



Self-Service Banking Is Here to Stay

technology mobile banking digital banking customer experience

Summary: Pandemic shutdowns accelerated the adoption of self-service technologies. Now, more and more customers at CFIs expect such services in both digital channels and inside branches. We explore some of the most popular DIY technologies.

Inventors love coming up with ingenious self-service contraptions to make it easier to perform mundane tasks. Take Doc Brown's robotic self-opening can opener to feed his dog, Einstein, in "Back to the Future" for example. A perfect do-it-yourself (DIY) invention, right? Except that he forgot to turn it off when he took Einstein along with him to tinker with the DeLorean time machine. Modern technology has only made this type of DIY easier. Now, DIYers everywhere [can make their own self-service pet feeder](#), controlled remotely via a cloud application on their phone, tablet, or laptop.

Customers of community financial institutions (CFIs) also love DIY experiences, made even more popular during the pandemic. The demand for self-service banking technology — in both digital channels and inside branches — is continuing to increase, and will likely become ubiquitous as the younger generations buy more financial products and services, and expect the most streamlined processes. In fact, a Javelin Strategy & Research survey found that in 2021, [80% of checking account applicants used mobile or online banking at least once](#), while establishing their accounts.

Here are several self-service technologies that are increasingly in demand by CFI customers:

- **Online account opening.** Many CFIs adopted [online account opening technologies for both deposit and loan products](#) during the pandemic. This is especially true of those that participated in the federal government's Paycheck Protection Program and needed to expedite the loan process for small business customers to stay afloat.
- **Digital payments.** Even before the pandemic, the use of cash was becoming increasingly rare due to credit cards and other factors. The onset of COVID-19 only expedited the transition to digital payments. CFIs need to be on board with as many capabilities as they can implement to meet the demands of their customers, including participation in peer-to-peer digital payment rails.
- **Interactive teller machines.** Much more than just standard ATMs, interactive teller machines (ITMs) became even more popular during the pandemic shutdowns. According to financial technology provider, NCR, ITMs [facilitated face-to-face customer and employee interactions](#) in a safe, video-based environment. Consumers who may have traditionally done their banking inside branches are now more accustomed to using video conferencing services, like Zoom, for work, to see their doctor, or to socially connect. NCR predicts that this technology will allow financial institutions to *"migrate more transactions to self-service or at least a centralized hub of remote tellers."*

Trade group executive Kevin Tweddle of ICBA named [digital onboarding](#) as the largest self-service area, for both the loan and deposit sides. *"From a digital perspective,"* he states, *"that's where I think community banks moved the needle the most."*

Considerations. If your institution is contemplating whether to offer more self-service technologies, there are some important high-level factors to consider.

- **Your core provider's capabilities.** As most of these technologies will need support from the core-level, you'll want to check with your core provider to see if these are already available to implement, or if they're under development. An integration with your system via your core provider is usually most seamless way to add these self-service banking options for your customers.
- **Partnerships.** In the case that you won't be able to provide the most in-demand services via your core, you might be able to offer them through a partnership with a fintech.
- **Get employees on board.** Talk to your staff to see what self-service technologies might make a difference for your customers. Make sure you also train your employees on how to use the technologies so they, in turn, can help customers who might have questions.

Although adopting new technology is never an easy endeavor, it is often a very rewarding one, if done well, and it can give you a leg up on the competition. According to Fintech News, integrating and leveraging more [self-service, DIY technologies](#) will tell your customers that *"you are not just focused on efficiency, you are focused on experience."* And that experience makes all the difference.

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ECONOMY & RATES

Rates As Of: 09/09/2022 06:58AM (GMT-0700)

Treasury	Yields	MTD Chg	YTD Chg
3M	3.06	0.10	3.00
6M	3.44	0.12	3.25
1Y	3.60	0.09	3.21
2Y	3.52	0.02	2.78
5Y	3.42	0.06	2.15
10Y	3.31	0.11	1.79
30Y	3.48	0.18	1.57
FF Market	FF Disc	IORR	
2.33	2.50	2.40	
SOFR	Prime	ORER	
2.28	5.50	2.32	

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