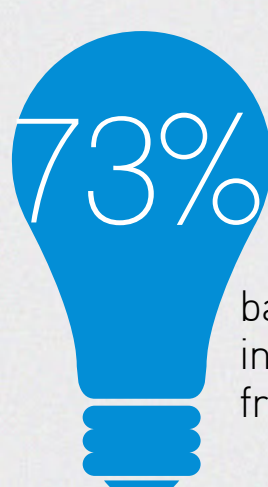


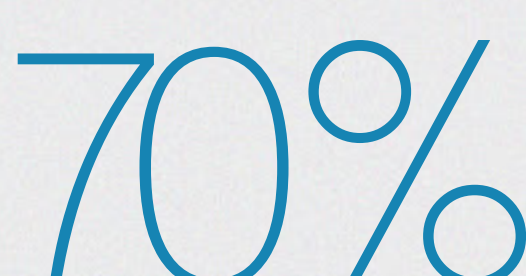
# INNOVATION IN RETAIL BANKING 2012

Highlights from the Infosys and EFMA innovation in retail banking report 2012. The study of 300 banks across Europe, the Middle East, Africa, the Asia-Pacific region, and the Americas found that online and mobile channels are growing rapidly, with banks focused on areas of innovation that will attract new customers and grow revenues.

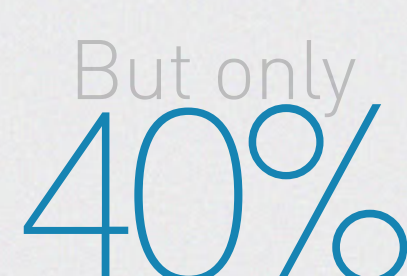
## Banks today are becoming more innovation-friendly



73% banks increased their investment in innovation from 2011 to 2012

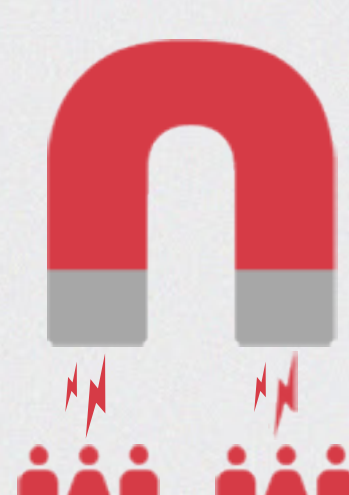


70% banks are becoming more innovative in the last few years



But only 40% banks have clear innovation metrics to measure innovation performance

## What is driving them to innovate?

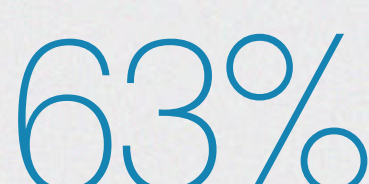


Attracting customers and growing revenues are the key drivers for innovation

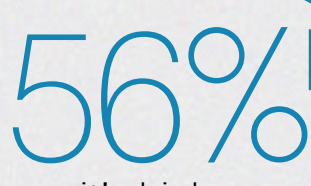
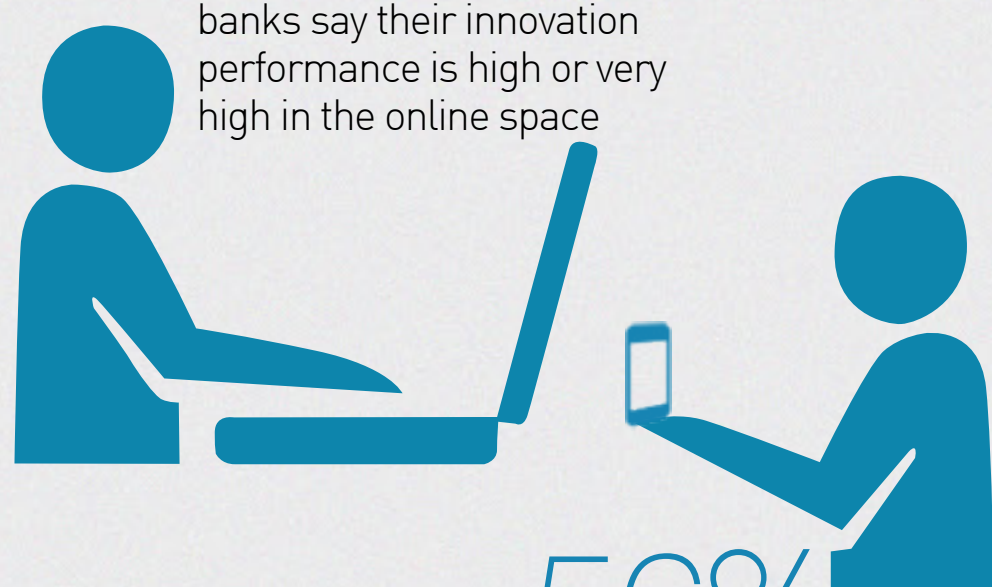


75% bankers are increasing investment in innovation in the areas of customer service and channels in 2012

## Where is this innovation happening?



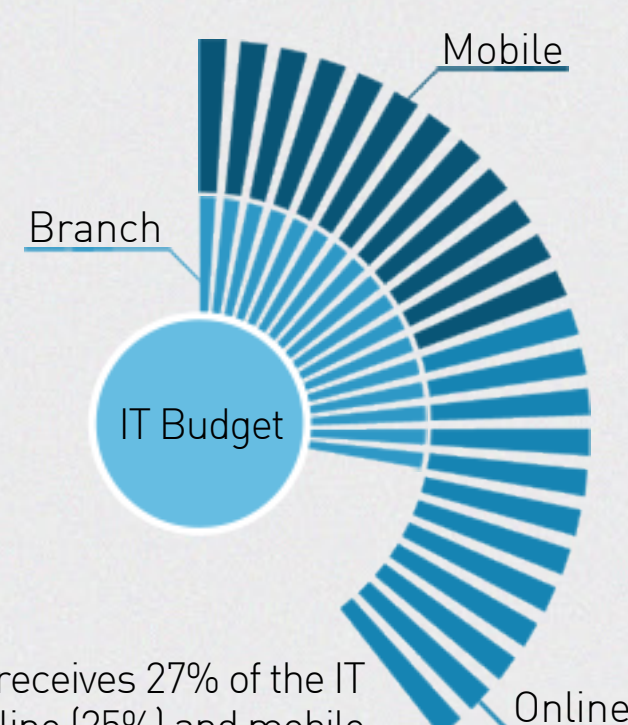
63% banks say their innovation performance is high or very high in the online space



56% say it's high or very high in mobile



87% banks agree that IT is important for channel innovation

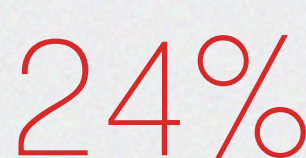


Branch still receives 27% of the IT budget, but online (25%) and mobile (20%) combined now exceeds this

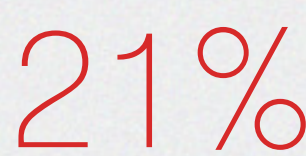
## In what form is the innovation deployed?



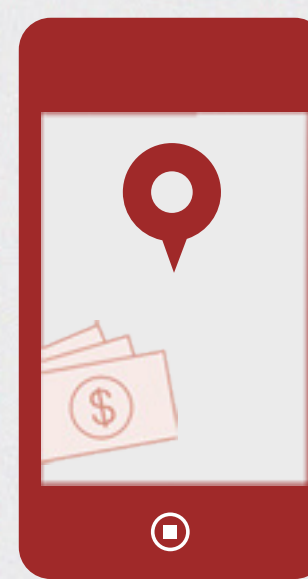
29% Personal Financial Management tools



24% Integration with social media



21% Web chat or click to call



38% Advanced visualization for locating branches & ATMs

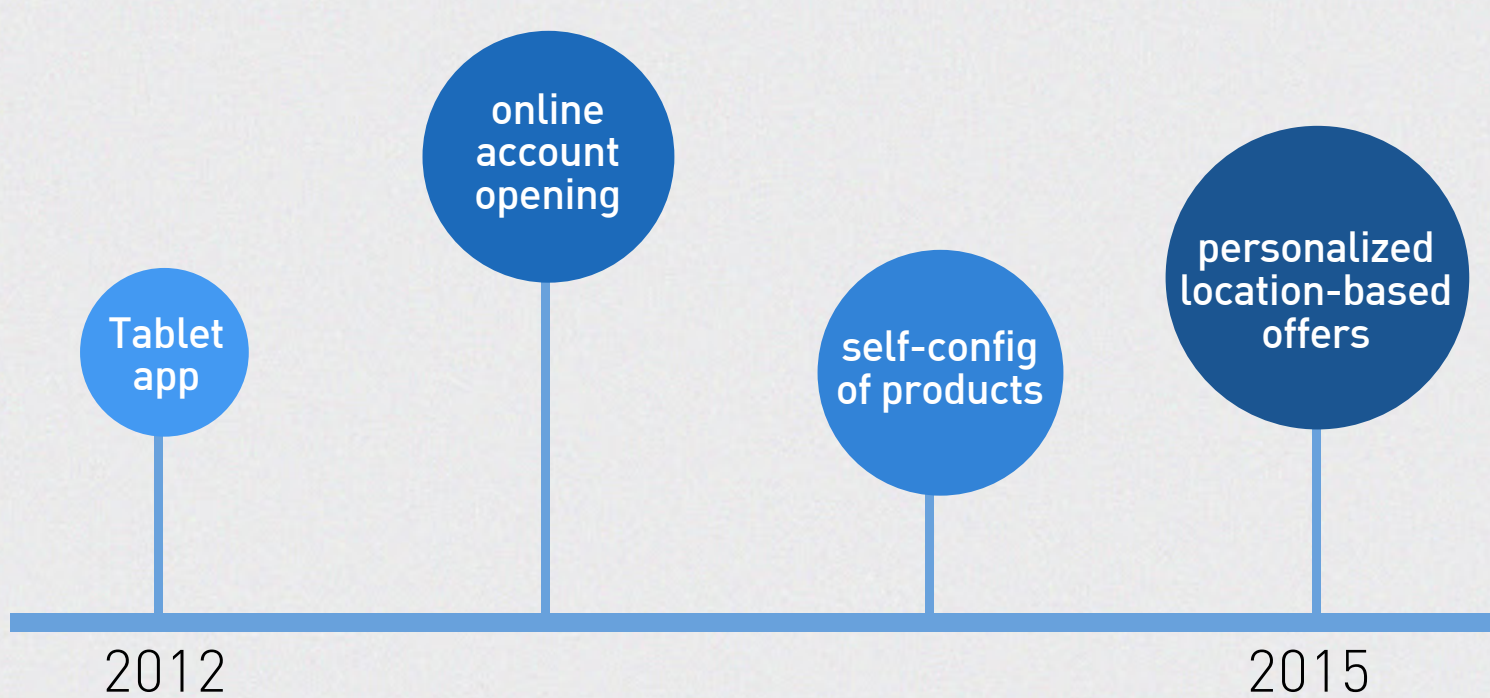


35% Mobile payments

In the next 3 years,



76% banks will focus on value-added innovations like tablet applications, online account opening, self-configuration of products and personalized location-based offers



## Where is this innovation happening?

### Banks in Middle East & Africa

on average believe they are doing slightly better than other regions

Strong Performers



UAE



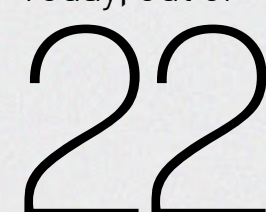
Turkey



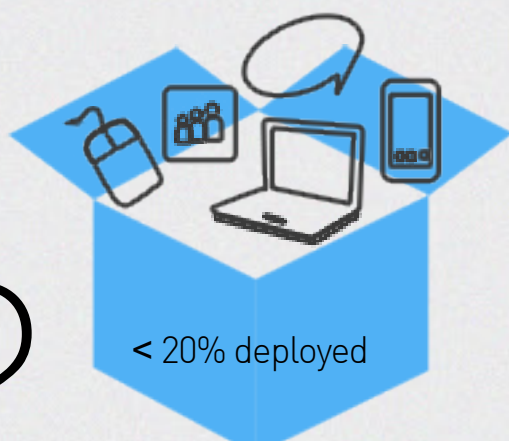
India

## The road ahead...

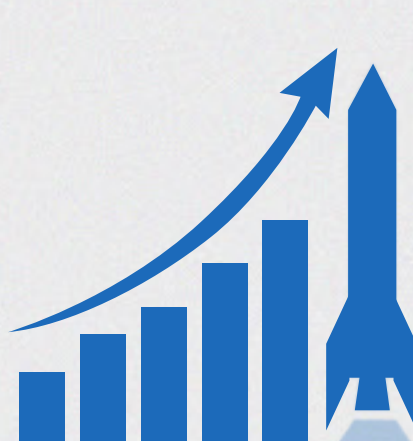
Today, out of



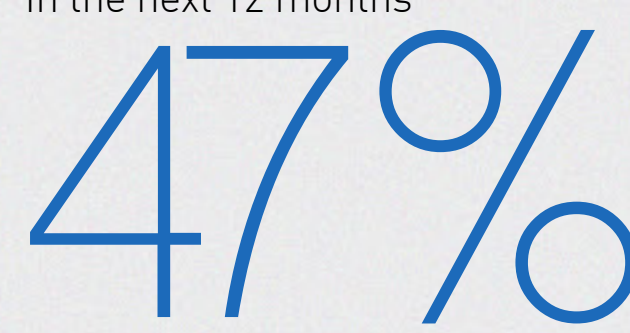
channel innovations 58% banks have less than 20% of these deployed



The pace of deployment is accelerating



In the next 12 months



47% banks will have deployed at least 9 of these innovations