

IT Execs: Plodding Ahead in 2010

Financial Technology Insight
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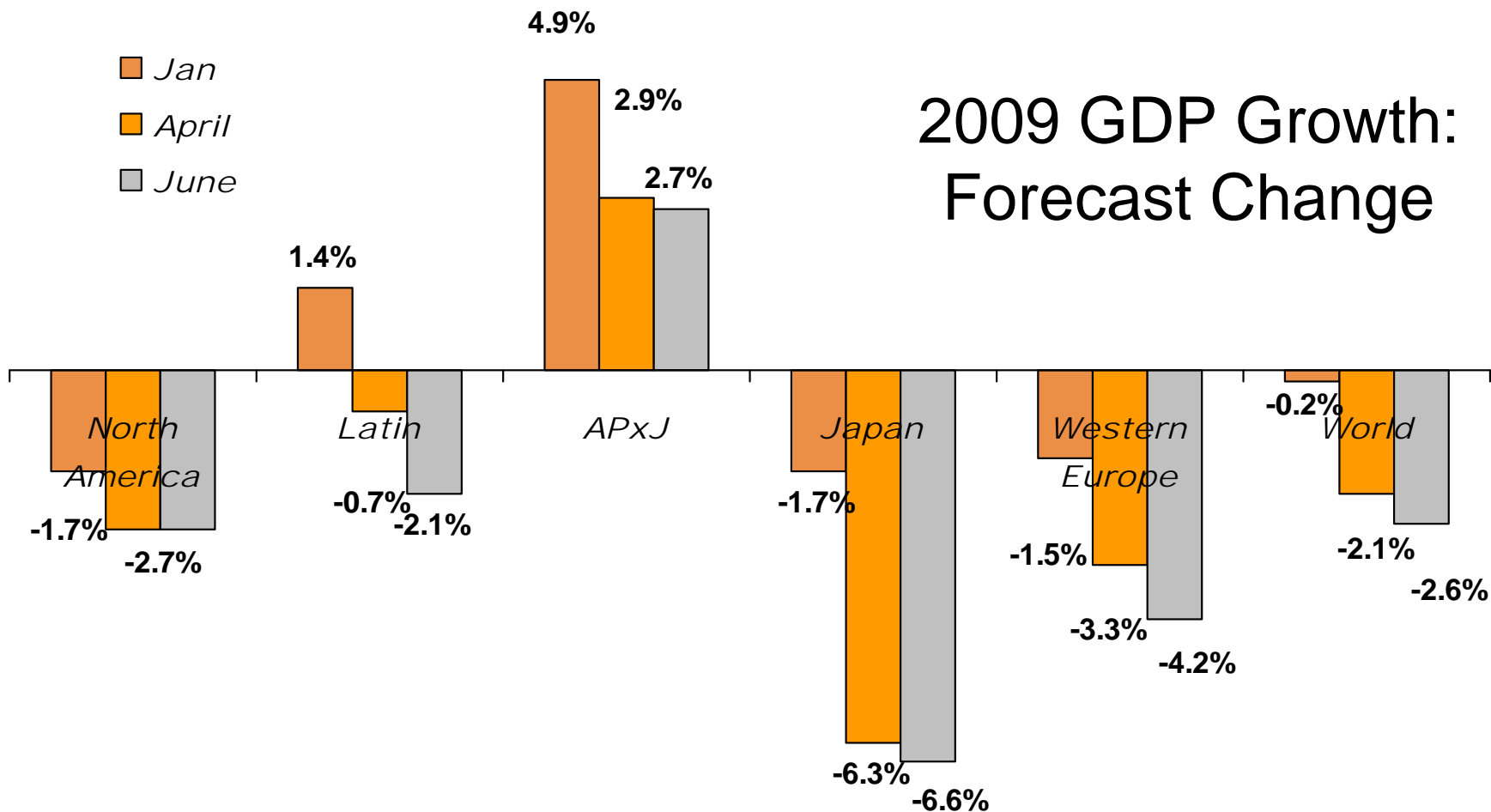
Agenda

- 2010 and beyond: The future of IT spending
- Acquiring and retaining customers
- Corporate banking survey results: Impacts of the financial crisis on customer loyalty
- Panel discussion



Economic Outlook

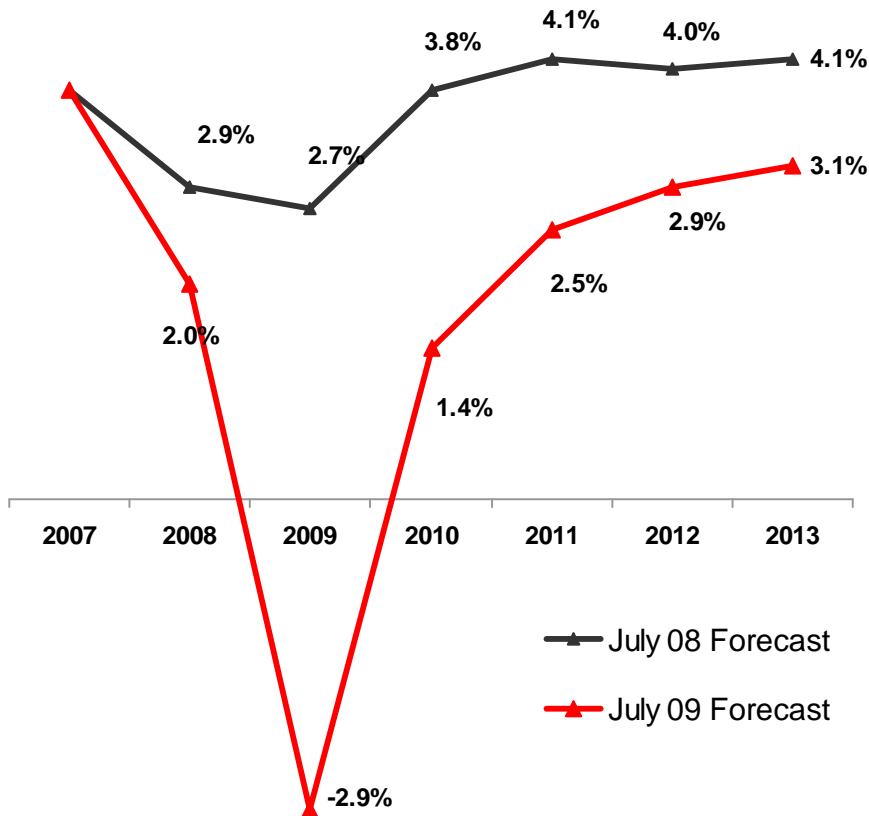
2009 GDP Growth: Forecast Change



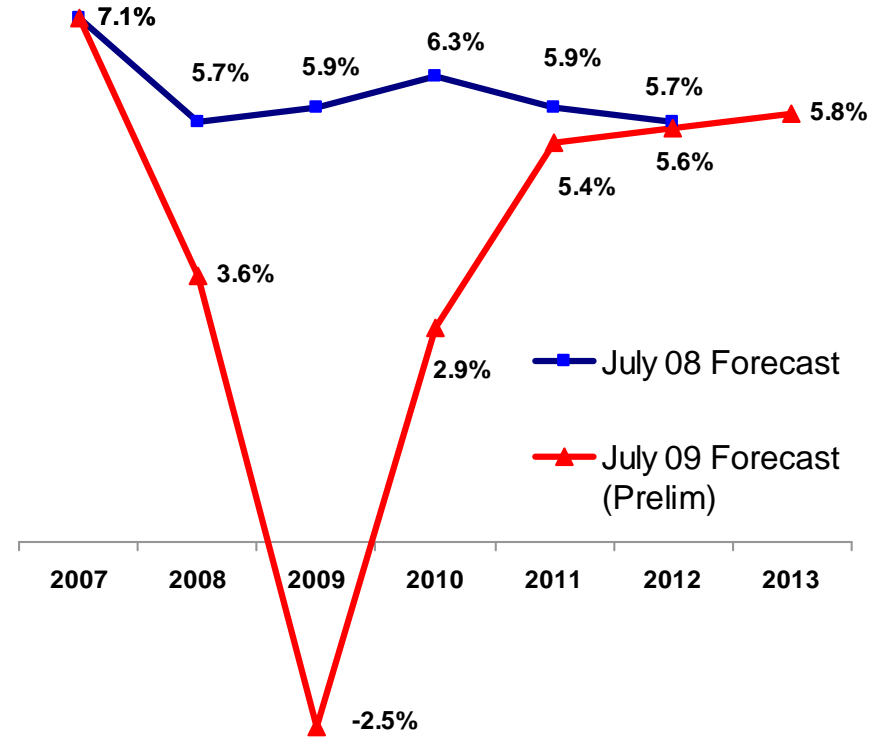
Source: Consensus January 12, April 14, June 8, 2009

Where We Stand

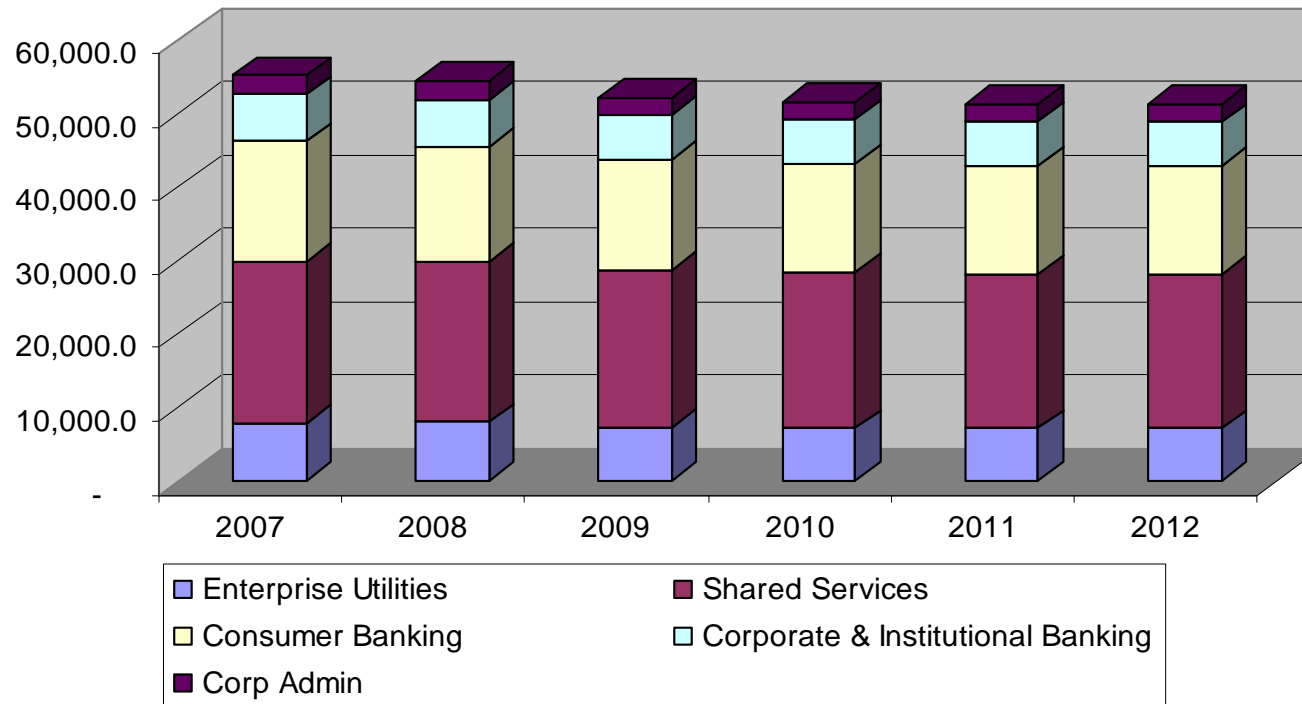
Worldwide GDP Forecast



WW IT Spending

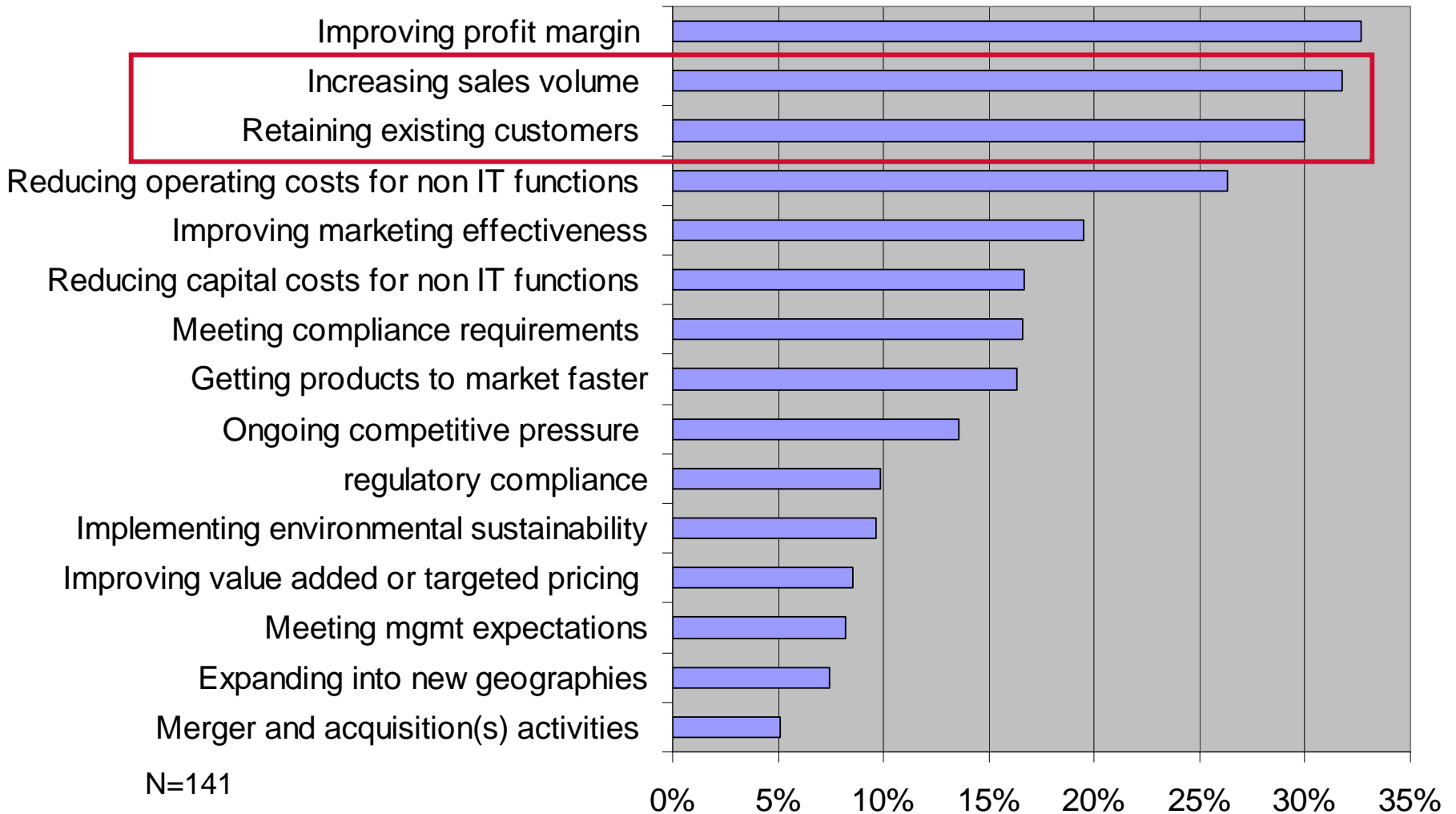


North American Banking IT Spend



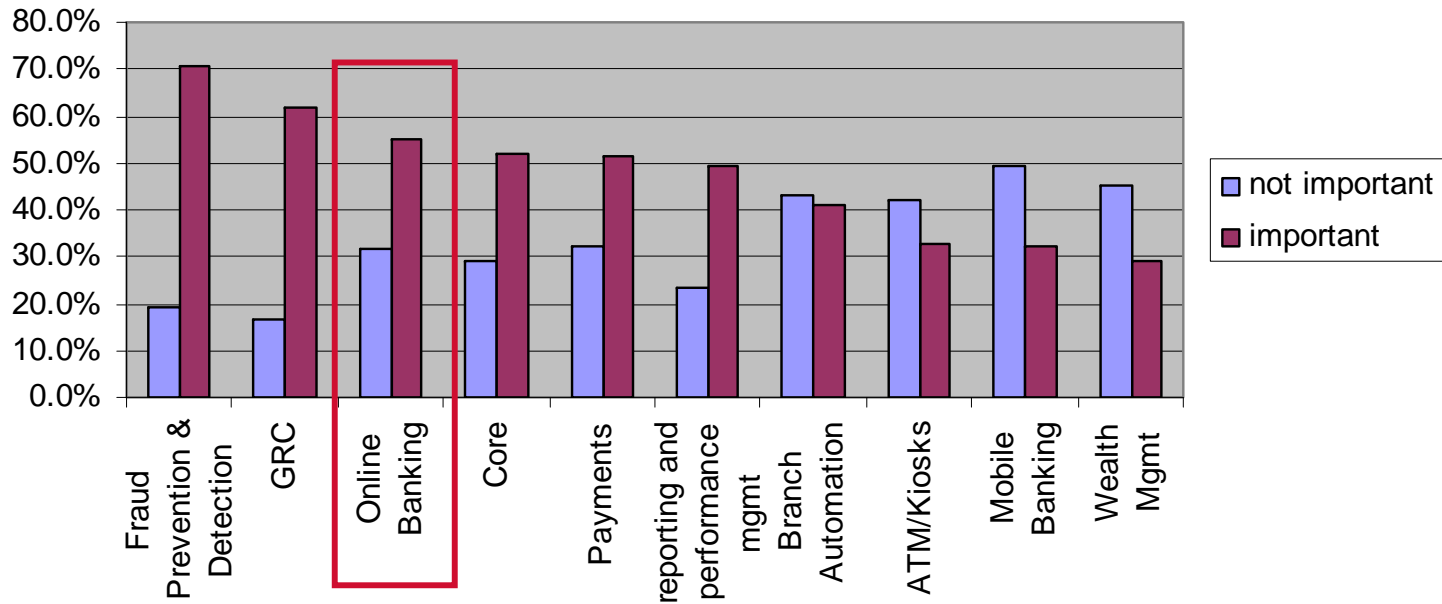
Source: Financial Insights, 2009

What is Driving IT Investment for the Next 12 Months?



2010 – Areas for Investment

Q: What is the importance of each of the following areas?



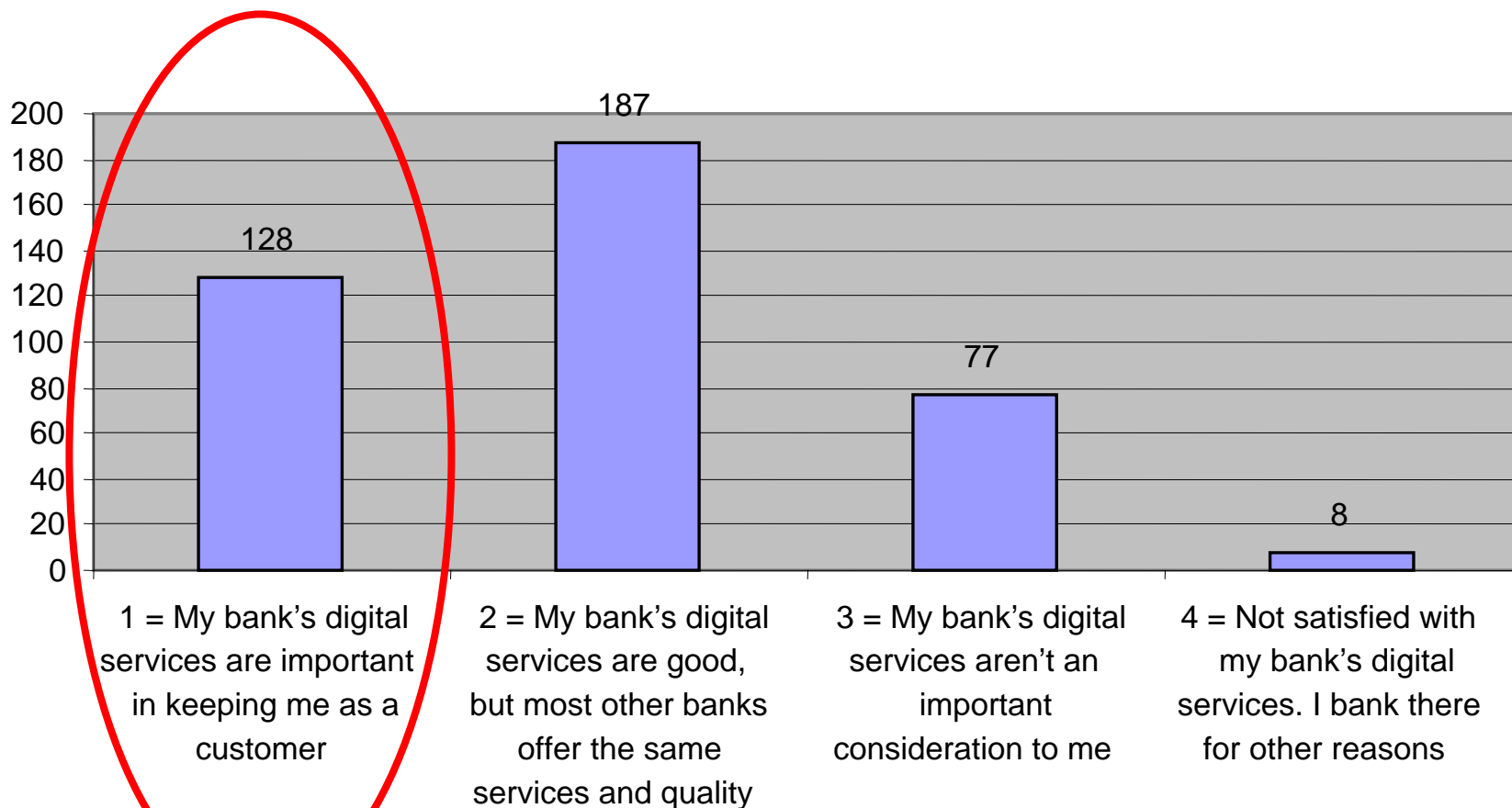
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Innovation Now is in Customer Acquisition and Retention Strategies

- In 2009 - shift away from new products and instead focus on customer retention and acquisition
 - A continuing flight to quality will reward institutions that combine trust with a higher level of customer satisfaction.
 - Technology will play a critical role in helping organizations get back to basics and connect with their customer base.
 - Investments will focus on new customer on-boarding, cross-selling, risk-based pricing, and refreshing web channels
- Opportunity for tier 3 and 4 institutions that focus on customer service and really know their customers

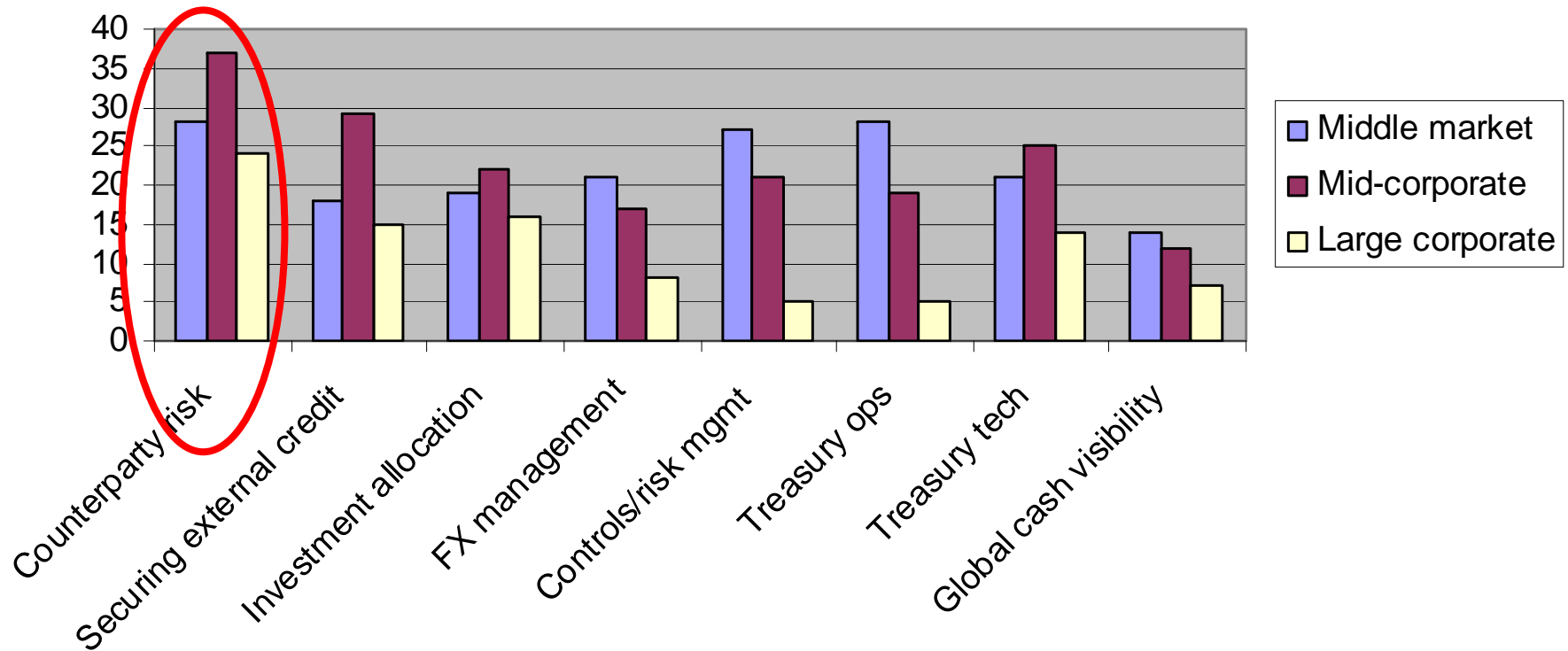


Consumers Value Online Banking



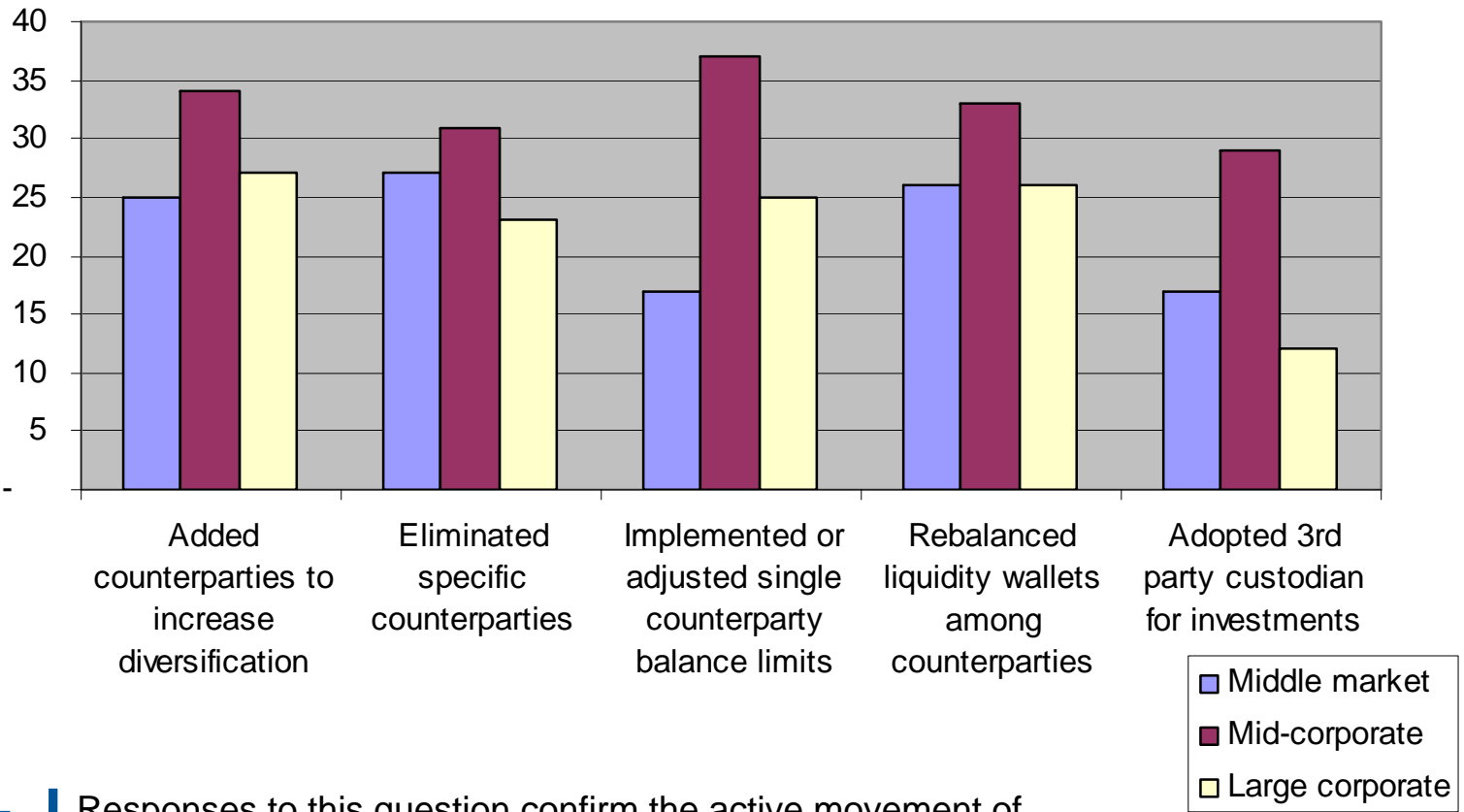
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Issues for Corporate Treasurers



- Counterparty risk is the top issue for North American corporate treasurers. Net borrowers indicate counterparty risk as a higher priority much more than net investors – concerned that their bank relationships remain stable so that sources of funds do not disappear.

Risk Management: Mitigating Counterparty Risk



Responses to this question confirm the active movement of deposit balances between institutions.

The Number of Banks will Shrink

- Bank deposits are all "hot"
 - To get below insurance thresholds
 - To move to "safer institutions"
- The number of US banks will fall below 8,000
 - Federal regulators are forcing marriages
 - Those between \$5B and \$20B in assets are most vulnerable



Banking in 2010

- Paralysis is lifting, but we're still adjusting to the new reality
- Consolidation will continue, as will revenue compression
- Customer acquisition and retention will be keys to success



Panel discussion

- Sam Kilmer, VP Market Development, Harland Financial Systems
- Mark Sievwright, SVP Marketing, Fiserv
- Peter Gordon, Partner, eCom Advisors/Virtual Banking Systems



IDC Financial Insights Community

The screenshot shows the IDC Financial Insights Community website. At the top, there is a navigation bar with categories: Cross-Industry Home, Financial, Health, Retail, Manufacturing, Energy, and Government. A search bar is also present. Below the navigation bar is a header with the IDC logo and the tagline "Where Business and IT Professionals Connect". The main content area features a "Summary" section with links to "About", "Members (209)", and "Resources (5)". A "Recently Active Members" section displays a row of member profile pictures. Below this is a "FinTech Industry Perspectives Blog" section with a featured article titled "What is the next evolution of risk management?". The article text discusses a panel of experts and their focus on financial services practices. To the right of the main content, there are several promotional boxes: "Brought to you by: IDC Financial Insights", "Join our community", "Follow Us on Twitter", "Bookmark & Share" (with a social media share button), and "Video Research Update" (with a video player thumbnail).

Community Goal:

- To create a forum for IT and business professionals to discuss technology issues within the context of their business

Features Include:

- Networking – Invite, Find and Interact with Analysts and Other Members
- Global Analyst Blogs and Videos
- Discussion Forums
- Live Chat
- Polls
- Events Calendar
- Resource Library/ Complimentary Research

<http://idc-insights-community.com/financial>

Contact/Questions

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