Emergence of Virtual Banks

Embracing Data to Become the Real Game Changer in the Banking Industry Landscape

Vpon’s New Money Method with ZA Bank
Across Asia, Digital Transactions are 1.6 to 5 times as Frequent as Branch Transactions

Branch transactions account for only 12% and 21% of total monthly transactions in Developed Asia and Emerging Asia respectively.
Emergence of Virtual Banks in Hong Kong

2019
Hong Kong Monetary Authority has issued eight virtual bank licenses

2020
Official launch of licensed players; Virtual Banks started to emerge.

Increasing consumer’s knowhow on “Virtual Bank” in Hong Kong

- 2018: 67%
- 2020: 93%

Consumers are More Willing to use virtual banking services

- 2018: 20%
- 2020: 37%

Source: Nielsen
Hong Kong First
Virtual Bank Data Showcase

New Money Method with ZA Bank
ZA Bank

A joint venture between ZhongAn Online P&C Insurance and Sinolink Group

First one to enter Hong Kong Virtual Bank market

Encounter fierce competition between the virtual and retail bank
Market Objective

Banking and Finance

FROM Increase Market Share
TO Increase Transaction

Increase Market Share

Virtual Banks

Increase Step 1

Illustrate Market Position

Increase Transaction

Increase Step 2

Increase Transaction

Increase Step 3
Data is the KEY

In the Fintech era, data is an essential aspect for business development. Thus, ZA Bank chose to partner with Vpon, the professional strategic expert in Asian data with Vpon’s strong data capability to strengthen its business strategy in the market.
Vpon X ZA Bank Partnership

**Now**
- New to the Financial Market
- Market Pioneer of Virtual Banking
- Facing Fierce Competition with Traditional Banking

**Challenges**
- To Increase Market Share
- To Define its Market Positioning
- To Identify and Engage with Potential Target Audience

**Solution**
- Vpon’s New Money Method – Guaranteed App Download
- Vpon’s Proprietary Data Insight Tool - AppVois
New Money Model – Mobile App Download

Data Attribution Drives Guaranteed App Downloads

CPI Deal: Drive non-organic app downloads and ranking

Ad

- Impression & clicks

App stores

- Download & Open

Open Account

3rd Party Tracking is required

App marketers will not only know the ad performance, but also the actual number of Mobile App downloads

Partner Tools:
- tenjin
- AppsFlyer
- TUNE
- Kochava
- adjust
- Apsalar
Identify Audience In Different Stages
By Vpon DMP Database And Targeting Strategy

Banking And Finance

Vpon DMP Data Base

- Banking Ad interested
- Analyze Payment/Loan App frequently used by target audience
- Analyze through lookalike modelling
- Capture specific APP usage and categories
Integrate Data for Cross-platform Ad Delivery

Create Potential Audience Pool Drawn from Vpon DMP

Vpon DMP Data Base

- Vpon segment
- User Behavioural Data
- Ad Interest
- App Detection

Vpon DSP

- Vpon Affiliates

Vpon

3.5 Million
MONTHLY ACTIVE USERS

90%+
REACH through premium network

Step 3 - Convert
Convert Non-Users To Loyal App Customers

Leveraging Big Data to Identify Existing App Users
Analyze User Preferences and Deliver Ad Precisely to Target Groups

Vpon DMP

Target Comparison

Mobile App Acquisition
- App Detection
- Ad Interest
- Behavioral Data

Exclude existing ZA user

Open Account Acquisition
- Multi offerings
- Combine ZA 1st party Device ID and tracking tags
- Re-targeting engaged User
- Expand Audience Pool by Lookalike
Illustrate Market Positioning Through Vpon Proprietary Tool

Get App Market Trends & User Preferences in Hands

Tackle your peer players’ every move

Learn from your App users’ Preference
Step 5 - Industry Analysis

AppVois – Mobile App Market Penetration, New Installation and Uninstallation
AppVois — User’s App Preference for App Targeting And Strategic Planning

Step 6 - Individual Analysis

**ZA Bank:** what apps are its users also interested?

Example: 13.4% of users who install ZA Bank also install WeLab Bank - 香港虛擬銀行 (WeLab Bank - HK Virtual Bank), which is about 18.80x higher/lower compared with the general users.

<table>
<thead>
<tr>
<th>Preference Scale</th>
<th>App Name</th>
<th>Category</th>
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<tbody>
<tr>
<td>1</td>
<td>PAOB</td>
<td>FINANCE</td>
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<tr>
<td>2</td>
<td>酷創銀行(香港) (Ant Bank)</td>
<td>FINANCE</td>
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<tr>
<td>3</td>
<td>WeLab Bank - 香港虛擬銀行</td>
<td>FINANCE</td>
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<tr>
<td>4</td>
<td>天星銀行airstar - 香港</td>
<td>FINANCE</td>
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<tr>
<td>5</td>
<td>Mox銀行 (MoxBank)</td>
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<td>6</td>
<td>livi Bank</td>
<td>FINANCE</td>
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<td>7</td>
<td>隆和銀行 - 隆和銀行</td>
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<tr>
<td>8</td>
<td>OmyCard - WeVa - Ea.</td>
<td>FINANCE</td>
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<tr>
<td>9</td>
<td>inMotion動運銀行 (inMotion Mobile Bank)</td>
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<tr>
<td>10</td>
<td>工銀亞洲 (ICBC (Asia))</td>
<td>FINANCE</td>
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<tr>
<td>11</td>
<td>云閃付</td>
<td>FINANCE</td>
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<td>12</td>
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<td>13</td>
<td>閃電香香 - 閃電香香</td>
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<td>14</td>
<td>繁星寶寶</td>
<td>FINANCE</td>
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<tr>
<td>15</td>
<td>大新銀行 (Dah Sing Bank)</td>
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<td>16</td>
<td>PayPal Mobile Cash S.</td>
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<tr>
<td>17</td>
<td>DBS digibank Hong K.</td>
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<td>18</td>
<td>電信牛牛 - 電信牛牛</td>
<td>FINANCE</td>
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<tr>
<td>19</td>
<td>Google Authenticator</td>
<td>TOOLS</td>
</tr>
<tr>
<td>20</td>
<td>招商永隆一點通 (CMB)</td>
<td>FINANCE</td>
</tr>
</tbody>
</table>
Rapid Growth in Market Penetration

ZA Bank’s app market penetration has increased for **1.97 percentage point** (i.e. 40 times) since it launch.
Data Outcome

- Continuous Uptrend on Mobile App Download
- Steady Enhancement of CPI despite COVID-19

- Monthly Installs: 270%
- CPI Lead Cost: Same
- Monthly App Installations Result
- CVR OA/ App Installs: 33%
- Account Opens Result: 134%
Virtual Banking is not just a new type of business...

It is an INEVITABLE trend

And now...

It is the best timing for Virtual Banks to explore and expand their business in the market!
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For advertisers
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