



## Toronto-Dominion Bank

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### COMPANY ETHOS

1867 was a time of prosperity and optimism. With the founding of Canada, a group of professionals, industrials and financiers eagerly raised funds to establish a new financial institution that would jumpstart the young country's nation-building projects. This new financial institution was The Dominion Bank, and upon obtaining its charter in 1869, made prompt expansions to the West and consolidated their ties in the resource, utilities and manufacturing sectors. Booming right alongside The Dominion Bank was the Bank of Toronto, originally founded in 1855 by millers and merchants who facilitated Canada's emerging grain industry. They too experienced a century of unprecedented success and rapidly overcame the obstacles that the Great Depression posed. To parallel the prosperity Canada saw in its post-war economy, the Bank of Toronto and the Dominion Bank negotiated an amalgamation in 1954. And since then, TD has been committed to being the bank where people make the difference.<sup>1</sup>

### COMPANY OVERVIEW

The Toronto-Dominion Bank, commonly referred to as TD, is a Canadian multinational banking and financial services corporation headquartered in Toronto, Ontario. It is one of the 10 largest banks in North America and boasts a full range of financial products and services to over 26 million customers through three key business lines: Canadian Retail, U.S. Retail and Wholesale Banking. Ranking among the world's leading financial services firms, TD has \$1.7<sup>2</sup> Trillion CDN Assets Under Management (AUM), and operates in over 2,400 branches across the Americas, Europe and Asia-Pacific. All 2,400 branches and 90,000 employees are trusted by everyday individuals, small businesses, multi-billion dollar corporations, and government and institutional clients for their knowledge, innovation and experience.

Like most banks, TD's offerings range from services such as personal deposits, cash and strategic asset management and financing strategies to products such as property and casualty insurance, credit cards and real estate lending. While TD has made a name for itself in the capital market and investment banking arena, it is their values and commitment that have proven themselves to be the paradigm of their industry. Their vision to be the better bank and proactivity in enriching the lives of their customers, communities and colleagues has sparked the implementation of the Ready Commitment and allocation of \$1 Billion by 2030<sup>3</sup> into four

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<sup>1</sup> [www.td.com/about-td/bfg/corporate-information/tds-history/from-the-beginning.jsp](http://www.td.com/about-td/bfg/corporate-information/tds-history/from-the-beginning.jsp)

<sup>2</sup> [www.td.com/about-td/bfg/corporate-information/corporate-profile/profile.jsp](http://www.td.com/about-td/bfg/corporate-information/corporate-profile/profile.jsp)

<sup>3</sup> [www.td.com/ca/en/about-td/ready-commitment/](http://www.td.com/ca/en/about-td/ready-commitment/)

pillars that support change, nurture progress and create an inclusive environment around the world.<sup>4</sup> Their devotion to fostering financial literacy in a wide array of communities, making affordable housing a priority, funding green spaces to provide a greener future and investing in hospitals to ensure equitable access to adequate health care are all examples of how TD leads with integrity to drive business results.

Ultimately, TD's ability to provide legendary and trusted advice coupled with their swift execution is what makes them such a compelling choice for the 26 million customers that choose to bank with them.

## INDUSTRY ANALYSIS

Given the implications of COVID-19, the banking industry has been forced to adapt and undergo mass digitization. Many of the functions that were once exclusive to brick and mortar locations can be done in the comfort of the consumer's home, and this convenience has led to what is being called a digital 'disruption' in the banking industry. With a focus being placed on mobile as well as web applications, some demographics are losing their interest in making the commute to their physical bank locations.

In fact, it is reported that 77.2% of the population banks using technology.<sup>5</sup> While 70% of respondents say that mobile banking is their primary method of accessing their accounts, 89% say that they use mobile banking in general. This trend has been so profound that many large financial institutions, neobanks as they are colloquially known, are opting to go completely online. Logistically, online transitions can be beneficial to the banks as it will allow them to keep track of analytics, engagement, clicks, etc. with much more ease than if the experience were in person. It is reported that ~10% of the population holds an account with these neobanks who still offer human support, but through a virtual platform. By connecting with consumers through video conferencing, they maintain a human element but avoid the added stressor of expensive overhead costs. This changes how the world views banking entirely, the industry was once a symbol of a long and never-ending queue, but the digitization of banking services has redefined it as a user-friendly and accessible staple. Everything from wallets to payments can now be done digitally, with people being able to make hefty transactions with just their phone. Ultimately, there is a huge reliance on AI to automate tasks which is convenient for both bankers as well as the bank itself, but it leaves a potential gap in accessibility for those who long for a more 'human' banking experience.

The fact of the matter is that some Canadians, even the more tech-inclined, haven't lost their connection with their local physical bank branch. Research has revealed that one quarter (25%)

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<sup>4</sup> [www.td.com/ca/en/about-td/ready-commitment/](http://www.td.com/ca/en/about-td/ready-commitment/)

<sup>5</sup> [www.insiderintelligence.com/insights/digital-banking-trends/](http://www.insiderintelligence.com/insights/digital-banking-trends/)

of Canadians visit their local bank branch at least once a month on average.<sup>6</sup> In fact, Canada's oldest and, quite surprisingly, youngest consumers are more likely than Canadians overall to frequently visit their local branch; approximately three in 10 (29%) Baby Boomers (aged 54-72) and younger Millennials (aged 24-31) visit their local bank branch more than once a month on average.<sup>7</sup> Reasons range from a more welcoming, human-centric banking experience to the reliability of access to TD personnel. All things considered, some sort of hybrid model would be optimal.

## THE CHALLENGE

In an ever-evolving industry, banking has changed its fronts. While previously having more brick and mortar branches to facilitate customer service, COVID-19 has necessitated mass digitization in the banking and financial services sector. This begs the questions: how can TD ensure that the contemporary approach fully satisfies needs that were previously holistically addressed in their brick-and-mortar branches? How can TD progress forward with accessibility at the forefront of their operations?

## CASE STUDY QUESTIONS

- How can TD capitalize on demographics that are reliant on and prefer TD's traditional approach and in-person branches?
- How can TD future-proof their customer experience?
- How will your solution be stabilized post-implementation?
- How will the success and sustainability of your strategy be measured?

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6

[www.newswire.ca/news-releases/1-in-4-canadian-bank-consumers-visit-their-local-branch-more-than-once-a-month-676976193.html](http://www.newswire.ca/news-releases/1-in-4-canadian-bank-consumers-visit-their-local-branch-more-than-once-a-month-676976193.html)

7

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