



Digital Transformation in Banks during COVID 19

Rashwan Hammady



Digital Performance during COVID-19

GLOBALLY*

Online Banking:



35% of customers have increased their online banking usage during the pandemic

Contactless Transactions:



MasterCard: more than **40%** growth globally during pandemic.

VISA: increase **150%** for the 12 months ending March 2020.

Online transaction - VISA:



More than **13M** customers in Latin America make their first-ever online transaction in the first quarter of this year.

PayPal:



Reported **20%** year-over-year growth in payments volume in April 2020.

CIB**

ATM:



- **97%** migration on cash transactions
- **0.9%** growth

Online Banking:



- **173K** new subscribers
- **753%** growth

Phone Banking IVR:



- **100K** new subscribers
- **783%** growth

Smart Wallet:



- **159K** new wallets
- **1304%** growth

CIB Business Online:



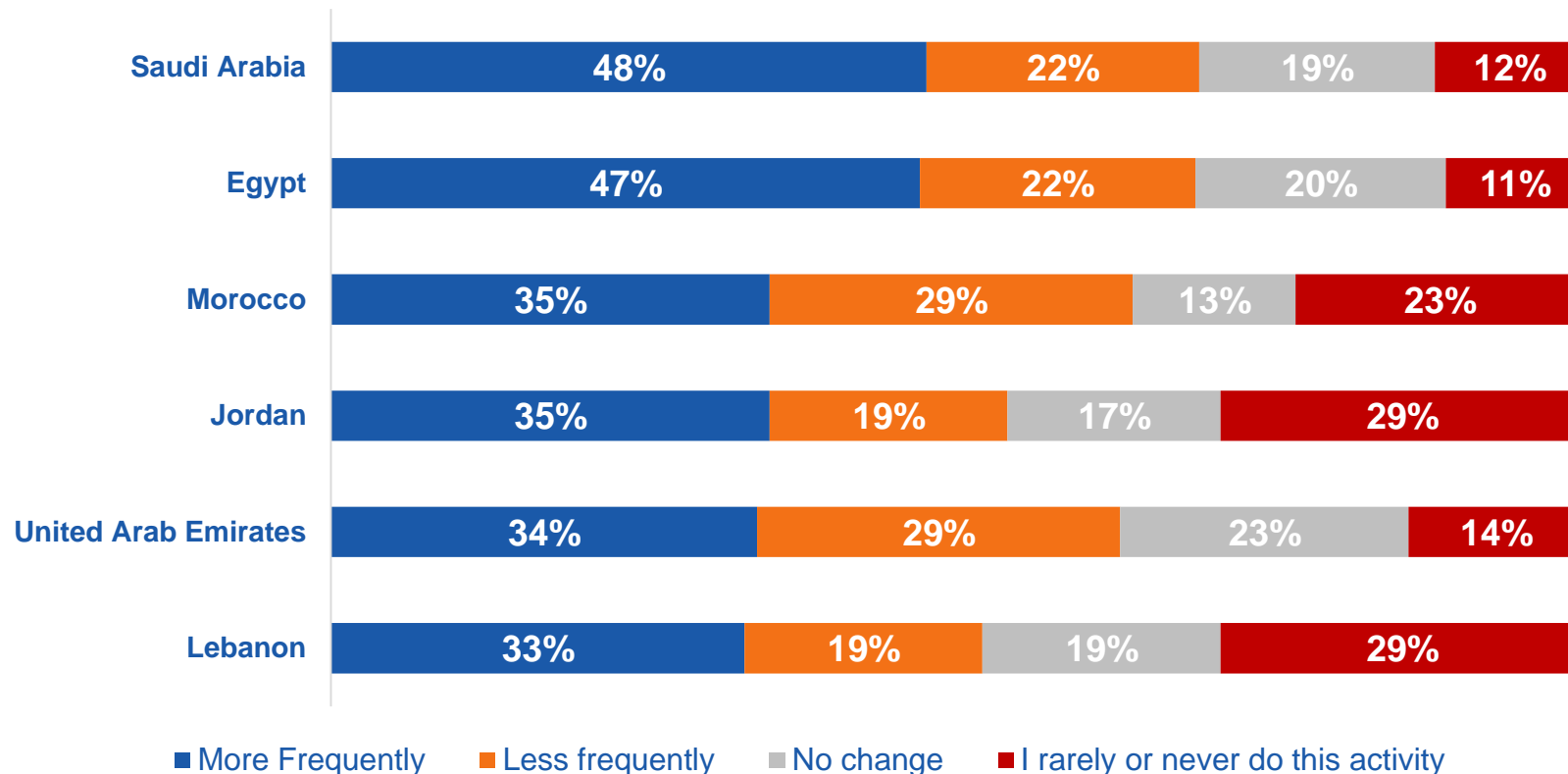
- **42%** migration rate for transfers, **13%** increase vs last year
- **36%** adoption rate in trade finance, **9%** increase vs last year



Usage Reflected on E-Commerce

- The case study shows the usage of online shopping amongst respondents since the pandemic outbreak in the Middle East and North Africa in 2020.
- The consumer behavior encouraged companies to shift their business model to online and payment gateway enrollments increased eventually.
- Banks are now offering solutions in addition to the payment gateway to migrate customers business from offline to online

Online Shopping Usage since COVID-19*



*Source: "shopping frequency since COVID-19 outbreak in MENA 2020 by country", published by Statista Research Department, Aug 26, 2020, <https://www.statista.com/statistics/1107602/mena-online-shopping-frequency-since-corona-outbreak-by-country/>



Acceleration in Digital Transformation



Fees Waiver:

- Transfers
- Online subscription
- Merchants service fees
- ATM withdrawal fees



Cash limits:

- Limits on daily cash withdrawals
- Limits on daily cash deposits

CBE Instructions during COVID-19



Online subscription

- Facilitate subscription process “without signature”



Payment Acceptance Initiatives

- Encouraging the usage of QR and contactless option
- Free POS for merchants for small



Opportunity and Lessons Learned

Challenge

- Lower traffic in branches will lead to a challenge in new acquisitions

- Call Center not flexible to scale up & down quickly according to needs

Way forward

- Focus on digital acquisition (investment-infrastructure-process-communication)

- Focus on other communication channels (website, Chatbots)

An insight from CIB experience on customers migration :

The bank removed 15 transaction type from branches and accordingly customers started executing their transaction thru alternate channels instead of visiting branches. The result of this action was receiving **ZERO complains** in these types of transactions.

Thank you



A BANK TO TRUST