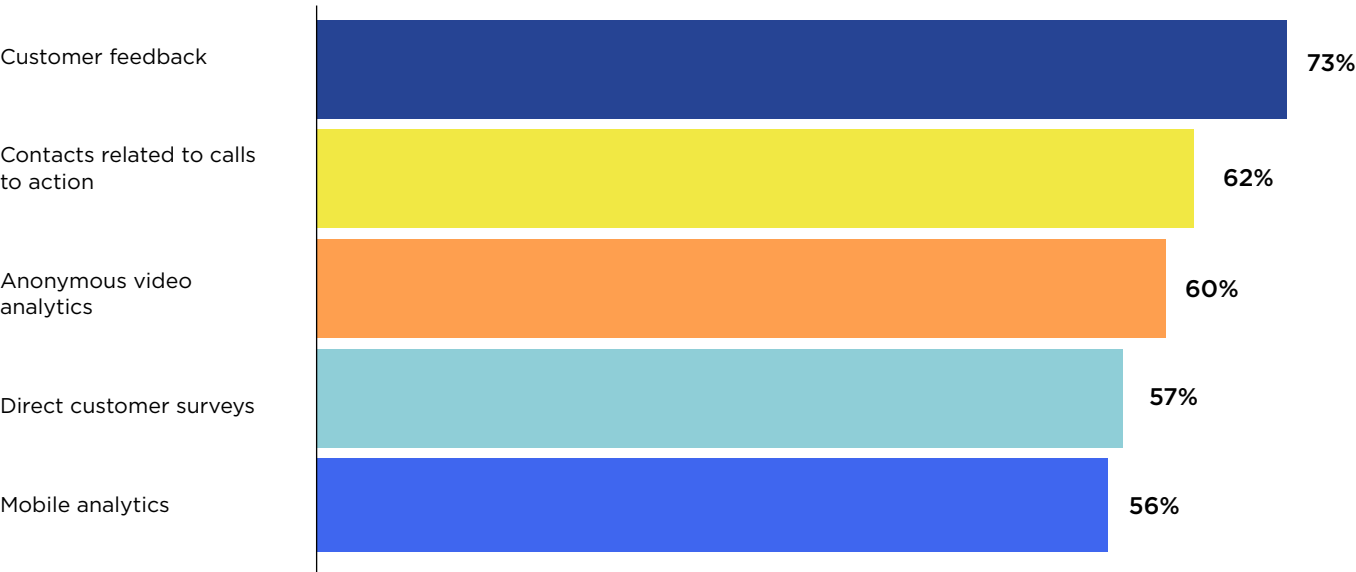
Large Banks:

Reinforcing the hypothesis that larger banks are also typically more advanced in their messaging strategies, 73% of banks with more than 900 branches are confident that they are gaining value from their investments based on metrics. That said, the type of metrics they collect may still be overly qualitative in many cases.

While 52% of respondents lack formal metrics for their digital signage programs, the other 48% will rely on a range of mostly qualitative assessments. Feedback solicited directly from the customer is the most common method of evaluation currently in use for determining the effectiveness of in-branch messaging and this can be gathered within the branch in context during conversations between customers and associates. The second most common response is around calls-to-action used to solicit feedback.

Anonymous video analytics are also a popular strategy for gaining contextual information, beating out direct customer surveys by three percentage points. Mobile analytics, while the least popular response, was still chosen by a robust 56% of respondents. The data suggests that the majority of respondents are utilizing several strategies to gain feedback on the performance of their digital signage even despite a potential lack of metrics in place to formalize the insights being gathered. By developing more formalized measurement of digital signage performance banks will gain information that can be used to update their messaging strategies across other channels as well.

What strategies do you use to measure the engagement and effectiveness of your digital signage programs?



Research Analysis

Small Banks:

42% of banks with 300 or fewer branch locations report their digital signage is only somewhat integrated into their overall messaging strategies. None reported that their digital signage was fully integrated.

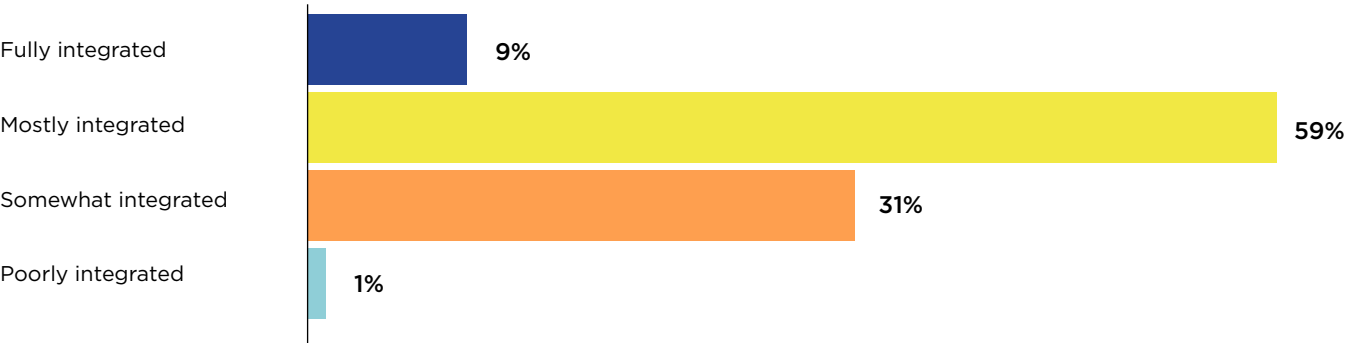
Large Banks:

93% of banks with over 900 banch locations report that their digital signage is either mostly or fully integrated into their messaging strategies. Out of this number, 31% felt their programs were fully integrated.

The in-branch environment facilitates the development of one-to-one personal relationships. As digital signage becomes increasingly part of a bank's engagement strategy, the marketing technology supporting it gives banks a deep look into in-branch interactions with their customers. That said, only 9% of respondents feel their messaging strategies can support this level of integration today.

For 59% of respondents, digital signage is considered to be mostly integrated with an overall customer engagement strategy. That stated, the relative maturity of these strategies can also vary widely and just 9% of respondents felt that their digital signage has been fully integrated.

How well integrated is your use of digital signage with your overall customer engagement strategy? (i.e. interaction with mobile apps, display of personalized content or offers, cohesiveness of messaging, etc.)



Key Recommendations



Develop a forward-thinking digital signage strategy that integrates mobile.

Put into context, some of the most anticipated elements that respondents feel will have an impact on their businesses within the next 12 months are related to the integration of mobile into their messaging strategies, with digital signage following closely behind. It is important to recognize that digital signage can directly synergize with mobile strategies and that the development of a strong in-branch engagement strategy should be part of a wholistic development of messaging.



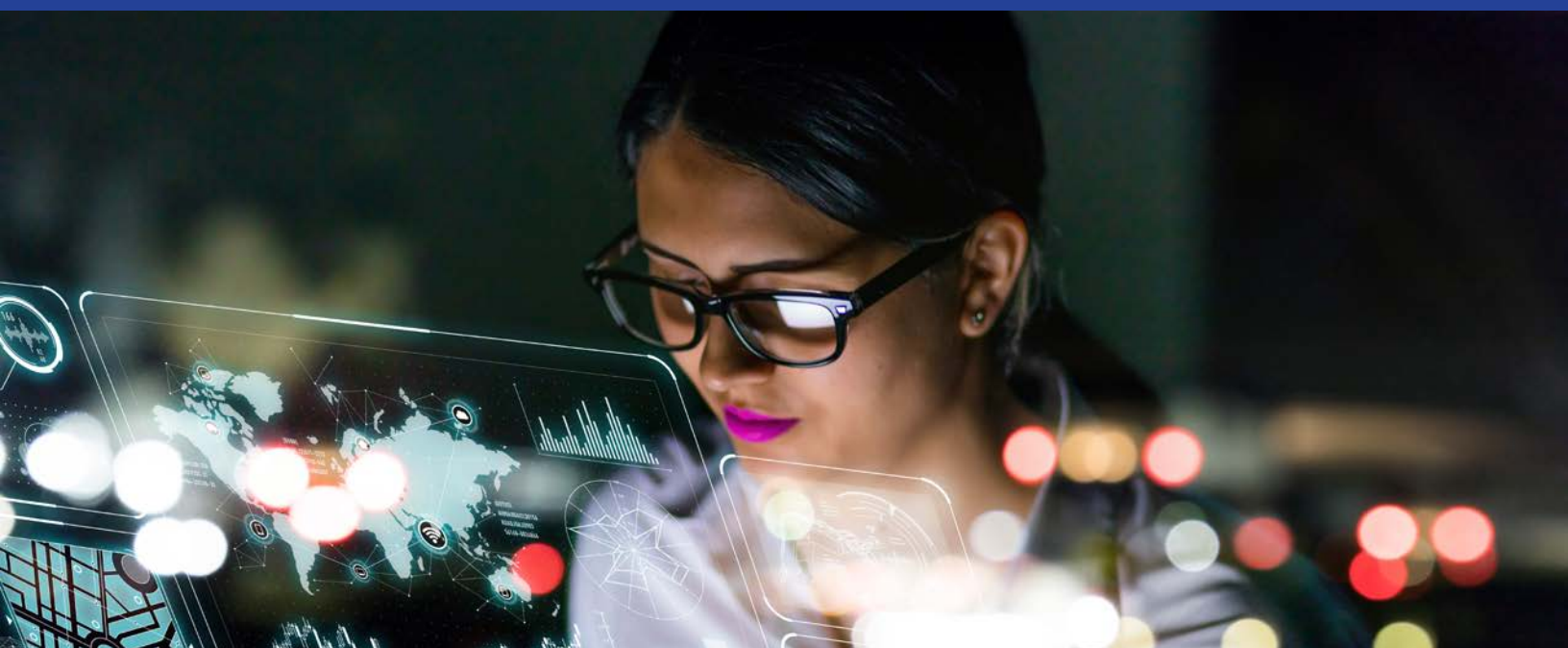
Create a measurement strategy to gauge the current branch experience.

Smaller banks will typically already have screens within their locations, but they are often not integrated into a measurable, scalable messaging strategy. The first step should be the adoption of metrics and the means to accurately measure them to create further buy-in for the development of a more connected in-branch experience. The size, placement, and orientation of digital signage should also be optimized from a strategy perspective to gain the best results.



Present the bank as a consultative center for a richer in-branch experience.

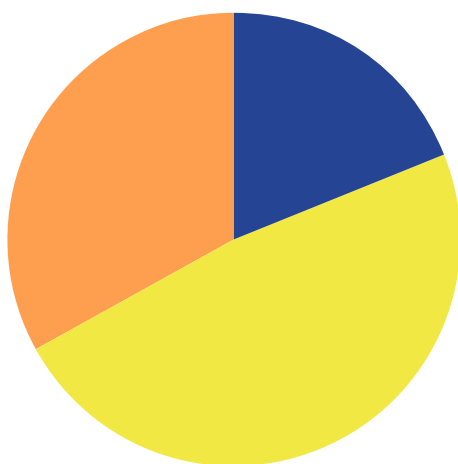
The bank branch is a location where customers can create a face-to-face relationship. When combined with information collected from continuing engagement via digital channels, it can be viewed as a consultative center for enriching the customer's overall experience with the bank and taking steps that will help them benefit most from the products available to them.



Methodology

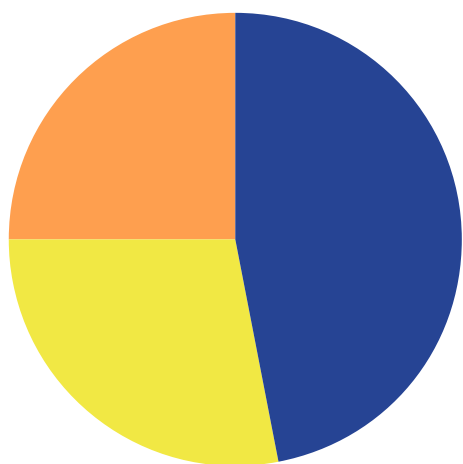
The results analyzed in this report were gathered from responses to an on-site benchmarking survey delivered to members of the Future Branches event database. 100 executives responded to the survey.

Seniority Breakdown



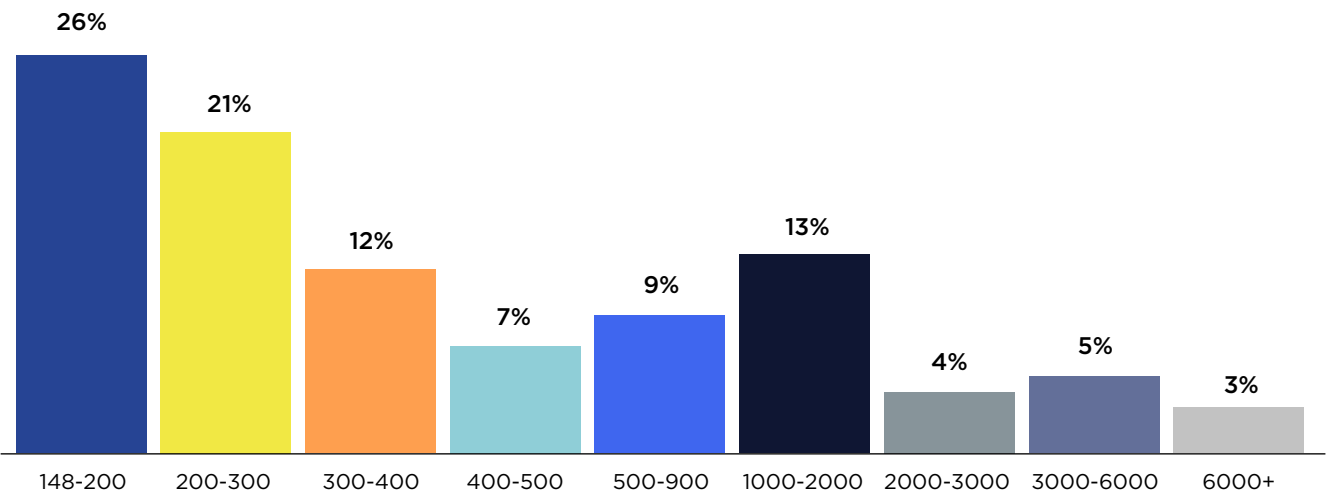
- 19% C-level/department head
- 48% Director
- 33% VP

Segmenting by Branch Numbers



- 47% 148-300
- 28% 301-900
- 25% 1000+

How many branches are in your network?



About

STRATACACHE

STRATACACHE

STRATACACHE provides scalable customer experiences, empowering retailers to learn deeply about their customers' shopping preferences and behaviors, allowing for personalized shopper interaction. Our solutions deliver consumer activation at the point-of-decision, generating new sales opportunities and enhanced retail profitability. With 2 million+ software activations globally, we power the biggest digital networks for the world's largest brands. Across the STRATACACHE family of complementary digital media/ad tech solution companies, we have the technology, expertise and track record to bring retail innovation that delivers results. Learn more about the STRATACACHE family at www.stratacache.com, on Twitter @STRATACACHE or on Facebook.



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Future Branches, a three day networking event, brought to you by the organization that puts on both NetFinance and Future Stores, explores how financial institutions are capitalizing on their physical spaces by revamping in-store technology, revitalizing their front line associates and reimagining branch processes to meet the ever-changing demands of their customers. Learn more at <https://futurebranches.wbresearch.com>