



Mobile Finance Trends & Innovations

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Introduction



Keeping up with Mobile Finance

The mobile channel continues to become an increasingly important means for consumers to interact with financial services providers. A case in point: according to the [Federal Reserve](#), 51% of all smartphone owners have used mobile banking in the last 12 months, and interest among non-users suggests this number will only continue to rise. The Fed also found that the number of consumers making payments or depositing checks from their mobile phone is increasing as well.

Financial services firms have responded to growing consumer demand by introducing new and redesigned apps with ever more powerful data offerings and transaction capabilities. These mobile enhancements haven't been limited to the banking and brokerage industries; firms in other industry segments like insurance and retirement have also been investing in their mobile capabilities.

Corporate Insight has periodically reviewed mobile finance activity from its ongoing *Mobile Monitor* coverage, reporting on interesting and noteworthy trends as we identify them. We published our last *Mobile Finance Trends & Innovations* in [February 2014](#). As the year ends, we thought it timely to look at what has occurred over the last 12 months and what may be in store for 2015.

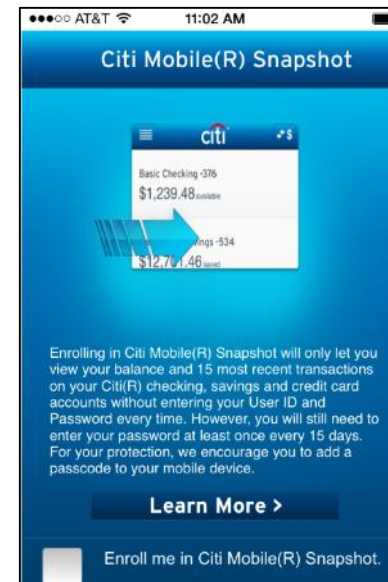
Mobile Finance Trends & Innovations

- Accessibility & Security
- iPad & Tablet Apps
- Camera: Deposits & More
- Communication
- Research & Transactions
- Card Innovations

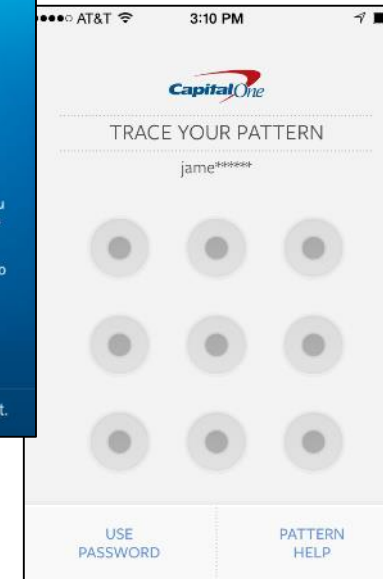
New login options emphasize accessibility

- 2014 has seen several firms add the ability to check basic balances pre-login or replace username/password with alternative credentials

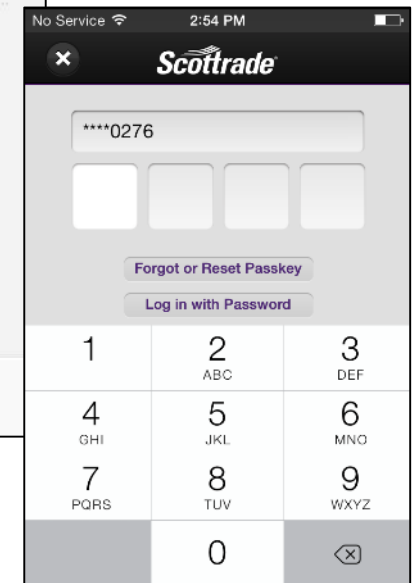
* 2014 Additions	Firm	Pre-Login	Alternative Login
	Barclays	Peek	
	Capital One		SureSwipe
	Chase	Account Preview*	
	Citi	Mobile Snapshot*	
	Citizens Bank	Fast Balance*	
	Discover	Quick View	Passcode
	E*TRADE	Keep Logged In	
	Fifth Third	Now Balance*	
	Scottrade		Passkey*
	SunTrust	Quick Balance*	
	USAA		Quick Logon



Citi Mobile Snapshot



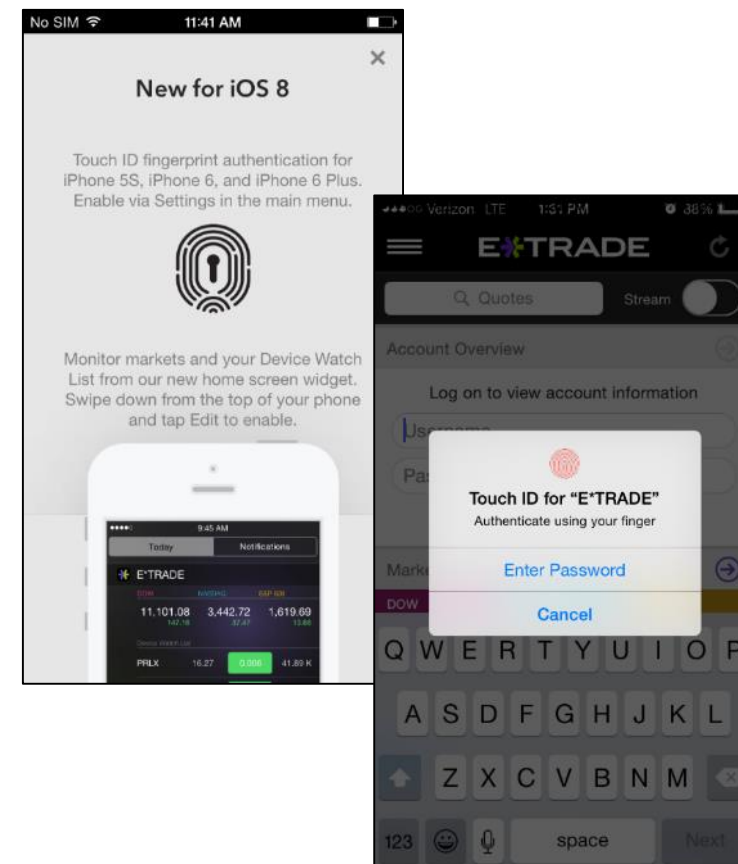
Capital One SureSwipe



Scottrade Passkey

Apple enables the first biometric authentication

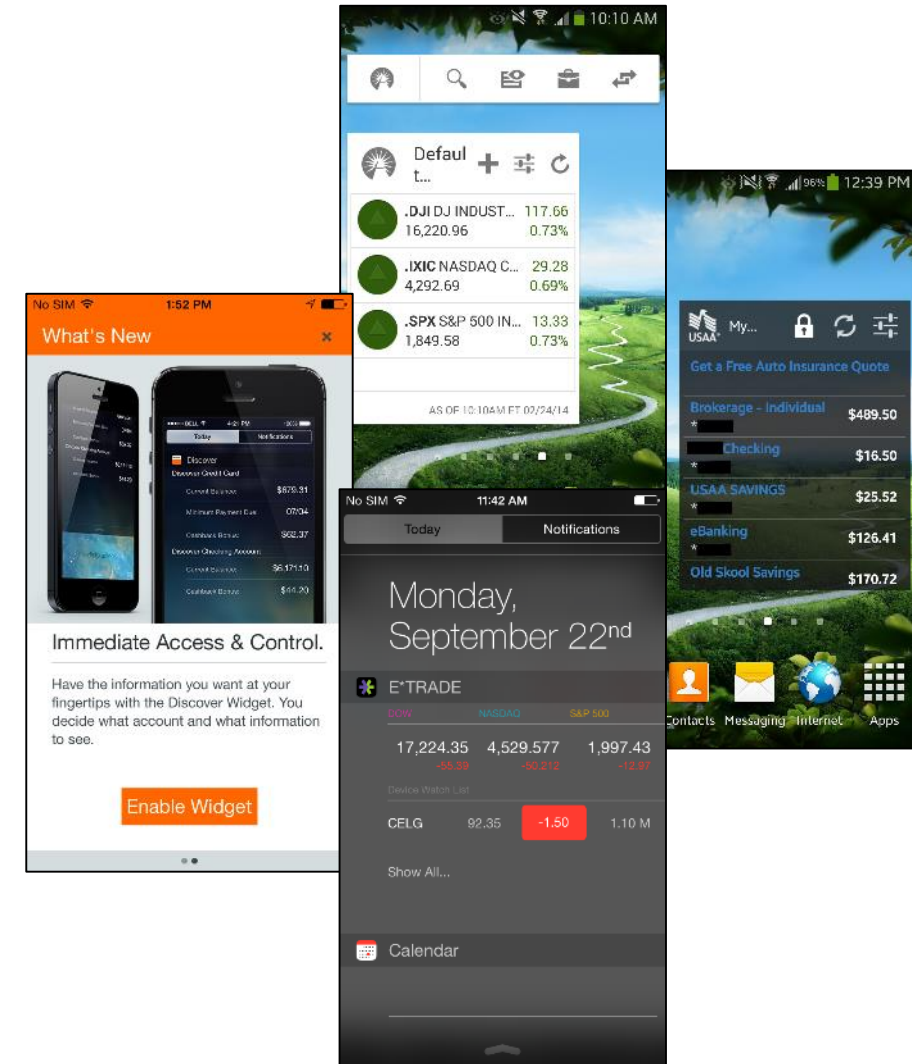
- With the release of the latest iOS 8-capable devices in September, firms have begun to integrate Touch ID
 - Among the firms we track, American Express, Capital One Wallet, Discover, E*TRADE and TD Ameritrade Mobile Trader have been the first apps to use this technology
 - We expect more firms to embrace Touch ID as well as comparable features on Android devices such as the [Samsung Galaxy S5](#)
- Mobile devices could also enable voice recognition in the future
 - In early 2014, [U.S. Bank](#) announced a pilot program using Nuance-powered voice biometrics



E*TRADE Touch ID

Widgets improve market – and account – information accessibility

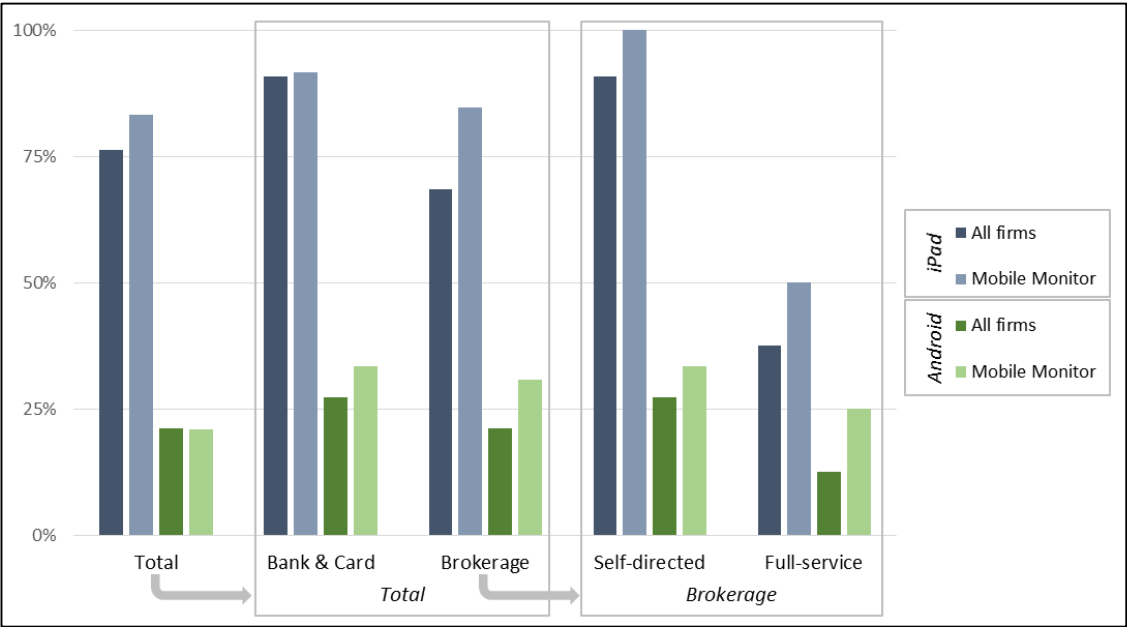
- Existing Android widgets generally focus on market information, e.g., quotes for indices and watch lists
 - Fidelity's Quick Task widget links to key app features
 - USAA became the first firm to offer login and account info via an Android widget
- With iOS 8, Discover & E*TRADE promptly launched the first iPhone home screen widgets



Clockwise from top: Fidelity & USAA Android widgets, E*TRADE & Discover iOS 8 widgets

iPad apps have become an industry standard, while development for Android tablets is growing

- 2014 saw many firms catch up with iPad apps, and some move onto Android tablets as well
- Currently, 79% of firms Corporate Insight tracks offer iPad apps, while just 24% optimize for Android tablets



Stats as of Q3 2014 Mobile Monitor Report: iPad & Tablet Apps

New tablet apps introduced in 2014 include:

Firm	iPad	Android
Ally Bank	✓	✓
Citizens Bank	✓	
Discover	*	✓
Fidelity	*	✓
KeyBank	*	✓
Lord Abbett	✓	
Morgan Stanley	✓	
SunTrust	*	✓
USAA	*	✓
Wells Fargo	*	✓

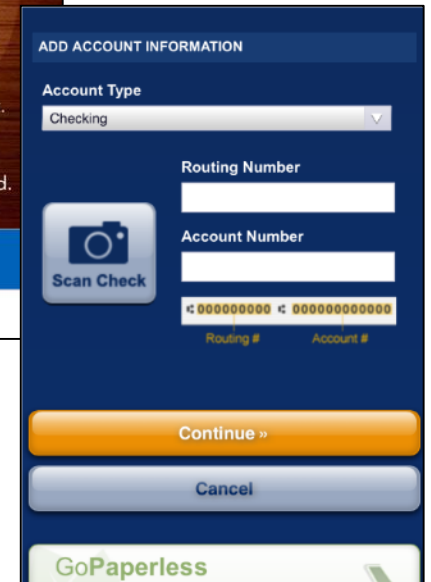
* App available prior to 2014

As check deposit has become an industry norm, firms have experimented with other camera uses

- Today, 95% of banks and 58% of brokerages we track support mobile check deposit
 - The latest firms to add check deposit in 2014 include Ameriprise, Capital One, Citizens Bank, Morgan Stanley and TD Ameritrade
 - At the same time, such firms as Bank of America, Capital One and Wells Fargo have made a move toward auto-capture
- Other uses for mobile camera technology introduced in 2014 include:
 - USAA using TurboTax technology to scan W-2 tax forms
 - Liberty Mutual bill payments using a picture of a check to load account details
 - Previous enhancements include scanning receipts (American Express & Chase), bills and balance transfer offers (U.S. Bank), driver's license for account opening (USAA) and VIN to add a vehicle (Esurance)



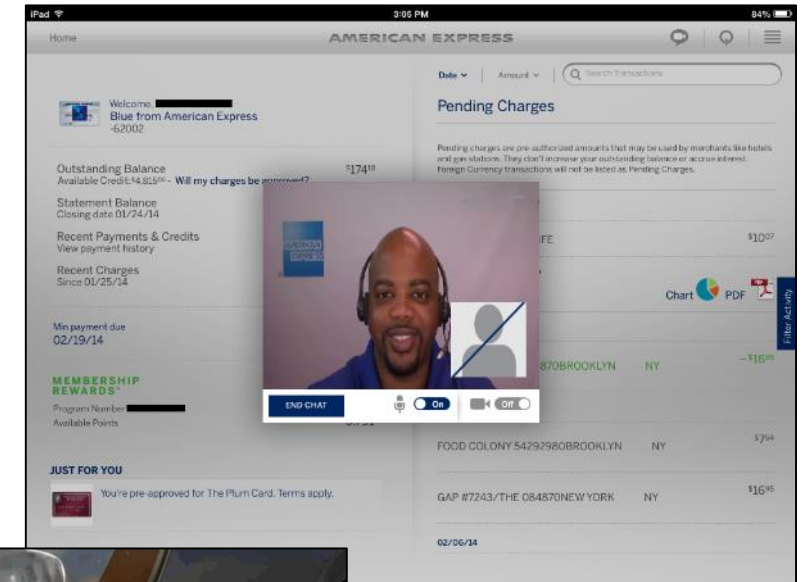
USAA TurboTax W-2



Liberty Mutual Add Account

Video is becoming a customer service tool

- American Express introduced Video Chat on the iPad, which does not have built-in calling capabilities
- Esurance improved the appraisal process with representative assistance via video
- Citi Private Bank's "In View" app experimented with video conferencing



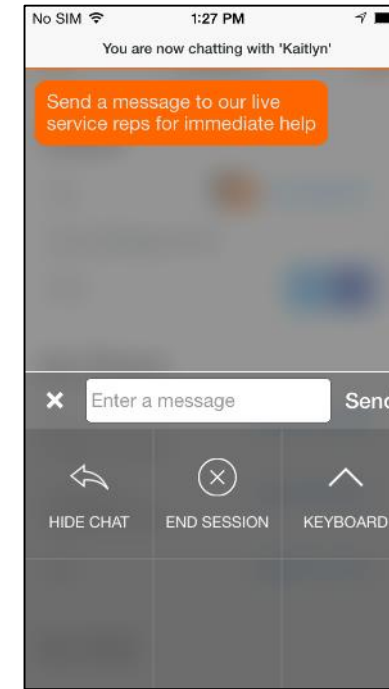
American Express Video Chat



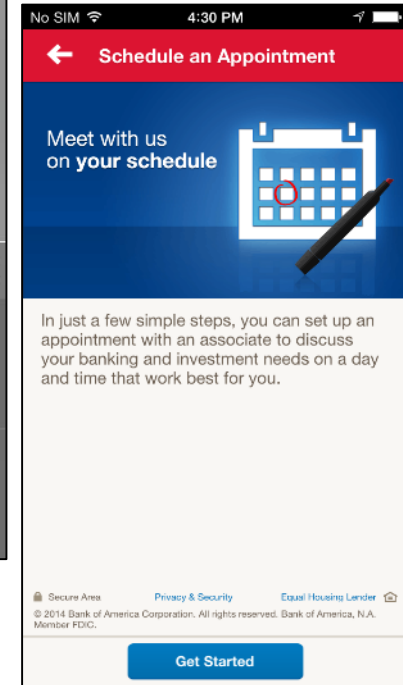
Esurance Video Appraisal

Other innovative communication methods also emerge

- Discover is the first firm we track to offer mobile Live Chat
- Discover, E*TRADE, Merrill Edge, Merrill Lynch & TD Ameritrade launch Secure Message Centers to safeguard emails
- Ameriprise adds To Do's section for advisor interactions
- Bank of America lets clients Schedule an Appointment
- USAA connects app users to reps with no additional authentication



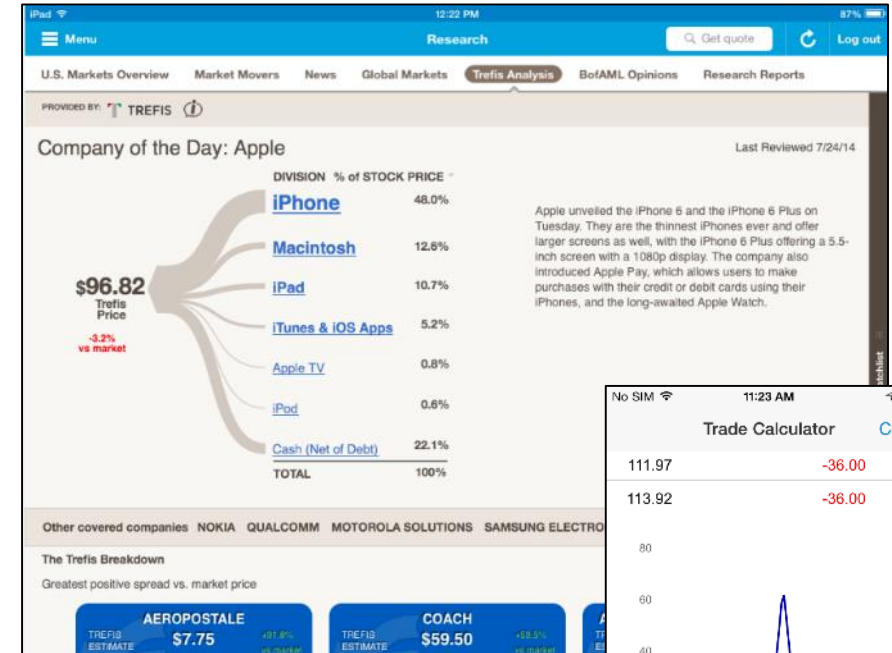
Discover Live Chat



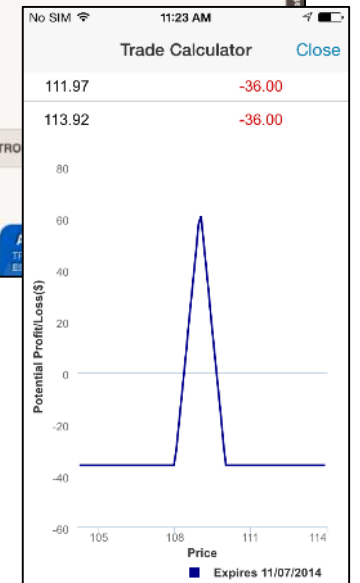
Bank of America
Schedule an Appointment

Research features continue to expand, especially for the iPad

- New iPad-exclusive additions in 2014 include:
 - Merrill Edge Trefis analysis
 - Scottrade's Compare tool
 - ShareBuilder IPO center and Global Markets overview
 - Vanguard stock fund diversification feature
- Other new research tools on tablets and smartphones include:
 - Charles Schwab Trade Calculator for multi-leg options trades
 - E*TRADE ETF screener



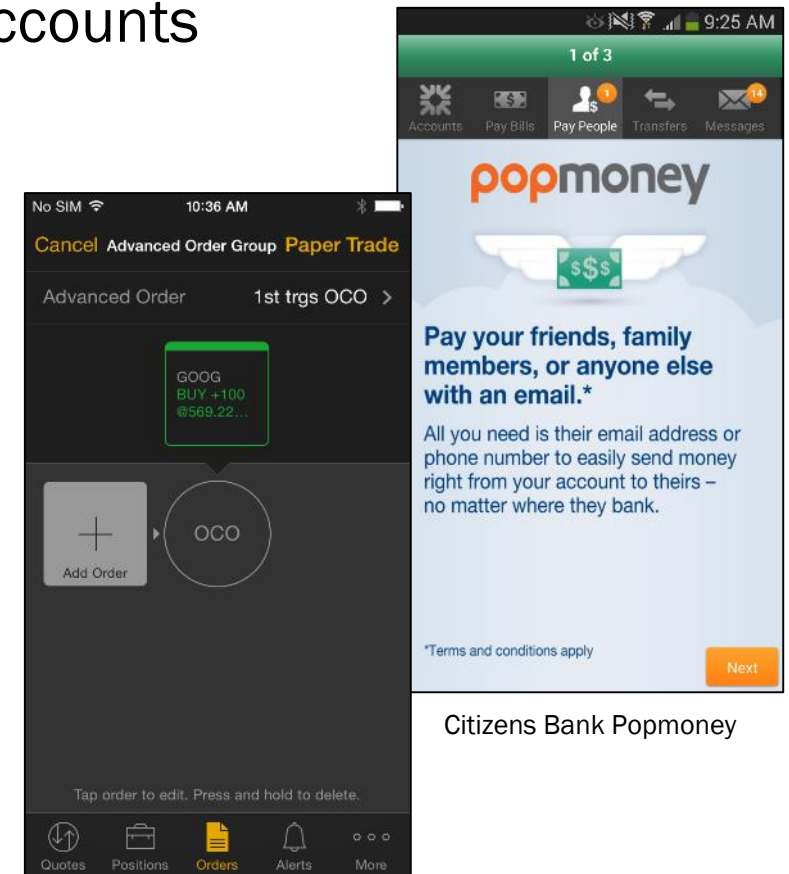
Merrill Edge Trefis Analysis



Charles Schwab
Trade Calculator

Transaction capabilities are gradually catching up to online

- Money movement gives clients more control over their accounts
 - Chase adds deposits & withdrawals
 - Citizens Bank introduces Popmoney P2P payments
 - Scottrade incorporates funds transfers & bill pay
- Stronger trading capabilities empower mobile traders
 - Charles Schwab, Fidelity & E*TRADE add tax lot trading
 - Fidelity incorporates multi-leg options trading
 - TD Ameritrade adds conditional orders

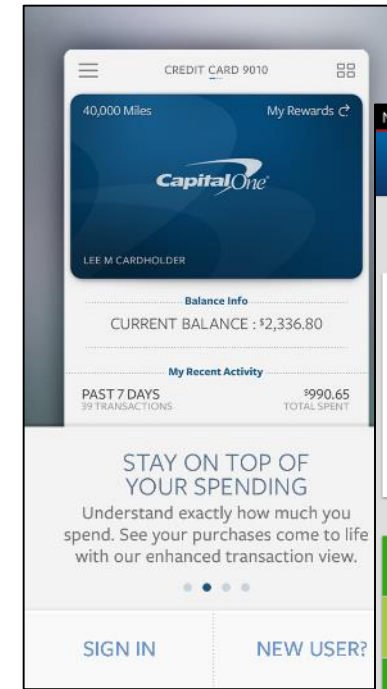


Citizens Bank Popmoney

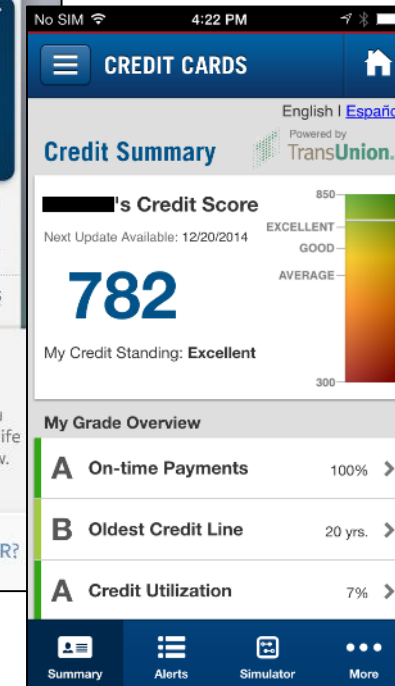
TD Ameritrade Mobile Trader
Conditional Order

Credit card firms step up with helpful apps, data and features

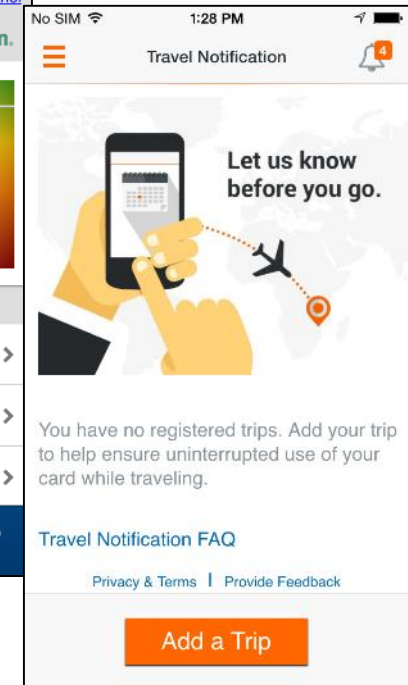
- The new Capital One Wallet app prioritizes fast, rich activity information
- Barclays, Capital One and Discover add credit report data and displays to their apps
- Wells Fargo Spending Report visualizes spending and budgets
- Barclays, Discover & Wells Fargo add mobile travel notifications to conveniently ensure service



Capital One Wallet



Capital One Credit Tracker



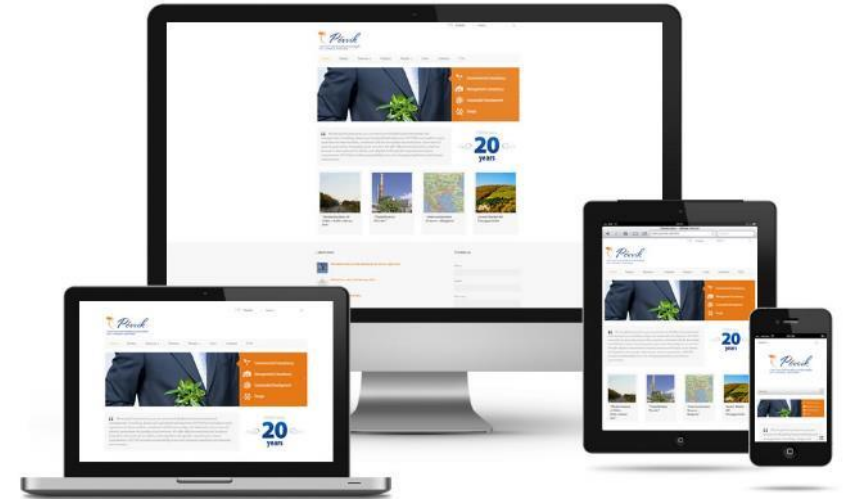
Discover Travel Notifications

2015 and Beyond

- Responsive Design
- Wearables
- Apple Pay
- Key Takeaways

Responsive Web design improves the mobile site experience

- Segments of the financial services industry that have not yet embraced mobile (e.g., asset managers) have begun investing in responsive sites to support basic mobile-optimized access
- Even firms with effective mobile apps can make new versions of their websites more responsive in order to improve on outdated mobile sites
- In the long run, a responsive site could eliminate the need to develop and maintain a suite of apps
 - There are technological hurdles to integrate mobile-exclusive technology like check deposits, though



Wearables have not yet caught on, but the Apple Watch could change things

- The financial services industry has seen some experimentation with [Google Glass](#)
 - Such firms as Discover, Fidelity and Wells Fargo Advisors unveiled or previewed Glassware apps
 - Interest seems to have stalled, though, and developers may be giving up due to limited availability with a wide release delayed until 2015
- [Smartwatches](#) are the new hot device
 - [Fidelity](#) was the first firm Corporate Insight tracks with a “watchapp” for Pebble, although international firms have also experimented with the concept
 - The Apple Watch’s release may encourage more firms and developers






Apple Pay revives the mobile wallet concept

- [Apple Pay](#) does a good job with some key aspects of the mobile wallet experience
 - NFC-powered payments provide a seamless experience at a growing number of locations as merchants upgrade their terminals
 - Apple has earned strong buy-in from many leading card issuers and networks who are supporting the payment system
 - Apple also addresses security with authentication methods such as Touch ID while withholding card details from merchants to maintain privacy in case of data breaches
- Other competitors such as Google Wallet or CurrentC may benefit from increased legitimacy or be eclipsed by a more popular program





The major credit cards.
With the same major benefits.





Apple Pay works with most of the major credit and debit cards from the top U.S. banks. Just add your participating cards to Passbook and you'll continue to get all the rewards, benefits, and security of your cards.




  



Participating banks.

Add your debit and credit cards from these banks.*

[View all participating banks >](#)

Apple Pay Participating Banks

Key Takeaways

- **Mobile is no longer being treated as a streamlined version of the online channel.** The latest mobile apps offer features not available online, such as login options and the integration of smartphone cameras and other hardware. Taking this further, mobile phones and new wearable devices have the potential to deliver new capabilities, such as point-of-sale payments.
- **Developing for a wide variety of mobile devices remains a challenge.** Nevertheless, firms continue to raise the bar with new and enhanced iPad and tablet apps, taking greater advantage of the tablet's larger form factor. Responsive Web design is gaining some traction, particularly in industry segments that have been slow to embrace mobile. Still, it's not yet a replacement for a comprehensive suite of apps.
- **Leading firms continue to improve their account information.** Our surveys consistently show that account information matters more than tools or transaction capabilities to mobile finance users. While most firms have the basics of account information covered, innovators continue to improve presentation – particularly with data visualizations – and accessibility – through login features, widgets and, perhaps soon, wearables.

About Us

- About the Author
- *Mobile Monitor*
- Corporate Insight



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Dan Wiegand leads Corporate Insight's mobile finance research efforts and is the Senior Analyst for CI's *Mobile Monitor* service. He has conducted extensive research on mobile finance with a focus on the mobile apps, platforms and capabilities leading financial services firms offer to prospects and clients.

Dan's past work in the space includes the *Money on the Move: Mobile Finance Review 2011* and *2012* and *2014 Mobile Leaders* reports that offer a comprehensive look at the mobile landscape. Dan has also authored a number of thought leadership pieces and studies focusing on tablet Web design, iPad apps, mobile transaction capabilities, mobile security and more.

Dan graduated from Harvard University in 2006 and has been a member of the Corporate Insight team for the last eight years. He also works as a senior consultant and project manager on CI's Consulting Services team.

About *Mobile Monitor*

- *Mobile Monitor* is Corporate Insight's subscription research service that tracks mobile development across the bank, brokerage, credit card and asset management industry segments.
- *Mobile Monitor* subscribers receive:
 - Bi-weekly *Updates* reporting on mobile platform developments at over 100 firms
 - In-depth *Quarterly Reports* on such topics as:
 - ✓ Mobile Leaders
 - ✓ Menu Design & Navigation
 - ✓ iPad & Tablet Apps
 - ✓ Money Movement
 - Quarterly capabilities matrix and films
 - Analyst support



Mobile Monitor's Cross-Industry Coverage Set

About Corporate Insight

- Corporate Insight is a New York-based research and consulting firm that helps financial institutions improve their customer experience and establish compelling competitive advantages
- Our [Monitor](#) research offers ongoing competitive intelligence by industry vertical, reporting on the customer experience from a unique firsthand perspective
- Our [Consulting Services](#) team provides a broad range of strategic and tactical research services, with a focus on emerging technology and disruptive forces. Our services include:
 - Custom research, including [mobile-focused engagements](#)
 - Survey research, including [investor](#), [retirement plan participant](#) and [bank customer surveys](#)
 - [Industry-wide studies](#) on key strategic issues, including [Millennials and finance](#), [fintech startups](#) and more
 - [User research \(e.g., user testing, heuristic reviews, etc.\)](#)
 - [Website and Mobile Audits](#)
- For more information about Corporate Insight, please contact Grace Lei at (646) 929-5148 or glei@corporateinsight.com.