

# Mobile Banking

## 2015 Banking Survey: Hyper-Growth of the Mobile Consumer

The ubiquity of smartphones is rapidly changing the landscape of banking. Consumers are willing to graduate from brick-and-mortar to app-based banking, but need to be reassured by an exceptional mobile experience.

### Introduction

Today, 2.6 billion people walk the earth with a smartphone in their hands. By 2020, this number will likely hit 6.1 billion, or 70 percent of the world's population. Mobile is no longer for a small slice of society; it's redefining the way we live around the globe.

Unsurprisingly, this extends to the way we manage and spend money. Mobile creates a myriad of opportunities to revolutionize banking. Forrester predicts that by 2017, 108 million customers in the US alone will be using mobile banking. Consumers are hungry for new ways to make their banking easier and more efficient. Proactive banks have an opportunity to transform consumer behavior, win millennial customers, and satisfy existing customers by taking advantage of the unique differentiation opportunity of mobile.

### Deep Dive: Mobile Banking from the People's Perspective

Personal use of mobile phones is now almost ubiquitous as personal use of banks. As such, there is no definitive mobile banking demographic; it stretches across continents and generations. In November of 2015, Aptelligent conducted an online survey with 235 people to learn more about the general population's habits and thoughts about mobile banking. Respondents came from 18 different countries across all continents, and ranged in age from 18 to 75.

The results confirmed that mobile banking is quickly gaining global traction. Millennials<sup>3</sup>, the generation characterized as "iGeneration," are unsurprisingly leading the mobile charge.

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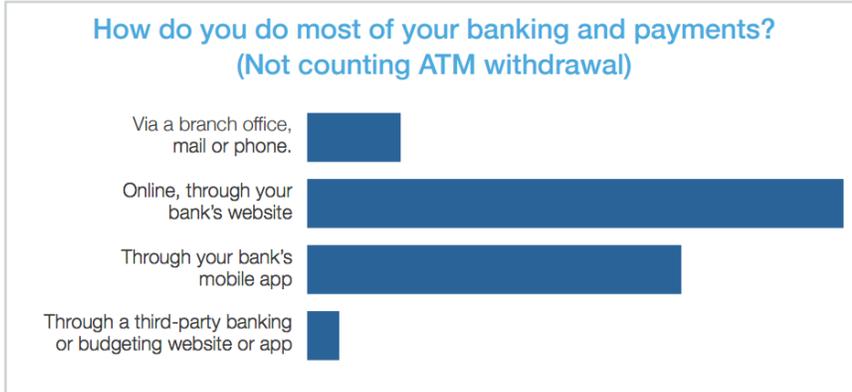
#### KEY TAKEAWAYS

- Brick-and-mortar banking is officially passé. Over half of the 235 surveyed do banking online, while over one-third use mobile apps for their banking.
- Millennials are mobile trailblazers. Across every category, they show the most willingness to explore mobile frontiers.
- Generation X is starting to dip their toes in mobile banking. Many have tried or are willing to try it, but they need to have their concerns (namely, security and ease of use issues) allayed.
- Latency is a significant customer experience hurdle for developers. 48% of consumers would uninstall or stop using an app if it regularly runs slowly. (2015 Dimensional Research)

# This Study Yielded Four Key Takeaways

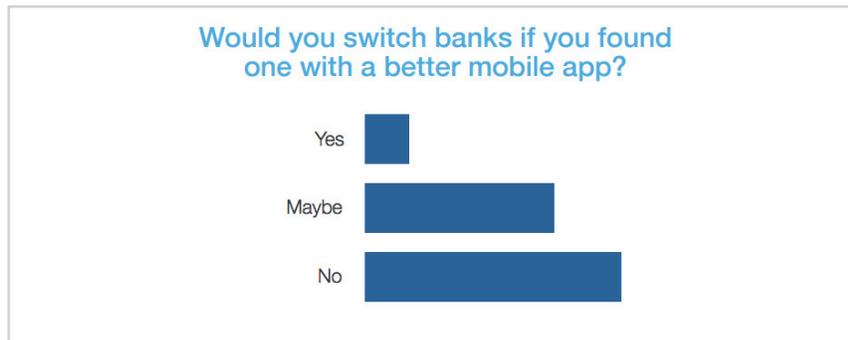
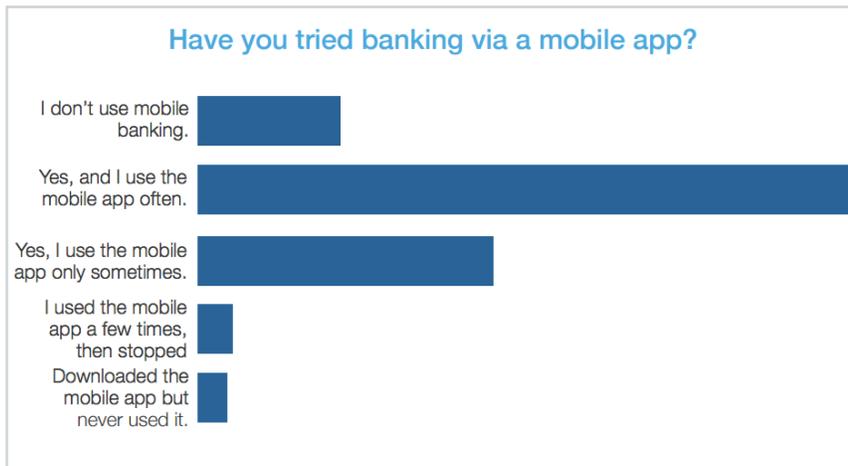
## Consumers are walking away from brick-and-mortar banking – and not looking back.

51.9% of consumers polled do banking online, through their bank's website. Quickly catching up, 36.2% do banking through their bank's mobile app. By comparison, just 8.9% still relied on the bank's brick-and-mortar location or snail mail to do their banking.



## If their bank has a mobile app, consumers are willing to try it.

An overwhelming 85.1% of those polled have used their bank's mobile banking app. Of that number, 66.5% use the mobile app often.



**Millennial note:** Smartphones and tablets are central to millennials' "ondemand" lifestyle, making the mobile banking adoption rate for this group a whopping 46.6%. Globally, the millennial population looks to do their banking through a mobile app. 43.7% do it online via their bank's website, while only 7.8% use a physical bank. This maps with Bank of America's recent study, which found that nearly 3 in 5 millennials use their bank's mobile banking app – the most active users of any generation.<sup>4</sup>

**Millennial note:** Nearly all millennials (92.4%) have attempted mobile banking through their bank's app, with 75.8% of that group using the mobile app regularly. Only 5.8% of all millennials polled don't use mobile banking. Again, these findings were corroborated by Bank of America's recent study, which found that nearly three-quarters of all millennials access their mobile banking app several times a week, while one-quarter use it at least once a day.<sup>5</sup>

**Millennial note:** Again, millennials displayed their trademark openness vis-à-vis mobile. If they found a bank with a better mobile app, 42.7% "might" change banks, while 8.7% would definitely move over to the new bank.

**Consumers are living more spontaneously and adopting mobile banking to fit that lifestyle.**

A promising portion of people are open to going mobile with their banking. 38.7% “might” change banks if they discovered one with a mobile app or better mobile app, while 8.9% emphatically would change banks.

**Gen X is open to mobile banking, but they need reassurance.**

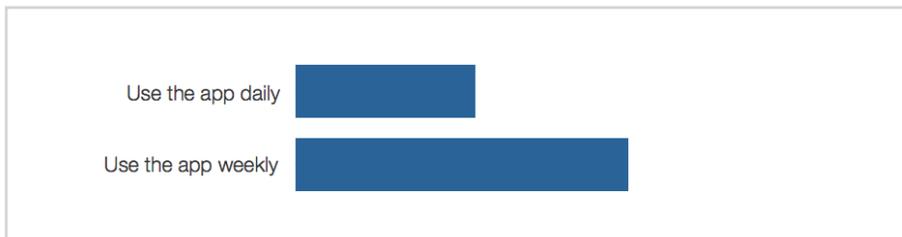
Although Gen X respondents displayed a willingness to adopt mobile across the board, they lacked the enthusiasm of their millennial counterparts. The reason is threefold: decades of ingrained status quo banking, security concerns them, and some find their bank’s existing mobile interface or app difficult to work with.

## Deep Dive: Mobile Banking from the Banks’ Perspectives

Mobile banking isn’t just revolutionary for customers; it’s a seismic shift in the way that banks do business. We interviewed a select group of successful banks to find out the mobile landscape from the inside. Here’s what we found:

**Mobile banking is already a consumer habit.**

Of banks surveyed who had a mobile app, 50% of their customers are using the app at least weekly. A further 27% are using the app daily.



**Consumer adoption and usage is the app’s primary success determiner.**

Banks use a variety of criteria to determine an app’s success, ranging from app store ratings to amount of money sent via the app per month. However, the top three determiners were:

1. Number of consumers using the app each month
2. Percentage of consumers using mobile banking
3. Number of transactions per month

**Consumers are still focused on security and usability issues.**

Although app usage is widespread, consumers are wary of the “mobile unknown.” Consumers who aren’t currently using banks’ mobile apps are primarily not doing so because of (1) security concerns and (2) missing desired functionality.

Consumers don't understand the complexity of delivering an app across various OS versions and carriers; they only expect that when they open an app it should be a seamless mobile experience.

**Mobile is a completely different beast than digital desktop.**

Financial Services are struggling to keep up with the pace of mobile while meeting consumer' expectations. When we asked banks for the biggest challenges they face when designing mobile apps, the top three hurdles were:

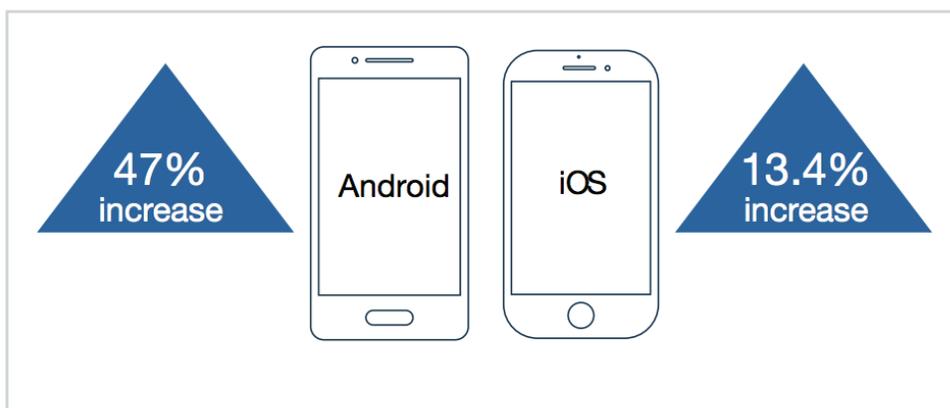
1. Security and authentication issues
2. Regulatory and privacy concerns
3. Consumers higher expectations of speed and performance in an app

## Deeper Dive: Mobile Banking and Carriers

Mobile banking experiences differ vastly (for better and for worse) depending on operating systems and the carriers they ride on. Consumers don't understand the complexity of delivering an app across various OS versions and carriers; they only expect that when they open an app it should be a seamless mobile experience. Aptelligent dove in to further explore consumer habits across the globe. Findings were as follows:

**More and more people are using finance apps.**

M-Finance is on a steady rise. Between May and October 2015, finance app loads on the Android operating system increased 47% and in that same six-month period, finance app loads on iOS increased 13.4%.



**The carrier landscape varies greatly around the world.**

While a few mobile frontrunners are in the Winner's Circle in multiple locations, by and large there is a huge global diversity in popular carriers. This makes it more difficult for global companies to keep tabs on carrier or geo-specific issues.

## Top FiServe Apps Globally

Location	iOS Top 3 Carriers	Android Top 3 Carriers
Asia	1. AT&T 2. Airtel 3. Verizon	1. LG Uplus 2. Olleh 3. SK Telecom
Europe	1. Vodafone 2. Telecom Italia Mobile 3. Three	1. Vodafone 2. Movistar 3. Mobistar
United States	1. AT&T 2. Verizon 3. Sprint	1. Verizon 2. T-Mobile 3. AT&T

### When a second may as well be a century, latency matters.

In this era of “instant,” nothing kills a customer and brand experience like latency. Even milliseconds between an action and a response can have serious repercussions to an organization’s bottom line. For example, Bing found that a two-second delay in page load decreased their revenues per user by 4.3%.

### Latency plagues Finance apps.

According to Aptelligent data, compared to other iOS apps Finance apps have consistently higher average latency across all the major carriers. Although the leading global carriers generally have relatively low latency compared to some of the smaller carriers, FiServe apps have higher latency across the board. For instance, AT&T, the top ranked carrier, has a 119.5% higher latency for FiServe apps than for Lifestyle apps. Developers need to understand this finance-specific latency better as it may be linked to complex characteristic of their specific apps.

## iOS FiServe Apps VS Shopping Apps

Location	Top Ranked Carrier FiServe	Average FiServe Latency (in MS)	Top Rank Carrier Shopping	Average Shopping Latency (in MS)
Asia	AT&T	1022.34	Kiddi	267.03
Europe	Vodafone	604.57	Vodafone	270.01
United States	AT&T	719.95	AT&T	303.05

## Android FiServe Apps VS Lifestyle Apps

Location	Top Ranked Carrier FiServe	Average FiServe Latency (in MS)	Top Rank Carrier Lifestyle	Average Shopping Latency (in MS)
Asia	LG Uplus	492.4	Airtel	403.24
Europe	Vodafone	336.66	Orange	146.87
United States	Verizon	391.16	Verizon	204.1

Top carriers, ones who have the highest number of consumers riding their networks, actually have lower latency than the carriers at the bottom of the list. This means that developers must be vigilant about testing and optimizing their apps to work effectively through the various latency problems that could arise across different carriers.

## Dive In: Eight Ways That Aptelligent Can Revolutionize Your Mobile Banking

It's clear that consumers are ready to embrace mobile banking. Hold up your end of the bargain by offering a seamless and stable user experience.

This is where Aptelligent can help. Leading global banks trust our SDK and platform to help them deliver a superior consumer mobile banking experience. Our mobile app intelligence helps institutions such as AXA, Capital One, Lotte, and Ally Bank get business-critical mobile insights in real-time. Here are eight ways that we can help you:

### **USERFLOW**

Connect your users' mobile experience with critical business metrics so you can troubleshoot problems quickly and deepen engagement. Filter by your most important transactions, such as mobile check deposit, and instantly get the pertinent data at your fingertips.

### **USERVIEWS**

Conduct trend analysis by individual user – to get the complete mobile picture. By measuring these workflows over time, you can optimize the user experience and increase customer satisfaction. The result? Maximized revenue, engagement, and retention.

### **CRASH TRENDS**

Discover how, where, and why your app is crashing. Aptelligent identifies active users and gathers information on percentage of app loads that crash by version. This allows teams to address any issues between different versions and enhances app stability.

### **GEOLOCATION**

With the cyber equivalent of a bird's eye view, zoom into specific user locations to find out what unique environmental issues (regional, carrier latency, etc.) are affecting app responsiveness there. Breadcrumbs: Follow the customer journey through your app. Quickly view a timeline of the user's behavioral data, such as screen changes and custom logs, alongside operational data such as networking calls and errors.

### **HANDLED EXCEPTIONS**

Analyze all the pertinent information – from breadcrumbs down to the specific username – when an incident occurs. Diagnose where and why these incidences were happening.

### **BENCHMARKS**

While there's not much you can do when a network fails, you can prepare yourself and plan ahead when developing your app. Know which carriers work best in which countries, and identify which countries around the globe are likely to have network latency issues.

## APP LOADS BY VERSION

Discover important insights about customer adoption when you roll out new features. Identify which versions users prefer, if people are using new features, and so on.

Our numbers speak for themselves. Find out how we helped a large US bank reduce its app's crash rate by 90%. The mobile team at one of Europe's largest banks declared, "Critticism's mobile app intelligence allowed us to create a seamless user experience for our customers."

Banking on smartphones and tablets is already displacing banking on PCs for routine interactions.<sup>6</sup> Invest in your mobile offering and customers will certainly invest in you.

## About Aptelligent

Aptelligent is the App Intelligence company trusted by the largest mobile apps in the world. Aptelligent's software provides actionable mobile app insights to improve digital business on iOS, Android, and Hybrid apps. Product managers and developers use Aptelligent's insights to diagnose app performance issues that impact user experience. The platform collects and analyzes app performance issues and connects problems to key business metrics. Mobile teams also have access to Aptelligent's big data platform, as well as industry and app benchmarks. Aptelligent is based in San Francisco.

Learn more at [www.aptelligent.com](http://www.aptelligent.com).

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## FOOTNOTES

1. TechCrunch: 6.1B Smartphone Users Globally By 2020, Overtaking Basic Fixed Phone Subscriptions
2. Forrester: Build a World-Class Mobile Banking Strategy
3. Note: We identified millennials as individuals aged 18-34 at the time of taking the survey
4. Bank of America: Year-End Millennial Snapshot
5. Bank of America: Year-End Millennial Snapshot
6. Forrester: Build a World-Class Mobile Banking Strategy