personetics®

BMO

Case Study

Bold Strides in Engagement Banking: **How Personetics and BMO are Enabling Customer Growth That Drives Business Outcomes**

Powered by Personetics:

Surge in business and sales growth

TENS OF THOUSANDS

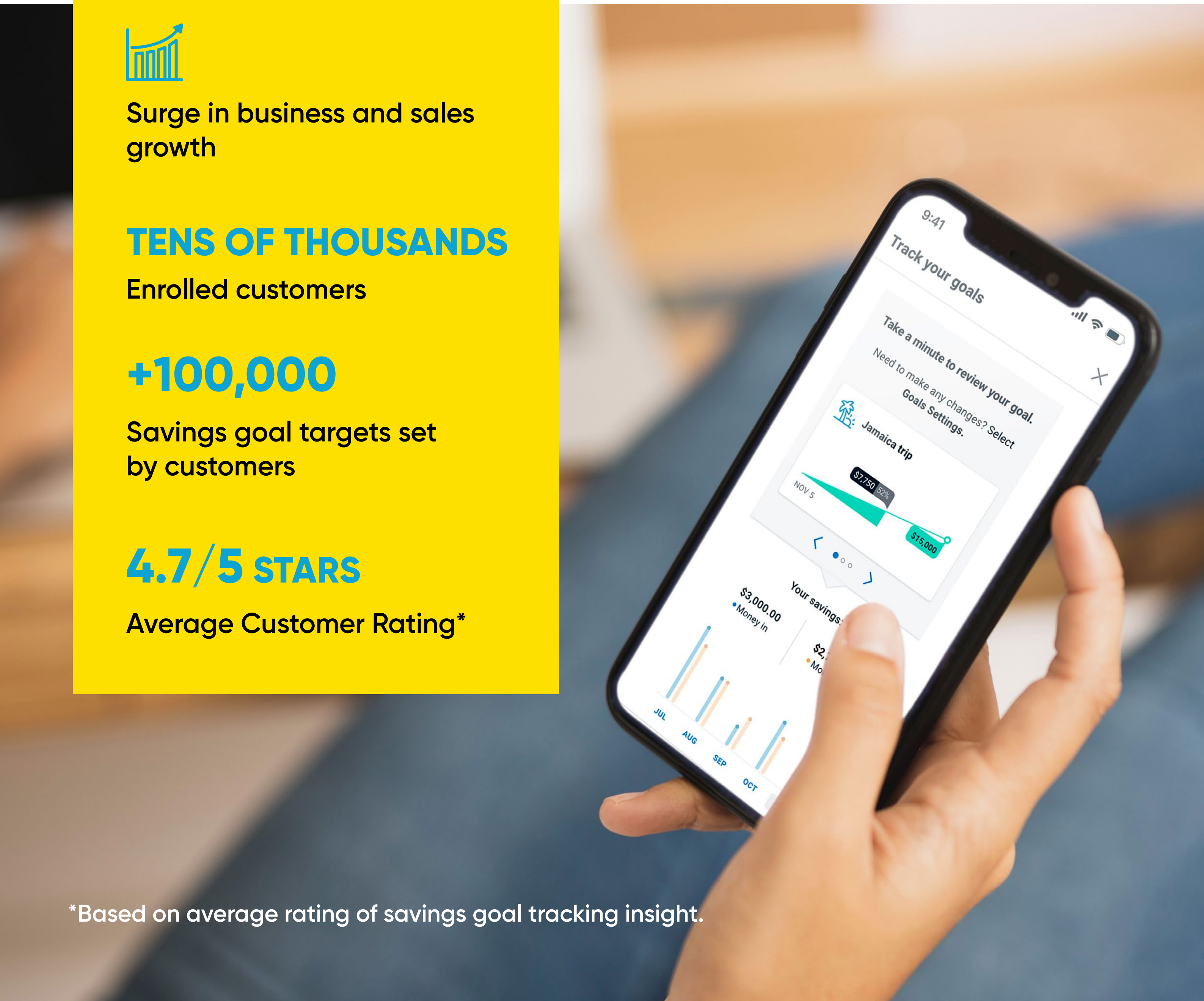
Enrolled customers

+100,000

Savings goal targets set by customers

4.7/5 STARS

Average Customer Rating*



*Based on average rating of savings goal tracking insight.

Executive Summary

Bank of Montreal (BMO) has partnered with Personetics since 2019 to enhance customer engagement through hyper-personalized insights and advice, initially using the Personetics Engage solution. In 2022, BMO expanded this partnership by launching the Savings Amplifier offering with the Personetics Act solution, leading to significant success. The bank was recognized with Celent's 2023 Model Bank Award and The Digital Banker's 2024 CX Award for the Savings Amplifier offering.

BMO by the Numbers

- 8th largest bank in North America by assets
- 13 million customers globally
- CA$1.37 trillion in assets
- 2.5 million digital users

About Bank of Montreal (BMO)

BMO Financial Group, ranked as the eighth largest in North America by assets, with total assets of $1.37 trillion and 13 million customers, is committed to helping its customers achieve real financial progress. BMO strengthens its customers by building financial resilience through insightful personal advice, facilitating homeownership, budgeting, and preparing for retirement. Specifically, the Savings Amplifier offering is helping improve the financial habits of BMO customers which allows them to better manage their personal finances.

The Challenge

Creating a Deeper Customer Relationship That Leads to Real Financial Progress

1. BMO embarked on a mission to develop digital-first solutions characterized by speed, scalability, and streamlined processes, benefiting both the bank and its customers. The goal was to achieve world-class loyalty and drive growth.

2. BMO sought to provide a comprehensive solution that could boost engagement, assist customers in realizing financial milestones, and help them maintain their financial portfolios effectively.

   BMO conducted research, including customer surveys and customer interviews, to listen directly to what customers wanted most and quickly act on those needs. A pivotal requirement was a platform capable of analyzing individual transaction data, providing personalized insights, and offering contextual advice on how to manage their savings goals.

   BMO wanted solutions that would fulfill its vision to address real-life financial challenges faced by its customers.

   The bank was looking for a digitally focused savings account equipped with a competitive interest rate to grow the business.

> *"I'm consistently impressed by how nimble Personetics is. When we wanted to launch a new feature and customize it to meet our customers' needs, Personetics was very good and quick at tailoring its core product to our use cases."*

Daniel Caplan
Director, Digital Money Management & Engagement
BMO

"We realized that offering competitive interest rates wouldn't be enough to win over our customers. To truly stand out, we decided to move beyond just the product and combine the new account with digital savings features that would make saving effortless for our customers. With many digital savings features out there, we conducted a broad survey involving over a thousand Canadians to identify the most compelling features that would appeal to customers and encourage them to choose BMO. Interestingly, savings goals emerged as the top feature, without a monetary incentive."

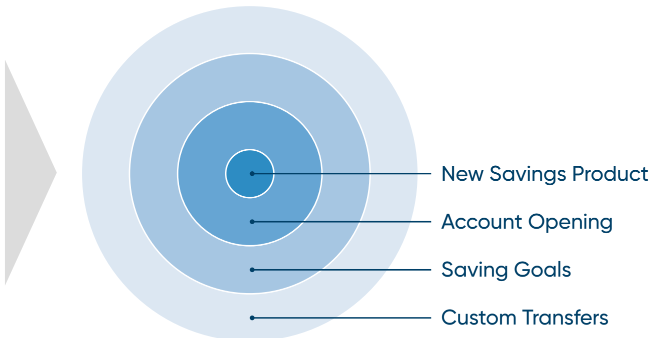
Daniel Caplan
Director, Digital Money Management & Engagement
BMO

Changing Macroeconomic Conditions Created an Opportunity for a New Savings Account Coupled with a Digital Savings Program.

Business Drivers

- Customer need to save
- Rising rate environment
- Deposit growth
- Go beyond product

Solution: Savings Amplifier Program



The Strategy

A Four-Layer Approach to Ambitious Growth in Customers' Financial Wellness Aspirations

BMO adopted a four-layer approach to realize its vision, which aimed to:

1. **Drive Engagement:** Use personalized, proactive, and contextually relevant insights to enhance engagement among BMO customers.

2. **Emphasize Agility and Flexibility:** Develop new insights and digital capabilities in conjunction with in-house solutions.

3. **Boost Sales:** Connect digital capabilities to offer timely, context-driven advice, promoting sales and enriching business offerings.

4. **Increase Business and Sales Growth by Understanding Customer Needs:** BMO surveyed 1,000 Canadians to identify the most appealing digital savings features that would attract customers and encourage them to do business with the bank.

The two prominent features without a financial incentive were:

- The ability to set savings goals.
- The option for automated transfers from their accounts to meet these goals.

BMO wanted its customers to feel that they were partnering with the bank to get better advice, stay on track with their financial goals, and achieve better financial outcomes.

> *"This award-winning solution demonstrates BMO's continued commitment to support evolving customer needs and empower them to make real financial progress. Collaborating with Personetics has helped us turn data into clear, actionable insights that empowers our customers to conveniently manage their finances, and confidently achieve their financial goals."*

Peter Poon
Head & VP, Digital Self-Service, Innovation & Technology
BMO

The Solution

Harnessing Personetics' Financial Data-Driven Personalized Engagement Platform to Increase Financial Growth

BMO's journey toward creating a solution that guides customers in achieving real financial progress spanned five years, during which the strategy and approach continually evolved.

2019

"Understand My Finances": To increase engagement, the bank turned to the Personetics Engage product, which uses AI-powered hyper-personalized insights and advice. Customers received personalized insights to help them understand their financial situation, make smart financial decisions, and increase engagement.

2020

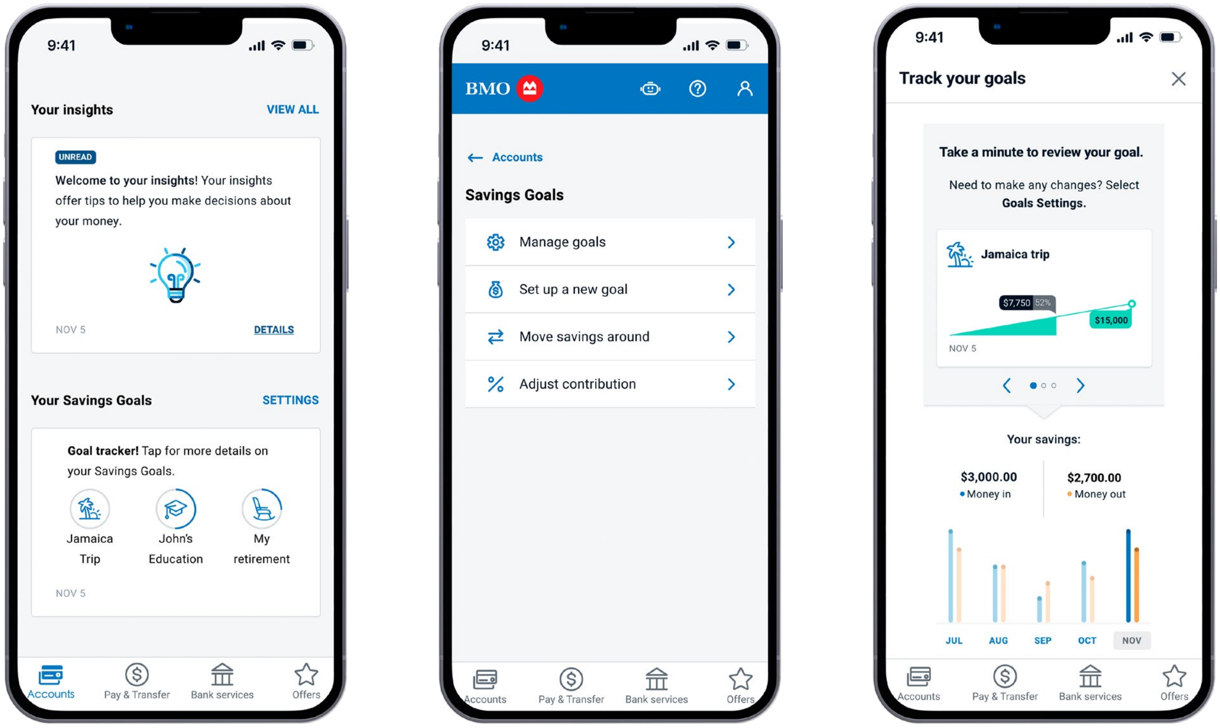
Cashflow Management: BMO integrated Personetics' solution with its in-house AI-powered cashflow prediction model to offer real-time, context-sensitive financial insights and actionable advice.

2021

Product Recommendations: As personalized insights gained popularity and built trust and loyalty, the bank began using Personetics Engage to present hyper-personalized product offers to customers, including loans.

2022

"Help Me Save": Anticipating rising interest rates, BMO deployed the Personetics Act product. This innovative program helped customers save part of their income, and automatically allocate funds toward savings goals. The solution combined the Personetics Act product to power savings goals, with BMO's own home-grown capabilities to drive product recommendations and enable custom transfers. BMO enabled customers to set up a savings account quickly (within 2 minutes) through the bank's mobile app. The account, known as Savings Amplifier, allowed each customer to define multiple personalized savings goals (education, vacations, buying a home, etc.) and fund these goals with automated transfers from another account. Customers could then track their progress on these goals through the mobile app.



"Savings goals are important to our customers. It's a reflection of their dreams for the future and we take that seriously. When we decided to develop our savings goal solution and automated transfers, we knew it would resonate with our customer base. Personetics Engagement Builder played a key role in enabling us to develop this solution, and the results have been very promising. We've seen a surge in new deposit accounts opened in the first quarter of the program's launch, far exceeding our initial adoption targets. This strong response is a clear indication that customers value the ability to set and automate their savings goals."

Daniel Caplan
Director, Digital Money Management and Engagement
BMO

The Results

Personetics Contributed to BMO's Success in Four Key Ways:

World-class loyalty and growth – Personetics Engage, with its predictive analytics, delivered proactive and personalized insights and advice, resulting in the following:

- Customers have rated the Savings Amplifier offering 4.7 out of 5 stars*

  Selected anonymous customer quotes include:

  - "When you can only contribute small amounts to a goal project it's easy to get frustrated and give up. When you see insights reminding you of your progress every time you do online banking, it's easier to stay excited about saving."
  - "Great visuals - clear and uncluttered. Accessible features. Flexibility to move money around and adjust settings."
  - "Easy to use and encouraged me to set up savings."
  - "It motivates me and clarifies my process."
  - "I feel like it was very helpful. 10 out of 10. NEED more of THIS!!!"

Enabled a digital-first approach for speed, scale, and simplification – Through the integration of Personetics' advanced PFM capabilities within the BMO app, the digital team rapidly expanded operations, gained fresh customer insights, and developed advanced features alongside their in-house solutions.

* Based upon average rating of the savings goal tracking insight

Empowered BMO to refine its **business growth** strategy – leading to a surge in customer enrollment, a boost in active participation, and a significant increase in average target savings goals.

More than 100,000 total savings goals have been set, including: 'travel', 'buy a home', 'rainy day' etc.

Market recognition

- **In March 2023,** Celent recognized the success of the BMO Savings Amplifier offering as part of a broader suite of features, receiving the analyst firm's Customer Financial Resilience Award "for its commitment to helping customers make real financial progress, grow their savings, and conveniently manage their finances."
- **In 2024,** BMO received:
    - Two Digital CX Awards from The Digital Banker for digital innovation and customer progress.
    - One of Fast Company's World's Most Innovative Companies list.

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Powered by Personetics – BMO's Insights & Savings Amplifier Achieved:

1. A significant surge in business and sales growth
2. Surpassing customer adoption goals in a concise timeframe
3. Tens of thousands of enrolled customers
4. + 100,000 savings goal targets have been set by BMO customers
5. The average savings goal target amount demonstrates a strong growth potential
6. 4.7/5 Stars - Average Customer Rating

* Based upon average rating of the savings goal tracking insight

BMO's Savings Amplifier offering has proven to be a valuable resource for BMO customers in achieving their financial dreams. It was built on a platform that created trust with customers through personalization, where they are treated as people rather than mere account numbers. BMO customers can confidently say:

"My bank is looking out for me." KNOWS ME, VALUES ME, ADVISES ME.

Find out how financial data-driven personalization can boost your engagement and amplify business impact. Request a demo >

About Personetics

Personetics is the global leader in financial data-driven personalization, enabling financial institutions to forge deeper relationships by enhancing clients' financial wellness and helping them make smarter decisions. Personetics reaches 150 million customers across 35 global markets while serving more than 130 financial institutions. Personetics' AI analyzes financial data in real-time to understand customer financial behavior, anticipate needs, and deliver a hyper-personalized experience with day-to-day actionable insights, personalized recommendations, product-based financial advice, and automated financial wellness programs. The company has offices in New York, London, Paris, Singapore, Brazil, and Tel Aviv. For more information, visit www.personetics.com.