

FINANCIAL SERVICES ADVISOR™

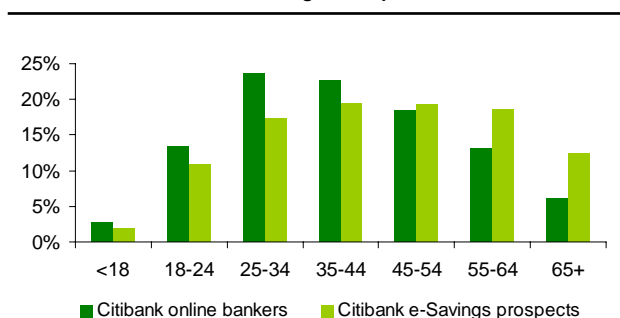
Monthly insights from Compete for financial services executives

CITIBANK E-SAVINGS ACCRUES INTEREST FROM BABY BOOMERS

Citibank continues to heavily promote its e-Savings high-yield account and is keeping its interest rate competitive – currently at 5% APY. These moves have led to significant consumer interest in the product. Landing page traffic for the e-Savings account **was up 250% in June to just over 1.1 million unique visitors**. Compete analyzed the demographic make-up of Citibank's e-Savings prospects to find out which consumers are being attracted by these high yields and online convenience.

The e-Savings account is attracting an older consumer. Compete found that approximately **50% of e-Savings prospects are forty-five years old and above**. Only 38% of Citibank's existing online bankers fall into that age segment. Older consumers are apparently looking for a safer way to get their money working for them at a leading, well-known banking institution.

Age Distribution of Citibank Online Bankers vs. e-Savings Prospects

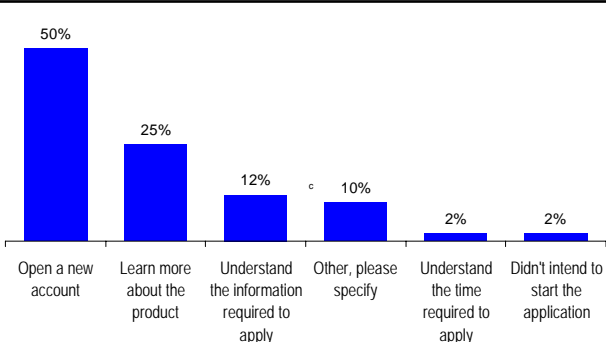


While income distribution profiles tended to be similar, Compete expects that the older e-Savings prospects will bring more assets and more complex financial needs to Citibank. If they do, the e-Savings account is on its way to achieving Citibank's objective of becoming a **valuable relationship opportunity**. For other banks considering entering into the high-yield savings battle, this is a line of inquiry that should be explored. These banks can use insights on how high-value segments of online consumers are reacting to competitive products, campaigns and offers to hone their marketing strategies.

WHY DO CONSUMERS ABANDON ONLINE APPLICATIONS?

In August, Compete will release a new *Spark!* on **online application abandonment**. In this issue, consumers will reveal why they don't complete online applications for home equity, credit cards and insurance policies, and why they choose to switch to a different application channel, such as the phone or branch.

What best describes the reason you started the online application?



Compete surveyed over 1,000 consumers who started online applications. Consumers answered questions about the reasons for applying online and the usefulness of certain customer service tools like chat. Most importantly, consumers also identified key reasons for abandoning an online application and indicated what could have been better about the experience.

Across the three product lines evaluated, **only half of consumers started an online application with the intent of opening a new account**. Others begin applications to learn more (25%) or to find out what information would be needed to apply (12%).

Sign up online at www.compete.com/contactus to automatically receive a copy of the upcoming *Spark!*

The names of actual companies and products mentioned herein may be the trademarks of their respective owners

Compete's financial intelligence and targeting services measure application, enrollment and cross-sell opportunities across deposit, lending, investing and insurance business lines to help marketers hone strategies and deepen customer relationships.

To read the latest financial services research from Compete and sign-up for Financial Services Advisor™, Compete's monthly newsletter for financial services executives, visit

www.compete.com/financialservices

Direct your comments to Mike Bailey at:

financialservices@compete.com

