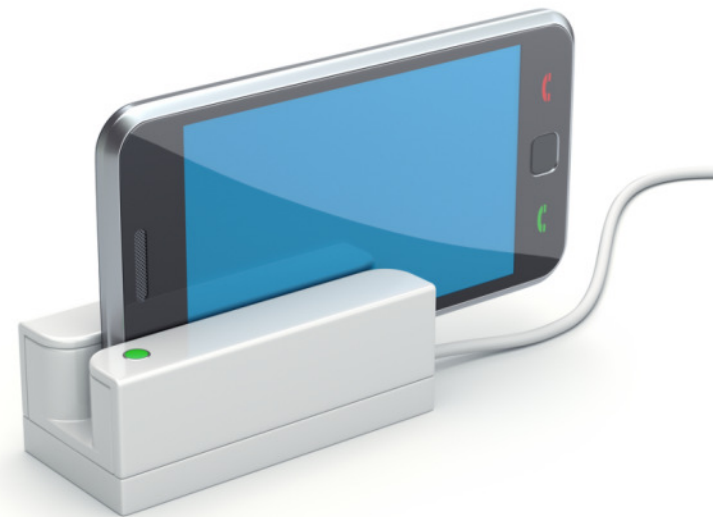


Mobile Payments

Trends and Considerations for the Board

World Credit Union Conference 2013

[Ian Shelley](#)



Competition in payments will increase



Credential

Channel

Communication

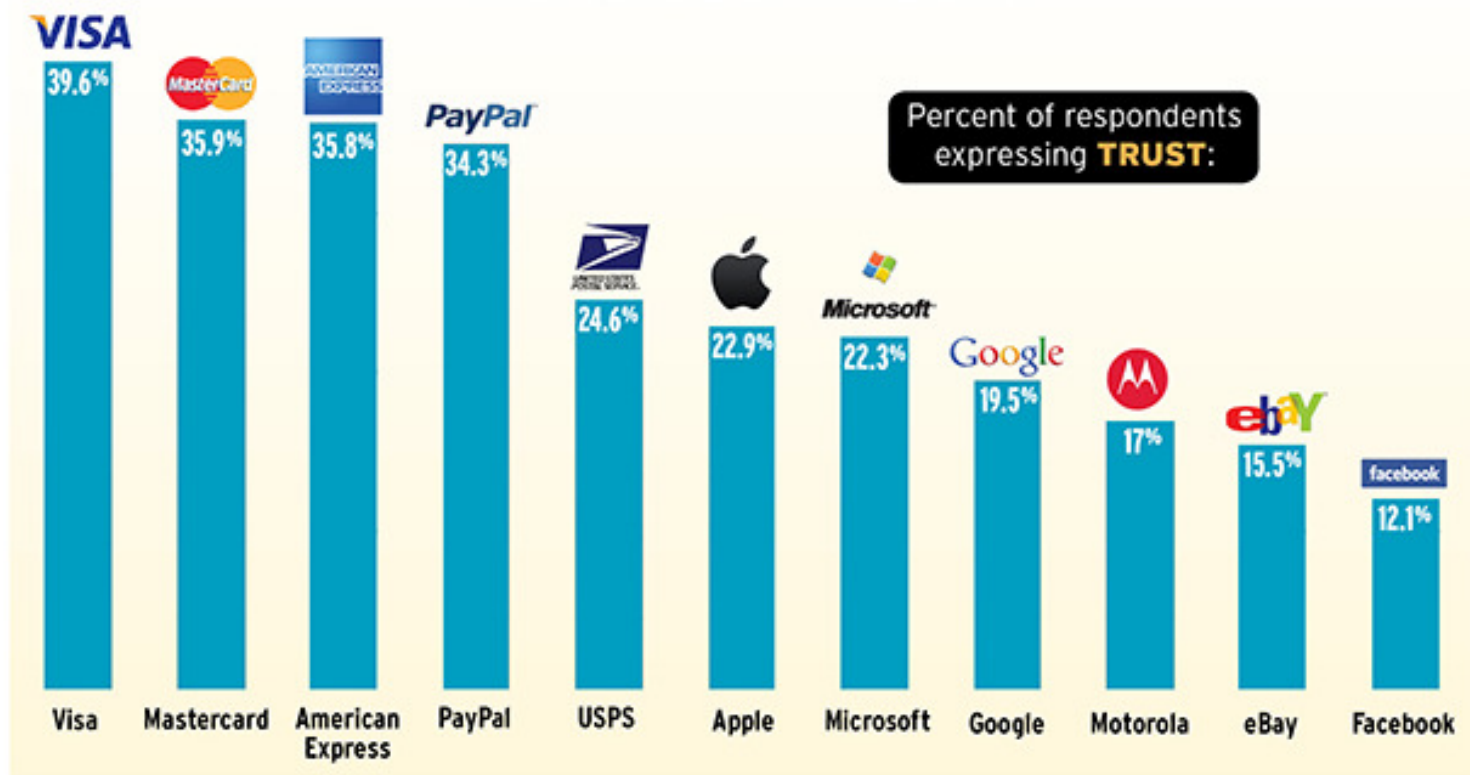
Repository



But not dramatically in credit unions core market



Consumers trust their FI's more than these new competitors



80%


Of consumers say they would prefer to manage their finance through their financial institution rather than through a third party (Forrester)

A woman with blonde hair in a bun, wearing a grey dress, is looking down at a menu in a restaurant. In the foreground, the out-of-focus face of another person is visible. The background shows shelves with various bottles and items.

Mobile payments is about 'Customer Experience' –
not about a new payment product

An FI whose brand is built on personal interaction will
not be able to claim to be the **leader in mobile** services

Exceeding Expectations with this technology we
require the same dedication as for social media

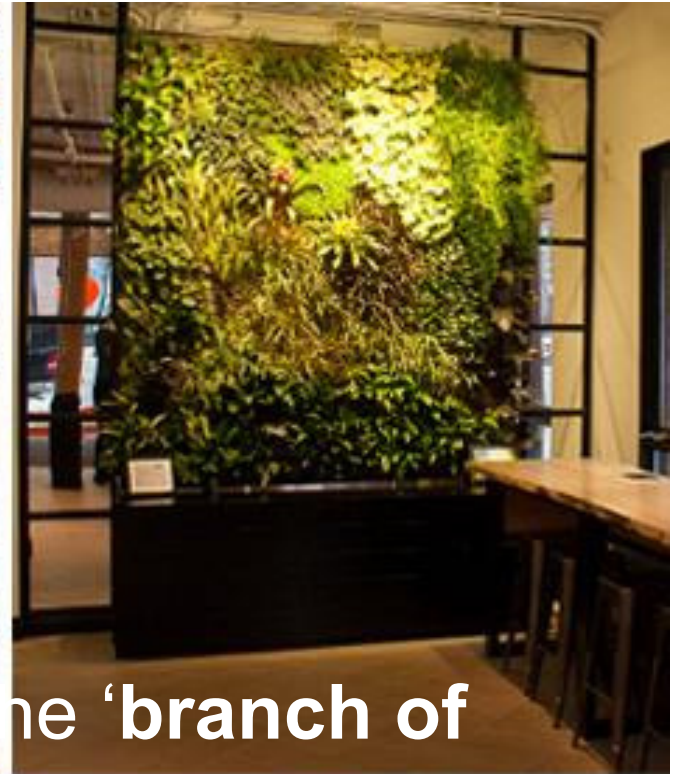


The opportunity for credit unions to exceed expectations requires more than just a transaction – it can build on the relationship

Social and loyal: payment is often a mobile social experience – easy to imagine integration with other digital media

Omni channel: I use all channels...at once. My accounts and payments do not. Payments must support all my transactions, in a manner that makes sense for the transaction

Value added: being digital provides an unmatched opportunity to provide value – value is not adverts and discounts



Mobile payments have reignited the 'branch of the future' debate



Developing new partnerships is likely the best path to gaining the required **capabilities**

If mobile payments is a customer experience question, who should be **accountabilities** for building your strategy

Timing launching your mobile payments services should be linked to the deployment of NFC infrastructure – both POS and smartphones



**...this means now is the time to invest in strategy,
member consultation and forming partnership**

Strategy

Design

Partner

Execute

**There seem very few tangible benefits to being early to market, and a number
of benefits slightly lagging adoption because of the reliance of infrastructure**

Questions the board should ask about mobile payments

- ▶ How will mobile payment affect competition in our industry?
- ▶ Do our mobile plans fit with our broader investment portfolio?
- ▶ What will it take to exceed our customer's expectations?
- ▶ Does this technology have implications on our operations?
- ▶ Do we have the capabilities required?
- ▶ Who is accountable for mobile payments?