



Master Relationships



CONTENTS

3 Kony DBX Engage

5 Making Bank More personal Again

9 Engage Applications Opportunities

10 Customer Aquisition

11 Depening Relationships

12 Mortgage

13 Live Chat / Call Center Conversions

14 Branch Consolidation

15 Targeted Objectives and KPIs

Kony DBX Engage

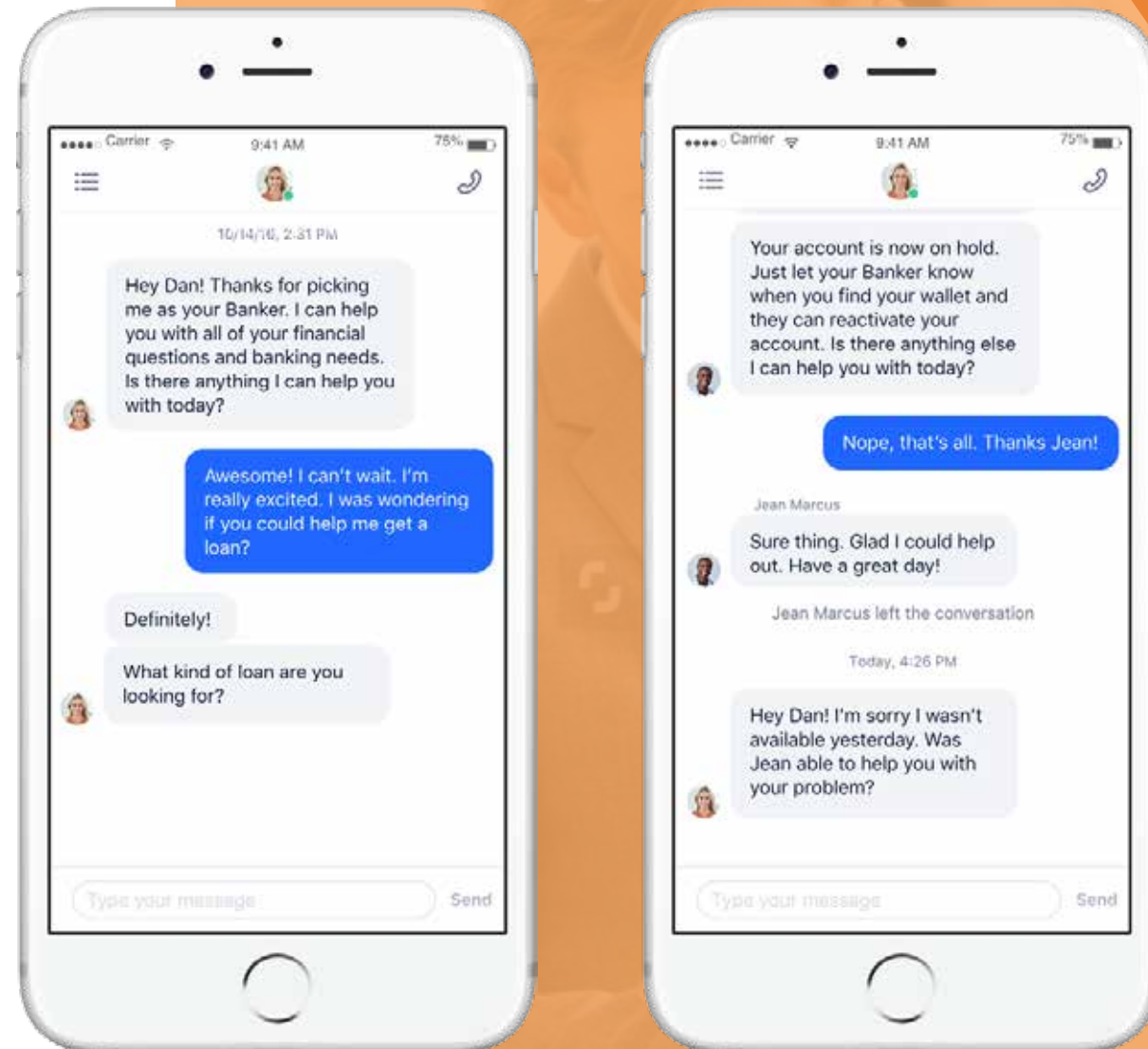
The question being asked in every financial institution's board room currently is, "How and when are we going to adjust to the new realities of banking delivery to meet changing customer behavior and needs?" In order to answer that question, many financial institutions are turning to technology to create an ideal opportunity to transform customer or member delivery and back-office systems that will secure their competitive edge in a fast-changing financial services industry.

A theme increasingly heard in fintech circles is the need to "humanize" digital banking technologies. This can mean a range of different things, depending on who you're talking to. Some might argue, for instance, that making banking technology more human involves sophisticated artificial intelligence that can make digital assistants more personable. No matter who you ask, most examples of such "humanization" strategies typically look to disguise the underlying technology as much as possible.



Kony DBX's Engage platform provides a different perspective, which aligns well with a financial institution's goals. The Engage platform humanizes banking in the digital age, not by layering one technology on another, but by leveraging real, live human beings. The unique "human digital banking" platform "Engage," is a mobile app that essentially puts a banker in everyone's pocket. Combining mobile technology with specially trained associates, the Engage platform allows all customers—regardless of their account balance—to choose their own personal financial expert. The platform could be viewed as an "anti-bot alternative"—Kony DBX's countermeasure to combat fintechs and other competitors who are aggressively pursuing tech-heavy, AI-saturated strategies.

Unlike the usual call-center model where incoming call queues make it unlikely that a customer or member will reconnect with the same service representative again, the Engage model intentionally aims to cultivate a friendly relationship between the two parties. A relationship that aligns perfectly with a financial institution's mission and brand in a digital age and a tangible, customer-facing initiative to kickoff a financial institution's Digital Transformation.



Making Banking More Personal Again



Thomas E. Hogan,
CHAIRMAN & CEO • KONY, INC.

Thomas E. Hogan has been at the forefront of innovation in the enterprise software market for more than three decades. Before joining Kony, Tom served as Executive Vice President of Software at

HP, with responsibility for all software functions, including sales, marketing, engineering, product development, operations, and technical support. Prior to joining HP, Tom served a software company specializing in enterprise content management. He also held key leadership roles at Siebel Software, where he helped quadruple total revenues as Senior Vice President of Global Sales and Operations, and IBM, where he started his career and held a variety of executive posts.

Pivotus' Story

You know that moment in a superhero movie when the team is finally assembled, secret weapon in hand, ready to save the day? We're having one of those. In what's being called a "first of its kind transaction", Kony has acquired Pivotus, the tech innovation subsidiary of Umpqua Bank. With this acquisition, Kony has gained a powerful new tool in our mission to provide our banking clients with the richest, most engaging digital experiences on the planet. By marrying Pivotus' innovative, personalized solutions to Kony's DBX portfolio, we're preparing to usher in a new era in which banks can finally offer their customers the best of both

worlds: a fully customizable digital platform with that all-important human touch.

Pivotus was founded in 2015 as the innovation lab of Umpqua Holdings Corporation, the parent company of Umpqua Bank, one of the Northwest's most customer-focused financial institutions. Pivotus was tasked with creatively bringing Umpqua's customer service into its digital operations; providing customers with the digital experience they demand, with the personal touch that is Umpqua's hallmark.

The result was Engage, a chat-based application that connects customers with (real, live, human) bankers. Engage lets customers peruse a list of available banking associates, along with their interests and areas of expertise, and choose the best personal fit for their banking needs. From there, customers and bankers establish an ongoing relationship, so when a customer has a question about a transaction or wants advice about opening a new account, they're not interacting with a faceless chatbot or nightmarish 800 number: they're talking to Steve (Or Sharon, or whomever).

Kony has acquired Pivotus from Umpqua, but we will continue to collaborate with Umpqua Bank. By adding



Engage to Kony's DBX portfolio, we're better positioned than ever to give banks and credit unions cutting-edge digital experiences without sacrificing their unique identities.

We can all agree that the digital banking revolution has delivered incredible efficiencies for banks and convenience for customers, but it has come at a cost. In recent years, customers have been lured away from their local and regional banks by fintech companies and the big three banks, largely because of the irresistible convenience of their mobile apps and instant transfers. Banks who tried to keep up have often been forced to buy expensive, generic packages that kept them from playing to their strengths.

Kony takes a different approach: putting small and mid-sized financial institutions back in the game by delivering customizable apps on an API (application programming interface) platform without sacrificing what makes these institutions so appealing to consumers: personal attention, financial expertise and local presence. Our customers want to be able to compete with Venmo, they don't want to become Venmo. Rilla Delorier, Umpqua's EVP and chief strategy officer put it nicely when she said that "Customers don't need help that often, but when they do, they want a human". Engage helps to re-center human interaction in the customer's experience.

Kony, Pivotus, and Customers: A Win, Win, Win

Engage will be available for purchase as a standalone service, but we're truly excited about integrating it into Kony DBX for a seamless app experience.

We envision a customer logging into their banking app, noticing a bounced check, and immediately being able to interface with their banker through Kony DBX Engage, who can not only rectify the situation but recommend adding overdraft protection. That is the sort of interaction that engenders loyalty and allows bankers to do what they do best. Customers are assured a one-to-one interaction via their mobile devices, and bankers have customer data at their fingertips, empowering them to identify the best possible solutions.

Kony's acquisition of Pivotus is unique; while it's common for banks to acquire technology from fintech companies, it's rare for a fintech leader to purchase assets from a bank. Yet it's an arrangement that fits with Kony's culture, which has always prioritized learning from our customers to better serve their needs.

Kony DBX Engage represents an exciting customer-focused approach to banking -- a hybrid approach that brings the best of digital technology and the benefits of a real, live banker together to deliver a unique banking experience, and it represents a heartening corrective to the notion that technological solutions must always lead to a loss of human connection. We couldn't be more excited to share this landmark innovation with the world.



➤ Purpose and Strategy

The shift in consumer behavior and preference for digital transactions over branch transactions is clear.

As a result, having innovative and compelling digital experiences is a necessity in today's highly competitive market.

The Engage application enables customers to keep the benefits of the personal experience they value at the branch and merge it with the convenience and simplicity of digital channels. Given the bleeding-edge nature of the solution, focus will be on adoption and usage of the platform and measuring the key performance indicators.

The Engage application brings a human touch to digital banking, with customers having the freedom to choose their personal banker, who will support them throughout their journey on things like onboarding or other banking products and services.

The key features on the Engage application include:

- Personalized service: Customers can chat with the same person each time they use the app, and receive personal advice tailored to their circumstances and goals
- Choice of advisor: Customers can choose the person they think is the best fit for them and their finances. They can easily swap to a different Personal Banker advisor if their needs or circumstances change
- Support however and whenever it suits: Customers can message or chat over the phone with their Engage application advisor and can see if they are online and if they don't want to wait, they can ask for another advisor or send a message and wait until their advisor is back online to respond

the opportunity for more meaningful customer relationships, an additional career pathway by moving from transactional support to provision of advice, and the ability to manage a book of business. Engage will create incremental cross-sell and upsell opportunities for bankers.



----- Increase -----
Employee Satisfaction

The benefits of Engage go beyond providing excellent customer service. Engage agents are more empowered, satisfied and upwardly mobile than before.



A personal touch is not something you add—it's where you start



Build Engaging Customer Relationships

“I’m able to help customers just like a branch associate would, only it’s much more convenient for the customer. I can give each customer the proper attention they deserve, when they need it, and I get to focus on tasks I enjoy doing, such as data tracking and building customer relationships.”

Make a Difference Where it Matters

“A customer with throat cancer who can’t speak recently came to our branch. She has always had to write down her requests for the banker. When we told her about Engage, she started crying and was so happy.”

Manage a “Book of Business”

“I’m able to focus more on individual customers. In the branch, I built customer relationships but didn’t have the time to focus on the full relationship to anticipate needs. With Engage, I can reference conversations as many times as I want to see if I missed something or remember what they said.”

Be a Trusted Advisor

“I have the privilege of being a solution detective whether it’s finding the answer within the bank or finding the customer a solution outside the bank, as long as it is going to benefit the customer and do right by them. Being proactive with our solutions is so important in solidifying the trust that they have in us as their financial friends.”

Flexible Work Environment

“As an Engage agent, I’m not required to hold regular banking hours which is great for our customers who may be thinking about their personal finances outside of those times. Also, working from home allows me to provide complete customer focus rather than trying to quickly move the line forward in the branch.”

Provide Guidance

“I had reached out to a customer to see how he was doing, and the customer shared he was overwhelmed with his debt but was too busy to stop by the branch to talk about his options. I offered to review the debt consolidation strategy through Engage and suggested a consolidation loan to help with the debt.”

Meaningful Advice

“I am much more effective servicing my customers. I have never liked having customers waiting in line. If I could have completed several transactions at once I would have, but that just isn’t possible in the branch. Through Engage, each customer can be serviced as if they are my only priority. The ‘line’ disappears, and they can really feel me working for them always.”

Open the Door to New Opportunities

“As a teller, I found I was spending most of my time at the counter and had very little time to practice my selling skills. Through Engage, I have been able to refresh my sales training knowledge and recently attended our home loan lending academy. I’ve written a few complex personal loans and am in the process of assisting a customer in purchasing their dream home! As a teller, I never would have advanced my skill set this quickly.”



Engage Application Opportunities

The Engage application can be implemented for many use cases to further digitally enable the customer experience and deepen the relationship with the financial institution.

The Engage application has many potential benefits including lead generation, customer education, simple and complex sales, and supporting customers with major life events.



Customer Aquisition



Mortgage



Branch Consolidation



Deepening Relationships



Live Chat /
Call Center Conversion

Customer Aquisition



PAIN POINTS

- Decision paralysis
- Inconvinient - branch process takes time, digital lacks human element
- Customers feel limited opened digitally

OPPORTUNITIES

- Allow customers to start and finish process where and when most convinient
- Ensure support at each step of the process
- Having a named banker builds trust

BENEFITS

- Increase conversion
- Reduce dormant rate
- Increase customer satisfaction
- Convert to primary banking relationship

Deepening Relationships



PAIN POINTS

- Talking about finances is a chore and often put off as long as possible
- Complexity of life; banks often only helped with a fraction of financial needs
- Talking to different people and having to repeat information

OPPORTUNITIES

- Proactively reach out and guide customers to achieve their financial goals, e.G. Financial planning, support through a life event, debt consolidation
- Build and trust loyalty
- Provide customers with a named banker who deeply understands customers' needs

BENEFITS

- Increased customer satisfaction & advocacy
- Increased retention
- Increased product holdings per customer
- Higher product usage
- Increase staff satisfaction



PAIN POINTS

- Complexity of process; customers often feel lost, confused and stressed
- High Level of interaction and back and forth; need to act quickly
- Long wait times for face to face appointments for popular appointment slots

OPPORTUNITIES

- Offer peace of mind and educate customers about each step in the journey
- Opportunity to efficiently pair up and split advice and mortgage processing
- Provide customers with a named mortgage consultant who knows the customers situation

BENEFITS

- Increase conversion / completion rate
- Reduce overall process length
- Reduce stress and increase customer satisfaction / advocacy
- Cross sell for other products / seamless introduction to other bankers
- Build relationship more quickly

Live Chat / Call Center Conversion



PAIN POINTS

- Current human engagement channels don't drive one on one relationships and accountability
- Response times are often subpar
- Front line staff are measured by efficiency (i.e. number of simultaneous chats, call handling time) which doesn't promote the best customer service

OPPORTUNITIES

- Convert repeat live chat/secure message/call center users to a channel more conducive to building a relationship
- Increase customer satisfaction for routine requests and turn these into sales/value-added service conversations

BENEFITS

- Increase customer satisfaction
- Channel rationalization
- Ability to drive two-way communication and proactively reach out to customers

Branch Consolidation



PAIN POINTS

- Leaving a local area often results in loss of deposits
- Could lead to local uproar if last local branch is being closed
- Customers are often concerned about the human impact of branch consolidation

OPPORTUNITIES

- Introduce Engage pre-branch closure and slowly migrate physical relationships to digital ones
- Answer customer question and concerns throughout the migration
- Offer face to face contact opportunities in “third spaces” like libraries, community centers, etc post-branch closure

BENEFITS

- Retain deposits
- Retain customer satisfaction throughout a difficult period
- Retain a presence in the local community (without physical space)
- Retain top talent in local communities

Targeted Objectives and KPIs

The primary objective for the Engage deployment will focus on adoption and usage. During the pilot year period, a financial institution will be able to create control groups and measure the KPIs outlined below. Committing to the measurement of these KPIs will establish baselines to evaluate the long-term feasibility of the platform as part of the operating model.

A complete list of objectives and KPIs that will be measured is provided here:

Objective	KPI
Customer Retention	<ul style="list-style-type: none">• % of total deposits• # of customers• Reduction in churn rate
Wallet Share	<ul style="list-style-type: none">• Products per customer• % customer \geq "X" products
Customer Satisfaction	<ul style="list-style-type: none">• Total NPS, Medallia or Gallup• Engage vs Non-Engage
Opportunity - Main Bank Relationships	<ul style="list-style-type: none">• Total revenue in channel• Sales per banker
Opportunity - Reduced Operating Costs	<ul style="list-style-type: none">• Non-main bank customers to main bank customers following interaction with a personal advisor.
Opportunity - New Customer Attraction	<ul style="list-style-type: none">• Closing Beneficial branches post-acquisition and replacing with digital advisors to serve customers that are tied to branches closing/not closing



We welcome the opportunity to have a conversation.

Visit us at dbx.kony.com or call +1-888-323-9630.