



Payments Executive Brief:

Where Does Your Community Bank Fall on the Digital Payments Spectrum?

Use the ICBA Bancard Digital Payments Strategy GuideSM to Address Your Payments Business Needs

We are in a time of unprecedented change in payments. From exponential growth of person-to-person (P2P) transactions to the faster payments movement and the launch of the first new payments system in more than forty years, never has a digital payments strategy been so critical to a community bank's business objectives and performance.

That is why ICBA Bancard partnered with Aite Group to create a tool to help community banks develop or evolve their digital payments strategies. This community bank-focused tool offers an interactive exercise consisting of a series of questions developed from extensive market research and community bank executive interviews. These questions tap into specifics around a bank's current consumer products, consumer market base, and existing digital payments offerings. The results reveal the bank's current digital payments maturity and offer insights to build from its existing foundation, enabling community banks to create a custom digital payments strategy.

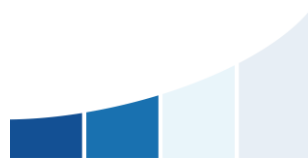
What's Your Community Bank's Level of Digital Payments Maturity?

ICBA Bancard's online tool provides a series of questions that help you to determine your community bank's place among peers. Complete the short questionnaire at strategy.icbabancard.com to determine where your community bank lands.



Level 1: Developing

Your bank's overall digital payments strategy is still in the early discussion phase or a plan is in place, but no action has been initiated.



Level 2: Emerging

Your community bank has some fundamentals with launching one or two digital payments products and both customers and employees are adapting. A few new benefits are identified and plans are in development for the next opportunity.



Level 3: Strategic

Your community bank has a stable foundation with launching two or three digital payments products and both customers and employees are adapting. The cost benefits are beginning to manifest themselves; however, the applications are siloed, and the user data is not integrated.



Level 4: Market Leading

Your community bank has a solid foundation with launching multiple digital payments products and both customers and employees are acclimated. The cost benefits and incremental revenue are tangible. Most digital applications are aligned in one setting and most data is centralized.

How Do You Grow Your Community Bank's Digital Payments Maturity?

Now that you have clearly identified where your institution falls in relation to your peers, what do you do about it?

ICBA Bancard's interactive tool helps you to evaluate internal infrastructure, core processing capabilities, and partnerships, and it explores the impact of product inventory, customer and market opportunity, and channel utilization. The results of this analysis offer a guide for next steps in your digital payments program. For example, your analysis may yield actionable insights like those that follow:

Level 1: Developing

Introduce a digital offering and explore the potential of a full plan.

Level 2: Emerging

Continue with plans to develop the next digital offering.

Level 3: Strategic

Ensure that data from both the digital and legacy products are integrated into a centralized system.

If existing digital offerings are provided by a partner or third-party provider, validate that raw data feeds are available, or some type of ad-hoc reporting is available.

Level 4: Market Leading

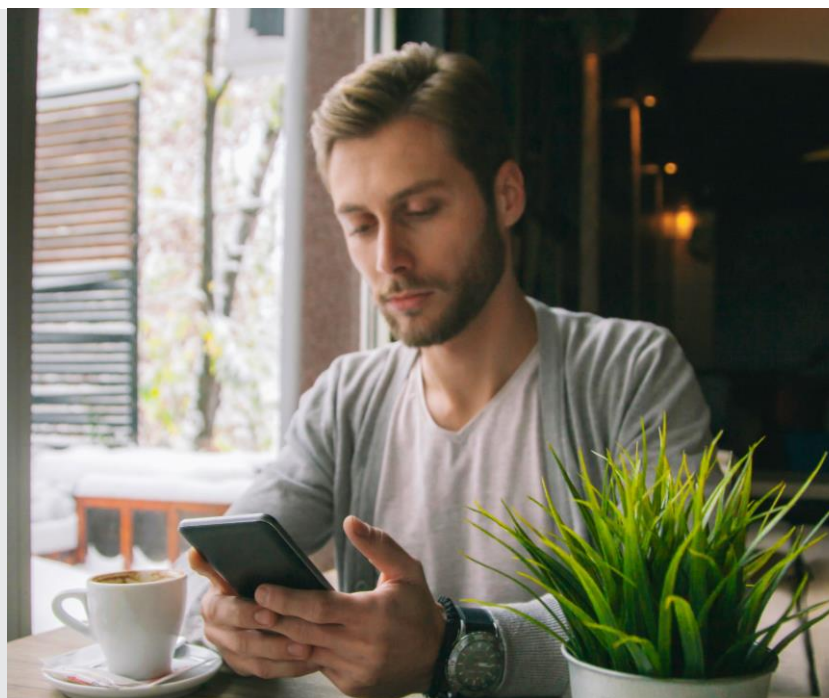
Establish report capabilities for the supporting departments (marketing, finance, etc.) and begin leveraging the data to establish opportunities.

Reaching the Next Level: Your Digital Payments Strategy

Making the transformation to or enhancing a digital strategy can seem overwhelming, but the step-by-step approach offered by the Digital Payments Strategy Guide provides guidance on not only where to start, but also how.

Through this custom tool, you can define the future of your community bank's payments business by addressing the mandatory topics in digital payments.

Visit strategy.icbabancard.com to get started with the tool and download the complete payments strategy white paper.



For more information, visit www.icba.org.