

Digital impact on the growth of Coopeuch Cooperative Members

December 2020



Digital Development, why?

DIGITIZATION IS A MUST FOR COMPANIES IN ALL INDUSTRIES

- 1 The world, customers and our members **are changing**.
- 2 How did Coopeuch face the challenge of **digital transformation**?
- 3 **Success** Cases.
- 4 **Summary**.

1 The world, customers and our
members **are changing**



The world, customers and our members ARE CHANGING

Customers **demand** best products and services.

1. Customers expect you to **know** them.
2. Customers expect you to **communicate** how they do.
3. Customers expect you to **value** their time.
4. Customers expect **self-service** options.



The world, customers and our members ARE CHANGING

The **COVID-19** crisis has increased the share of e-commerce in total retail.

In the **United States**, the share of e-commerce in total retail had only slowly increased between the first quarter of 2018 and the first quarter of 2020 (from 9.6% to 11.8%), it spiked to **16.1% between the first and second quarter of 2020**. The development is similar for the **United Kingdom**, where the share of e-commerce in retail rose from 17.3% to 20.3% between the first quarter of 2018 and the first quarter of 2020, **to then rise significantly to 31.3% between the first and second quarter of 2020**.

Source: <http://www.oecd.org/coronavirus/en/>

Figure 1.a. Share of e-commerce in total retail sales, United Kingdom and United States (2018-2020)

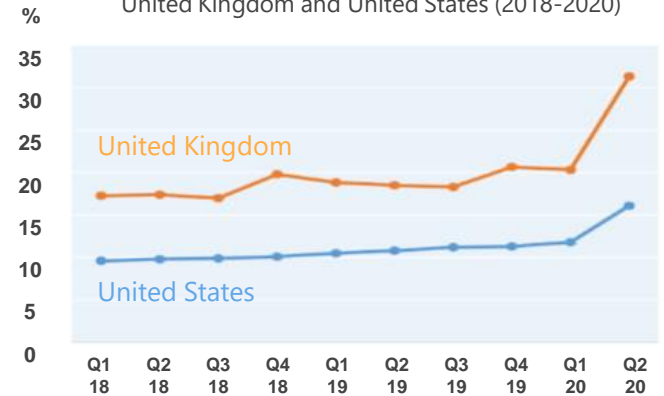
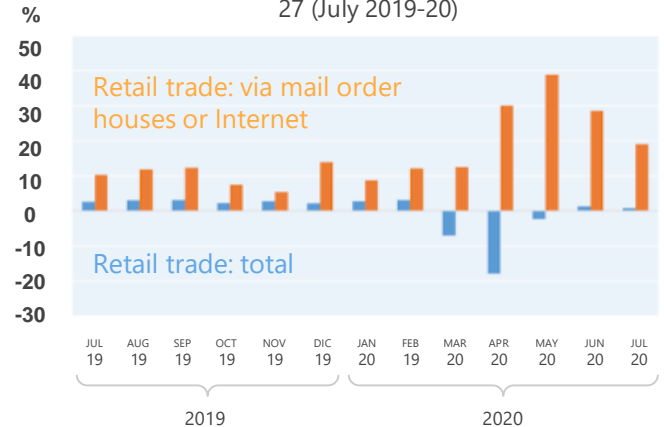


Figure 1.b. Retail turnover, year-on-year change, EU-27 (July 2019-20)





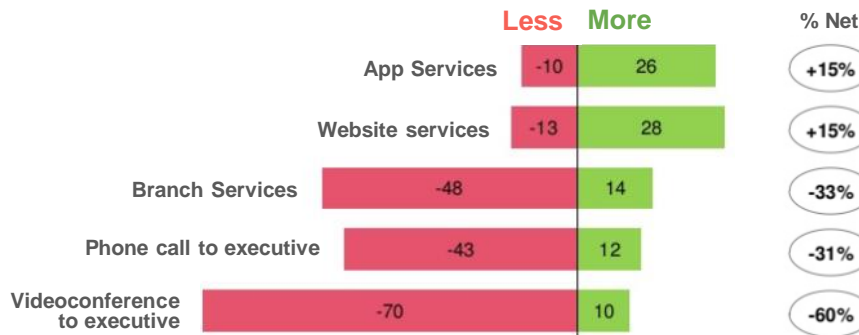
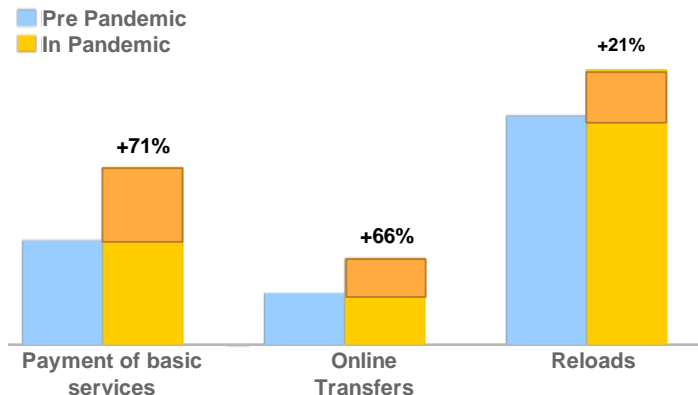
The world, customers and our members ARE CHANGING

Consumer digital behavior has been **accelerated** by the pandemic.

In the pandemic more users chose **online financial services** for their convenience and safety.

Consumers expect to **increase the use of digital financial services** even after the health crisis ends.

Source: Kantar COVID-19 Barometer Wave 2: (04/01 to 04/14)
Mckinsey Financial Insights Pulse Survey N - 505/



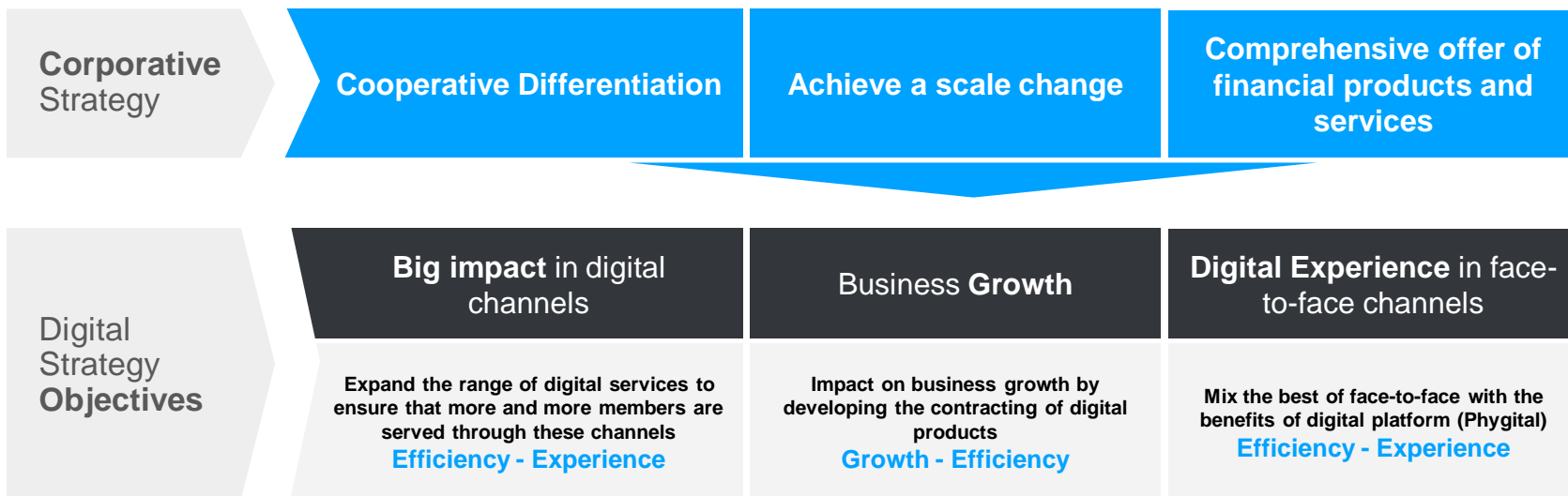
2 How did Coopeuch face the challenge of digital transformation?

The **challenge** of digitization must be addressed with a clear **strategy** and a **User Centered Methodology** that allow scaling and achieving concrete impacts.



How did Coopeuch face the challenge of digital transformation?

THE DIGITAL STRATEGY WAS CREATED TO BE THE NORTH STAR



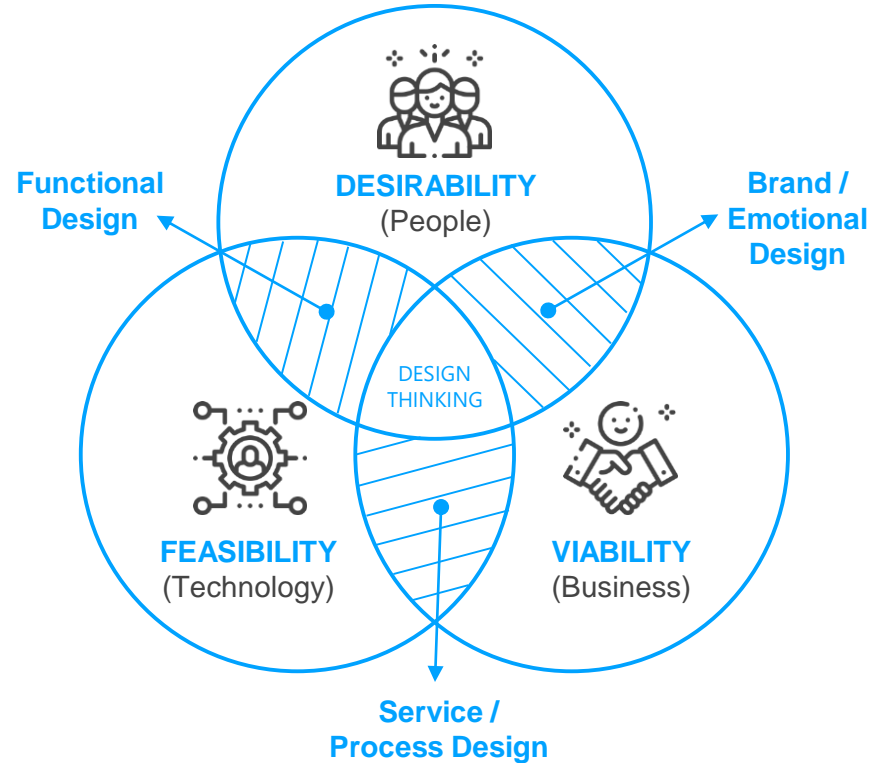


How did Coopeuch face the challenge of digital transformation?

HUMAN CENTERED DESIGN, THE CORE FOR UNDERSTANDING AND DESIGNING NEW PRODUCTS AND SERVICES

The balance between **Desirability**, **Viability** and **Feasibility** is a key factor for digital product development.

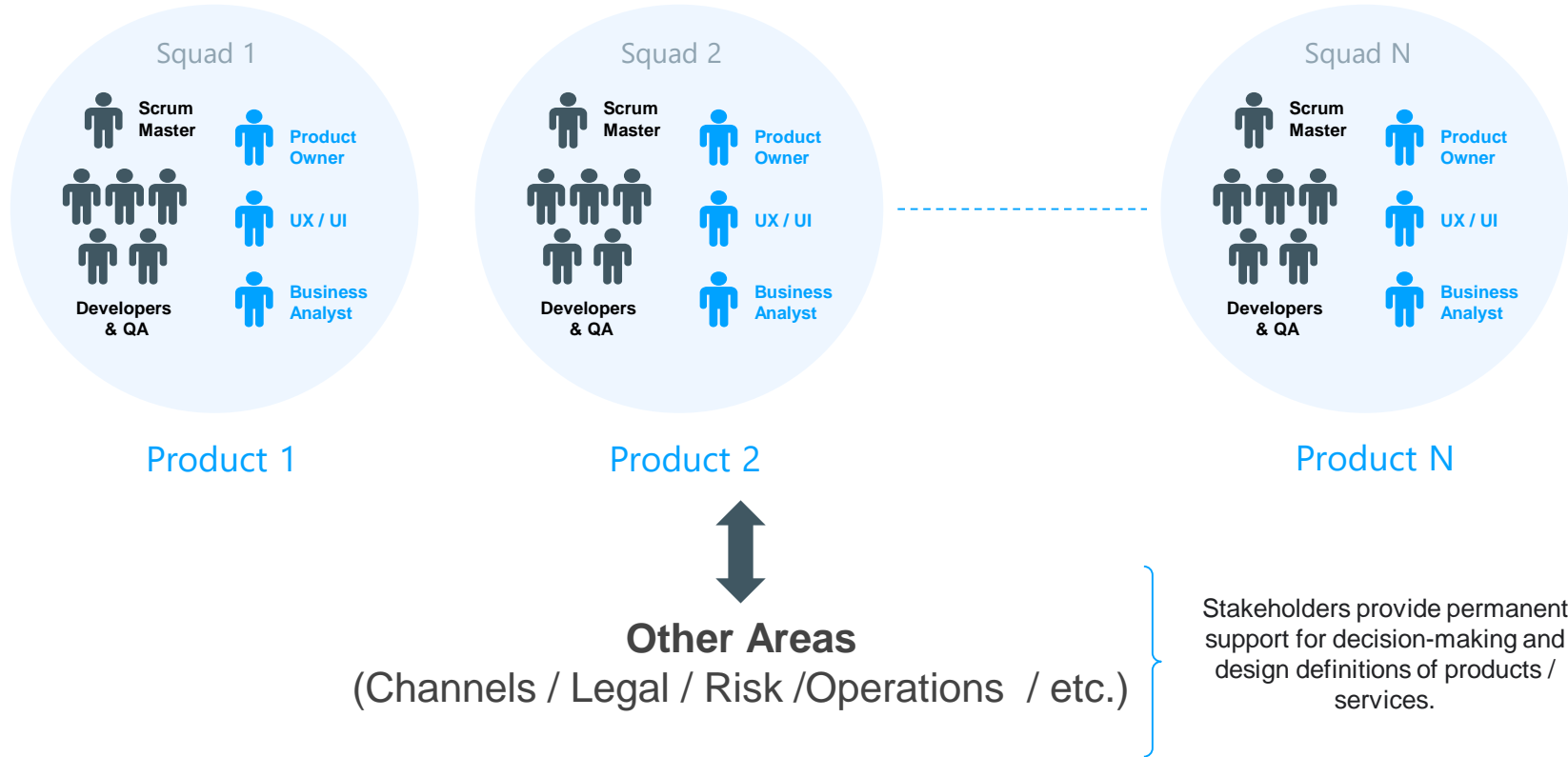
Desirability is the core for assuring the success of the User Centered Methodology.





How did Coopeuch face the challenge of digital transformation?

HUMAN CENTERED DESIGN, THE CORE FOR UNDERSTANDING AND DESIGNING NEW PRODUCTS AND SERVICES





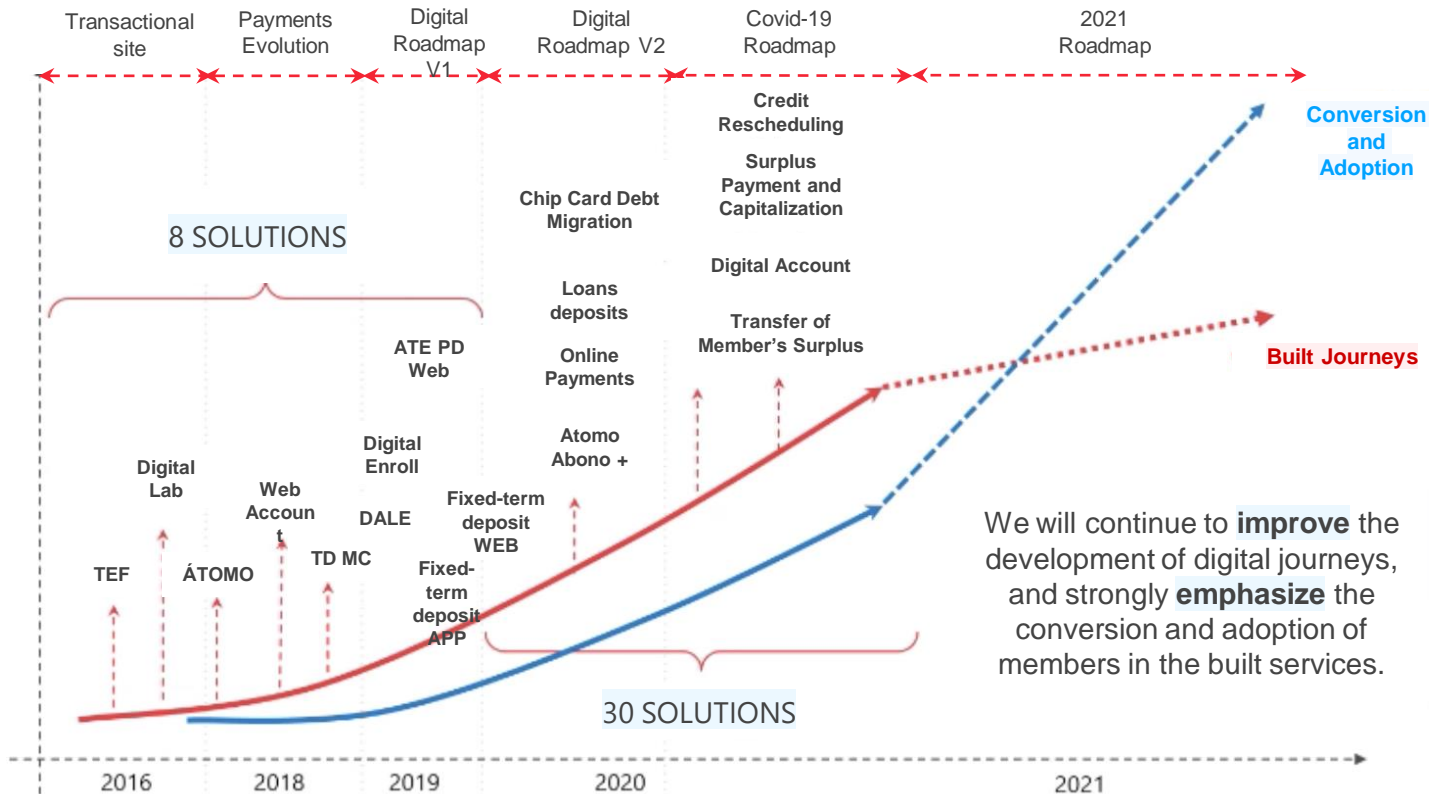
How did Coopeuch face the challenge of digital transformation?

COOPEUCH TIMELINE FOR DIGITAL TRANSFORMATION

Big impact in digital channels

Business growth

Digital Experience in face-to-face channels



We will continue to **improve** the development of digital journeys, and strongly **emphasize** the conversion and adoption of members in the built services.

3a Digital Account Registration

MEMBERS REGISTER AN ACCOUNT THROUGH WEBSITE



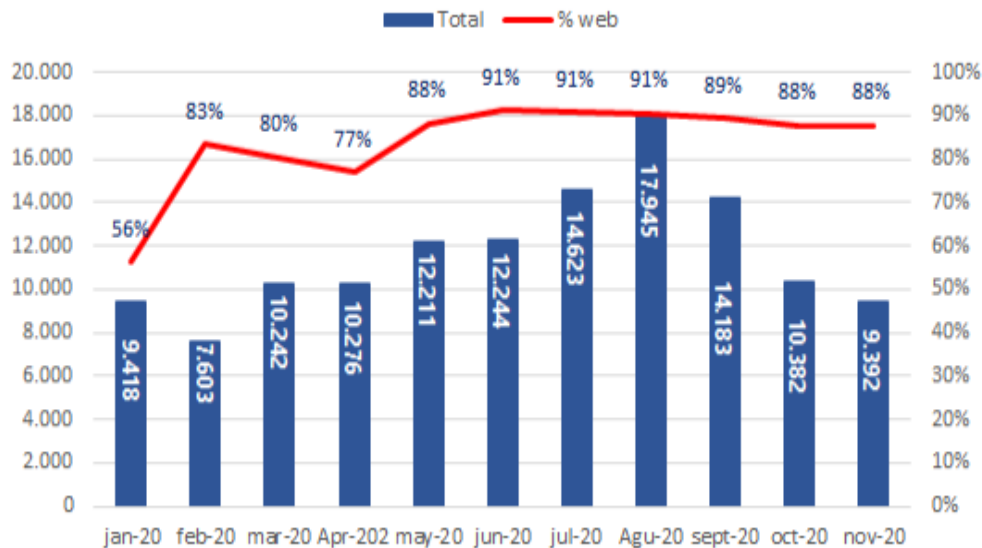
Digital Account Registration

MEMBERS REGISTER AN ACCOUNT THROUGH WEBSITE

Coopeuch created a digital journey for its members to **register an account**.

Hypothesis: Check if our members are willing to register their account digitally.

Through this journey, in 2020 the growth in accounts has **increased by 90%** compared to the previous year.



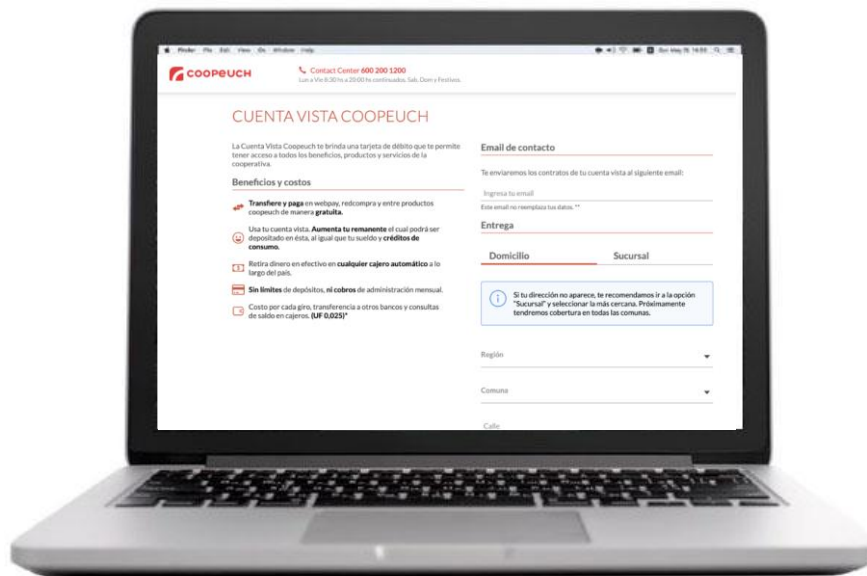


Digital Account Registration

MEMBERS REGISTER AN ACCOUNT THROUGH WEBSITE

Step 1:

Members click the button “**Get an account**” in a banner and complete their personal data.



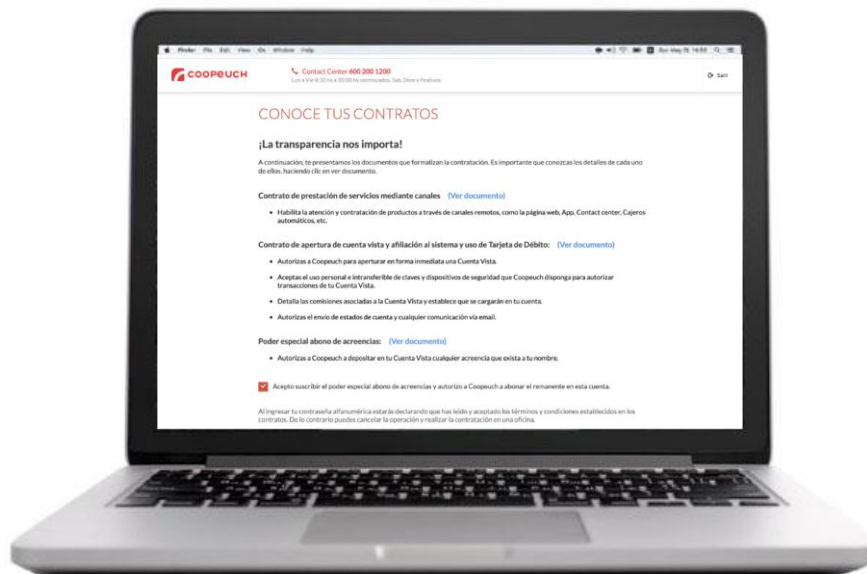


Digital Account Registration

MEMBERS REGISTER AN ACCOUNT THROUGH WEBSITE

Step 2:

Members read and sign their
contracts.



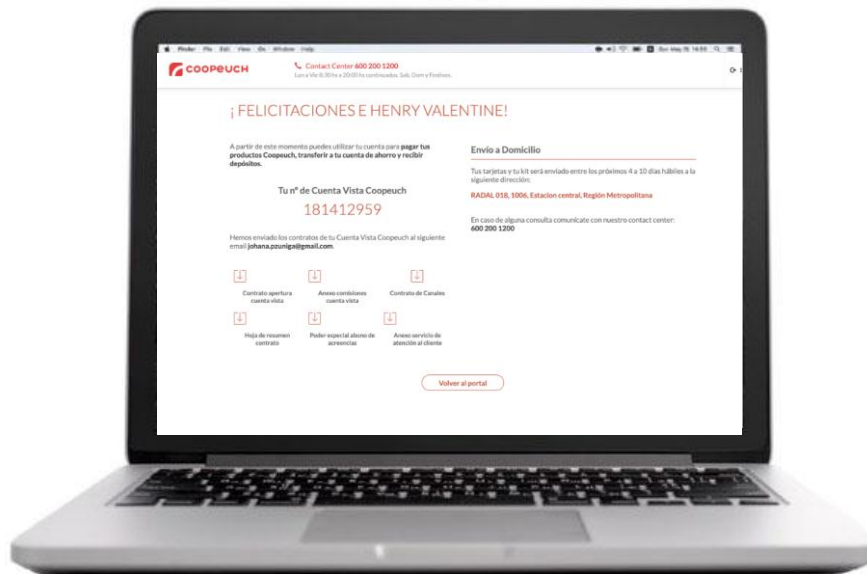


Digital Account Registration

MEMBERS REGISTER AN ACCOUNT THROUGH WEBSITE

Step 3:

Members get the **receipt** and check their registration.



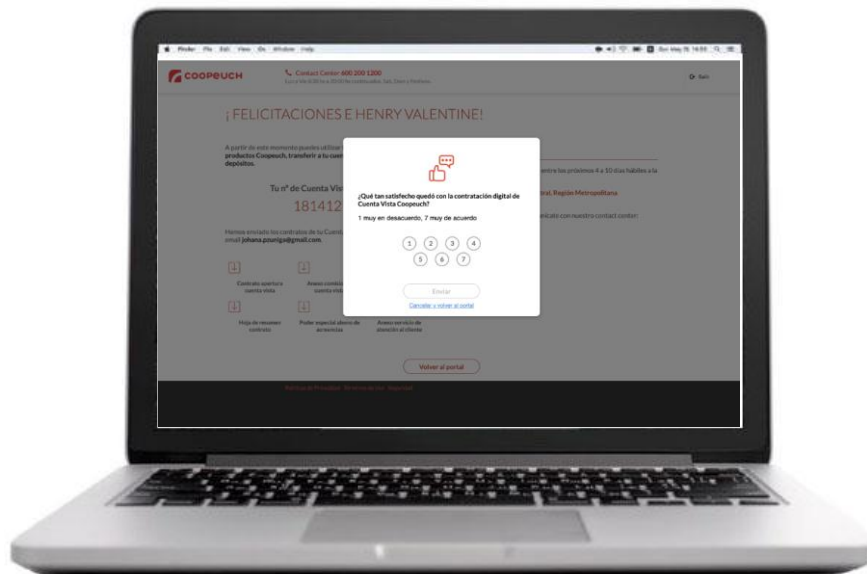


Digital Account Registration

MEMBERS REGISTER AN ACCOUNT THROUGH WEBSITE

Step 4:

Members complete a **survey** with their satisfaction registering an account through website.



3b Digital Registration to be a member

USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT



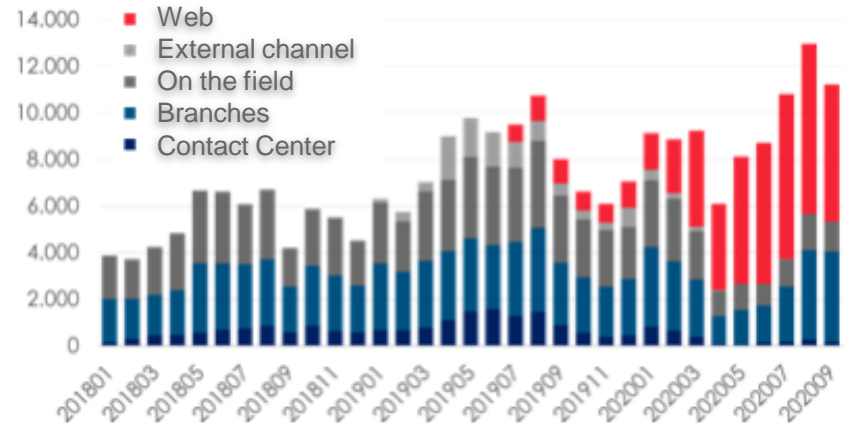
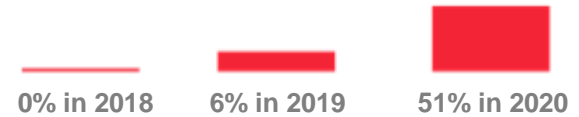
Digital Registration to be a member USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT

Coopeuch has a corporate strategy to **increase the number of members** with products.

Hypothesis: Coopeuch's prospects want to enroll like members with an account at the same time, through our public web site.

This new functionality has allowed an **increase of 15%** in the entry of new members (2020 vs 2019).

Channel diversification





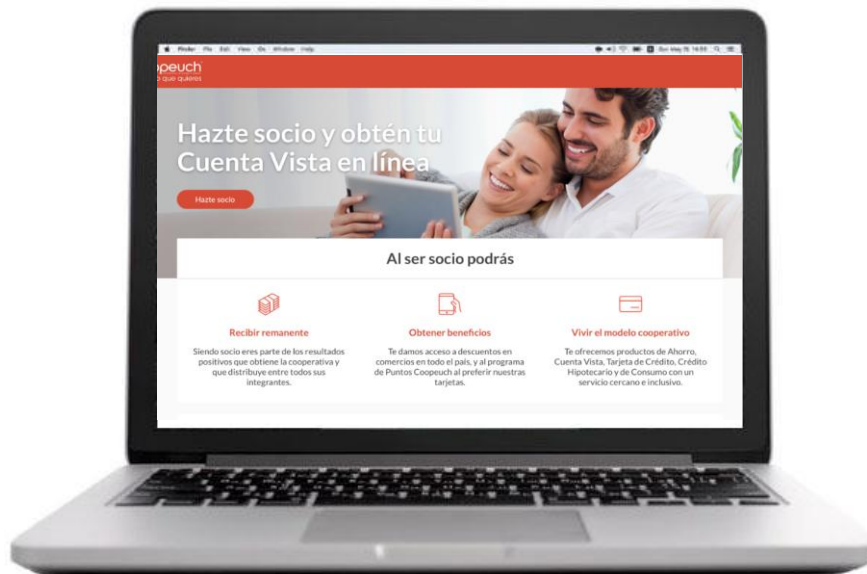
Digital Registration to be a member USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT

Step 0:

A **landing page** was created in Coopeuch public website to start the journey.

This landing page explain the benefit to becoming a member and to getting an account.

Users click in the button “**Become a member**”.



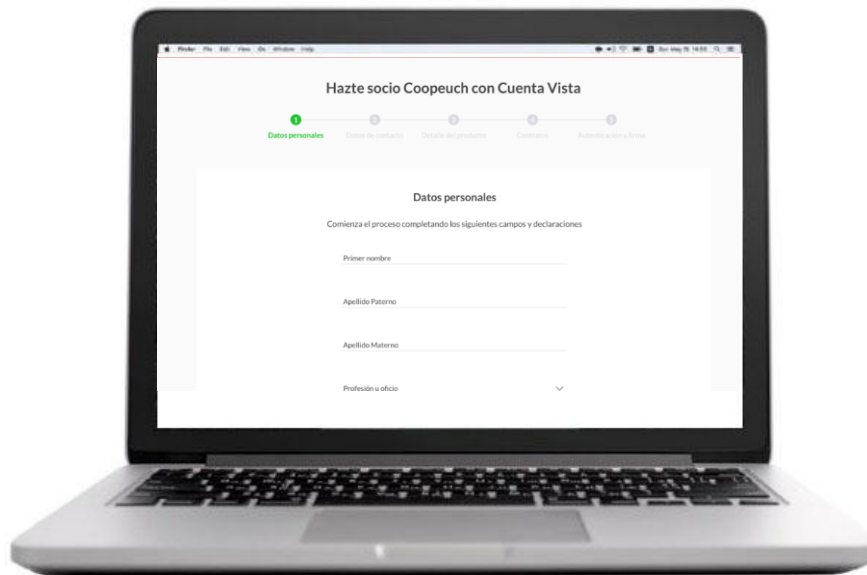


Digital Registration to be a member USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT

Step 1:

The journey consist in 5 easy steps.

First step, users complete with their
personal data.

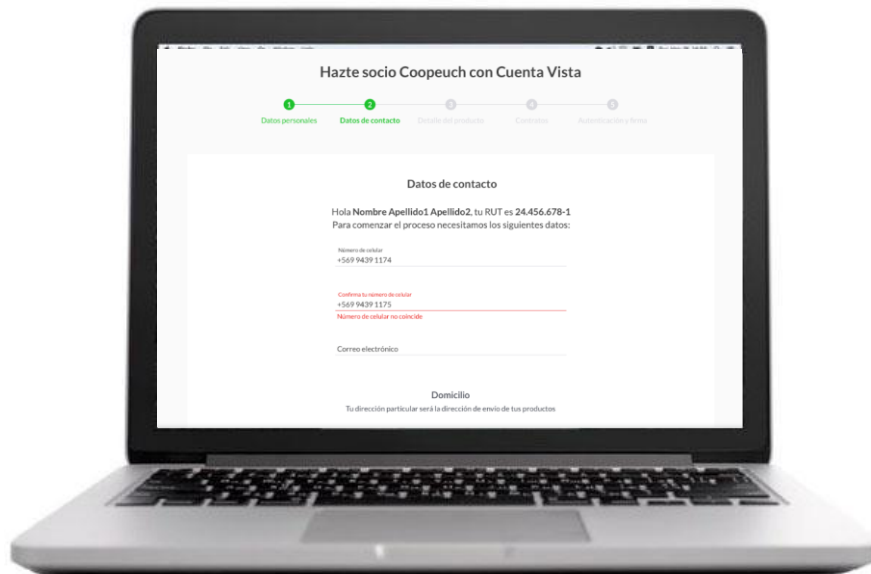




Digital Registration to be a member USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT

Step 2:

Second step, users complete with their **contact information** and address.



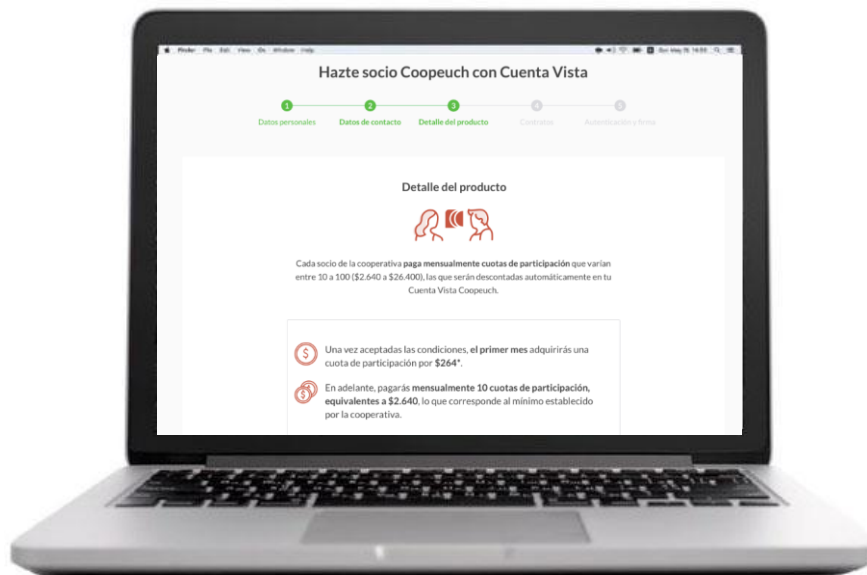


Digital Registration to be a member USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT

Step 3:

Third step. The journey give more **information** about participation feed an main benefits to get an account.

Users also chooses the **shipping** address for their cards.

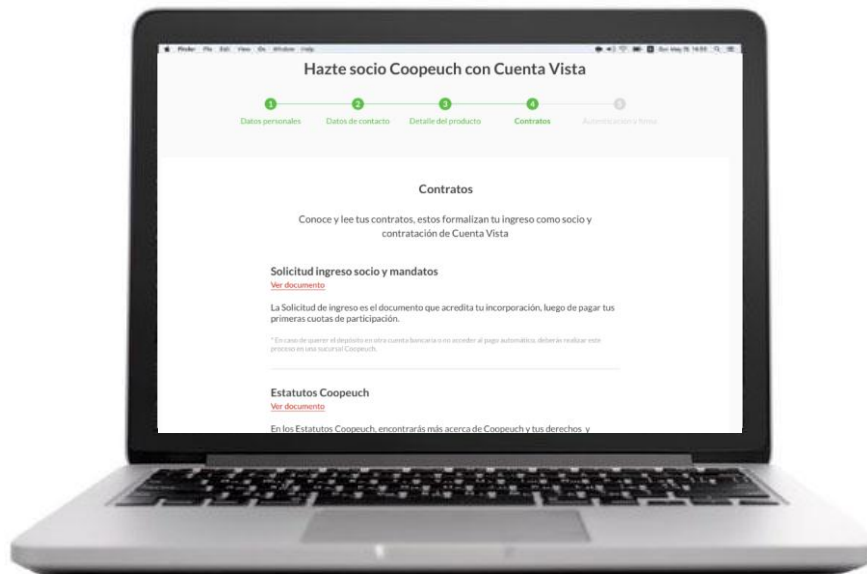




Digital Registration to be a member USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT

Step 4:

Fourth step, the users can review and download the generated contracts.

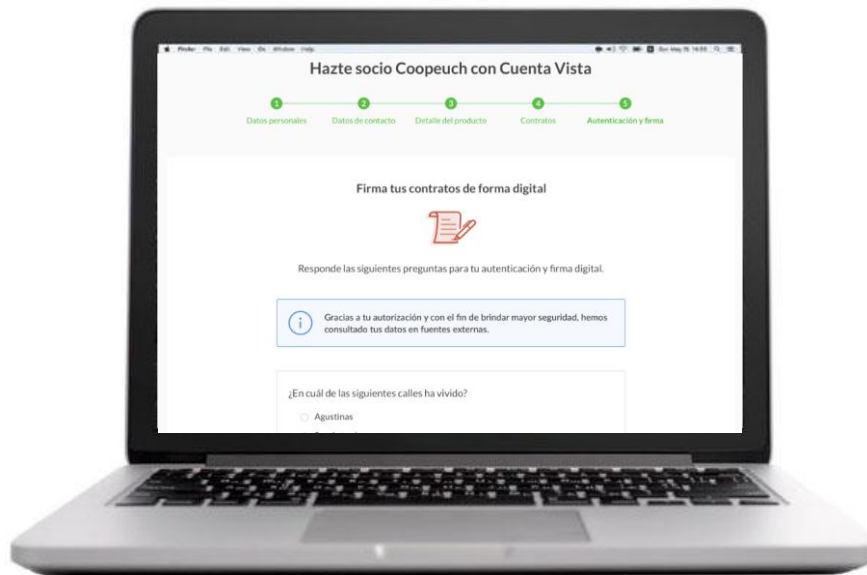




Digital Registration to be a member USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT

Step 5:

Fifth step, users signs with a **digital signature**.



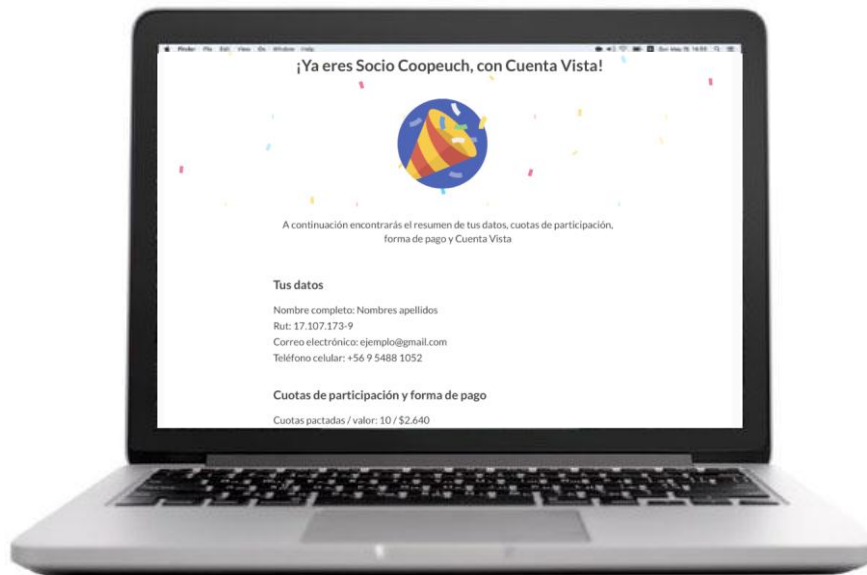


Digital Registration to be a member

USERS BECOME COOPEUCH MEMBERS WITH AN ACCOUNT

Step 6:

On the the last screen **the journey ends by congratulating user** who became a member with an account.



3c Credits Rescheduling

USERS RESCHEDULE THEIR CREDITS THROUGH PRIVATE WEBSITE

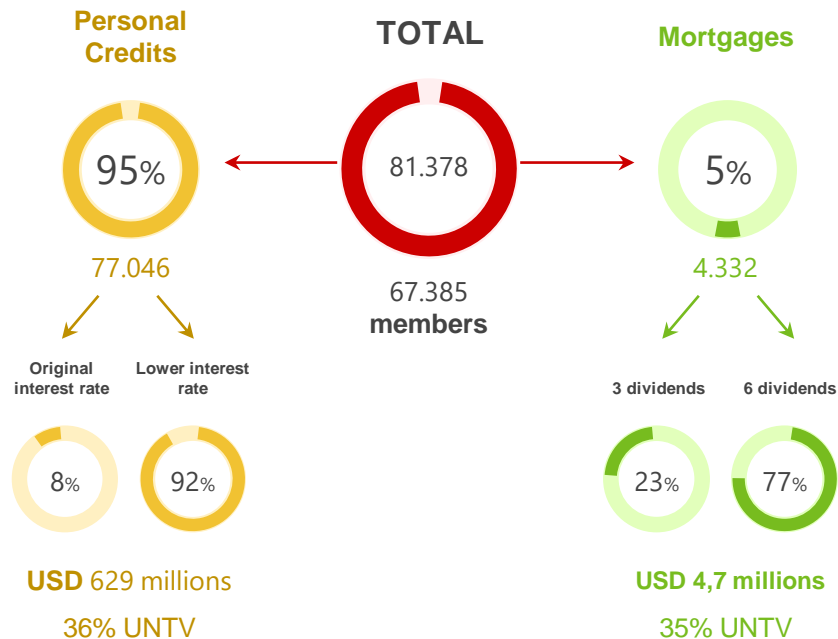


Credits Rescheduling

USERS RESCHEDULE THEIR CREDITS TROUGH PRIVATE WEBSITE

With Covid emergency the priorities changed and Coopeuch had to create a functionality in the private website that **allows to our members to reschedule their loans (mortgages and personal credits)**

Hypothesis: Coopeuch's members could not go to the branch in quarantine time and they might have some problems to pay their loans.

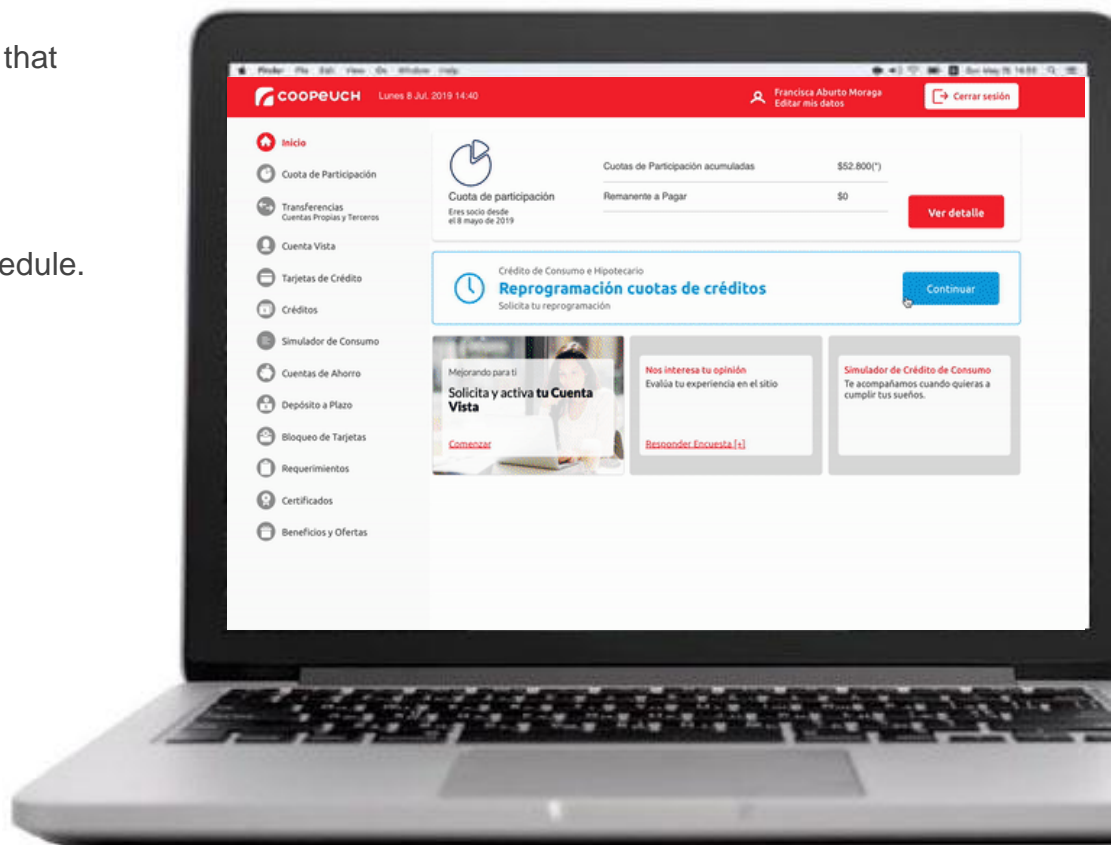




Credits Rescheduling

USERS RESCHEDULE THEIR CREDITS TROUGH PRIVATE WEBSITE

- Members find and read a **banner** with a button that allows users to reschedule their credits.
- Members sign the “**Channels Contract**”, if necessary.
- Members **choose** and review a **credit** to reschedule.
- Members select the **quantity of months** to reschedule.
- Members accept **Terms and Conditions**.
- Members review their **personal email**.
- Members **sign digitally**.
- Members review the final screen with a congratulation message and the **receipt**.



4 Summary

THE CHALLENGE OF DIGITALIZATION



Coopeuch has taken up THE CHALLENGE OF DIGITIZATION

Getting real value for our members.

- The digital rescheduling journey has helped nearly **70.000 members** with their loans.
- Digital Registration has allowed the **highest growth in membership** in history.
- Digitization enables broader and better **Financial Inclusion.**
- Digital Functionalities make better the client's and member's **service experience.**
- Digitization at the service of being the **best financial institution.**



