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/ WHY INSTANT ISSUANCE IS CRITICAL FOR THE NEW BRANCH EXPERIENCE

[5-minute read]

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The rise of digital self-servicing tools has affected the way financial institutions interact with their customers in the branch. Yet, despite the fast-changing technology landscape, branch banking continues to be important to both consumers and banks.

As financial institutions re-evaluate their branch positioning strategy to facilitate more meaningful and profitable engagement, instant card issuance offers an appealing opportunity for branches to remain relevant while meeting — and exceeding — the customer experience today's consumers expect.

The growing importance of the branch experience

Many transactions no longer require a trip to a branch, as consumers conduct more banking via their smartphone, computer, or other digital device. But financial institutions still need customers to visit branches — and customers still desire face-to-face interaction with their institution.

In light of this, financial institutions should view branches not as transactional business centers but as relational customer experience stores. This requires restructuring in-branch, in-person strategies to meet new consumer needs.

The branch is a critical engagement opportunity, making each in-branch, in-person transaction vitally important. Instant issuance provides the perfect opportunity to encourage in-person interactions while delivering the ultimate cardholder experience.

Convenience is key

The ability to receive a replacement debit card instantly by visiting a branch is critically important to customers. Instant card issuance offers a highly effective way to deliver on a key consumer desire: convenience. After all, consumers in today's on-demand economy don't expect to wait for much of anything — especially for access to their money.

While it used to be a “nice-to-have” perk, instant card issuance has rapidly become an expected practice for financial institutions. Already, thousands of financial institutions have jumped at the opportunity — and advantage — to offer instant issuance as part of their overall business strategy.¹ Projections illustrate at least one competitor in any institution’s branch footprint will have instant issuance, giving those institutions a competitive advantage.

The unfortunate reality is, if you don’t offer instant issuance, you’re behind the curve. Worse, by making customers wait to receive a card in the mail, you’ve already compounded the problem by inviting a negative customer experience — before the customer even enters the branch — and losing an opportunity to deliver an outstanding customer experience, instead. Instant issuance provides three significant benefits that help create an experience worthy of your customers — and your financial institution’s brand.

Deliver a superior customer experience

The ability to instantly issue a lost, stolen or compromised card is far more important, even, than at the account opening stage. Being there for customers when they need a replacement card is a fantastic advantage and ideal way to deliver an outstanding customer experience. Think of what it means for customers to know you instituted instant issuance so they could enjoy uninterrupted card use and protection against potential card compromise or card fraud. By doing so, you reassure them you understand and are committed to helping them meet those needs. With instant issuance, you save the day. Without instant issuance, you are at a competitive disadvantage — especially if the financial institution across the street offers it.

Support in-branch interactions

Instant card issuance delivers the rare opportunity to have face-to-face interactions with your customers. In fact, consumers expect a higher value of service when they visit the branch.²

Build on that excellent customer experience of providing them a card, for example, by walking them to the ATM to activate the card (if necessary) — while also helping ensure they start using the card right away. In-branch instant card issuance also offers the opportunity to cross-sell other card benefits or products, and provide education by teaching them how to load their instantly issued card to their mobile wallet, for example. This valuable in-branch interaction further increases card usage and your chances of becoming top of wallet.

Increase card transactions, activation and usage

Instant card issuance is a valuable tool for financial institutions to acquire and maintain the lead payment spot in customer wallets, by placing a ready-payment tool directly in their hands. When customers walk out of your branch with their newly issued (and, possibly, activated) debit or credit card in-hand, you’re closer to maintaining that coveted top-of-wallet status, a status more difficult to achieve using a standard 10-day card mailing. Customers otherwise must wait days for a new card to arrive, adding a level of friction to an already stressful experience. And the bottom-line effect is significant. Over a 45-day period, instant issuance cards outperformed mailed cards by 53 percent.³ By failing to provide instant issuance, a financial institution loses revenue each time the customer is forced to use an alternative method of payment while waiting for their card.

Over a 45-day period, **instant issuance outperformed mailed cards** by **53%³**.

While the global pandemic and social distancing guidelines contributed to a decrease in branch traffic, the branch is not going away. Branches are still important even in a digital, self-service world, because there remains an ongoing need and desire of consumers for in-person, human interactions for certain issues. But financial institutions must reinvent the branch strategy to stay competitive and relevant, elevating the priority of the customer experience. Instant card issuance delivers an effective way to take advantage of the brand-building effects of face-to-face interactions, while also increasing card activation and usage.

I can talk about card programs all day.
Let's continue the conversation.

Card Program Expert



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Nicole uses her strong industry knowledge and strategic partnerships to lead our card services improvement efforts to help our clients deliver highly engaging cardholder experiences.

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¹ Schwerdtfeger, Paul, "Instant Issuance Is Here to Stay," February 13, 2020

² Mordor Intelligence LLP, "U.S. Retail Banking Market - Growth, Trends, And Forecast" (2020 - 2025), August 2020

³ FIS Global, "Instant or digital: What card issuance is right for your financial institution?," July 2019

Find out how instant issuance can help you improve customer experience, boost card activation and increase cardholder usage.

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