



## Use of online banking growing faster in CEE than in Austria

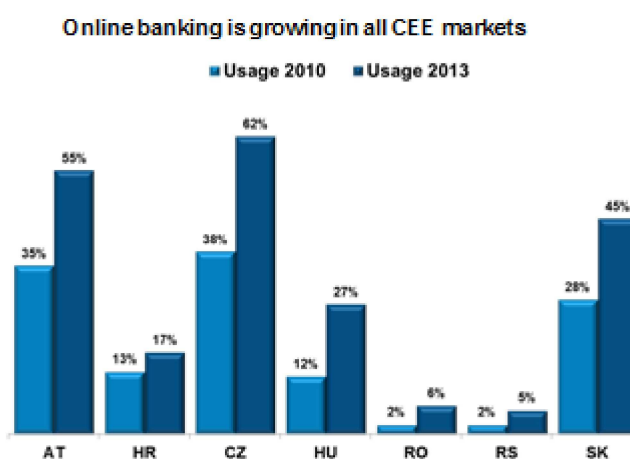
**Soaring popularity for online banking in Central and Eastern Europe (CEE) and in Austria: every second Austrian and Czech, and nearly every other Slovak uses online banking services**

**No end in sight for the local branch: more than two thirds of all banking customers in CEE visit their bank branches**

**Different channels for different needs: clients expect banks to offer the right mix of branch and digital services**

Changes in consumer behaviour and the technology drive are reshaping the classical banking business. Around 70% of the banked population in CEE and Austria is online. Almost two thirds of Austrians, nearly every other Croat and one third of Slovaks, Hungarians and Serbs have a smart phone. And an increasing number of people are also using the computer in their pockets to communicate with their bank. The growing trend of online banking usage is the strongest in the Czech Republic – 62% of Czechs use online banking, almost double the number compared to just four years ago (38% in 2010). “The banking business today is no longer something one goes to, but rather something one does,” explained Dieter Stock, Head of Erste Group Customer Experience. “Although the share of online banking users in Romania is relatively low at 6% and in Serbia at only 5%, four years ago the share was only 2% in both countries. We expect rapid and stable growth for the use of digital channels in all our markets,” said Stock.

Today almost one fifth of all Romanians and even more than one third of Serbs rely on a mix of digital channels, online banking or mobile applications and a visit to a branch. The highest share is accounted for by bank customers that use both digital banking as well as the branches: in Austria 45%, followed by Slovakia 44% and Czech Republic 43%. In the centerfield of “mixed use” is Hungary with 33% and Croatia with 28%. These are the findings of a recent study[1] on channel usage across CEE conducted by Erste Group. “In spite of a large gap between some of the CEE countries in terms of digital channel usage the study shows that digital banking is set to grow in all the countries”, added Stock.



Source: GfK FMDS, Basis: bank customers

**For personalized advice, a visit to the bank branch; for quick information, the mobile phone**

To take out a loan or receive advice on product details, most people in CEE and Austria still prefer to visit a branch office. Digital channels are most relevant when it comes to easy and speedy services such as checking one's account and making cashless transfers. “Focusing on mobile applications alone will not be enough to acquire new customers and ensure their long-term loyalty,” said Dieter Stock. In the past 12 months, every second Austrian, four

out of ten Slovaks and Serbs and around one third of all Czechs and Croats visited a bank branch to get advice from their account managers. Many use the bank branch as a self-service zone. More than three quarters of all Austrians, Hungarians, Serbs and Croats have done their banking business in the past year also at the self-service zones of their bank's branch office. "People who go to their account managers today expect to receive excellent advice and feel well taken care of. To keep up with the digital trend changes, banks will have to develop the right mix of branch banking and instantly available digital services," added Stock.

One of the products of Erste Bank Oesterreich that picked up this trend is the QuickCheckApp, a simple application that retrieves your account status with just one click. This app was developed based on an analysis of customer behaviour. Nine out of ten customers that log onto online banking want to conveniently retrieve their account information. Within just a short time, the app was downloaded more than 220,000 times.



[Channel Usage in Erste Group Region 2014 \[pdf; 1.1 MB\]](#)

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