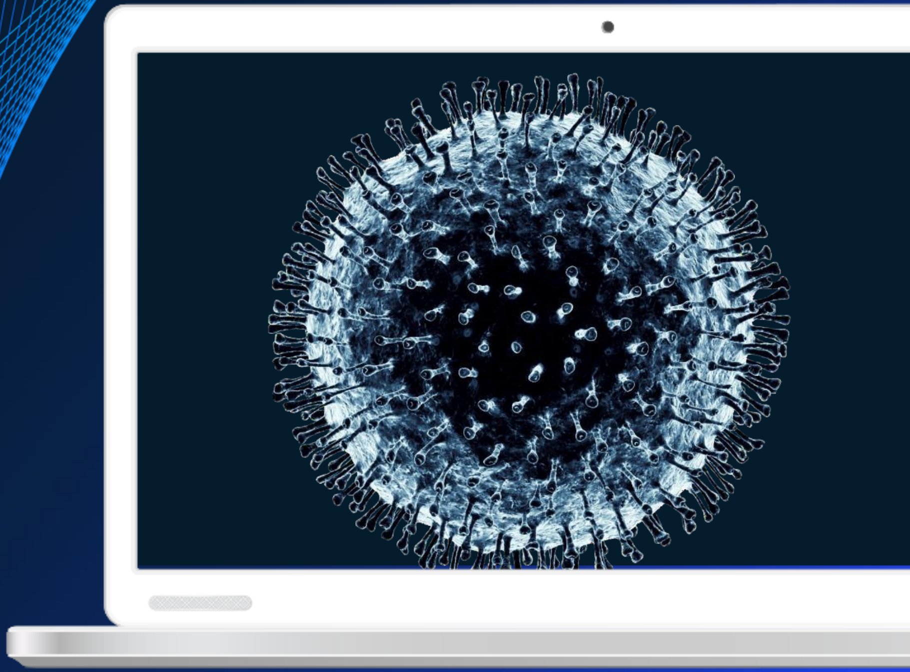
McKinsey & Company

Global Digital Sentiment Survey

Survey results for Romania market

May 2021



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Global digital sentiment – Romania deep dive

Survey information:

+1,200 Romanian users between **18-85 years old**

Digital consumption **in the past 6 months and forecast for the next 6 months**

Main industries surveyed: Banking, insurance, grocery retail, apparel and general retail, media and entertainment, travel, telecommunication carriers, utilities, education, healthcare, government/public sector

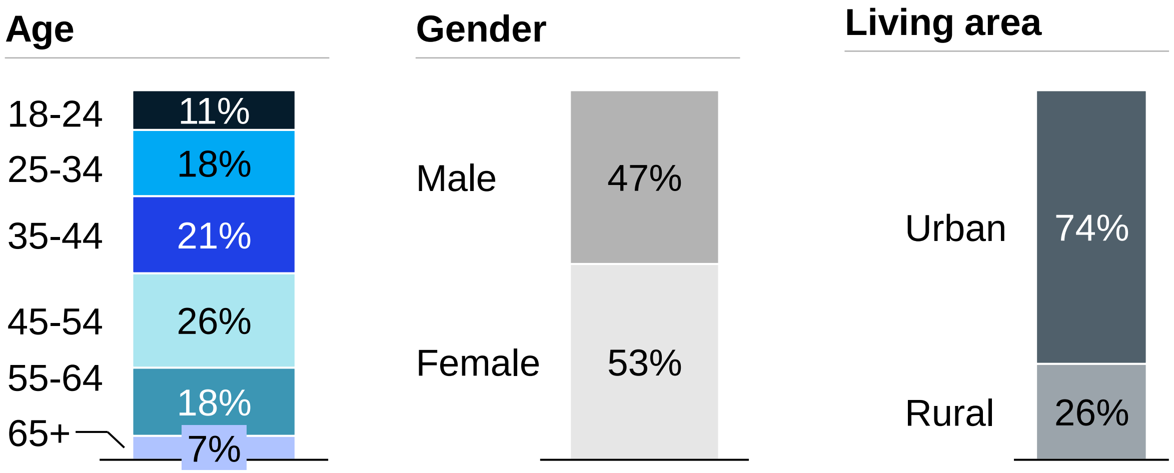
Target groups

1 | "Digital savvy" users (~300 respondents)
6+ digital services used in the last 6 months

2 | "Digital friendly" users (~300 respondents)
4-5 digital services used in the last 6 months

3 | "Non-digital" users (~600 respondents)
3 or less digital services used in the last 6 months

Sample demographics,[1] % of respondents



1. Demographics results aligned and balanced with current countries demographics (<2% error with population's averages)

Executive summary: Digital sentiment in Romania

What is the current impact of the last 6 months on digital sentiment?

Fully digital is the **most used channel** across industries **except for groceries and healthcare**

Most new digital users across industries **range between 45-54 except for grocery, apparel, education & healthcare**

Grocery, entertainment and education have the **highest rates of monthly digital engagement**

Grocery and **travel** are the industries **where most users spend money through digital channels**

43% of customers using digital channels for the 1st time have done it because of COVID-19, especially in education & healthcare

There are **5 themes** to improve the **digital services**, according to the people surveyed: improve privacy and security, improve UX/UI, provide an omnichannel experience, reduce frictions and give discounts

Users from all age groups started to **access digitally 1 additional industry on average in the last 6 months**

What is the perspective on digital services?

Most customers not using digital channels still prefer going to the store/branch or talking to a human

Mobile channel (app & web) is the preferred option in almost all industries

Ease of use and access is the most relevant reason for users who prefer using the mobile app vs other digital channels

Preference to use a larger screen is the most relevant reason for users to prefer using the **desktop web**

Grocery, insurance and utilities are above the top quartile in overall digital channel customer satisfaction

Most users are either **satisfied or very satisfied** with the digital channels across industries

- For **satisfied users**, the main reason for satisfaction is that the **digital channel is fast and reliable**
- For **dissatisfied users**, the main reason for dissatisfaction is that the it is **difficult to get all the info, or the info is not updated**

Utilities, grocery, and Insurance industries are above the top quartile in overall digital experience customer satisfaction

Users are satisfied with the overall digital experience across industries

- For **satisfied users**, the main reason for satisfaction is the **full availability of the product/service**
- For dissatisfied users, the main reason for dissatisfaction is that not all products & services are available

Banking is considered the most innovative industry, closely followed by telco carriers

Great digital channel features and functions is the main reason to consider a company the most digitally innovative in the industry

Some aspects that companies could do better to improve the users' digital experience are: security, easy-to-use

- **Banking, telco, and utilities** are **above the top quartile in customer trust** in digital services
- Feeling that the **data is handled safely** is the **most relevant reason to trust** across industries

How will usage continue?

Most of the users are planning to **continue using equally frequently digital channels in the next 6 months**, with **same spend levels**

Physical channels can improve by having a great face to face user experience and allowing to return online products in the store

1. The May 2020 Survey consisted of 9 industries, the current survey consists of 11

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

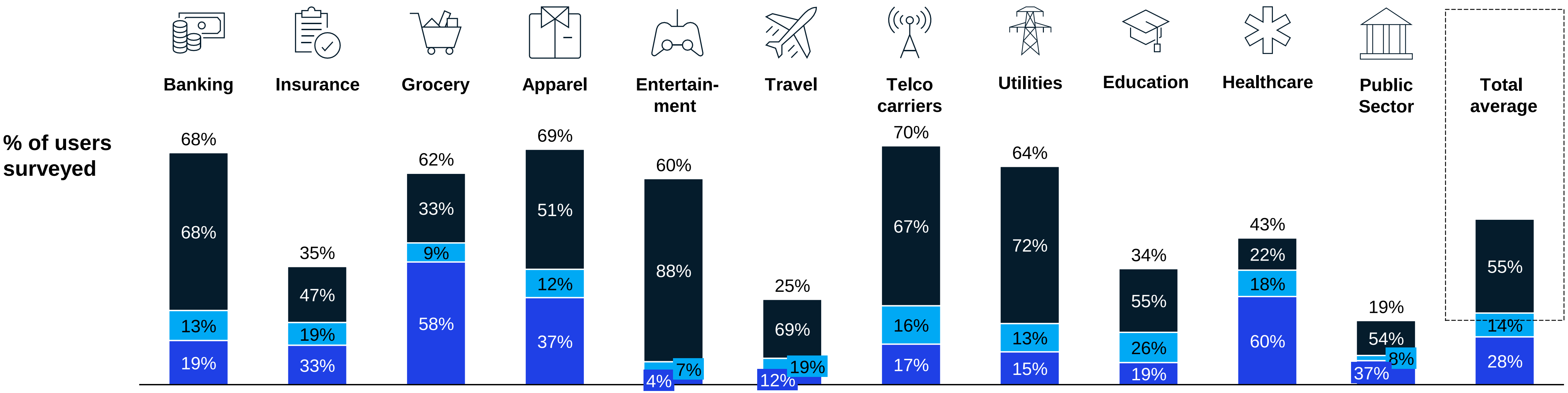
Fully digital is the most used channel across industries except for groceries and healthcare

Digital sentiment

Physical | Digital with human assistance | Fully digital

Channel usage per industry

% of total users surveyed and % of users by channel of industry's total



Grocery and **healthcare** users still interact **mainly** through **physical channels**

Healthcare has the **highest** percentage of **users** that interact through **digital channels with human assistance**

Grocery is the **only sector** that has seen its **digital usage reduced compared to 2020**

Q: How have you interacted with these industries in the past 6 months (physically, remotely/digitally, mix)?
Options: Fully digital (website, mobile app, virtual assistant), Digital with human assistance (call center, live chat, email), Physical (branch, store, stand)

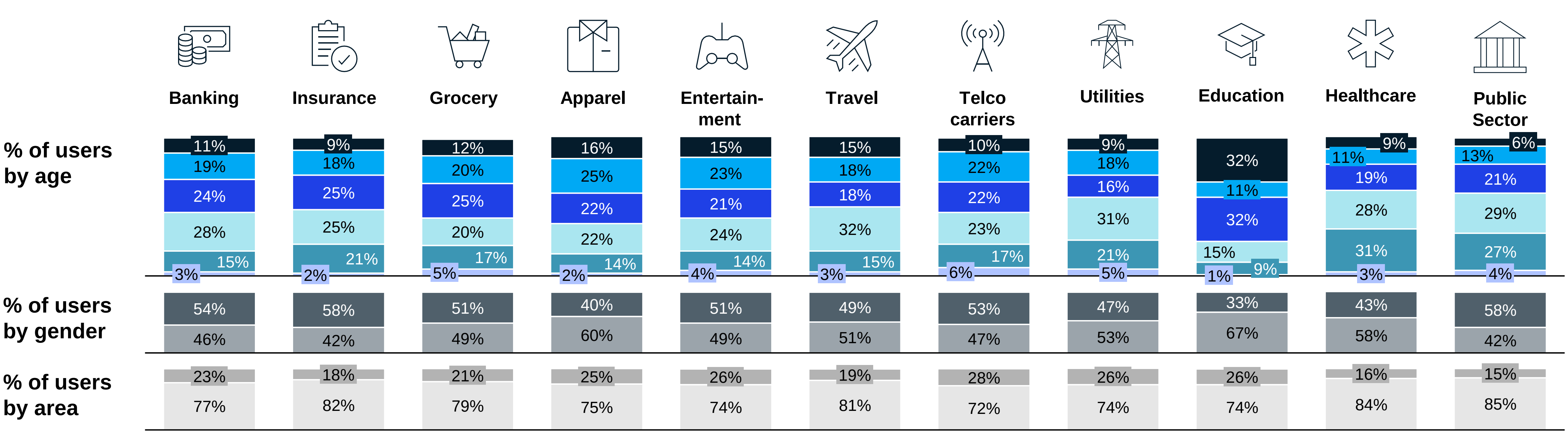
Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

Most new digital users across industries range between 45 and 54 except for grocery, apparel, education, and healthcare

Digital sentiment

New digital users per industry with fully digital and with human assistance channels

Percentage of users per industry by age, gender and area



Grocery and **education** have the **highest rates** of new digital users between **35-44**

Healthcare and **has** the **highest rates** of new digital users between **55-64** and **apparel** has it for **25-34**

Digital new users across industries are **mostly balanced by gender and area** according to country's demographics

Q: How have you interacted with these industries in the past 6 months (physically, remotely/digitally, mix)?

Options: Fully digital (website, mobile app, virtual assistant), Digital with human assistance (call center, live chat, email), Physical (branch, store, stand)

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

Grocery, entertainment, and education have the highest rates of monthly digital engagement

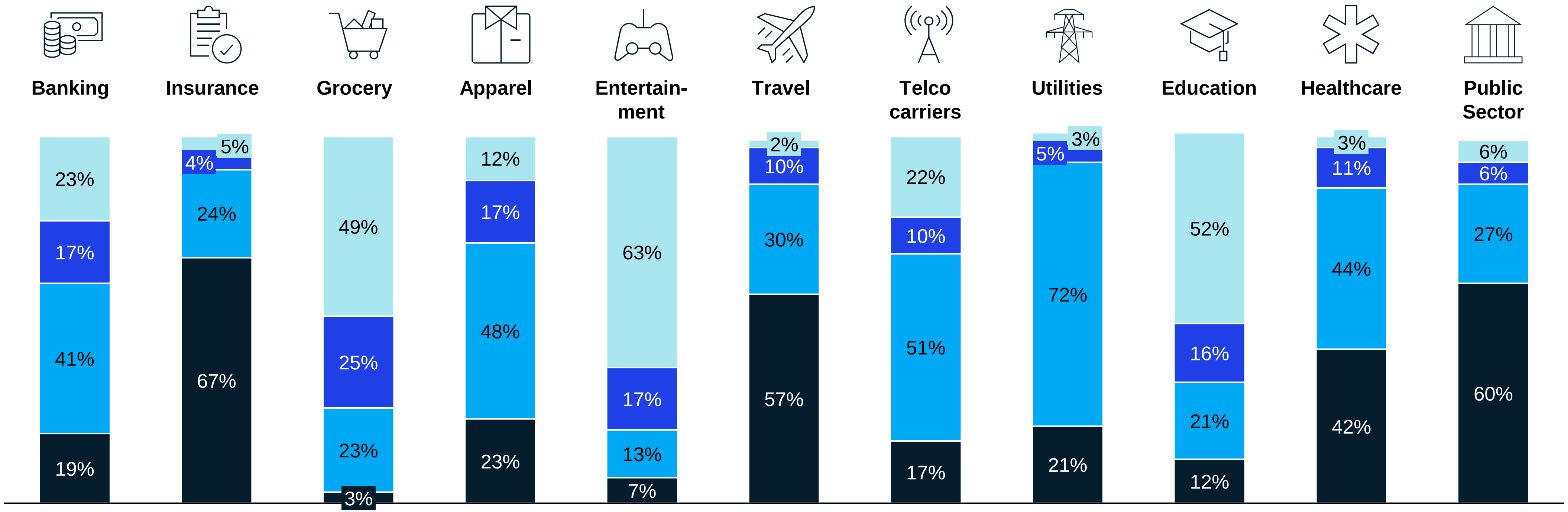
Digital sentiment

More than 5 times | 3-5 times | 1-2 times | Less than once

Digital interaction per industry with fully digital and digital with human assistance channels

Percentage of monthly digital accesses by industry

Frequency of interaction



Insurance, travel, healthcare, and **public sector** have the **greatest opportunities** to **increase their monthly frequencies of digital interaction**

Q: How often do you interact with these industries per month (on average)?

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

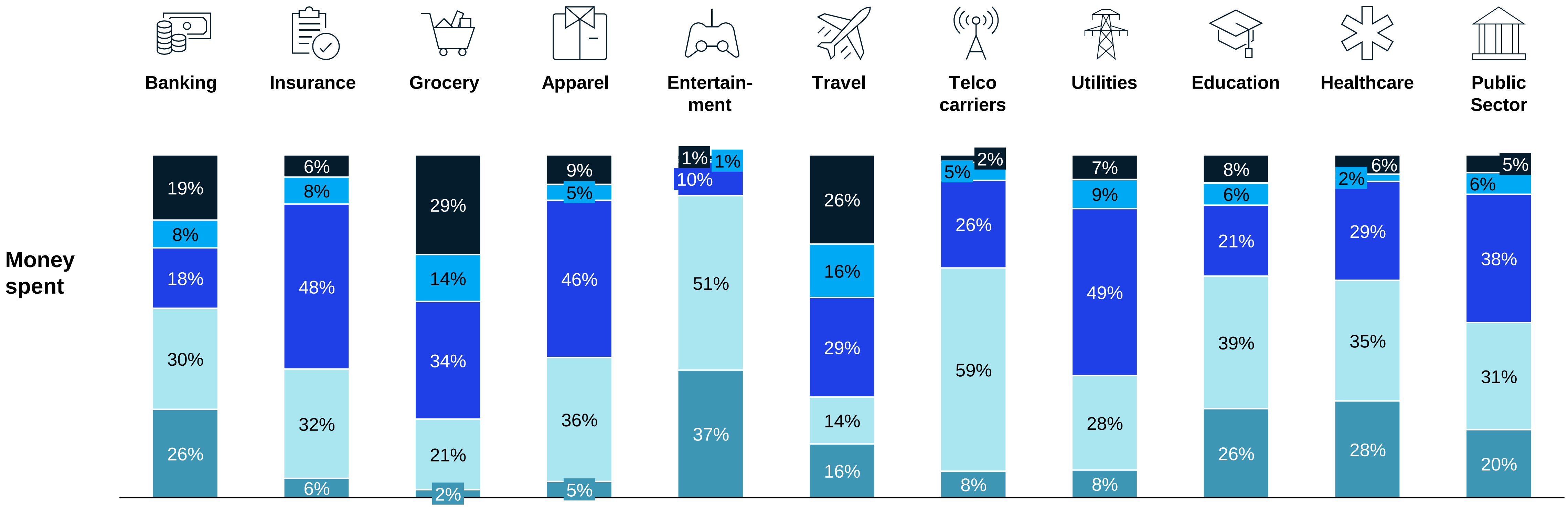
Grocery and travel are the industries where most users spend money through digital channels

Digital sentiment

Money spent per industry in the last 6 months

Percentage of money spent

- RON 0
- Less than RON 300
- Between RON 300 and 1200
- Between RON 1200 and 2400
- More than RON 2400



Entertainment is the industry with a **higher percentage of users** who **do not spend money** on the **digital channels**

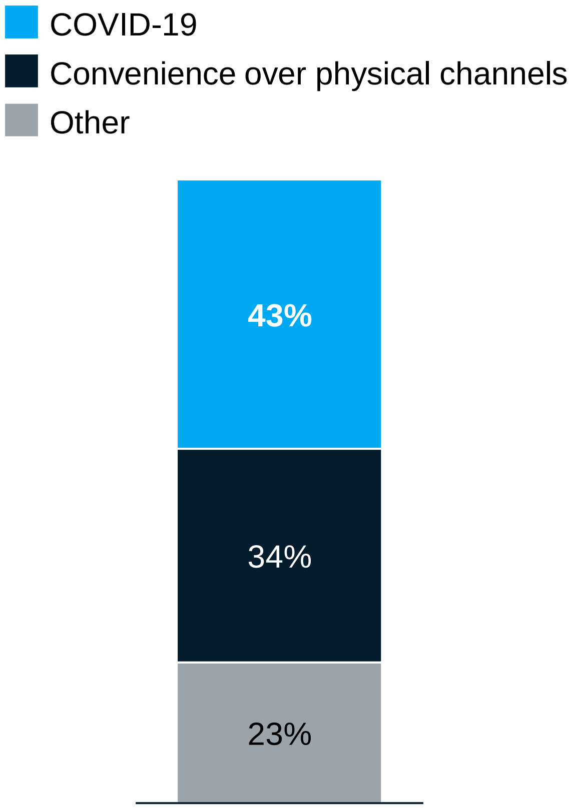
Q: Approximately how much money have you spent on these industries through digital channels in the past 6 months?

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

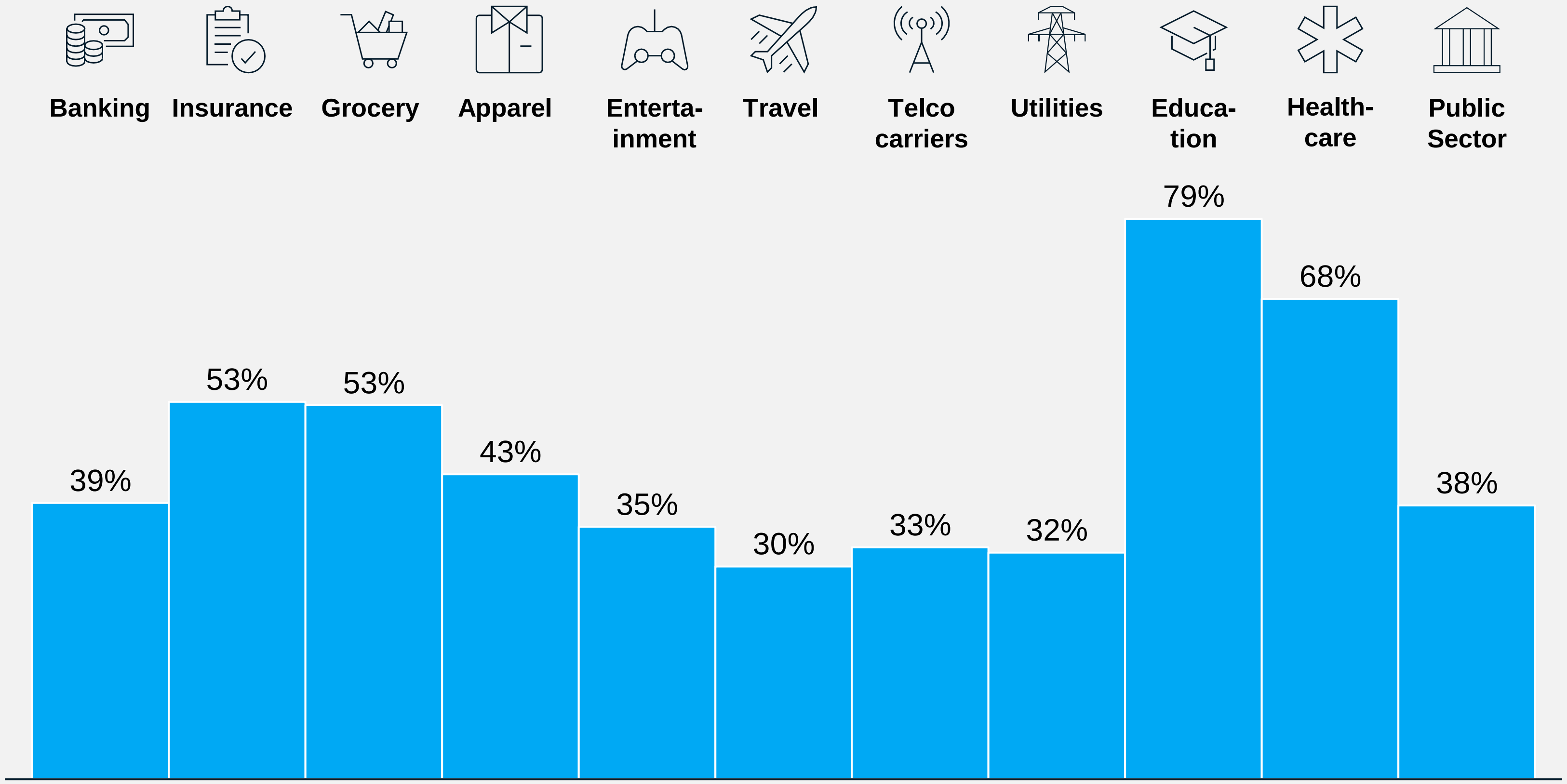
43% of customers using digital channels for the first time have done it because of COVID-19, especially in education and healthcare

Digital sentiment

Reasons to switch to digital
Percentage of new customers



Users that adopted digital services in each industry due to COVID-19 in the last 6 months
Percentage of new users



Q: What was the main purpose of your first usage?
Options: Multiple answers: due to the COVID-19 crisis, it was more convenient than the physical channel, there was a greater availability of products/services compared to physical channels, there were special offers or promotions, I was recommended to do so

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

Five themes for improving digital services emerged from respondents

Improve privacy and security

"Companies could keep personal information safer"

"I do not feel comfortable with the security of platforms"

"I would like companies to push for more data and transactions security"

Improve UX/UI

"Greater online communication with easier-to-navigate sites"

"Easier to use payment tools and simpler digital processes"

"I wish to see services which give personal information and receive offers that suit me"

Provide an omnichannel experience

"More information about products and real-time stock visibility"

"More useful and personal information for live chats"

"Provide free electronic signatures and reduced paperwork"

Reduce friction

"Low or even free delivery fees"

"More flexible delivery methods with shortened times"

Give offers/discounts

"I want companies to provide more personalized and online-specific offers and discounts"

"Prices for all pockets and flexible subscriptions"

Q: What should companies do better for you to consider using their digital services?

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

Most customers not using digital channels still prefer going to the store/branch or talking to a human

Perspective on digital services

Reasons for not using digital channels

Percentage of users by industry

	Banking	Insurance	Grocery	Apparel	Entertainment	Travel	Telco carriers	Utilities	Education	Healthcare	Public Sector	Average
Not using any digital channel	19%	33%	58%	37%	4%	12%	17%	15%	19%	60%	37%	28%
Main reason for not using	I prefer to go to the store/branch					I prefer to talk to a human/use the call center	I prefer to go to the store/branch			The digital channel does not allow me to do what I need		

Overall, 28% of customers across industries do not rely on digital channels to interact with the service

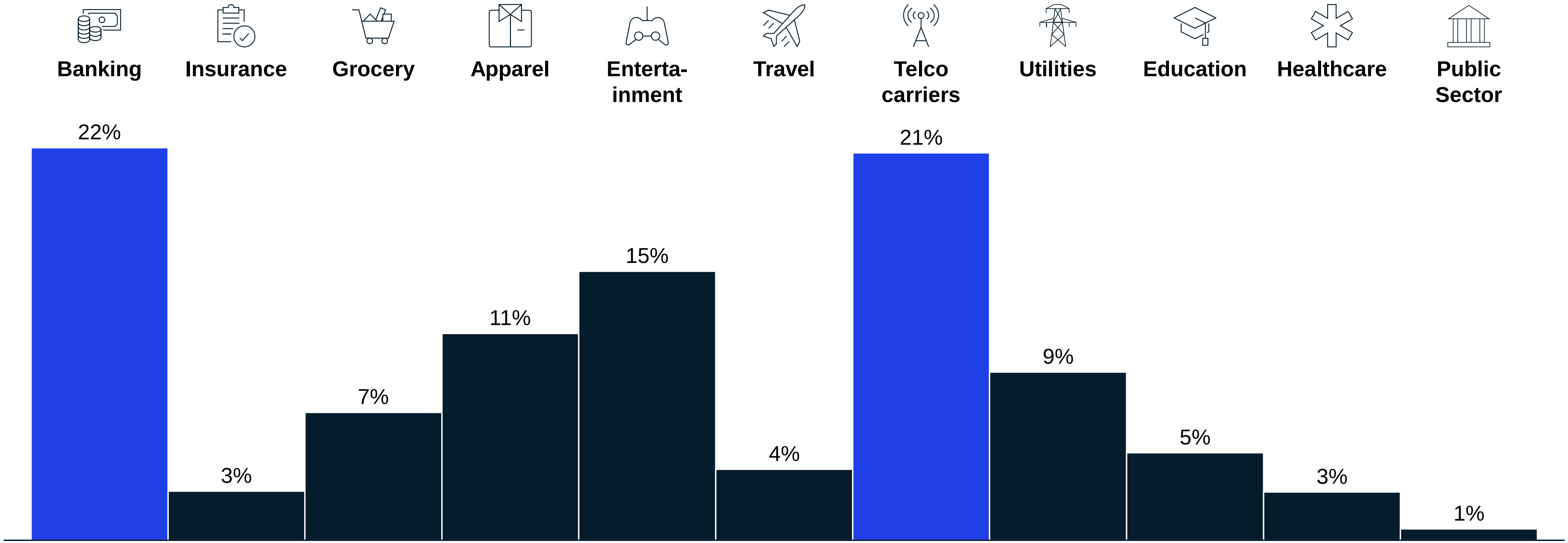
Q: Why are you not using the following services remotely/digitally?
Options: Multiple answers: I prefer to go to the store/branch, I prefer to talk to a human/use the call center, It's too difficult to use /I don't know how to use it, I do not trust the online channel, The digital channel does not allow me to do what I need

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

Banking is considered the most innovative industry, closely followed by telco carriers

Perspective on digital services

User perception on most digitally innovative industries



Q: What industry do you consider the most digitally innovative?

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

Most users plan to continue using digital channels as frequently over the next six months, with the same spend levels

Future usage

Frequency of use and main reason for greater use frequency

Most common answer

	Banking	Insurance	Grocery	Apparel	Entertainment	Travel	Telco carriers	Utilities	Education	Healthcare	Public Sector
Frequency of use in 6 months	Equally frequently										
Frequency of use when COVID-19 is over	Equally frequently										
Main reason for greater frequency	It’s convenient (24/7 access from home)								I feel safer due to COVID-19		It’s convenient (24/7 access from home)
Money spend planned	Approximately the same amount										

In **Travel**, about 42% of surveyed have mentioned that they **plan to increase the spend** in the next 6 months, and ~22% will increase use of the travel industry when the COVID-19 pandemic is over

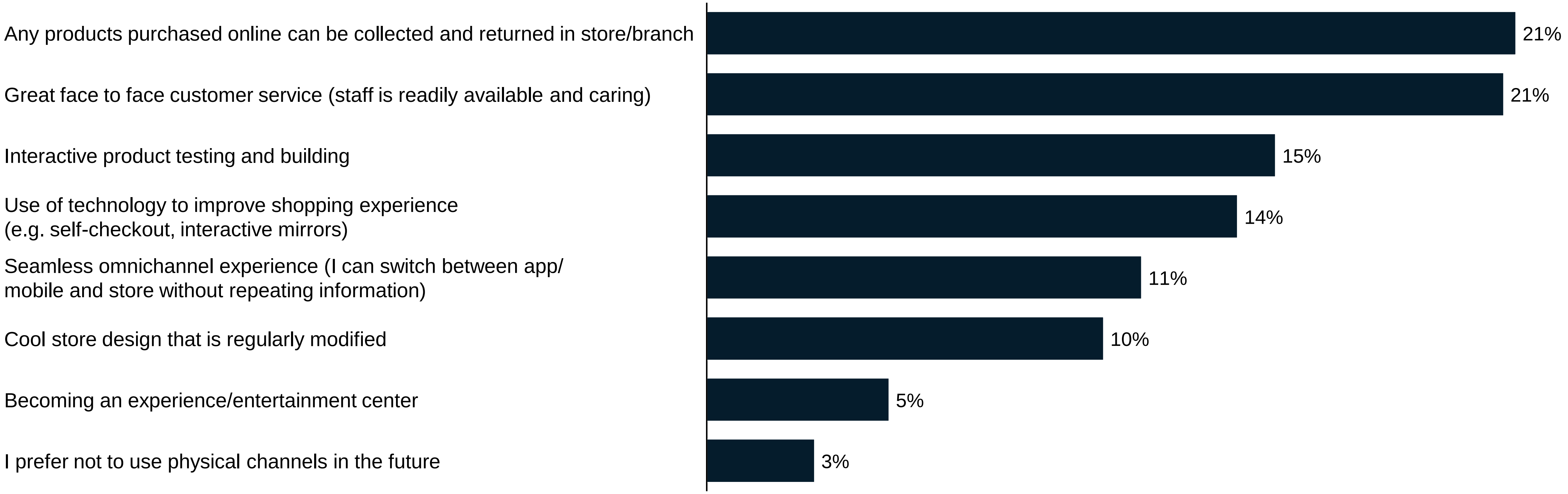
Q1: How frequently do you plan to use these digital services in the next 6 months, compared to the last 6 months? Q2:How frequently do you plan to use these digital services when the COVID-19 pandemic is over? Q3: Why do you plan to use these services with greater frequency? Q4: How much money do you plan to spend in the next 6 months in these services compared with what you spend now (on average)?

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

Physical channels can improve by having a great face to face user experience and allowing to return online products in the store

Future usage

Customer opinion of how could physical channels improve



The **best way physical channels can improve** is by **allowing online purchases being collected/returned in-store/branch**

Only 3% of consumers surveyed said that they **do not prefer to use physical channels in the future**

Q: How could physical channels (stores, branches) improve for you to continue using them in a growing digital world?

Source: McKinsey & Company Global Digital sentiment insights: survey results for Romanian market

Glossary

	Description
Digital adoption/ penetration	Percentage of users who have used/visited digital channels (i.e., web, app) in the last 6 months (from the date of the survey); log-on is not required to be included in the digital adoption percentage
Digital channels usage	Numbers of industries accessed digitally in the last 6 months among those considered for the survey (e.g., banking, insurance, travel, grocery)
Regular users	Users who have used/visited digital channels (i.e., web, app) in the last 6 months with digital usage/visits and before; log-on not required to be considered a user
First-time users	Users who have used/visited digital channels (i.e., web, app) only during the last 6 months; log-on not required to be considered a user
Spend increase for first time users	Percentage increase on the money users spent during the last 6 months due to available digital services on top of what users spent before (on average)
Great overall experience for satisfied users	Percentage of satisfied users who stated positive overall experience as main cause for satisfaction using digital channels, but not providing a specific reason
Bad overall experience for dissatisfied users	Percentage of dissatisfied users who stated negative overall experience as main cause for dissatisfaction using digital channels, but not providing a specific reason
Digital channels attachment	Percentage of first time users planning to continue using digital solutions or percentage of regular users planning to continue using digital solutions with the same frequency after compared to the last 6 months