

HOW CANADIANS BANK

Annual tracking study on Canadian attitudes and behaviours towards banking

ABACUS DATA

The logo for ABACUS DATA features a horizontal line with a single green dot under the letter 'A' and two green dots under the letter 'S'.

Prepared for:



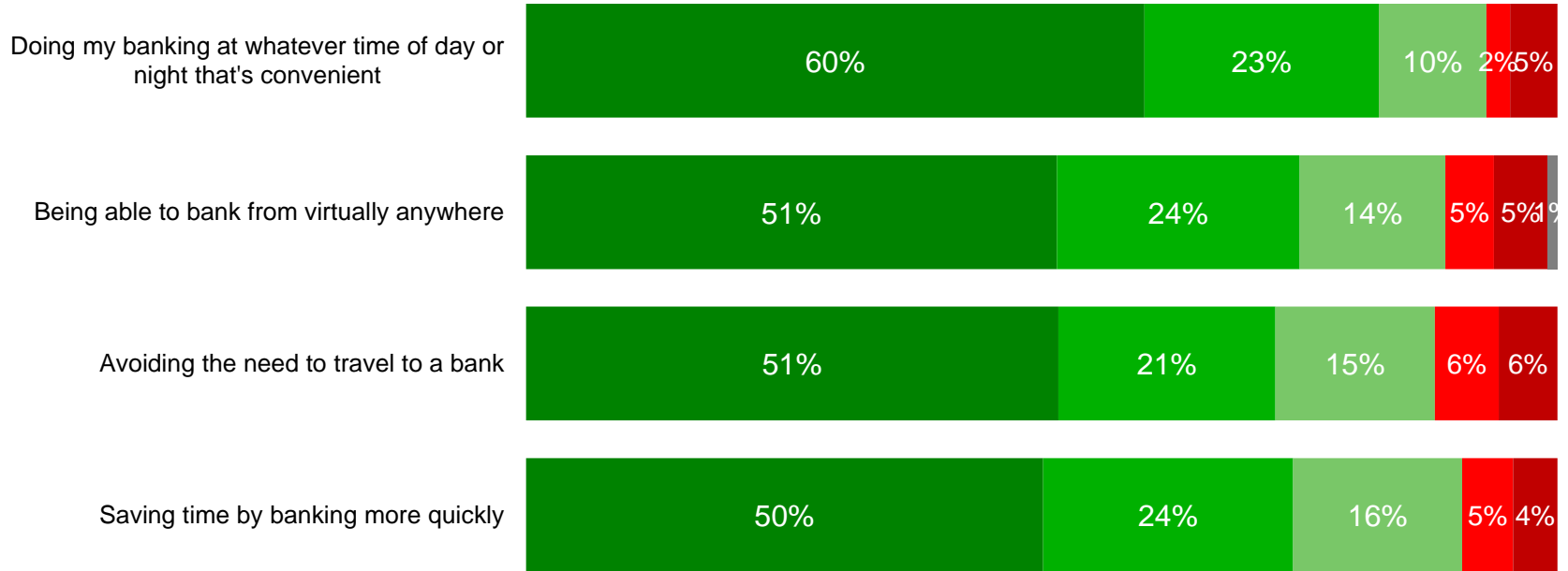
METHODOLOGY

Data collection method	Hybrid phone/online survey methodology. 817 interviews by telephone, 445 online
Sample Size	1,262 Canadian adults
Margin of Error	+/- 2.8%, 19 times out of 20
Field dates	October 6 th to 19 th , 2016
Statistical Weighting	Data weighted by age, gender, education and region.

WHAT CANADIANS VALUE FROM THEIR BANKS

- Huge majorities recognize the value that banking technologies have meant in their lives, in terms of saving time and travel, and providing banking access from anywhere. 90%+ say banks have improved convenience, earned trust, and made helpful innovations.

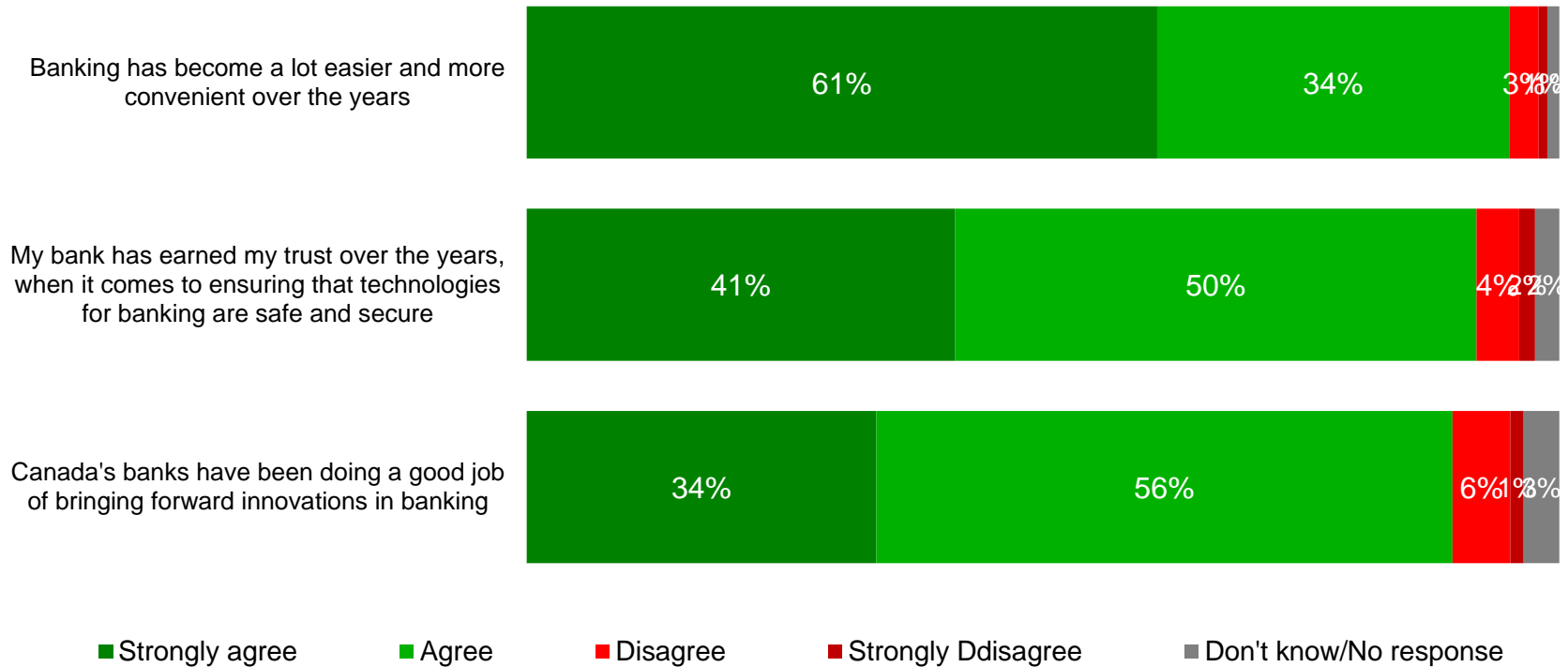
VALUE OF BANKING CONVENIENCES



■ Highly Valuable ■ Quite valuable ■ Somewhat valuable ■ Not too valuable ■ Not valuable at all ■ Don't know / No response

How valuable are each of the following benefits for you personally, when it comes to innovations in banking

SURROUNDING IMPRESSIONS ABOUT BANKING INNOVATION

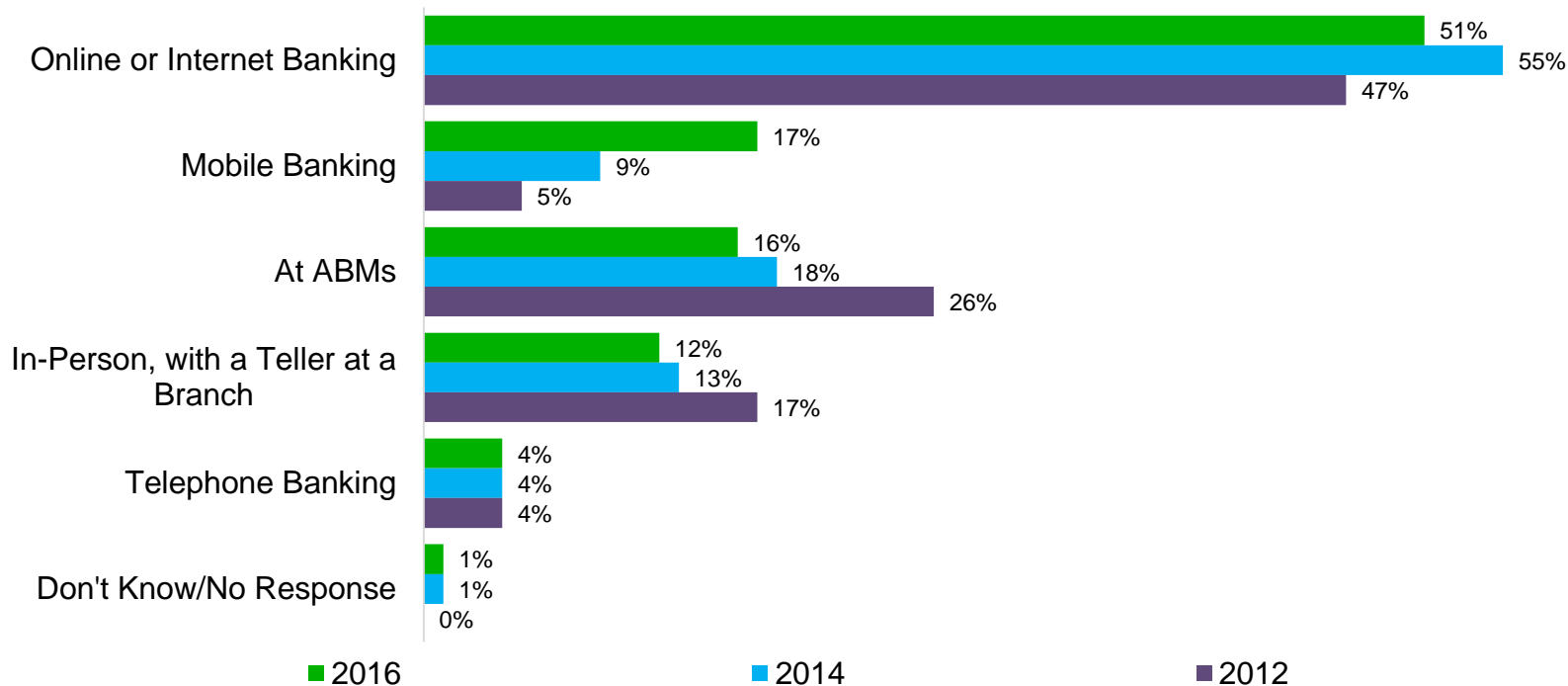


Please tell me if you agree or disagree with the following statements

PRIMARY METHOD OF BANKING

- In terms of the **primary** method of banking, online banking remains most common, with half saying that is their primary method
- Mobile banking is on the rise, with 17% saying it is now their primary method of banking. The use of ABMs as a primary method of banking has declined over time, to 16% currently.
- In branch is the primary method of banking for just 12% of those surveyed.

PRIMARY BANKING METHOD

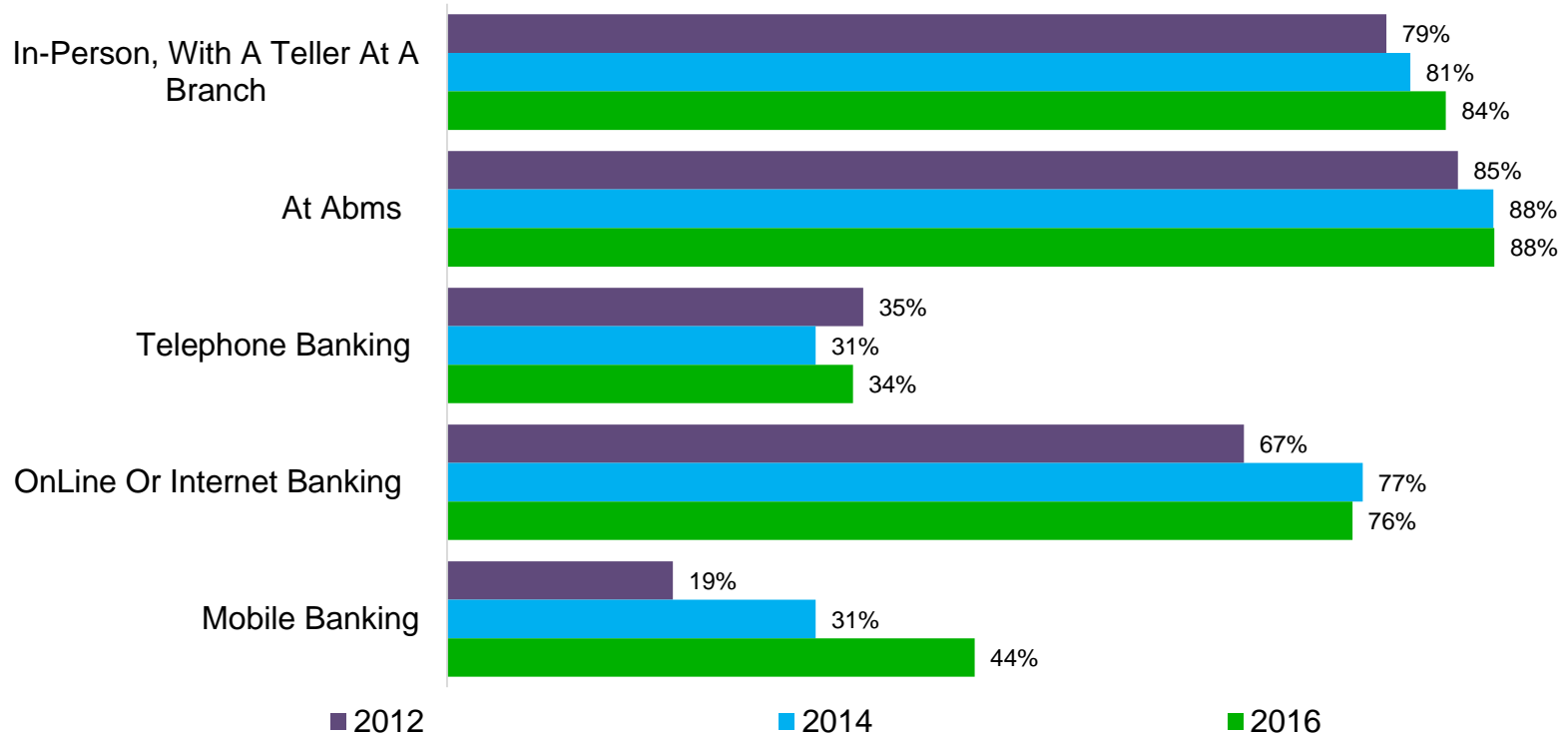


Which of those methods do you use to conduct the majority of your banking transactions?

BANKING METHODS IN PAST YEAR

- 84% visited a bank branch in the last year, climbing slightly over time
- ABM use is steady at 88%
- Online banking steady at 76%, up from two thirds in 2012
- 44% did mobile banking last year, a 13 point increase since 2014, more than doubling since 2012
- While mobile and online banking are both nearly ubiquitous among those under 35, 57% of those over 55 used online banking, and 17% used mobile.

BANKING METHODS IN PAST YEAR

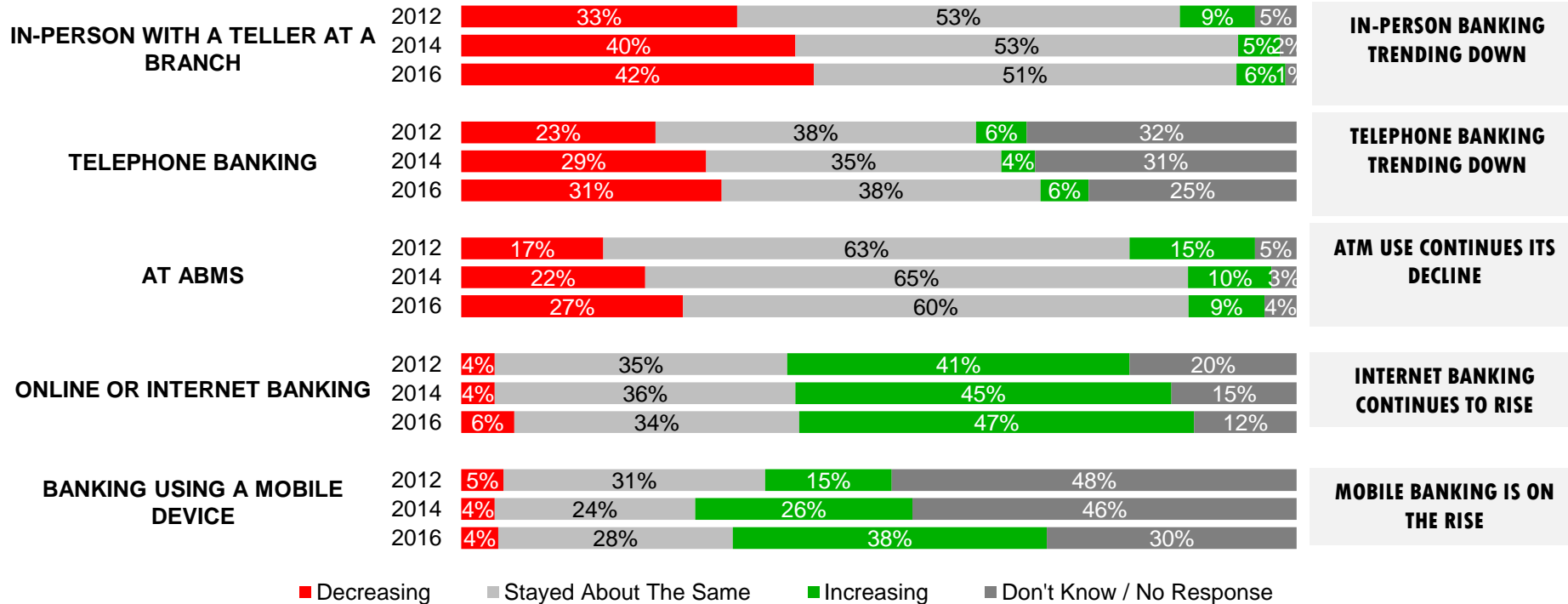


Have you used any of the following methods to conduct banking in the past year?

CHANGE IN METHODS OF BANKING

- Usage rates of traditional banking methods, including in branch, telephone banking, and ABMs have all continued a declining trend since 2014.
- Online banking has continued a steady trend up since 2014.
- 38% say they are increasing their use of mobile banking up sharply again.

CHANGE IN METHOD OF BANKING



**IN-PERSON BANKING
TRENDING DOWN**

**TELEPHONE BANKING
TRENDING DOWN**

**ATM USE CONTINUES ITS
DECLINE**

**INTERNET BANKING
CONTINUES TO RISE**

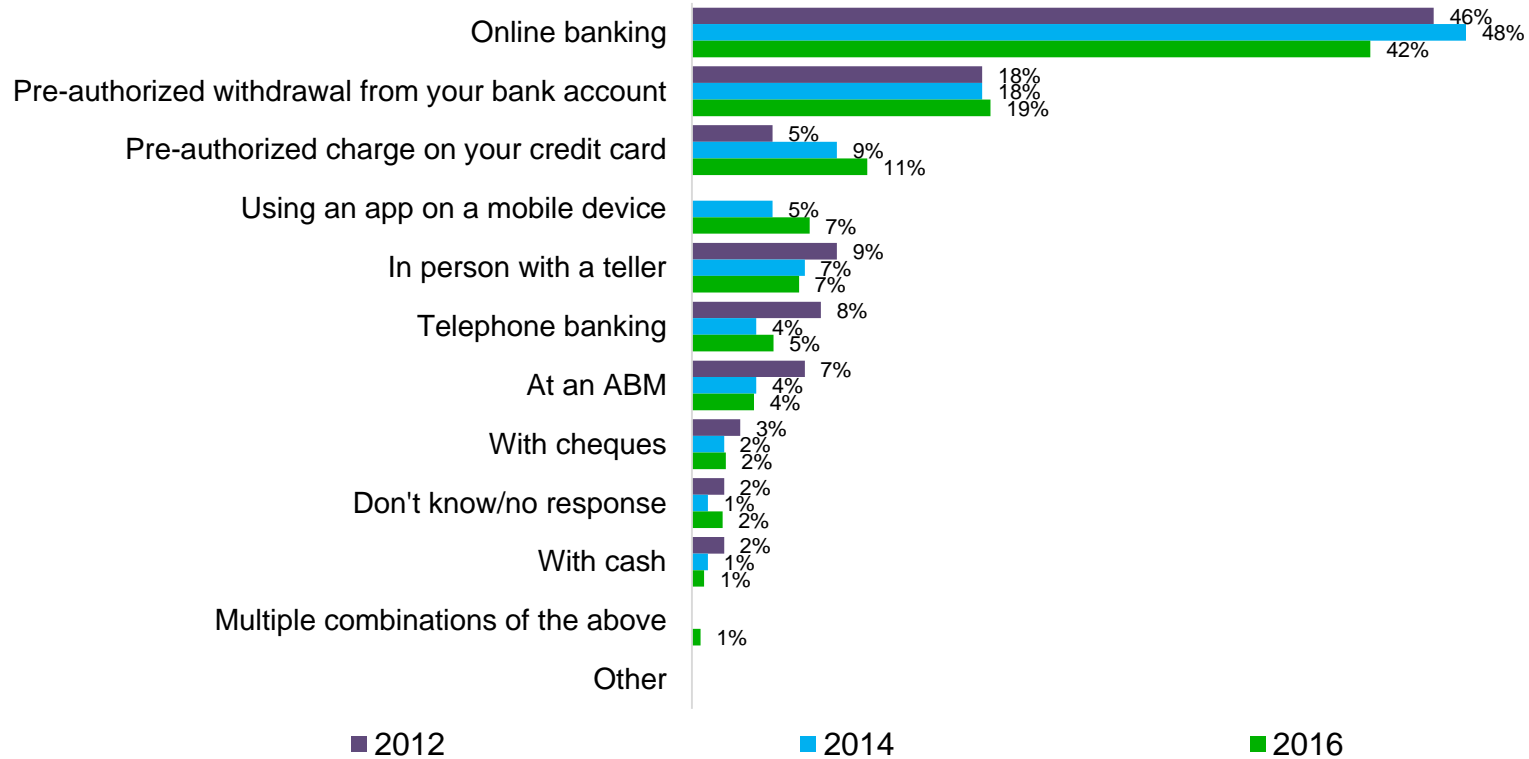
**MOBILE BANKING IS ON
THE RISE**

Is your use of each of the following methods increasing or decreasing in the last few years or has it stayed about the same

PAYMENT OF ROUTINE BILLS

- For payment of routine bills, online banking continued to be the primary method but has decreased slightly marginally since 2014.
- There has been a rise in the use of pre-authorized credit card payments, up 6 points since 2012.

PRIMARY METHOD OF PAYING ROUTINE BILLS

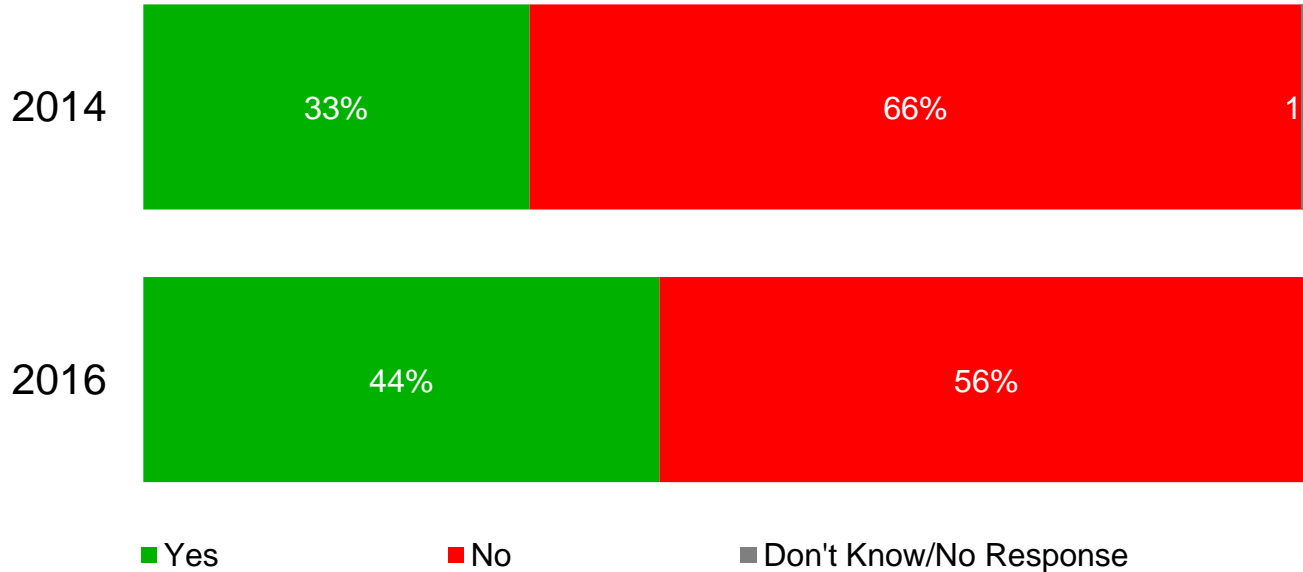


Thinking about most routine bills, such as cable, utilities, and things of that sort, which of the following is the main way that you pay those bills these days

CANADIANS AND MOBILE BANKING/PAYMENTS

- Nearly half (44%) of Canadians did a mobile banking transaction in 2016, up 11 percentage points since 2014.
- The increase in mobile banking was driven by those under 35, 75% of whom had conducted a mobile transaction, as did 60% of those 35-44.
- 52% see themselves doing more mobile banking in the next 2-3 years, up from 34% in 2012.
- 8% of Canadians have made a payment using a mobile device.
- 40% say they are likely to use mobile devices to make payments in the next 2-3 years, up from 27% in 2012.

BANKING TRANSACTIONS ON MOBILE DEVICE

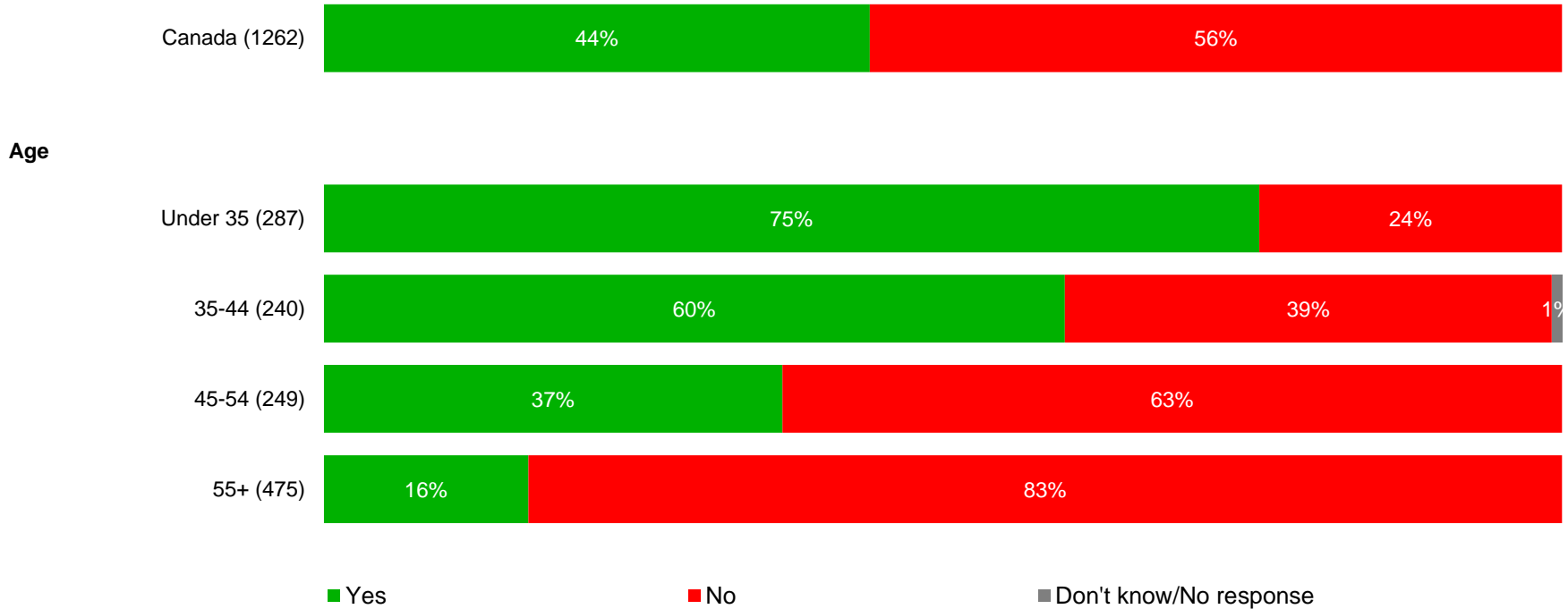


**44% OF CANADIANS
CONDUCT SOME BANKING
TRANSACTIONS ON A MOBILE
DEVICE.**

**UP 11 POINTS SINCE
2014**

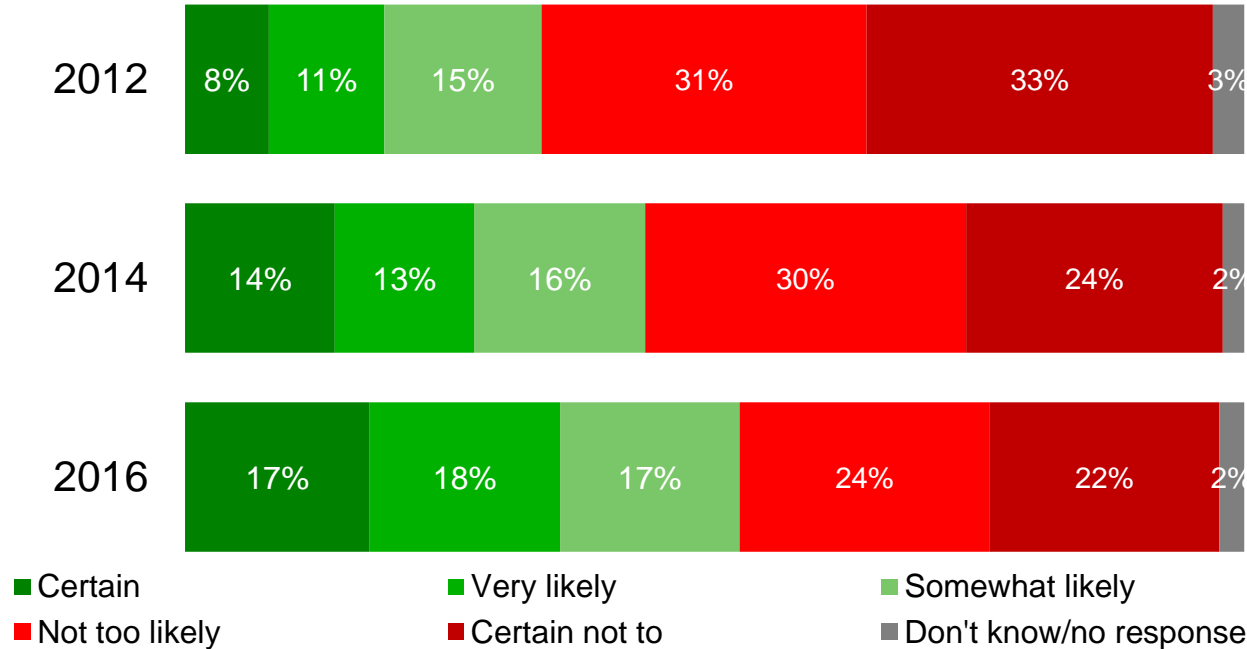
Do you conduct any banking transactions on a mobile device, either directly on your bank's website or through your bank's mobile app?

BANKING TRANSACTIONS ON MOBILE DEVICE



Do you conduct any banking transactions on a mobile device, either directly on your bank's website or through your bank's mobile app?

LIKELIHOOD OF CONDUCTING MORE MOBILE BANKING IN NEXT 2 TO 3 YEARS

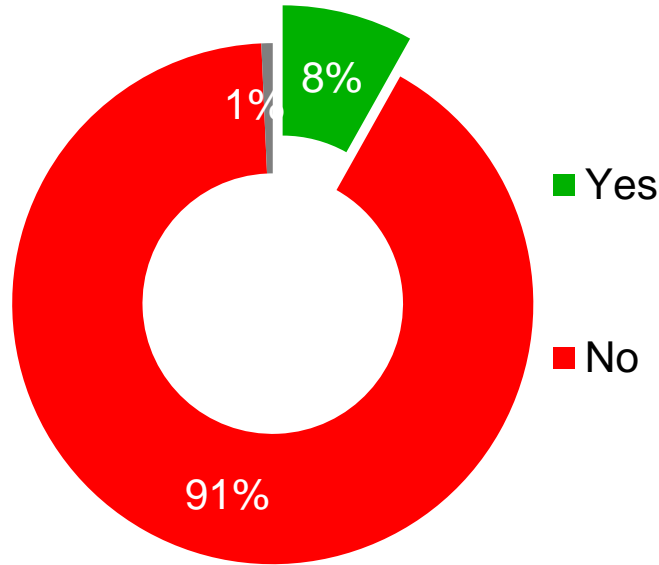


**52% OF CANADIANS
SAY THEY WILL DO MORE OF THEIR
BANKING WITH A MOBILE DEVICE.**

UP FROM 34% IN 2012.

Over the next two to three years, how likely do you think it is that you will be conducting more of your banking with a mobile device?

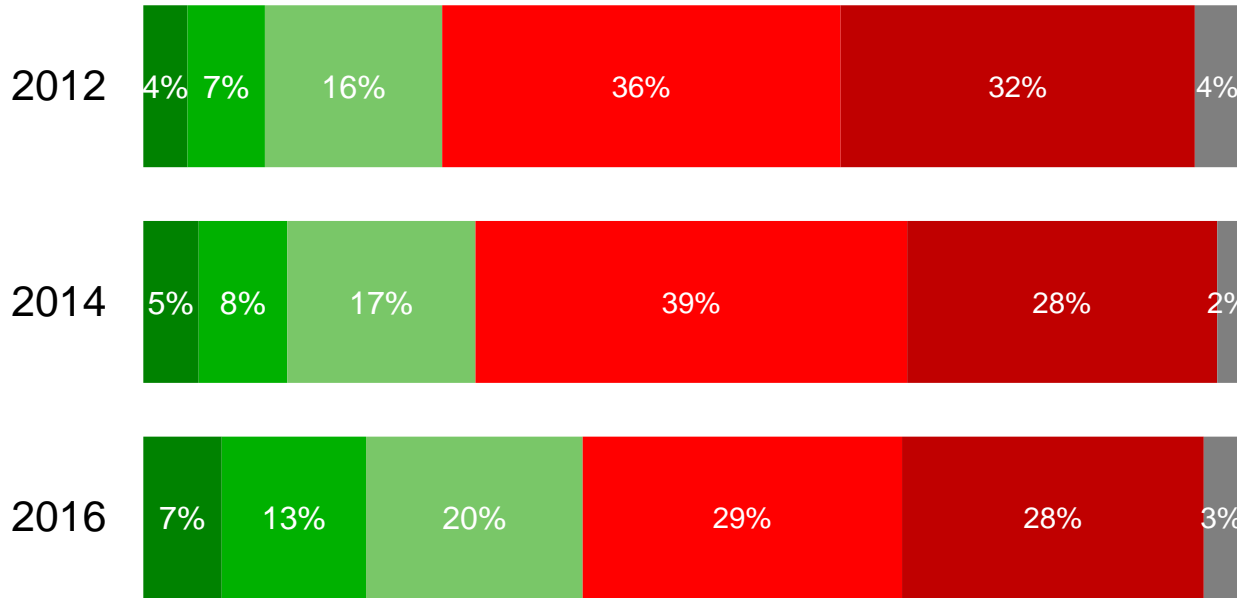
USE OF MOBILE PAYMENTS



**8% OF CANADIANS
HAVE USED MOBILE PAYMENTS IN
THE PAST.**

One new technology being introduced in Canada is “mobile payments” which allows customers to use a mobile phone for debit and credit card transactions, instead of the traditional cards you might carry for that purpose. Have you ever paid for a purchase using your mobile phone this way?

LIKELIHOOD OF PAYING FOR PURCHASES WITH MOBILE DEVICE IN THE FUTURE

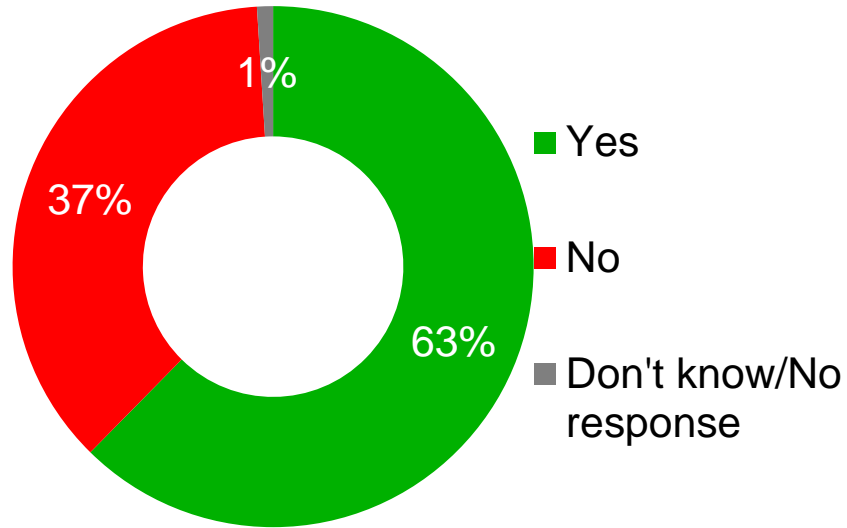


■ Certain ■ Very likely ■ Somewhat likely
■ Not too likely ■ Certain not to ■ Don't know/no response

**40% OF CANADIANS
ARE LIKELY TO USE MOBILE
PAYMENTS IN THE NEXT 2 TO 3
YEARS.
UP FROM 27% IN 2012.**

Over the next two to three years, how likely do you think it is that you will be paying for more of your purchases using your mobile phone?

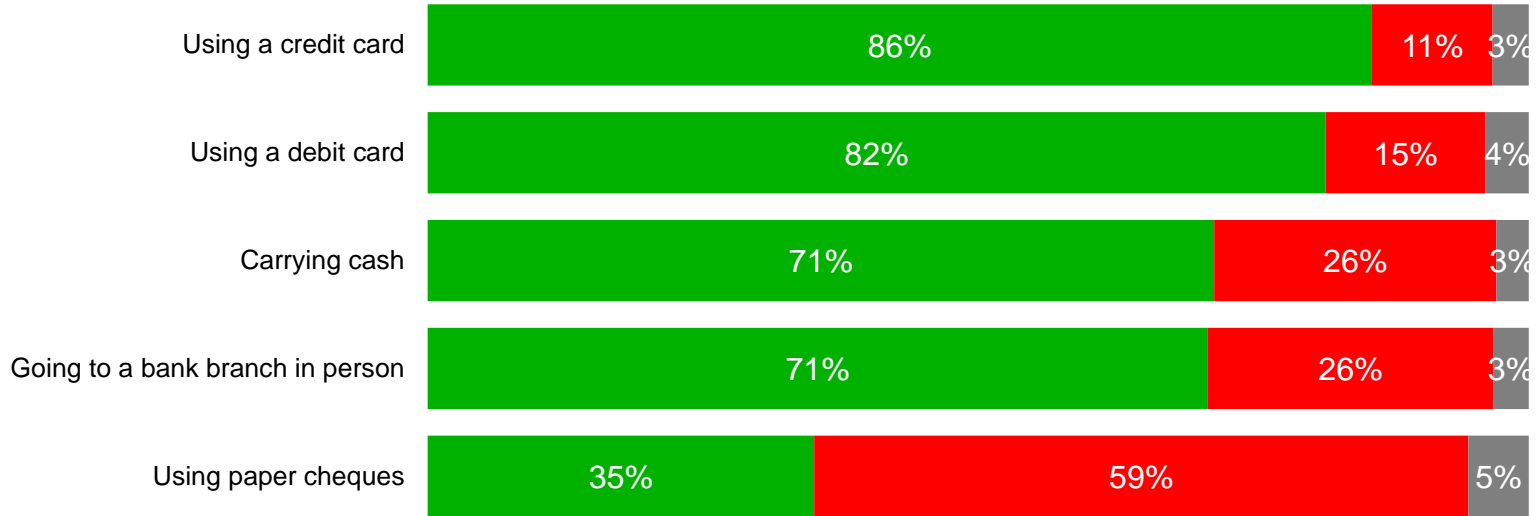
USED EMAIL MONEY TRANSFER



63%
OF CANADIANS
HAVE SENT AN EMAIL
MONEY TRANSFER

Have you ever used an email money transfer, a service that allows you to send and receive money through email using online or mobile banking?

BANKING TEN YEARS FROM NOW



■ Will be doing 10 years from now

■ Will not be doing 10 years from now

■ Don't know/No response

Thinking about the future, say ten years from now, do you think you will or won't be doing each of the following things?