



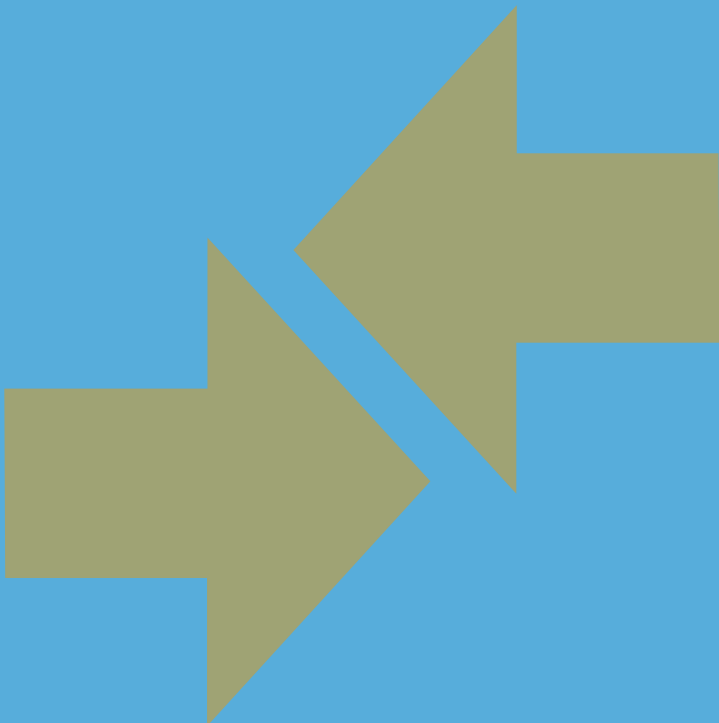
A SYNDICATED STUDY FROM FGI RESEARCH AND WESTPORT CONSULTING GROUP



**GLOBAL ELECTRONIC
BANKING SYSTEMS**

**PREPARING FOR THE
21ST CENTURY**

A Corporate Perspective



CURRENT KNOWLEDGE

Until the first Global Electronic Banking Systems Survey was conducted by Westport Consulting and FGI Research in 1995, there was no publicly available research concerning the current state of global electronic banking (defined to include cash, securities and trade transactions) that looked at current options or future trends from the corporate client perspective. While some banks occasionally conduct proprietary research and a few publications poll selected banks from time-to-time, on their capabilities and future plans, little information of any substance is available on the subject. Significant capital investments in both software development and hardware capabilities that require significant lead times are often made based on incomplete or lagging information.

The past two Global Electronic Banking Surveys, conducted in 1995 and 1997, have proven the continuing need to create a comprehensive global perspective on the state of electronic banking systems, key providers, and the impact their actions have on corporate global electronic banking decisions and activities. However, past research has demonstrated that to be actionable, this data must meet rigorous standards. It must be:

- Objective and beyond anecdotal or unique circumstances.
- Projectable to key markets.
- Repeatable to insure the ability for timely, accurate and efficient updates.
- Comprehensive in providing global information obtained in a legal and fair fashion.
- Experience-based in interpreting the data from both a technical and market perspective.
- Linked statistically and analytically to the base line created in the by past electronic banking research.

PROPOSED RESEARCH SOLUTION

Design

Our 1999 study will again take the form of an in-depth telephone survey of corporations using global electronic banking systems provided by the major financial

institutions. Global electronic banking systems are defined as computer-based systems designed to execute some combination of cash, securities or trade transactions between at least two regions of the world (i.e., North America, Latin America, Western Europe, Asia,, Southeast Asia, Australia/New Zealand and The Pacific Rim). By default we are also able to identify the proportion of this universe where electronic banking applications are not being employed for certain types of transactions.

As in past surveys, respondents will be qualified as now or potentially involved in the selection, design and management of their institution's policies regarding global electronic banking systems. The largest corporations in the world (as defined by Fortune Magazine's Global 500 with the exception of banking organizations) will be screened to determine whether they employ or have seriously considered employment of global electronic banking systems. Approximately one third of the qualifying corporations will be interviewed in depth. A companion universe of 100 middle-market companies per region (to be selected at random from the universe of the 4,500 next largest non-banking corporations in terms of revenues as defined by Standard & Poors) will also be surveyed to identify commonalities and differences in their current and projected electronic banking needs and solutions.

As we have successfully done in the past, respondents will be offered a top-line summary of the study findings in order to induce participation,. They will also be told that their opinions will be included in articles in the financial business press. (These articles will be based on the same summary as mailed to the participants.) Coverage of the 1995 and 1997 surveys can be viewed and/or down loaded from Westport Consulting Group's website www.westportconsulting.com.

Questionnaire

We will use a core set of questions designed and tested in previous proprietary studies and our 1995 and 1997 Global Electronic Banking Surveys. These will be supplemented with questions designed exclusively for this study.

Of particular interest will be an expanded section on the Internet as it relates to electronic banking.

Direction for these new questions was obtained from a 1998 Survey of past and potential sponsoring banking organizations and input from the to-be-formed Steering Committee of sponsors for this year's Survey. All questions will be thoroughly pre-tested prior to full fielding.

QUESTIONNAIRE SECTIONS WILL BE DEVOTED TO:

Electronic Banking Today:

- Types of electronic banking systems now in use (details by application and geographies).
- Reasons for not using EB systems or alternative methods employed
- Likes and dislikes regarding systems now in use.
- Changes desired and expected in systems now employed.
- Electronic banking pricing by type of system, transaction and vendor
- Corporate EFT and EDI activities as they relate to electronic banking systems
- Internet and Intranet use as it applies to electronic banking systems
- Corporate electronic banking selection criteria
- Overall awareness and image of EB systems presently being offered

Electronic Banking as it evolves into the 21st Century:

- Expected short- and long-term trends in global electronic banking.
- Expected changes in the application of global electronic banking systems.
- Suggestions for designers of global electronic banking systems of the future.

The data collected regarding likes, dislikes and changes desired will focus on the specific functional changes rather than changes involving more affective desires such as look and feel of systems and the ease of accomplishing specific tasks.

In short, the data collected will result in a thorough understanding of today's application of global electronic banking systems (what they can and can't do, and whose systems are best at what), a user-based analysis of where the industry is headed, and what electronic banking systems for the 21st Century must

be like to appeal to tomorrow's users. 1999 data will be related to the 1995 and 1997 GEB Survey data sets. Past trends will either be confirmed or changes noted in direction, attitudes, preferences, and vendors.

Role of Steering Committee

A group of sponsors, not to exceed six, will comprise the Steering Committee. Each member will receive several rounds of blind survey questionnaire drafts for review. Comments on these will be returned and compiled. Individual comments by member will not be shared among the Committee members. The goal of this content review will be to achieve the highest level of consensus within the confines of the survey's overall design parameters. Several drafts are expected to be reviewed prior to finalization of the questionnaire. Questions that cannot be accommodated by Steering Committee members will be reviewed individually with the respective sponsor for possible addition to the survey as a proprietary question.

Fielding

Telephone interviews will be conducted by FGI executive interviewers experienced with implementing proprietary business-to-business studies for prominent financial institutions

Persons who share the respondents' native languages will conduct interviews. English-speaking interviews will be conducted from Chapel Hill, North Carolina while interviews in other languages will be conducted from London, England. To insure valid results, FGI's quality control supervisors will carefully monitor all interviews. In addition, upon prior request, survey sponsors will have the opportunity to monitor interviews from their offices or homes.

Analysis

We will conduct a thorough analysis of the data including breakdowns by region, industry category, size of company, current and planned use of electronic banking systems, and global electronic banking system provider.

Report

The report is designed to be action-oriented for financial services management. It is customized by sponsor where data permits meaningful cross-tabulations and insights. The text will feature extensive tables and graphs that highlight results.

Presentation

Westport Consulting Group and FGI Research will make a half-day on-site, teleconference, or videoconference presentation to each sponsor.

(Direct out-of-pocket expenses for any travel associated with these presentations will be charged in addition to the sponsor's survey fee)

OPTIONAL SURVEY & RESEARCH COMPONENTS

Proprietary Sponsor Questions

For an additional cost, each sponsor will have the option of adding up to three questions, the answers to which will be their exclusive property (no other survey sponsors will have knowledge to the questions asked or access to the answers to those questions).

Custom Analysis

Should a client desire additional analyses, FGI Research can employ virtually any sort of analytic techniques requested. These might include discriminate analysis, analysis of variance, factor analysis, regression analysis and artificial intelligence-based modeling techniques such as genetic modeling and neural network analysis. We will supply this to sponsors either by diskette or hard copy.

Consulting

Senior consultants from Westport Consulting Group and FGI Research will be available for consulting beyond the half-day presentation on a time-plus-expense basis.

Schedule and Deliverables

Each sponsoring institution will receive a copy of the narrative report, a list of respondents, a copy of the tables generated during the analytic process and a copy of the color slides employed during the half-day presentation.

Pricing

The Core Study is comprised of three regions:

1. North America
2. Europe
3. Asia-Pacific*

* At the request of past and current sponsors, sampling in the Asian region will be modified to eliminate Japanese companies.

By Respondent Size

1. Fortune Global 500
2. Middle-market (100 per region to be randomly selected per region from the 4,500 next largest in-revenue public corporations. Estimated average size respondent = \$500MM)

	Global 500 with Middle-market for Cash EB only	Global 500 + Middle-market Cash with either Securities Processing or Trade Finance	Global 500 + Middle-market Cash with both Securities & Trade Finance
North America	\$32,000	\$37,000	\$42,000
Europe	\$32,000	\$37,000	\$42,000
Asia-Pacific	\$30,000	\$35,000	\$40,000
Any Two Regions	\$40,000	\$45,000	\$50,000
Global Report (all three regions)	\$46,000	\$51,000	\$56,000

Supplemental Questions

(Up to three questions per sponsor with ten questions survey maximum)

\$3,000 per question.

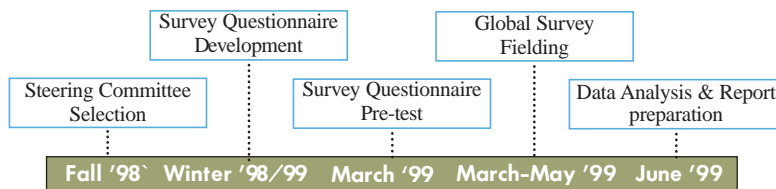
Supplemental Statistical Analysis

\$125 per hour.

(quoted in advance)

Supplemental Consulting

Supplied upon request.



PROJECT TEAM

This study represents the latest in a series of collaborative efforts involving FGI Research and Westport Consulting Group. The research study team will be headed by the following individuals:

Westport Consulting Group, Inc.

John Laurino

John Laurino, Westport Consulting Group's Managing Director, will serve as research project manager. Since 1988 Laurino has consulted with numerous banks, insurance companies and health care organizations. He has specialized in the area of business-to-business product and business development for the past 20 years. He has interacted with hundreds of corporate senior treasury managers in all parts of the world. Laurino's career includes serving as VP Marketing for various parts of Citibank and Citicorp's corporate banking business, a product manager for Equitable Life and head of financial services for the Colonial Penn Group.

Laurino attended the U.S. Naval Academy and obtained a BA from Franklin & Marshall College and an MBA in Finance and Marketing from the University of Connecticut.

FGI Research

Dr. Mark Greene

Dr. Mark Greene, Managing Director of FGI Research, Washington, will serve as the project's research director. Dr. Greene provides custom research services to major corporations throughout the U.S. and internationally. He has more than 20 years experience in high technology market research, including studies conducted for banks, computer software vendors, computer manufacturers, on-line computer services, cable television operators, telecommunications companies and business-to-business computer services.

Dr. Greene received his doctoral degree in mass communications research from the University of North Carolina at Chapel Hill. He is an active speaker, writer and leader in regional and national research organizations.

FGI operates a 110-station computerized telephone research center and has on-site focus group facilities. The professional research staff includes project managers, data analysts, executive interviewers and focus group moderators. FGI has offices in Washington, DC, Detroit, New York City and Chapel Hill, North Carolina.

To order a copy of the report, call, fax or mail this order form to:

John Laurino at Westport Consulting Group
6 East Main Street, Westport, CT 06880

Phone number: 203-226-8885
Fax number: 203-454-8679

Order Form (please print)

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