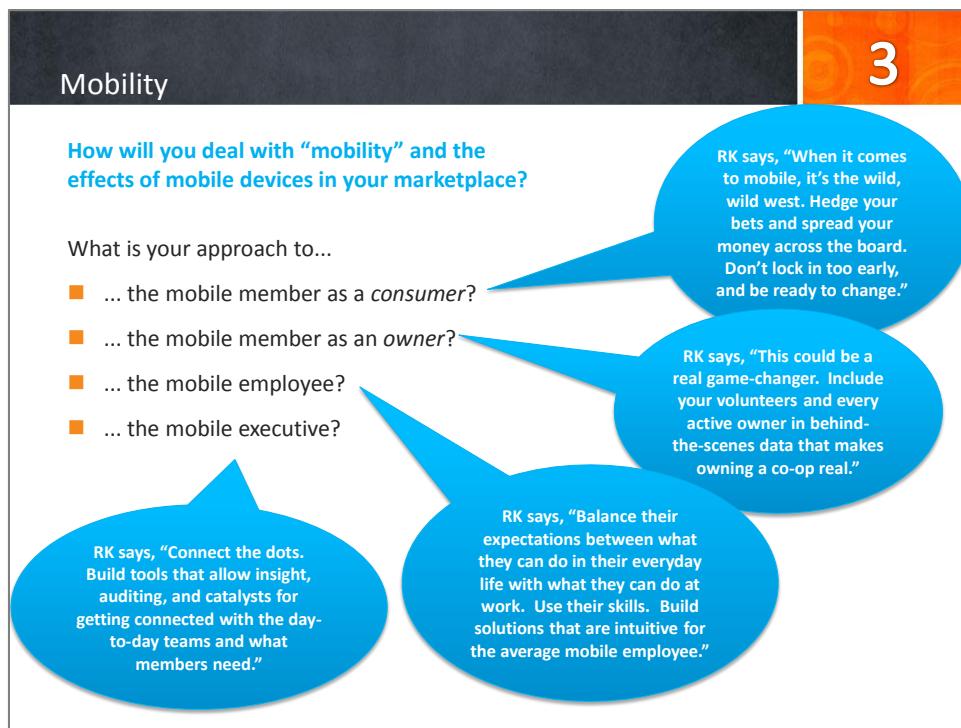


Compiled From Notes Taken By the "Table Scribes"

Revised November 15, 2013

## Topic 3: Mobility



## Participants

Grp	Scribe	CEO Participants	Grp	Scribe	CEO Participants
1	Esteban Camargo	Jeff Jorgensen – Sioux Empire FCU Terri Maloney – Catholic United Financial CU Margaret Burkholz – Primesource FCU Janelle Higgison – River Valley CU	6	Liz Winninger	Dat Nguyen – Puget Sound FCU Janet Lintin – Des Moines Police Officers' CU Kim Futo – Greater Wayne Community FCU Mary Matheson – Wakota FCU
2	Barb Cooper	Linda Bodie – Element FCU Bill Burke – Day Air CU Randy Gailey – Horizon Utah FCU Scott Harriman – Cumberland County FCU	7	Marsha Sapino	JoAnn Sanders – Cheney FCU Christy Leslie – Bridge CU Mark Richter – First United CU Bret Weeks – eDOC Barb Mills – Calcite CU
3	Karen Sorensen	Karen Browne – TBA Credit Union Mike Shafer – Pathways Financial Brian Moran – Kenowa Community FCU Chris Butler – Community CU	8	Jill Marsh	Kim Kniola – First Trust CU Karolyn Wells – EdCo Community CU Leo Vaulin – CU*South Evie Rasmussen – United Advantage CU LuAnn Schott – Grand Trunk Employees FCU Charles Faulkner – Jefferson CU
4	John Beauchamp	Dennis Degenhardt – Glacier Hills CU Chris Ison – Tahquamenon CU Jennifer Oliver – South Bay CU David Wright – Services Center FCU Cathy Ellis – Meijer CU	9	Jim Vilker	Val Mindak – Park City Charles Papenfus – Inland Valley Brenda Lippens – Delta County Todd Powell – Spokane Fire Fighters Ken Scherer – Mountain River

5 Julie Gessner	Corinne Coyle – Advantage CU James Phetteplace – Pensacola Government FCU Connie Taylor – Rockford Community FCU Vickie Schmitzer – Frankenmuth Credit Union Martin Carter – Parkside Credit Union Scott McFarland – Honor Credit Union	10 Pauline VanZalen	Rudy Callen – Kalsee Credit Union Renee DeMarco – Community Driven CU Ernie Jackson – CommStar CU Dean Wilson – Focus Credit Union Glenn Kretchmer – ATL FCU Don Mills – Alpena Alcona Area CU
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## Group Notes

The following notes are included exactly as taken by table scribes. Scribes were instructed to jot down everything that was discussed at the table, with the idea that reading the notes would be a little bit like eavesdropping on the conversations.

### Group 1

(Scribe: Esteban Camargo)

- We don't necessarily differentiate between owners vs. consumers when it comes to how we'd market our mobile options.
- It's possible that we'd push more information to our "owners" vs. just our "consumers."
- Add training for staff specifically showing how to use self-service options so they can speak intelligently to member issues.
- Have staff use self-service options not from the credit union, but from their own homes and devices to see what our members see.
- We carry our mobile devices to communicate with our staff. We carry our devices as a security blanket (disaster recovery situations).
- Having dashboards viewable on our mobile device would greatly simplify and streamline our work day by giving instant access wherever we are.
- Half of the table has a mobile app, and half have mobile web only.
- Nobody at the table has RDC.
- Not everybody knew that Promise Deposits exists.
- River Valley is using CU Mobile Apps for its mobile app provider.
- In general, the group has not developed a mobile penetration strategy to market to members.
- Are you doing different marketing based on your self-service members vs. your other members? (River Valley - we do more email marketing to those members.)
- Our staff is exclusively working in the system, but they rarely use the services themselves. Primesource plans on adding education to its staff on how to perform these types of self service activities themselves.
- Our goal is to say that any time the member wants to interact with the credit union they can do so whether they are using a mobile device or coming into the office. Everything that you can do in the lobby, you should hopefully be able to do with mobile (eventually).
- Don't sign a long term contract with an app provider; there's too much volatility in the market to get drawn into a contract you can't get out of easily.
- Would you push more information to your *owners* vs. your *consumers*?
- Information in a mobile environment is a little more limited than in the standard online platform. Is that limited experience preventing us from targeting that platform? Even though it can't do quite as much, we will still market it to our members.

- Our goal is to get members hooked to the mobile environment, get them invested in its development, and have them participate in its growth through speaking with the credit union.

## Group 2

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(Scribe: Barb Cooper)

What is your approach to the mobile member as a consumer?

- How much to invest to keep a balance – uncertainty of market acceptance. Implement with as little as possible expense because of the future ‘unknowns’. Identify the mobile options my credit union can use now. An innovative approach is needed to move with marketplace changes.
- Take advantage of mobile marketing tools. Facebook offers a very inexpensive (\$25) marketing tool that is very flexible and can hit a very targeted market. Google and Apple tools are also available and the analytics are exceptional.
- CEO’s feel like dinosaurs when it comes to using mobile delivery channels – knowing that the world is going in this direction. Need to increase our knowledge or hire someone who has this knowledge.
- Remember that ‘mobility’ is a concept, not a delivery channel through specific hardware devices. Devices change almost daily, but shifting your mindset to a mobile approach in communicating with your members and for advertising is key.
- Think of traditional phone systems. We can be on hold, get into electronic call routing only to discover the person we get does not know or cannot answer our question or issue. Mobile texting or online chat can solve this frustration. This will be a ‘pivot’ strategy in the future.
- The wealth of information out in the ‘world’ can be accessed by a mobile channel. It is not what you know, but where to get the answer.
- Using mobile tools to provide access to products and services is shifting from traditional methods.

What is your approach to the mobile member as an owner?

- Providing information in a mobile way to our owners, such as business plans, higher level operational information and successes for the credit union will be a new way to market our efforts.

What is your approach to the mobile employee?

- The shift from using traditional call center to a team that uses mobile chat, text and access to mobile tools is in its infancy, but is starting. Element CU has already armed a group of staff with mobile phones so they can respond to member texts/chats etc. It is working well.
- Investment in office space may shift to investment in mobile devices and give more freedom for staff to perform their work from alternate locations. Monitoring for abuse of work time needs to be developed.

What is your approach to the mobile executive?

- Mobile communication can make executives develop a new way for work to be accomplished in different physical locations. More time can be spent in areas other the office (with staff, attending conferences, in airports etc.) and still the work you do can be accomplished. You are also available 24/7 to your staff or network partners (or you can set your own time frames).

General notes:

- A mobile lifestyle means that a person can do anything using their mobile device that they could do in person.

- Park City CU allowed for employees to work outside of the credit union office, but the culture did not change and it allowed for abuse. This practice has stopped until they develop better management of work time can be documented and monitored.
- Randy K. Change your culture by mandating that your employees use the mobile products you offer to your membership. Eliminate all paper manuals policies etc. to mobile access. Start thinking that 'mobile' is forever.
- The psychology of mobility is changing. Using a mobile device is not an inconvenience, but a welcome addition.

## Group 3

(Scribe: Karen Sorensen)

What is your approach to the mobile member as a consumer?

- They discussed promise deposits. There is confusion about how it works. None of the CUs are using RDC yet. Using promise deposits could be the gateway to moving on to other mobile products. The competition drives the movement forward.

What is your approach to the mobile employee?

- Are employees pushing for mobile apps? Yes, in management and underwriting. Microsoft device that is soon coming out (surface) may be very helpful, waiting for 4G.

General notes:

- Could remote deposits be linked to Its Me 247?
- Merchant capture vs. RDC
- Using smart phones for etickets and other items
- Mobile dealership relationships
- Mobile app vs. It's Me 247
- How are we going to develop a mobile app that can help us solve a business problem? You have to look at the mobile market as a retention tool. The mobile app needs to be offered to keep up with the competition. Smaller credit unions may be able to tread water and not jump on board right away.
- There was discussion about the future with mobile apps. Credit unions may need to consider things like do we still need to have drive up lanes at our branches? Will we have virtual branches? Log chat? Facetime for member communication?

## Group 4

(Scribe: John Beauchamp)

What is your approach to the mobile member as a consumer?

- Mobile It'sMe247
- Mobile app that goes to mobile it's me
- Mobile Wallet
  - Had to put R/T number routes ACH
  - Load Debit card
  - Create your own exchanges P-P
  - CU Wallet signed up to be in on R&D
  - Don't have the information on the person on a mobile wallet.
- No infrastructure in U.P. just now got 3G.
  - How would this work?

- App no good w/o infrastructure.
- Like the text banking.
- More people will demand as time goes on.
- Even elderly have mobile devices.
- Killed Audio banking no backlash at all.
- Closed branch 2 miles away – backlash.
  - RDC an answer just starting
  - CU Mobile / Nitro went to Nitro.
- RDC expensive
  - Promise deposits not used.
  - Cost of doing business.
  - Get 6 a year / 20 yr.
- 48% Online Banking /
- 600 apps downloaded.
- 2200 apps. Downloaded.
- Need to see a branch to join even if they never visit.
- Our board 3 out of 7 don't have internet don't see value.
  - Strategy to work around it.
  - Competitors same business.
  - Mobile ItsMe247 can look like an app no Apple / Droid to deal with. Want to develop them to be the same.
- What is the member experience – do all apps mobile/app all the same?
- Teller using same tools as members to show members.
- How to use technology to create smaller branch.
- Still like paper... but we're not the people that open the accounts.
- Can I hand an Ipad with video etc and open account? Use more video
  - Web page doesn't fit on phone.
  - New Account App in ItsMe247 no one using it.
    - Too many questions.
    - Mobile users only want to answer 2-3 questions let system fill it out.
    - Need to change to accommodate new technology.
    - How do we make it seamless? Amazon does this well.
    - People want quick.
  - Reactionary, need to be more proactive. Behind the curve.

What is your approach to the mobile member as an *owner*?

- A lot of loyalty people on Facebook all the time.
- Trust yelp etc.
- Loyal if they get what they want.
- Once and done if I don't get what I want. First go needs to be the best.
- Can't port over old processes. Need to change it up to accommodate.

What is your approach to the mobile employee?

- Wanted mobile employees before members.
- Linda figured out how to run CU\*BASE on iPad.
- Like the idea of mobile employees.
- Commit employees and self before members.

What is your approach to the mobile executive?

- Some board members want paper some electronic so we're accommodating that.

## Group 5

(Scribe: Julie Gessner)

What is your approach to the mobile member as an consumer?

- Re thinking the technology plan to move from a 10 year to a 3-5 year plan
- Putting “tech?” as a line item in the budget
- This technology is not considered an investment so it's time to rethink
- Board members are far removed from this technology so how do we overcome this
- Important to have a group of CEOs to talk to regarding this type of technology- Developing a technology group at CU\*Answers to assist in understanding what is needed vs. necessary and how it can be executed
- With so many solutions does there need to be one credit union or group to get on board with this technology and make big investments?
- Access to funds after students are not students- Sometimes this is tied directly to the experience the student has had with the school to keep the connection at the cu, Student Branches have also been successful in this area, These branches need to be branded to the credit union and powered by the credit union. Time, lesson plans and free. How does this group transact business? Using this group as a cooperative focus group may provide additional answers.
- How do we mitigate risk in this area?

What is your approach to the mobile member as an owner?

- Changing our strategy to allow mobile tools to employees. Our motto is “if it helps you do your job then go for it.” How can this be managed effectively?
- Collections and management teams able to communicate with members via text,
- Credit Unions do provide stipends for the bill and reserve the right to inspect and remove
- Wouldn't it be cool to have a cell phone number in CUBASE that I can click on and send the member a text message right from the system. This is our game changer.
- Twitter - Hoot Suite to pull data from multiple different channels. Using these tools you can be more edgy than places like Facebook. Can this be used to secret shop?

What is your approach to the mobile executive?

- Working from home a different office- The CEO
- This means I have everything in place to be able to work whenever and wherever i want. Vickie works 65 or 75 hours per week 20 hours of which are from her office. Employees love the personal interaction, feel less isolated, meetings can be set up in a strategic way to get participation

## Group 6

(Scribe: Liz Winninger)

- Janet spoke to her mobile app; My Mobile fans - they want to use something maybe more simple then what's the best app for us? The farmers are very technologically orientated. They will use your mobile app. The face of farming right now is technology. Mary brought to the tale the expense she has been seeing trying to build her mobile app. The CU's do not want to build their apps they want someone to build the app for them. They are willing to swallow the expense.
- Farmers have been telling the CU's that their children want to be able to do more mobile banking.

- Dat felt that it will go back to the old school; it will eventually circle back around. It is so rare to receive a letter, so the idea is, what do we invest in?
- Janet the member experience is so important right now, look at healthcare right now, the execution of the online presence isn't good, the user will never get to you.
- Look at Duda Mobile.com for \$9.00 per month you can do an overlay onto your web site that makes it look like you have a mobile app. Janet used a college student who implemented it for her.
- Kim brought up the point that they can start using HTML 5. Mary and Dat saw the price that will continue to be brought to this topic, and if we are not keeping up with it, someone else is and members will go there.
- The difficulty for the table is understanding the different products and the different companies that might support one app or one base over another.
- Janet brought to the table the app that her tellers can use to create a relationship between the member and the tellers. She wants a MOBILE EMPLOYEE.
- Mary thought about the idea that using the tablet to collect information outside of the CU, mobile data collection then opening the account.
- Hire young staff and they will bring the technology - MAYBE
- YouTube video can be developed.
- Give the board each a tablet - nice gift

## Group 7

(Scribe: Marsha Sapino)

What is your approach to the mobile member as an *owner*?

- What are the why's?
- xtend-money desktop-take that concept and move it to mobile.
- Bridge-ownership is not important to everyone
- eDoc –example: Tvo is a company that entered when the market was right. They have superior technology by far and not made a dime. Compare that to Apple-they tell the story "why". The "why" is the motivator. What is the likelihood that a member that walked away if they were a mobile member?
- xtend-there is no loyalty to the demographic that is a mobile user. Design point needs to be simplified and simple.
- First United-take the projection mobile will surpass regular internet in 5 years.

General notes:

- First united-should be inventing for mobile and not web.
- eDoc-do you have to have a mobile app?
- Calcite – just bookmark the mobile website
- eDoc – how many members actually have smart phones
- xtend-as a consumer mobile is convenient
- eDoc – what is the expectation of the members? What is their behavior? How do you get that information?
- Cheney-attract the younger members. Older members want face to face.

- Calcite –demographics makes a difference.
- Xtend-it'll get there at some point. How do you market to this? Do you have mobile banking in your business plan?
- eDoc-what are the why's behind the member concern?
  - what is an approach to attack the why? We make decisions that are emotionally based.
  - here's my list of members – call them and find out what the membership has? Do you have a smart phone? Is this worth the effort to try to sell to them?
- Xtend-do you require employees to use the services? Do you buy the staff cell phones? The Board?
- Mobile banking:
  - have to have it
  - have to market for it
  - know what your opportunity is.
  - know your demographic

## Group 8

(Scribe: Jill Marsh)

What is your approach to the mobile member as a consumer?

- Leo – If the payment is tied to my mobile device you don't need to carry a bunch of credit cards in your pocket. People will be a lot more aware if their phone has gone missing than their credit card. If that phone starts going places I don't want it to go there will be alerts. If your phone is here, and swipes start happening in Florida there is proof of fraud.
- Our phones are an extension of us. I use mine to take pictures of something and compare and research where you can get said product for cheaper or elsewhere.

What is your approach to the mobile member as an owner?

- Charles - Get a new board.
- Kim - The way Randy speaks I don't know why you do anything, you just wait for it to happen.
- Evie – We just purchased a new mobile app. Cost us \$1500/monthly.
- LuAnn – what does that do more for you than your website does?
- Evie – the issue now is that it is not pretty. Writing is skewed.
- LuAnn – If you wait for the next big thing or do you fall behind.
- Leo – That mobile device is roaming around the world. There is near field communication chips built into the devices. There are networks built to detect when your mobile device is near something else. What if you are using the tools like Where Your Members shop to merchants. IF I'm within a half mile of Starbucks, it's going to tell me when I'm in a half mile of Starbucks because I've got that connection.
- Mobility has nothing to do with the device. It has to do with the fact that you can do anything anywhere. I'm moving. I'm doing something different.

What is your approach to the mobile employee?

- Evie – I want this device and the app in the future to be that when my member goes into a car dealership and they are looking at a new car loan, they can log into their app and find out if they are approved... the CU on their end would get noticed that this member is doing something.

- Leo – Google and FourSquare or Yelp they are sending push notifications when my plane lands in Grand Rapids I get push notifications for the local areas promotions. We need to be participating in these social networks to interact with the whole world.
- Evie – I'm interested in CU Wallet – we're going to lose more debit income. As we become part of that "swipe" we get part of that income. Kind of like a "fast pass". The days of having the member come to me and come to our office to make their transactions and get advice are gone. I feel that the future is so disruptive that we have to do nothing. The capabilities are endless. The activity should be such that by the time you are done your research googling, by the time you walk into the branch, the loan officer already knows what you are coming in for.
- It would allow our workers to do their work wherever they may need to be to do their work.

What is your approach to the mobile executive?

- LuAnn – I first think about fraud. Our fraud and our write-offs – we didn't budget for all of this because we weren't seeing in the last two years as much as we are seeing already in this year. We got through FIS and we are catching and blocking cards before FIS even is. This is what concerns me about mobility.
- Evie – You set yourself limits for a certain vendor within the app. Example: \$25 can be spent at Starbucks and that's all.
- Charles – I was out of town and as soon as my card was rejected within moments I had a phone call, a text message and email alerting me to potential fraud.
- Evie – There has to be safeguards.
- Karolyn – Are you establishing phones over tablets or vice versa for your members and the services you provide them.
- Leo – Randy will talk on Thursday the resizing of mobile apps, etc, for various cell phones, tablets, laptops. That would be one reason to hold off on building mobile apps. Why build special apps per device – just build one resizable app for all devices.
- Leo – Visit Element FCU, it's the most coffee-shop, self-service environment. It's just first-hand, "I'm going to approach this on an individual basis" Project your brand to the member how they want to be talked to.
- Charles three remote teller, three service offices, eight touch points with one teller in the teller room.

## Group 9

(Scribe: Jim Vilker)

What is your approach to the mobile member as a consumer?

- Chuck, key is to make it easy for the consumer to use. Everyone grows up with a mobile device. Chuck has his 12 year old rewrite his web site and mobile web experience. Using his child's classroom to evaluate.
- Brenda has concerns that it is changing so fast that she does not want to be an early adopter.
- Chuck states devices are doing things for us before we even request
- Ken explained you need to keep refreshing this as the population of users of devices expects it to change
- Brenda, struggling with how to market through mobile channels.
- Todd said it will be difficult to keep up with technology but something that will need to be done
- Group discussed directed promotion based upon what you like

What is your approach to the mobile employee?

- Chuck said it is important to have younger employees as a way to keep their app relevant or for that matter any products
- Will it matter where employees work and mobile devices will have an effect on remote working
- Val explained that remote workers did not work out and using mobile devices to close loans did not work as closing could take 2 hours

What is your approach to the mobile executive?

- Todd said that it will create a 24/7 decision requirement. No more banking hours.

## Group 10

(Scribe: Pauline VanZalen)

- The first question asked was from Rudy. Is everyone at the table looking for CU\*Answers to design and offer this product? (Rudy)
- Dean is willing to adopt some of the solutions but is glad that he waited. His intent is to get mobile app and it really depends on the timing.
- (Discussion ensued about who this product is marketed to (Age) and how much the current membership of the CU will begin to use it. Most thought that the targets is 'younger' members that can't seem to live without their phone.)
  - Dean is not at the time in his life where this is important.
  - Are we talking about keeping up with the 'Jones'. He is not a big advocate of keeping up with the RDC.
  - Dean feels that he is looking for a not so robust model at a cheaper price point.
  - Compares with the introduction of It'sMe247 – although penetration was low at first, it is now a key part of the members daily banking lives.
  - Brought up what is currently being advertised and that there is a perceived reality that the transactions performed happens ASAP. Like the commercial with the Lion with the picture check deposit. Most people don't know that there is a hold on those funds etc. Currently the marketplace is pretty deceptive and does not give the accurate perception of what really happens
  - The group noticed that the Loan Channel is not available on the mobile app.
- Rudy does not feel that the demand
  - He questions what the mobile device is used for. Transferring money or checking balances.
  - He questions if everyone looking for CU\*Answers to provide the solution.
  - Are people actually using this product for a loan application?
  - He brought up the issue of Trust. Has modeling turned on for indirect and not for ItsMe247. This would imply that he trusts the dealers more than he trusts his members.
  - ? The mobile member as an owner. Ernie – will I change the member's perspective to thinking of this as an ownership?
- Ernie brought up that he is setup (on his phone) to check his car and the performance of the car or changes for service etc. Your car can talk to you....
  - In his CU – he listens to his executives and the information they are listening to commercials and what is going on in the market.
  - But is all just comes down to cost. Can't afford this yet for his CU.

- Do we have all of the other pieces in place, are we doing A2A, Bill-Pay in place so we can take advantage of all of the services.
- Mary brought up the small percentage of Bill Pay users as being very low.
  - What will the percentage be for the mobile application usage if the penetration is not very deep for Bill Pay users, which is also an electronic service.
- Glenn put in for a grant for low income and he received money for a mobile app and RDC.
  - Although he asks the questions: How many people have a smart phone and how many would download the application.
  - He also asks: Dollars spent would be high compared to the percentage of the membership.
- Don asked the question: Should CU\*Answers come up with a model?
  - Don is doing the Due Diligence on Nitro right now. Rudy then asks: Is it too expensive for the specific target group?
  - Don brought up that they are using xx he is paying \$50.00 a piece for these loans. Prime Alliance – Saving money on the back end because he is using Auto-Decisioning.
  - About 30 - 35 % of his loans come in from the member on the weekend.

General comments from the group discussion:

- Talked about the Consumer Side 98.7% of the time.
- Owners – Not much discussion as everyone agreed with the one statement made.
- In the future there will be more consistency within what is offered as a product.