JAVELIN

2016 Mobile Banking Financial Institution Scorecard

Mobile Becomes the Remote Control for Banking

11 May 2016 By: Emmett Higdon

Mobile banking today is more than just another channel; it has become the remote control for all banking interactions. Mobile devices allow users to speed up ATM withdrawals, set in-branch appointments, turn debit cards on and off, and interact with voice-based artificial intelligence. Now in its eighth year, this report is an annual strategic map of the mobile banking space, with more than one-third of the scorecard criteria new this year. This report layers deep analysis of mobile offerings at the top 30 retail banks with key trends, recommendations, and implications for mobile banking executives today. The growing class of "mobile first" consumers is pressuring mobile banking leaders to continue innovating in the mobile channel while maintaining full support for cross-channel interactions. This report identifies the mobile strategies that set apart such leaders from the pack today.

Key questions discussed in this report:

- What mobile banking products and services are banks offering, and how have they changed over the past year?
- Which banks provide the most complete mobile banking package?
- Who are the industry leaders in each mobile banking category?
- How have consumers' expectations of mobile banking changed?
- How do mobile bankers differ from all other consumers?
- How are financial institutions' mobile banking strategies changing over time and why?
- What mobile banking features are experiencing the highest growth, and why?

Companies Mentioned: Bank of America, Ally Bank, Bank of the West, BB&T, BBVA Compass, BMO Harris, Capital One, Chase, Citi, Comerica, Discover Financial, Fifth Third, First Niagara, First Republic, HSBC, Huntington, KeyCorp, M&T, Navy Federal CU, PNC, RBS, Citizens, Regions, Santander, SunTrust, TD Bank, Union Bank, US Bank, USAA, Wells Fargo, Zion

The consumer data in this report was collected from a random-sample survey of 3,195 respondents conducted online from June to July 2015. Data was gathered and weighted to target respondents based on representative proportions of gender, age, income, and ethnicity compared with the overall U.S. adult population. The overall margin of sampling error is +1.73 percentage points at the 95% confidence level. The margin of error is larger for subsets.

The selection of 30 FIs was made based on their deposits as of March 31, 2015. The reviewed FIs include only those engaged primarily in retail banking and excluded those focused on investment banking.

Three main criteria (mobile access, functionality, and alerts and notifications) were evaluated in this survey. The overall determination of weighting and criteria was based on analyst opinion. Bank and credit union websites and interactions with customer service representatives were used to assess the mobile capabilities of each FI. Interactions with CSRs were in the form of mystery shopper techniques, which were used to mimic consumer communications. Whenever possible, CSRs for an online or mobile banking department were contacted. Outreach was conducted at each FI to verify or correct scorecard results. The average number of calls was 10. Collection of mobile banking data occurred from November 2015 to February 2016.

CRITERIA AND WEIGHTING

Alongside smartphones and feature phones, as defined by Javelin, mobile banking devices also included tablets and smartwatches. The overall mobile access score was calculated by a combination of mobile access mode and type of mobile devices through which access was possible.

The mobile banking accessibility category included consumer ratings of mobile apps on Google Play and Apple App stores, for smartphones, tablets, and smartwatches. User ratings were also assigned their own awards categories. The weighted accessibility category accounted for 30% of the total possible points.

Mobile access

- SMS text message banking
- Mobile-optimized website

App store collection

- iPhone: app and user rating
- iPad: app and user rating
- Apple Watch app*
- Android smartphone: app and user rating
- Android tablet app and user rating
- Android Wear app*
- Amazon Appstore app (Kindle)

* New criteria in 2015

The criteria by which breadth of functionality within FIs' mobile banking was judged were grouped into 11 categories, listed below. In total, features criteria accounted for 60% of the total score.

Mobile-first design

- Voice-interface interactive tool
- View recent transactions pre-login
- Login with PIN*
- Fingerprint scanning support*
- View balances pre-login
- Provide app feedback within the app*

In-app search*

Card control

- Block credit and/or debit card
- Turn payment card on or off*
- Order a replacement card*
- Change your PIN*
- Activate card*

Cross-channel coordination

- Contact CSR through live chat
- Schedule an appointment in-app
- View wait time before clicking to call*
- Contact CSR through click to call

Mobile deposit

- Customize limits*
- Mobile deposit automatic picture taking*
- Mobile deposit funds availability displayed*
- Review check images*
- Mobile deposit limits displayed*
- Mobile deposit

Offers and rewards

- Redeem rewards*
- View and redeem offers*
- View rewards
- Mobile monitoring

- View accounts held at other institutions*
- Mobile personal financial management integrated into app
- Check balances (prepaid)
- View account statements*
- Check balances and view recent transactions (credit card)
- View any other account
- Check balances and recent transactions (DDA & savings)

Account opening/enrollment

- View current rates
- Enroll for mobile banking using a mobile device
- Open accounts over mobile device
- In-app cross-selling/offers/ads

Bill pay

- Mobile photo bill pay
- Manage/add bill pay payees
- Cancel scheduled bill payments*
- Pay bills

Transfers

- Real-time intrabank transfers or bill pay*
- Mobile online P2P transfers
- Set up recurring transfers between FIs*
- Transfer funds between FIs
- Transfer funds between customers at same FI
- Set up recurring transfers between your accounts intrabank*
- Transfer funds between your accounts intrabank

Fraud-related

- See sign in-history in mobile banking*
- Set travel notification*
- Verify potentially fraudulent transactions in-app*
- Other
- Bilingual mobile website or app
- View account and routing number within mobile banking*
- Change your personal information within the mobile banking app*
- Small- or medium-size business mobile banking
- ATM/branch locator

* New criteria in 2015

The alerts and notifications capabilities of each FI were scored separately. A total of seven features were calculated. A total 20 points was possible in this section.

Alerts and notifications

- Real-time intrabank transfers or bill pay*
- Text message alerts
- Near real-time alerts
- Financial two-way alerts (actionable) via text
- Financial two-way alerts (actionable) via push
- Push notification through app
- Enroll in push notifications via mobile device
- Adjust alerts from mobile device

* New criteria in 2015

javelinstrategy.com   inquiry@javelinstrategy.com   925.225.9100