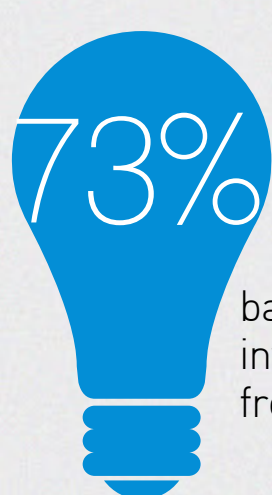


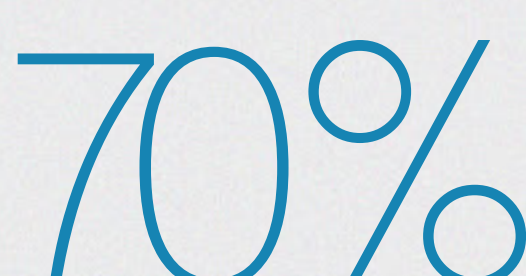
INNOVATION IN RETAIL BANKING 2012

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.

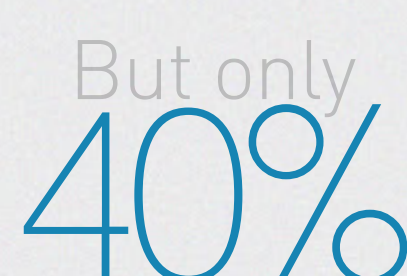
Banks today are becoming more innovation-friendly



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



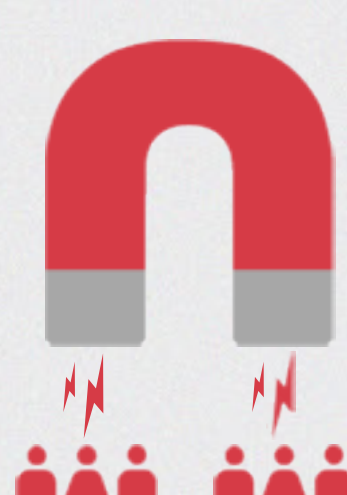
70% banks are becoming more innovative in the last few years



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



What is driving them to innovate?

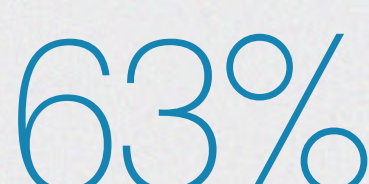


Attracting customers and growing revenues are the key drivers for innovation

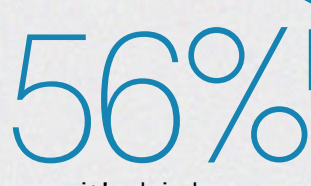
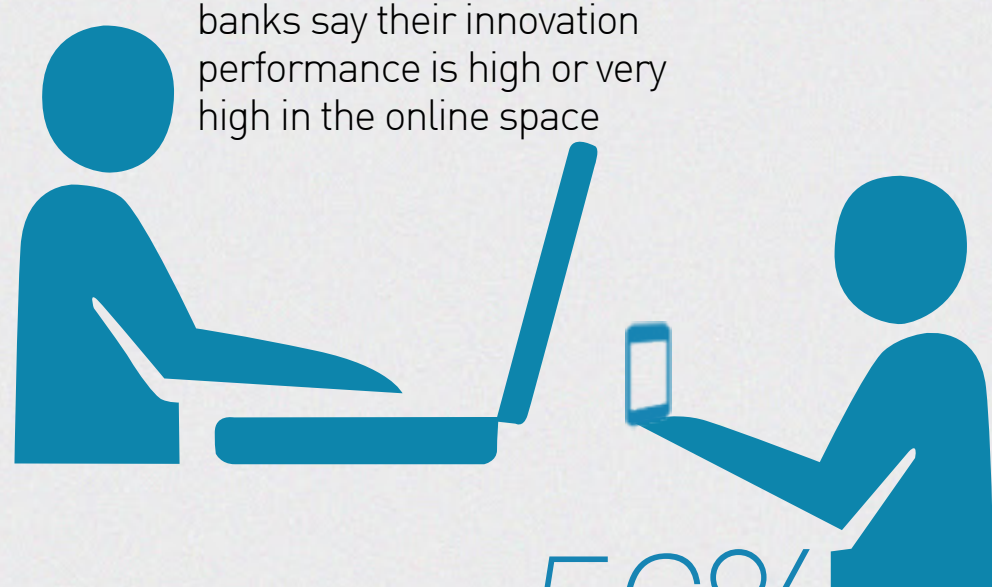


75% bankers are increasing investment in innovation in the areas of customer service and channels in 2012

Where is this innovation happening?



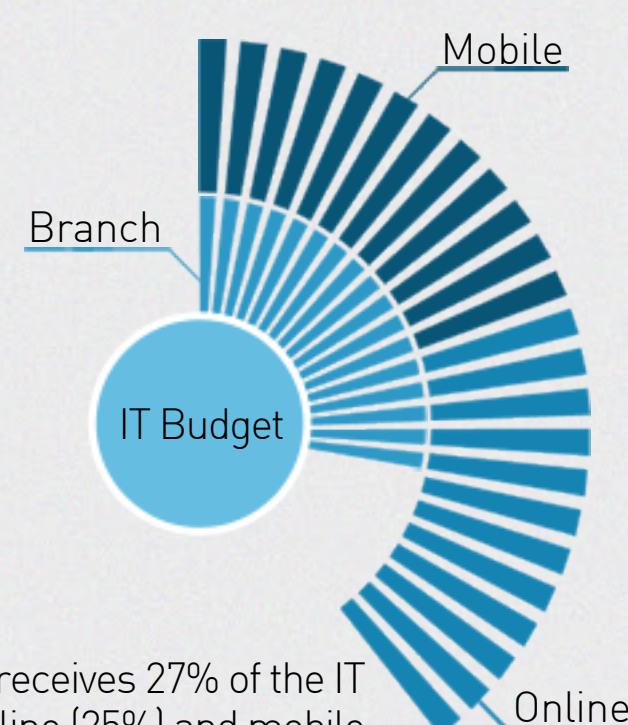
63% banks say their innovation performance is high or very high in the online space



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



87% banks agree that IT is important for channel innovation

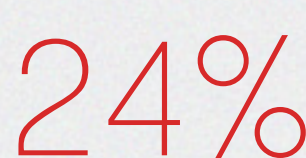


Branch still receives 27% of the IT budget, but online (25%) and mobile (20%) combined now exceeds this

In what form is the innovation deployed?



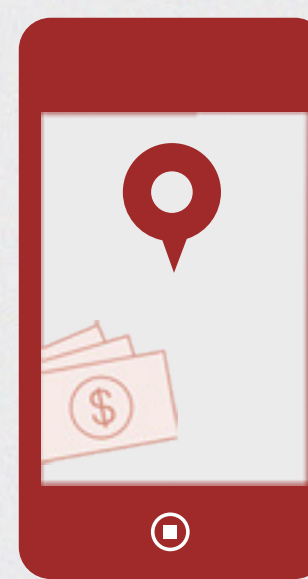
29% Personal Financial Management tools



24% Integration with social media



21% Web chat or click to call



38% Advanced visualization for locating branches & ATMs

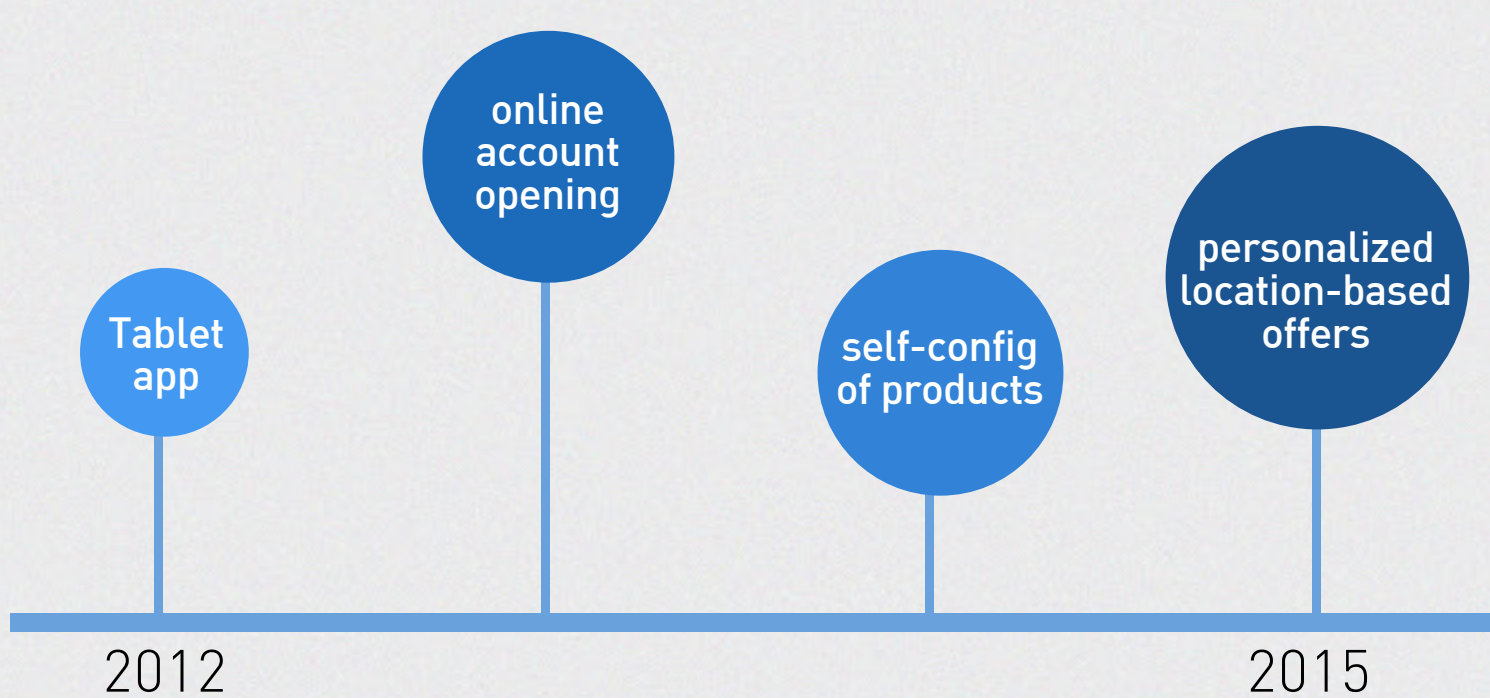


35% Mobile payments

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

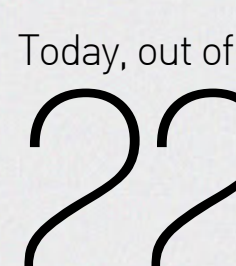


Turkey

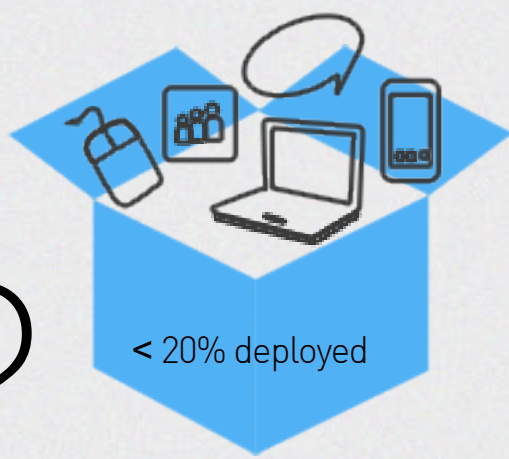


India

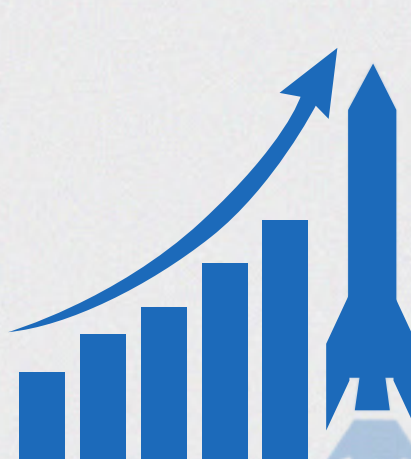
The road ahead...



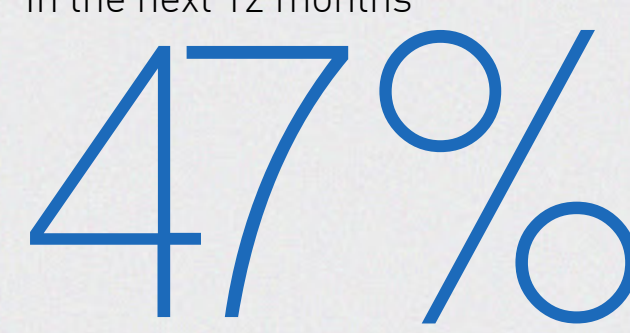
Today, out of 22 channel innovations 58% banks have less than 20% of these deployed



The pace of deployment is accelerating



In the next 12 months



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