



**mBank**



**New mBank: digitizing two last bricks of branch based banking**

**Michał Panowicz**



# Agenda

1. What is New mBank? Why?
2. How it works?
  - Advice & Selling
  - Core banking
  - „Cool stuff”
3. Change is (mostly) in the mind







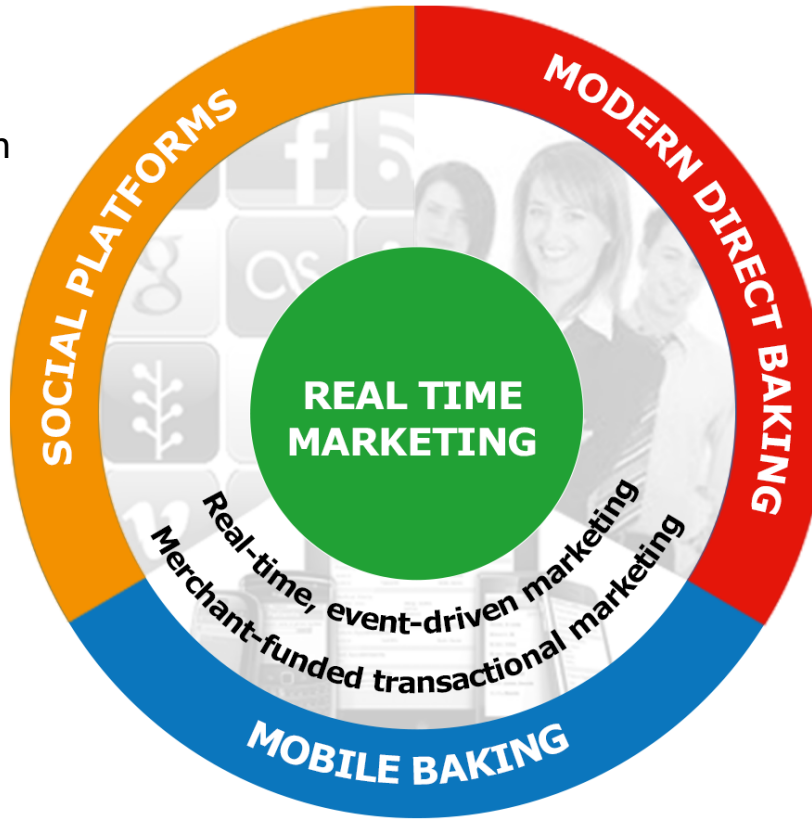
**What is  
„New” mBank?**





# “New” mBank: 11 major digital financial innovations

- ▶ Gamification
- ▶ P2P payments
- ▶ Facebook integration



- ▶ State-of-the-art user interface
- ▶ 2nd-gen personal finance management
- ▶ Video banking
- ▶ Google-like quick search

- ▶ 2nd gen mobile application: user interface, LBS, selling, deals, PFM, P2P
- ▶ Mobile payments



# Completely redesigned online banking delivered in just 14 months (>200 new features)

## Project process

Core team: ~200FTEs  
at peaks: ~300FTEs+

### Exploration and Innovation analysis

- Trends
- Benchmarks
- Experience from mBank

### User Experience strategy

- mBank personas
- User scenarios
- Interaction points
- UI/UX for navigation

### Creative concepts

- Designing the interface
- Eyetracking perception analyses
- UX concept tests

### Design development

- Navigation and model AI design
- Multiple UX tests
- GUI design
- Interactions and animations

Over **400 final** UI/UX models  
(over **1700 draft** models)

## 71% BRE Bank's customers in 2013

mBank PL  
2.9 M



Multibank  
0.6 M

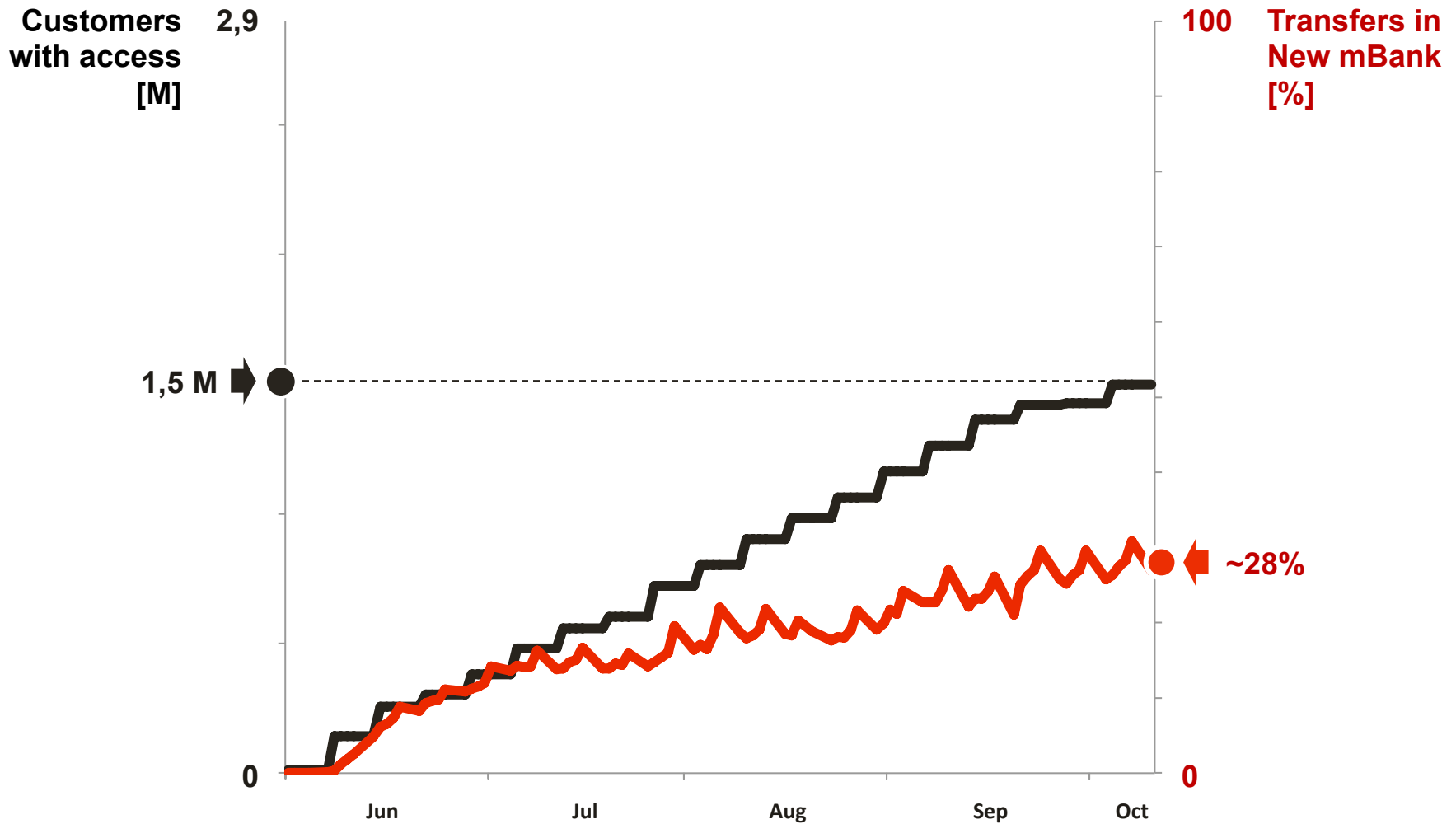
mBank CZ  
0.44 M

mBank SK  
0.16 M



# „New” mBank with optimistic launch trajectory (I)

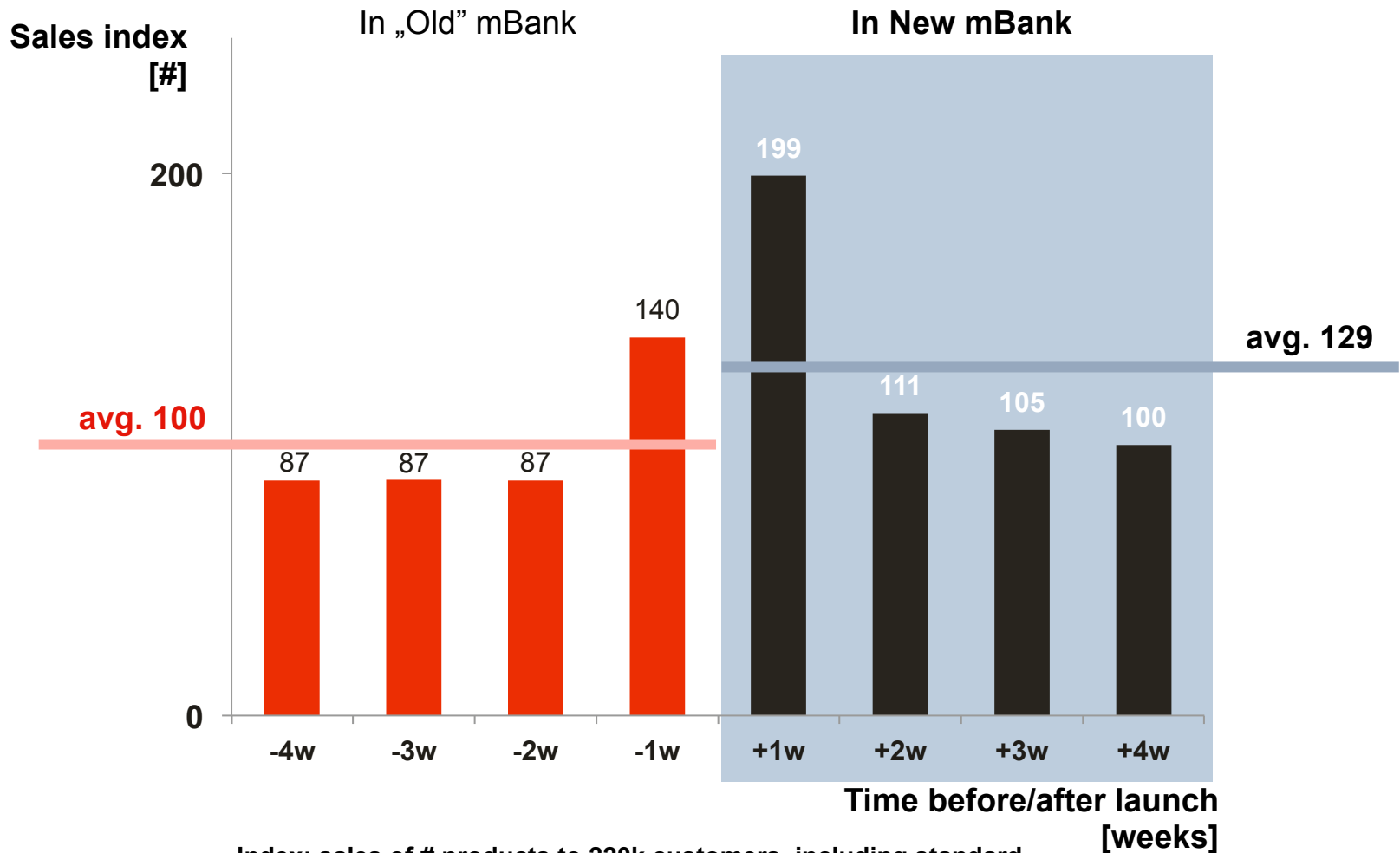
1,5 mln customers with access, 1/3 of transfers





# „New” mBank with optimistic launch trajectory (II)

Initial sales +29%



Index: sales of # products to 220k customers, including standard banking products (accounts, deposits, loans etc.)

# „New” mBank with optimistic launch trajectory (III)

Growing global recognition

## Awards



FINOVATE  
EUROPE 2013  
**BEST  
OF  
SHOW**

London

New York

FINOVATE  
FALL 2013  
**BEST  
OF  
SHOW**



Paris



**2013  
Innovation  
Awards**

**Digital & Mobile Excellence**  
*#1 of 130 projects*

**Most Disruptive Innovation**  
*#1 of ALL 330 projects*

*158 premiere banks  
56 countries  
330 projects*



## Press & Analysts



The Financial  
Services Club

bank<sup>o</sup>innovation

THE WALL STREET JOURNAL.





1

But...

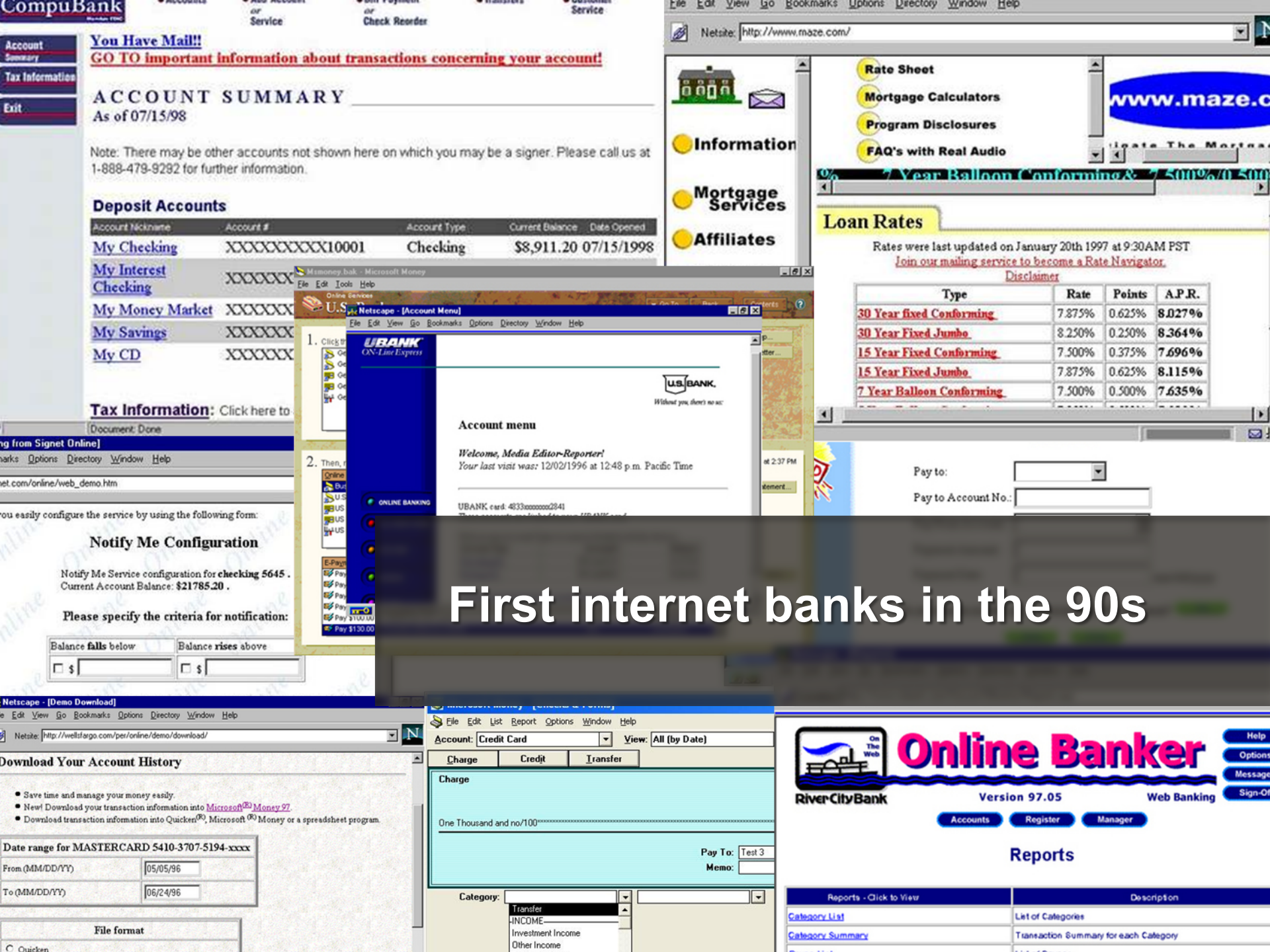
WHY?



**WHY #1**







You Have Mail!

GO TO important information about transactions concerning your account!

## ACCOUNT SUMMARY

As of 07/15/98

Note: There may be other accounts not shown here on which you may be a signer. Please call us at 1-888-479-9292 for further information.

### Deposit Accounts

Account Nickname	Account #	Account Type	Current Balance	Date Opened
<a href="#">My Checking</a>	XXXXXXXXXX10001	Checking	\$8,911.20	07/15/1998
<a href="#">My Interest Checking</a>	XXXXXX			
<a href="#">My Money Market</a>	XXXXXX			
<a href="#">My Savings</a>	XXXXXX			
<a href="#">My CD</a>	XXXXXX			

Tax Information: Click here to

### Notify Me Configuration

Notify Me Service configuration for checking 5645 .  
Current Account Balance: \$21785.20 .

Please specify the criteria for notification:

Balance falls below	Balance rises above
<input type="checkbox"/> \$ [ ]	<input type="checkbox"/> \$ [ ]

Netsite: http://www.maze.com/

- Information
- Mortgage Services
- Affiliates

- Rate Sheet
- Mortgage Calculators
- Program Disclosures
- FAQ's with Real Audio

www.maze.c

### Loan Rates

Rates were last updated on January 20th 1997 at 9:30AM PST  
[Join our mailing service to become a Rate Navigator.](#)  
[Disclaimer](#)

Type	Rate	Points	A.P.R.
<a href="#">30 Year fixed Conforming</a>	7.875%	0.625%	<b>8.027%</b>
<a href="#">30 Year Fixed Jumbo</a>	8.250%	0.250%	<b>8.364%</b>
<a href="#">15 Year Fixed Conforming</a>	7.500%	0.375%	<b>7.696%</b>
<a href="#">15 Year Fixed Jumbo</a>	7.875%	0.625%	<b>8.115%</b>
<a href="#">7 Year Balloon Conforming</a>	7.500%	0.500%	<b>7.635%</b>

Pay to: [ ]  
Pay to Account No.: [ ]

# First internet banks in the 90s

Netscape - [Demo Download]

Download Your Account History

- Save time and manage your money easily.
- Now! Download your transaction information into [Microsoft Money 97](#).
- Download transaction information into Quicken, Microsoft Money or a spreadsheet program.

Date range for MASTERCARD 5410-3707-5194-xxxx

From (MM/DD/YY) [05/05/96]

To (MM/DD/YY) [06/24/96]

File format

Microsoft Money - [Demo Download]

Account: Credit Card View: All (by Date)

Charge Credit Transfer

Charge

One Thousand and no/100

Pay To: Test 3 Memo: [ ]

Category: [ ]

- Transfer
- INCOME
- Investment Income
- Other Income

River City Bank Online Banker

Version 97.05 Web Banking

Accounts Register Manager

## Reports

Reports - Click to View	Description
<a href="#">Category List</a>	List of Categories
<a href="#">Category Summary</a>	Transaction Summary for each Category

Your card expires on 12.12.2015, 13:30

Personal Banking Business Banking

Manage My Accounts Manage your personal bank accounts

Borrowing Loans & Mortgages

Savings & Investments Products & Analysis

Insurance Property & Family

Current Account As of 09:36 your cleared balance is €17,201.11 C €271.94 will be debited tomorrow

Recent Transactions 1st January 2012 - 31st January 2012

Date	Type	Description	Paid out	Paid in	Balance (€)
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C
30th January	VIS	PAYPAL *EBAYEUROPE <a href="#">1234567890987</a>	10.20		17,201.11 C

Account Statements

Make A Payment

Direct Debits

Standing Orders

Savings Account

Online Saver

My Credit Card

ISA

956 777 956 E-mail us

DEMO VERSION Tomáš Špofitěni Log out

ce (as of today): ? \$1,057.82

Features Keep the Change@: Enroll Dispute

# AD 2013: any difference?

ACCOUNTS SAVINGS LOAN

OVERVIEW OF ACCOUNTS

CARDS

HISTORY

Transaction history

Account statements

SERVIS 24 transactions

Non-posted transactions

Multiple payment history

Advices

SINGLE PAYMENTS

STANDING PAYMENTS

MOBILE PAYMENTS

PAYMENT TEMPLATE

DIRECT DEBITS

E-INVOICES

TRANSACTIONS FOR CO-AUTHORISATION

Transaction history

Osobní (Osobní konto) 27.1.2013 - 25.2.2013

Processing date

Posting date	Message for payee	Constant symbol	Cancellation
Transaction reference number		Specific symbol	
▶ 27.3.2012	trvalý příkaz úhrada 3	běžek-podnikatel 5244683090800	- 1 000.00 CZK
	Zaplaceno Pojistné	909090099	
▶ 12.3.2012	trvalý příkaz úhrada 2	na účet jiné banky 0-20388121182600	- 687.00 CZK
	Děrek pro meniku	4421488798	
▶ 28.2.2012	za platbu z/do jiné banky	pol: 1 / 200 Kč	- 2.00 CZK
	Add description of the transaction		
▶ 28.2.2012	za položky	pol: 1 / 5.00 Kč inkaso ŠIPOT/Příslušná příkaz ATM	- 5.00 CZK
	Add description of the transaction		
▶ 28.2.2012	za vedení Osobního účtu		- 109.00 CZK
	Add description of the transaction		
▶ 28.2.2012	poštovné	výpisová řada A (V 1/1)	- 9.50 CZK
	Add description of the transaction		

Amount included in Available Balance

BANK OF AMERICA CREDIT CARD Bill Payment	C	-165.00	1,057.82
JPMorgan Chase DES:Ext Trnsfr ID:2933195231 INDN:MICHAL PANOWICZ CO...	C	1,200.00	1,222.82
CITIBANK,N.A. DES:SLPAYMENTS ID:340573066182018 INDN:PANOWICZ,...	C	-423.00	22.82
OVERDRAFT PROTECTION FROM 4888940128857949	C	400.00	445.82
of 10/18/2012 (view statements) »			
Monthly Maintenance Fee	C	-12.00	45.82

# Meanwhile Digital Life Has Become SO MUCH MORE



Intuitive

Apple



Mobile

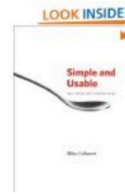
Android



Interactive

Mint

Recommendations for You in Books



Simple and Usable Web,  
Mobile, and...  
➤ Giles Colborne



Seductive Interaction Design...  
➤ Stephen P. Anderson  
Paperback

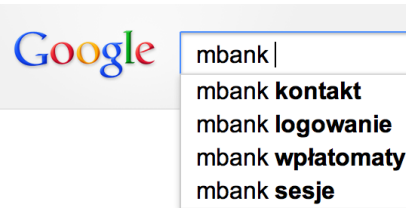
Contextual

Amazon



Beautiful

Spotify



Intelligent

Google



**WHY #2**

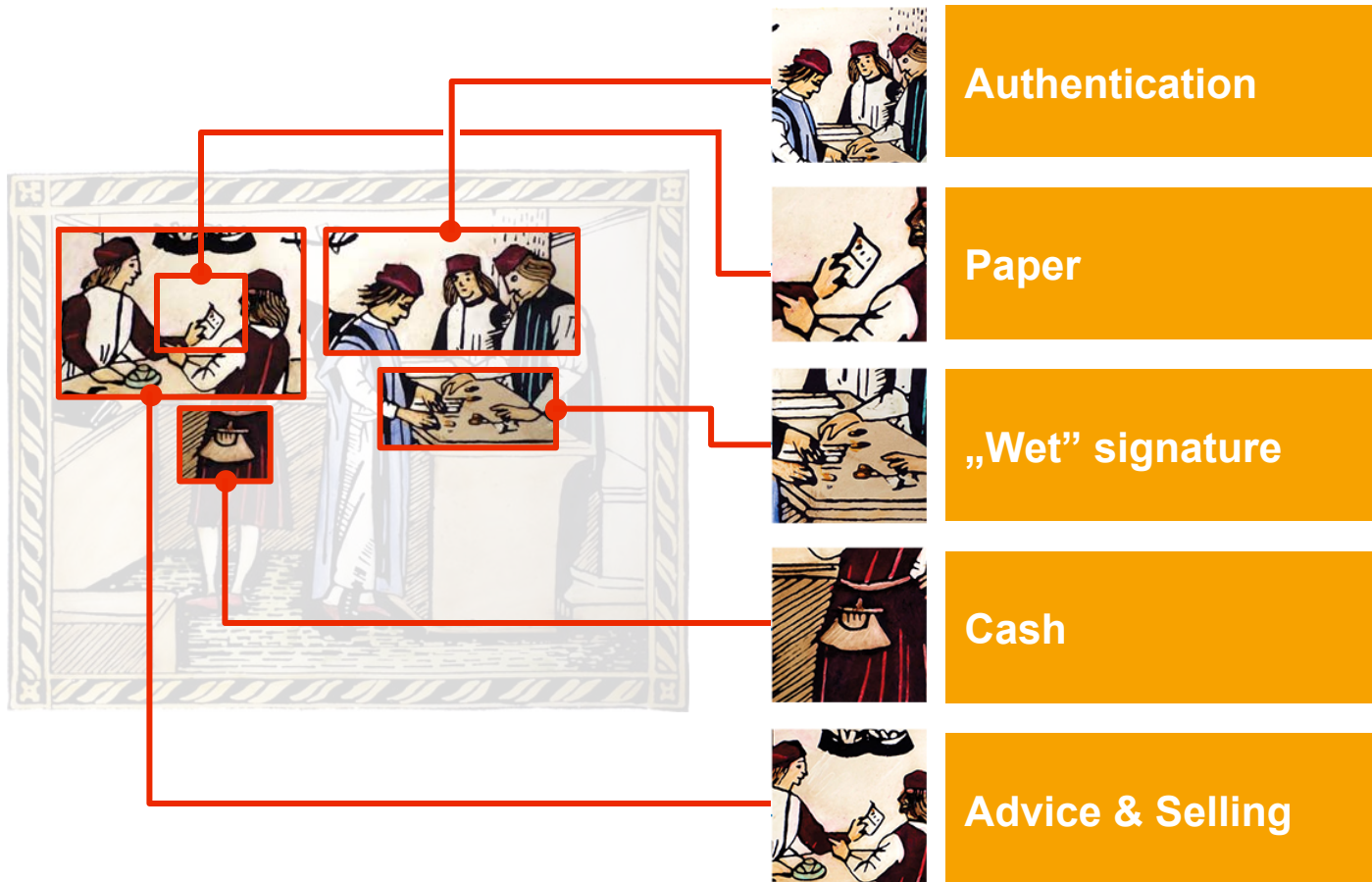






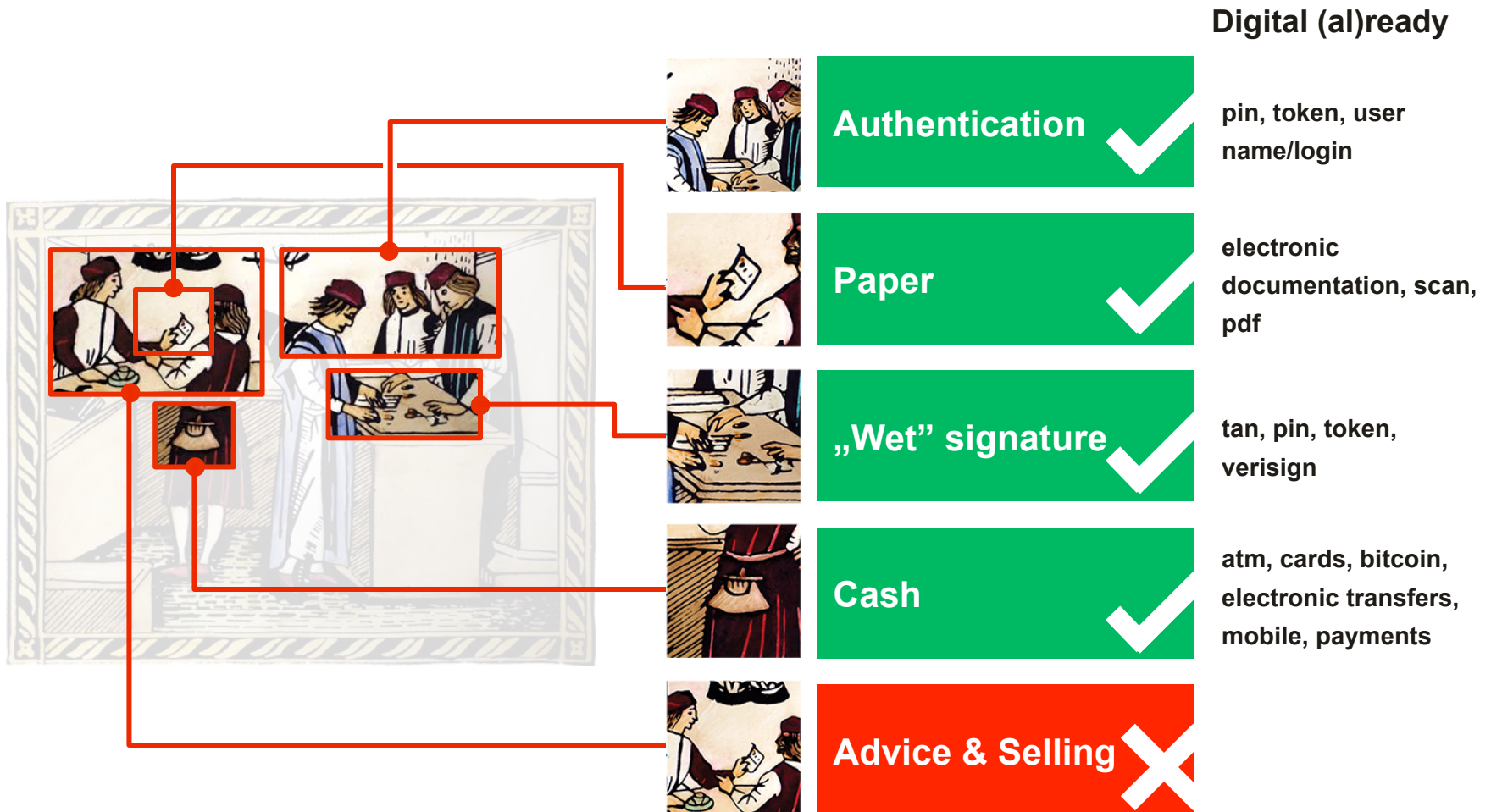
The very  
essence of  
banking is  
rooted in  
**PHYSICAL**  
distribution...

# Bank = Banco = „Bench” = ...Branch





# All digitizable, except... **advice & selling**



**Advice & Selling:**

**the last  
NOT DIGITIZED  
aspect of banking**





## Advice & Selling: costs banks a fortune



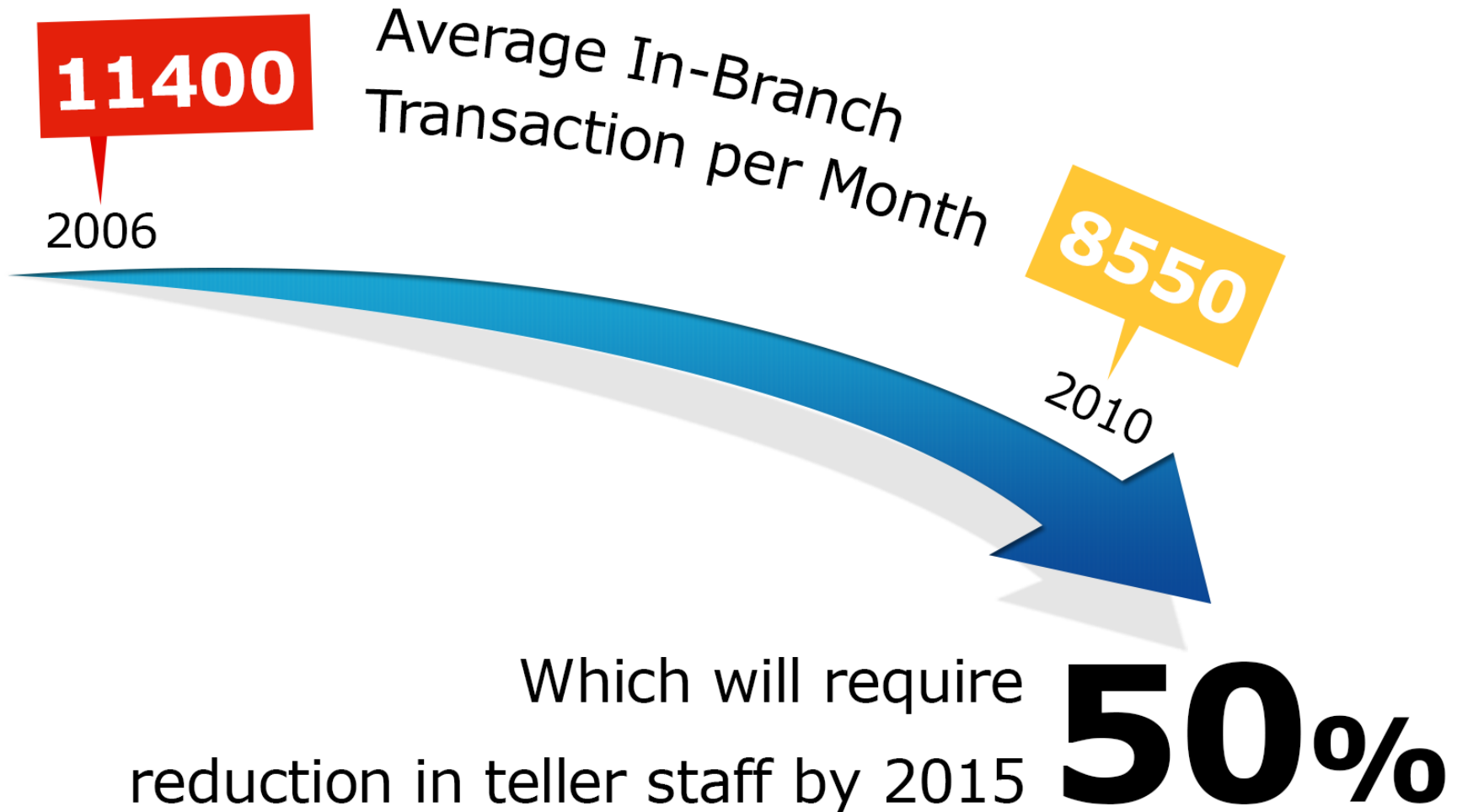
# \$500B

annually

by 30 biggest banks alone  
branches: 177'000 in EU, 93'000 in US

Source: Accenture, ECB, WSJ

# Yet BIG challenge: decreasing traffic and transactions



Source: Novantas LLC, FDIC. Brett King

# 3000 branches closed in US 2009-2012



Source: Capgemini





**Branches:**

**an issue for  
mBank too**



**Because  
we  
don't have  
THEM**



# Old & tired „transactional” online banking poor replacement for branches

- ▶ Wyloguj się
- ▶ Wiadomości
- ▶ Oferta dla Ciebie
- ▶ Wnioski
- ▶ **Rachunki**
- ▶ Karty
- ▶ Kredyty
- ▶ Inwestycje
- ▶ Lokaty
- ▶ Ubezpieczenia
- ▶ Emerytura
- ▶ Telefonia
- ▶ Operacje do potwierdzenia
- ▶ Ustawienia i konfiguracja
- ▶ Kontakt z mLinia

JAN WIRTUALNY

## ▼ Wiadomości

Data otrzymania	Temat
-----------------	-------

07-08-2010	<a href="#">Odrzucony przelew</a>
------------	-----------------------------------

06-08-2010	<a href="#">Odrzucone zlecenie nabycia FI</a>
------------	---

[Wszystkie wiadomości](#)

## ▼ Dostępne rachunki

### Numer rachunku

[mBIZNES Konto 03 1140 2004 0000 3902 0147 1111](#)

▶ [Przelew jednorazowy](#) ▶ [Historia operacji](#) ▶ [Odbiorcy zdefiniowani](#) ▶ [Przelew do ZUS](#) ▶ [Przelew podatku](#)

[mBIZNES MAX 03 1140 2004 0000 3902 0147 2222](#)

▶ [Przelew jednorazowy](#) ▶ [Historia operacji](#) ▶ [Odbiorcy zdefiniowani](#) ▶ [Przelew do ZUS](#) ▶ [Przelew podatku](#)

[mBIZNES MAX walutowy 03 1140 2004 0000 3902 0147 2121](#)

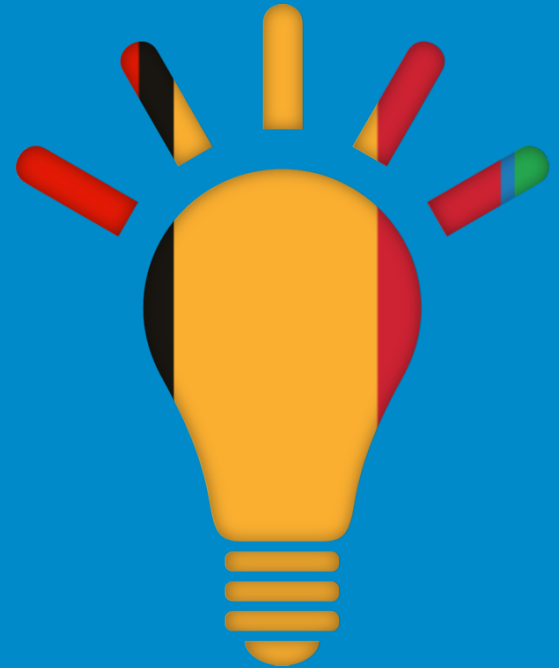
▶ [Przelew jednorazowy](#) ▶ [Historia operacji](#) ▶ [Odbiorcy zdefiniowani](#) ▶ [Przelew do ZUS](#) ▶ [Przelew podatku](#)

The original idea was to replace branch transactions, decrease costs, offer basic products.  
Not to engage, build relationship or offer complex products.



We're challenging  
the branch issue:

**We digitized  
Advice  
& Selling**





# Advice & Selling

## Algorithmic

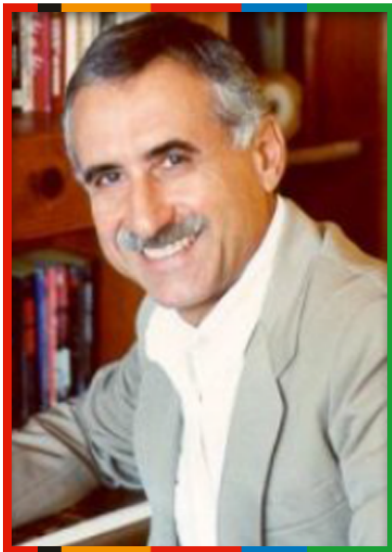
- Low liquidity: selling loans
- Advice on life events: travel insurance
- High liquidity: selling deposits

## Remote advisors – online branch

- High liquidity: complex investment advice



# Humans communicate MORE with EYES than words



Albert Mehrabian

"words"  
CONTENT



"tone of voice"  
HEARING



"body language"  
SEEING







# Core banking

- Account management
- Transaction history
- Transfers and payments
- Deposits
- Loans(1)
- Product store
- Notifications
- Settings & preferences





## „Cool stuff”

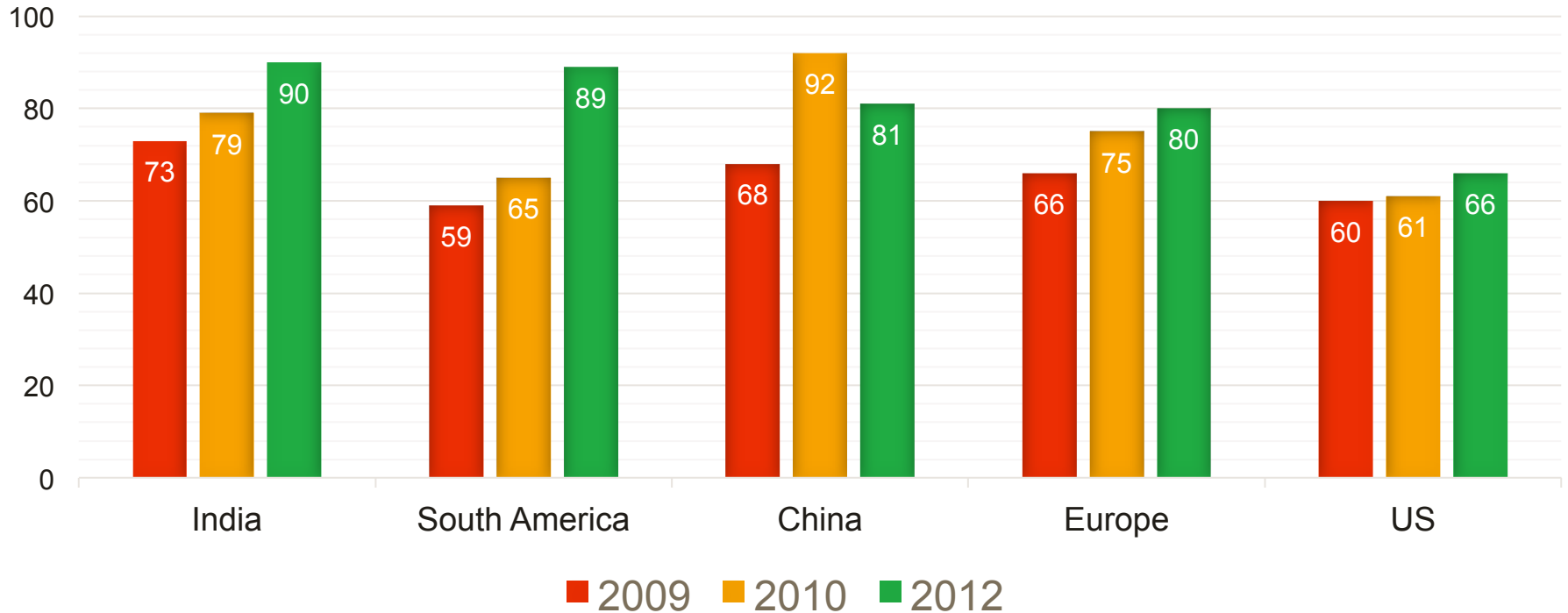
- Merchant funded offers
- Facebook integration
- P2P payments
- Gamification





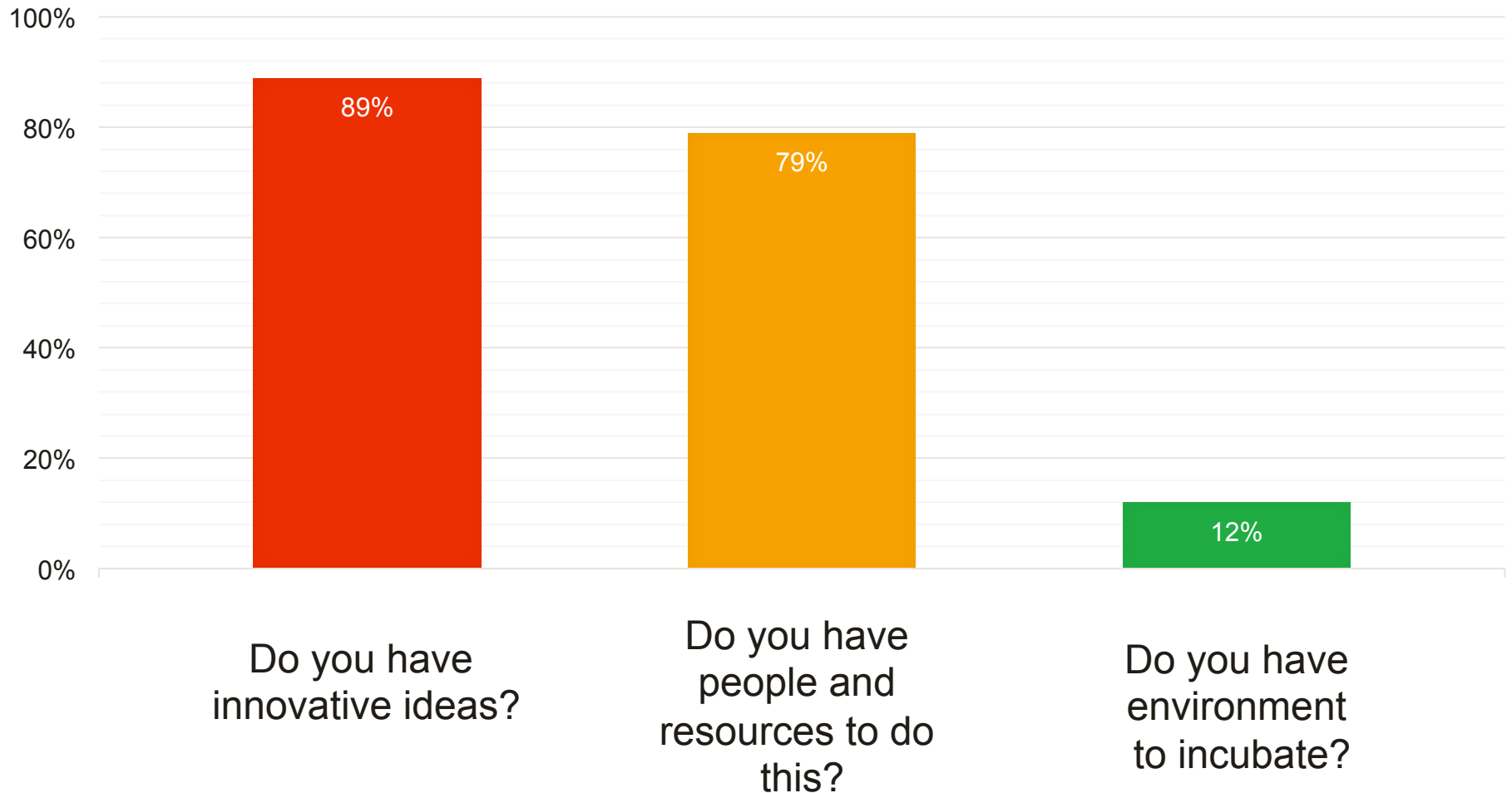
# The priority level of innovation

Where do innovation and product development rank among your company's top strategic priorities?\*



Source: 2012 BCG Global Innovators Survey

# Key barriers to innovate



Source: 2012 BCG Global Innovators Survey

**„New” mBank:  
Delivered.**

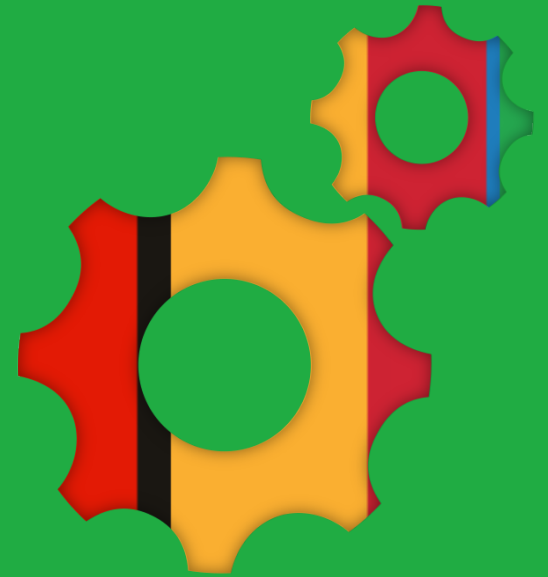




Because

**WE**

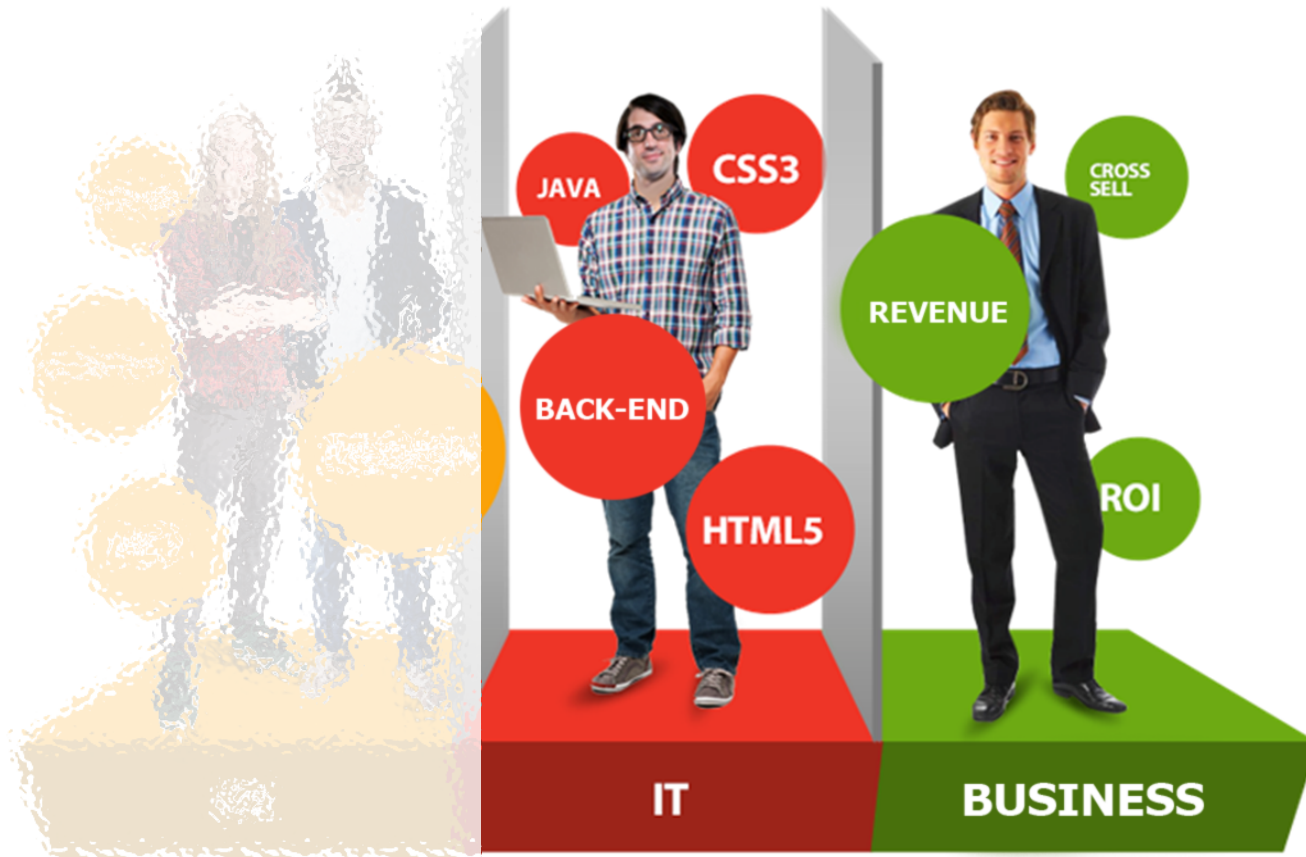
changed



# We were just like most other banks: PRETTY SILOED



# We were just like most other banks: PRETTY SILOED





# Rooted in habits (and joys) of past.... present

- ▶ Wyloguj się
- ▶ Wiadomości
- ▶ Oferta dla Ciebie
- ▶ Wnioski
- ▶ **Rachunki**
- ▶ Karty
- ▶ Kredyty
- ▶ Inwestycje
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- ▶ Emerytura
- ▶ Telefonia
- ▶ Operacje do potwierdzenia
- ▶ Ustawienia i konfiguracja
- ▶ Kontakt z mLinia

JAN WIRTUALNY

## ▼ Wiadomości

Data otrzymania    Temat

07-08-2010 [Odrzucony przelew](#)

06-08-2010 [Odrzucone zlecenie nabycia FI](#)

## ▼ Dostępne rachunki

Numer rachunku

**mBIZNES Konto 03 1140 2**

▶ [Przelew jednorazowy](#)    ▶ [Hist](#)

**mBIZNES MAX 03 1140 20**

▶ [Przelew jednorazowy](#)    ▶ [Hist](#)

## ▼ Oferta dla Ciebie

Zapraszamy do skorzystania z produktów tylko dla najlepszych Klientów - szybko i bez wychodzenia z domu

- **mLOKATA** nawet 6,25% w skali roku - oferta ważna do 2012-10-31 - [Kliknij i ulokuj środki wpłacone po 4.10 br...](#)
- **Oszczędzaj z mLOKATA** - oferta ważna do 2012-10-31 - [Kliknij i ulokuj środki...](#)
- **Z programem mSaver oszczędzasz wydając** - oferta ważna do 2012-11-06 - [Przejdź do wniosku symulacyjnego i sprawdź jak to działa...](#)

Więcej w zakładce "Oferta dla Ciebie"

## ▼ Wiadomości

Data otrzymania    Temat

23-10-2012 [Przerwa w dostępie do mBanku](#)

22-10-2012 [Zyskał do 4,5% w skali roku. Ulokuj swoje środki - bez ograniczeń](#)

15-10-2012 [Zmiana Regulaminów mBanku](#)

[Nowych wiadomości: 4](#)

## ▼ Dostępne rachunki

Numer rachunku	Saldo	Dostępne środki
eKONTO 61 1140 2004 0000 3002 3677 3549	1,00 PLN	1,00 PLN
▶ <a href="#">Przelew jednorazowy</a> ▶ <a href="#">Przelew własny</a> ▶ <a href="#">Historia operacji</a> ▶ <a href="#">Odbiorcy zdefiniowani</a>		
eMAX plus - rachunki 09 1140 2004 0000 3502 5437 2853	0,00 PLN	0,00 PLN
▶ <a href="#">Przelew własny</a> ▶ <a href="#">Historia operacji</a> ▶ <a href="#">Odbiorcy zdefiniowani</a>		
eMAX plus - karta kredytowa 61 1140 2004 0000 3902 5921 7938	0,00 PLN	0,00 PLN
▶ <a href="#">Przelew własny</a> ▶ <a href="#">Historia operacji</a> ▶ <a href="#">Odbiorcy zdefiniowani</a>		
Suma	1,00 PLN	1,00 PLN



mBank

Change is

*(MOSTLY)*

in the mind



# We needed to change to deliver a BIG job

Team of 200

30M Euro budget

Just 14 months

1.6 million lines of code

50k test conditions

200 innovative features

1700 screens

4 million customers

3 countries

All products & services

Corporation not startup



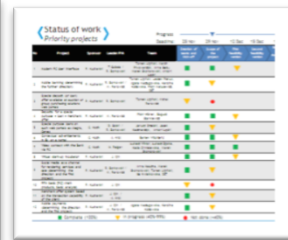
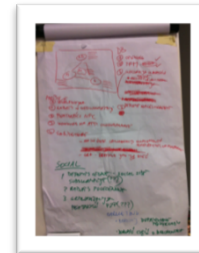
Break silos:



:Dedicated location



Freedom & Accountability:



:Non-standard motivation



Core value:  
Collaboration





# Break silos: creativity flourishes on diversity, commitment on inclusion

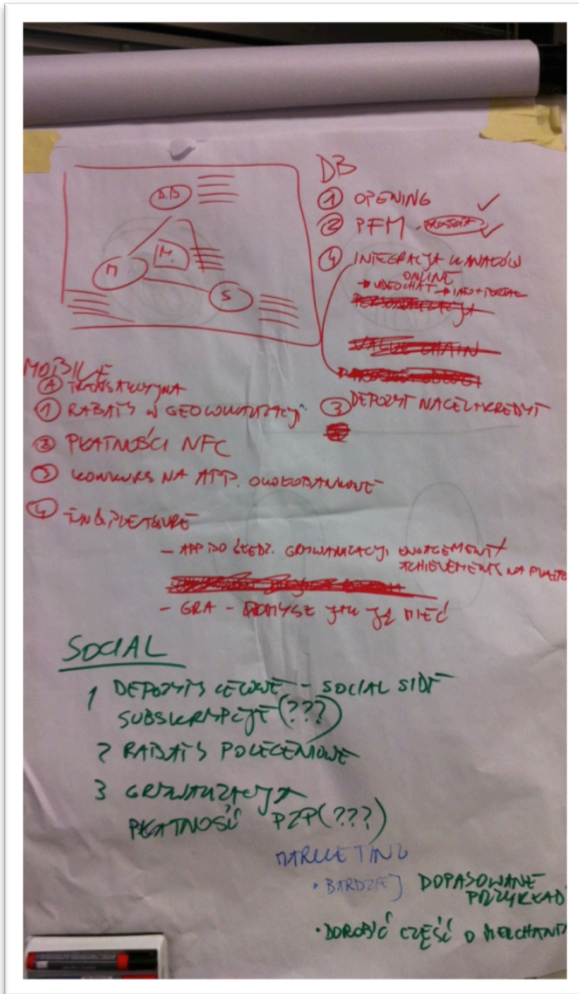


# Dedicated location: fresh start for teams and unequivocal focus





# Freedom & accountability = Ideas.... Organized in coherent direction



## ◀ Status of work ▶ Priority projects

					Progress			
					25 Nov	29 Nov	12 Dec	15 Dec
					Creation of teams and kick-off	Scope of the project	First feasibility version	2nd feasibility version
No	Project	Sponsor	Leader/PM	Team				
1	Modern PC User Interface	P. Kucharski	T. Gubala / R. Borkowski	Tomak Ligłok, Marcin Prowanzyk, Anna Gaby, Marek Szumowski, Annet Leđki	■	■	▼	
2	Mobile banking (determining the further direction)	P. Kucharski	R. Borkowski / M. Panowicz	Tomak Ligłok, Leszek Pakut, Agata Maczugowska, Karolina Kodowska, Floor Masuowicz, DT	■	▼		
2	Special deposits (or loan) offer available at auction or group purchasing solutions web portal	P. Kucharski	R. Borkowski	Tomak Ligłok, Michal Panowicz	▼	●		
4	Deposits for a special purpose + loan + merchant offer	P. Kucharski	M. Panowicz	Floor Hlban, Bogusz Bankiewicz	■	■	▼	
5	Special purpose loans on such web portals as Allegro, Ceneo	C. Kocik	D. Solski / R. Borkowski	Janusz Orszkik, Jacek Kucharski, Annet Leđki	■	▼		
4	Contextual advertisements in IB on a portal	C. Kocik	A. Krol	Barcel Witorski	■	■	▼	
7	Video contact with the Bank via PC	C. Kocik	H. Palgan	Lukasz Wilkoc, Lukasz Opoka, Kasia Ochmalowska, Marek Szumowski	■	■	■	
4	Virtual start-up incubator	P. Kucharski	J. IjŃ		■	■	▼	
9	Social media as a channel for rendering services and sale (determining the direction and the first projects)	P. Kucharski	R. Borkowski / M. Panowicz	Anna Kaluzna, Marek Szumowski, Tomak Ligłok, Izabela Kwiakowska, DT	■	▼		
10	FFix basic [PC] (main products, basic analysis)	P. Kucharski	J. IjŃ		▼	●		
11	Merchant offer system based on the transaction capability of the client	P. Kucharski	J. IjŃ / A. Krol		■	▼		
12	Mobile payments (determining the direction and the first projects)	P. Kucharski	J. IjŃ / M. Panowicz	Agata Maczugowska, Karolina Kodowska	■	▼		

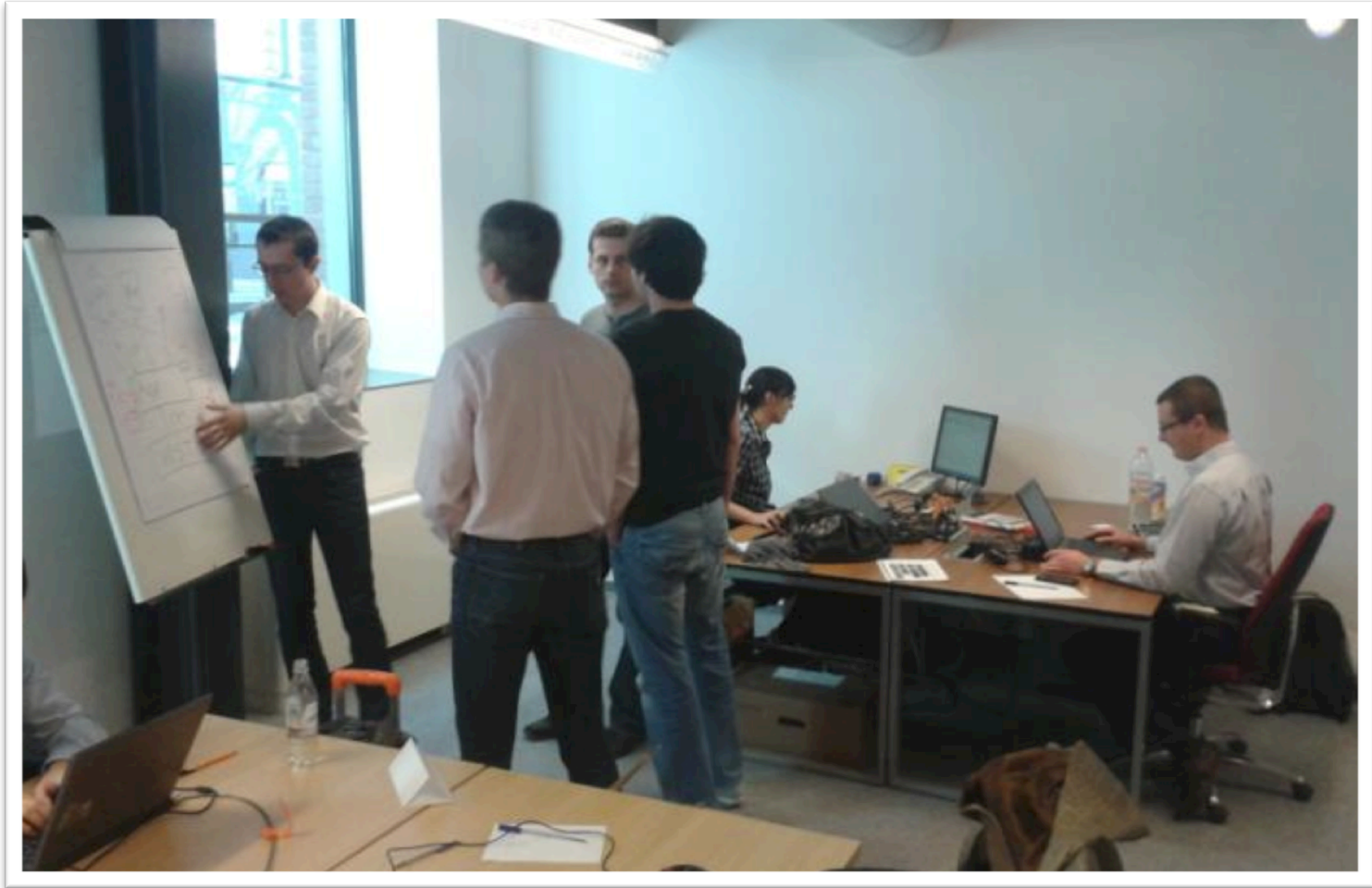
■ Complete (100%)    ▼ In progress (40%-99%)    ● Not done (<40%)



# Non standard motivation: e.g. grass-roots „Say Thanks”



# Collaboration: x-functional teams with balanced decision-making



# End result: new degree of collaboration







**Thank you!!!**