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Emerging Trends in Mobile Banking

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1. Introduction

This is the fourth chapter in the *Money on the Move* series for Monitise. In this report we are seeking to provide a panoramic view of mobile phone banking in Britain in 2011. To do this, we have conducted new quantitative research in this country to probe consumer behaviour and attitudes. We have used two samples: a 1,000 strong nationally representative main sample and an additional sample of 279 individuals who currently use some form of mobile phone banking. In addition we have drawn other information from our nVision database of proprietary research*. We've added an industry perspective through interviewing two expert practitioners; John Slater, Head of Online Business Transformation at Nationwide and Ben Green, Head of Digital Service at the Royal Bank of Scotland. In their interviews these individuals were expressing their own opinions; opinions that are not necessarily those of their employers. We are very grateful to them for their assistance.

While this report focuses on the UK, we feel that it is only right to acknowledge that mobile phone banking is making significant strides in many countries. In some ways we're witnessing a paradigm shift – here is a technological innovation that may be more apparent and certainly more significant in some developing countries than in the West.



2. Key Findings

- ▶ There has been a rapid growth in the adoption of banking by mobile phone in the last year: 9% of consumers now claim to use some form of mobile banking compared to 4.3% in the autumn of 2008.
- ▶ The growth in smartphone adoption and innovation is one of several strategic factors that will result in the majority of Britons using mobile money within the next few years.
- ▶ The recession has boosted the use of the mobile phone as a means of banking – the immediacy and control it offers are important benefits at a time when consumers are more aware of their spending.
- ▶ While users of mobile phone banking interact with their bank more frequently than the general population, they are using their mobiles for an increasing proportion of those interactions - mainly at the expense of branch visits and call-centre banking.
- ▶ 70% of consumers who use mobile phone banking are interested in using their handset as a means of paying for goods and services.
- ▶ Two thirds of the people who use mobile phone banking are interested in using their phone as a means of organising their finances.
- ▶ Those people who use mobile phone banking like it – 57% report that they have used this channel more often during the last twelve months. More than two thirds have recommended, or will recommend, this type of banking to others.
- ▶ 85% of those using mobile phone banking think that technology (including online and mobile phone banking) helps them manage their money more efficiently.
- ▶ Only 32% of consumers using mobile phone banking state that they find banking ‘easier or faster’ on a computer.

* nVision is the Future Foundation's online trend tool. nVision is informed by six waves of proprietary quantitative research annually. The total sample size is 7,000 and the surveys are nationally representative.

3. A rapid acceleration in mobile phone banking

We have been monitoring the take-up of mobile phone banking since the autumn of 2008. At that time 4.3% of our nationally representative audience claimed they used their mobile phone to perform banking functions. By November 2010 that number had jumped to 9%. In the last year there has been a marked acceleration in this form of banking. We believe that there are three main factors driving this remarkable growth.

Firstly, the recession has caused consumers to be more cautious in how they spend their money and we have observed a significant increase in the number of people who manage their finances through budgeting; in October 2008 around 45% of the population claimed to 'carefully budget all household spending'. By June 2010 that proportion had climbed to around 65% (Future Foundation nVision). The mobile phone – whether sophisticated or basic – has a powerful role in budgeting. Balance updates by text are a simple and immediate method of maintaining greater control of finances. 85% of people who use mobile phone banking think that technology such as internet and mobile phone banking helps them manage their money more efficiently.

Secondly, the success of smartphones and the iPhone in particular has made the internet properly mobile giving consumers more frequent and often spontaneous opportunities to interact with brands. It's hard to understate the growth in 3G phones. According to data from comScore MobiLens, UK smartphone adoption stood at 34.3% in 2010, up from 21% in 2009. In December 2010 there were 16.6 million smartphone users in the UK and 4.5 million iPhone users. Our own research from 2010 shows that more than one in five people aged between 25 and 34 own an iPhone.

Thirdly, UK retail banks have actively and extensively promoted the benefits of mobile phone banking. In 2010 a number of banks ran communications campaigns based on the notion of being helpful to consumers. Mobile phone banking has been marketed as a useful improvement in the service that consumers receive.

There are other background factors too – the increasing pace with which consumers adopt new technologies and the relatively high levels of trust that consumers have in both mobile networks and the technology banks use.

When forecasting technology adoption we use a generalised adoption curve – a statistical method which we have used to forecast sophisticated phone banking (i.e. beyond text alerts). This method suggests that 39% of the population will use phone banking by 2020. However this narrowly-defined forecast does not take account of some transformative changes:

- Consumers being automatically provided with text alerts by their bank
- As we'll see in section 3.4, consumers readily appreciate the benefits that tap-and-go payments can provide. Innovation in this area is likely to be well-received
- The role that mobile-initiated payments will have in replacing cheques
- The definition of 'mobile money' becomes much broader, expanding beyond current services to include m-shopping, location-based offers / services, transport, entertainment and integration with social networking
- Growth in smartphone adoption is matched - or exceeded - by growth in smartphone innovation

Taken together, these factors will accelerate adoption to a point where a majority will be using mobile money in some way in the next few years.

Ben Green, Head of Digital Service at RBS, forecasts strong growth:

“I think that penetration of online banking is getting to be around 40% or 50% of many companies overall [customer] base. I would be absolutely amazed if you couldn’t get to a very similar status on mobile banking as well.”

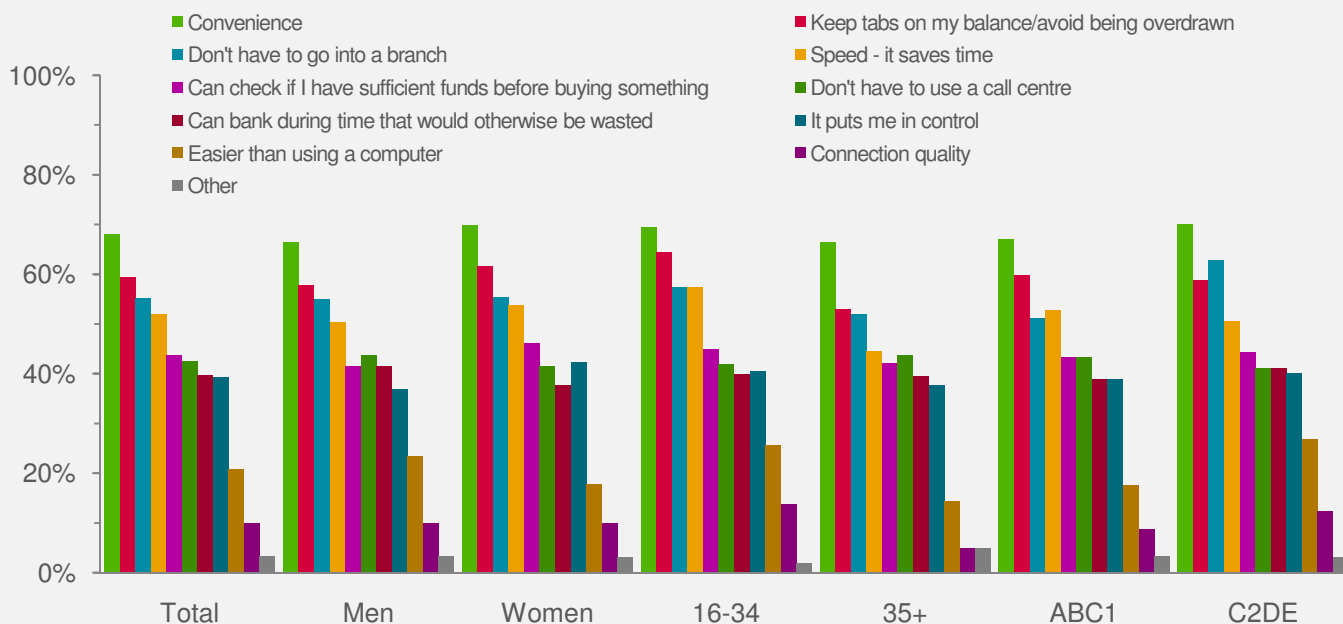
John Slater, Head of Online Business Transformation at Nationwide, believes this level of penetration will happen much more quickly: *“I think by 2017 something like 40% to 50% of banking customers will be using mobile banking in one form or another.”*

3.1. Why consumers use mobile phone banking

In terms of how consumers evaluate the benefits conferred by mobile phone banking, no less than eight factors are rated with a response level of 40% or above. The appeal of mobile phone banking is therefore not one-dimensional; rather consumers readily appreciate a number of advantages. Convenience, speed and control emerge as the key benefits for a group who value their time and the ability to regularly monitor their finances to avoid bank charges and stay in the black.

When it comes to service, sometimes it's what you don't get that is most important – mobile phone banking seems to be a case in point. Among consumers who use mobile phone banking, 55% appreciate not having to go into a branch and 43% value not having to use a call centre.

1. "Which of the following would you say are the advantages of mobile phone banking?"



Source: Monitise / Future Foundation | Base: 279 who manage their finances via mobile phone banking aged 16+, 2010

3.2. Mobile phone banking comes of age

There are six main ways of managing your finances and the chart on the next page shows whether the users of those channels have been utilising them more or less over the past twelve months. Those people who use mobile phone banking clearly like it – over half (57%) say that they have been using this channel more often over the last year. Only 7% say they are using it less often. The comparison with other channels demonstrates the real benefits that consumers find in using their mobile phone for banking purposes. Among people who use mobile phone banking, 27% have used branches less often to manage their money in the last twelve months while 24% are using ATMs and call-centre banking less.

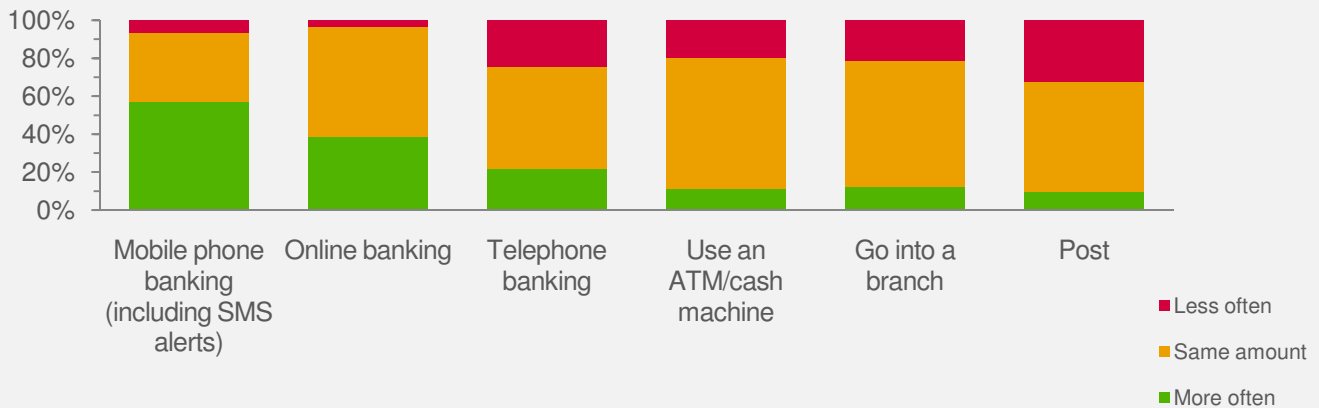
The data gives a strong sense that mobile banking has come of age – users are growing exponentially while the frequency of use is also growing quickly. In a short space of time this form of banking has become accepted and previous concerns about security have become less of an issue.

"Globally millions of consumers have already downloaded and are using apps that enable them to carry out financial transactions. In general customers expect their bank to offer them services that are secure and I'm sure when coupled with the growing need to stay closer to their finances, this overcomes any concerns they may have about security." John Slater, Nationwide

John Slater’s view chimes with our previous research for Monitise which has shown that consumers have a very high level of trust in the technology that banks use. Mobile phone security is raised as an issue by consumers when prompted, however their behaviour suggests that they are comfortable making transactions using their phone.

In our four waves of research for Monitise we have found that, while consumers are concerned about security, they have a high degree of confidence in the technology that banks employ. Consumers do not use the phrase ‘bank grade security’ but they do trust the security measures put in place by the banks.

2. “You said that you use the following way of managing your finances. Please say whether this is more or less often or the same amount as 12 months ago?”



Source: Monitise / Future Foundation | Base: 118 – 724 respondents aged 16+ who use the indicated means to manage their finances, 2010

3.3. The adopters of mobile phone banking as advocates

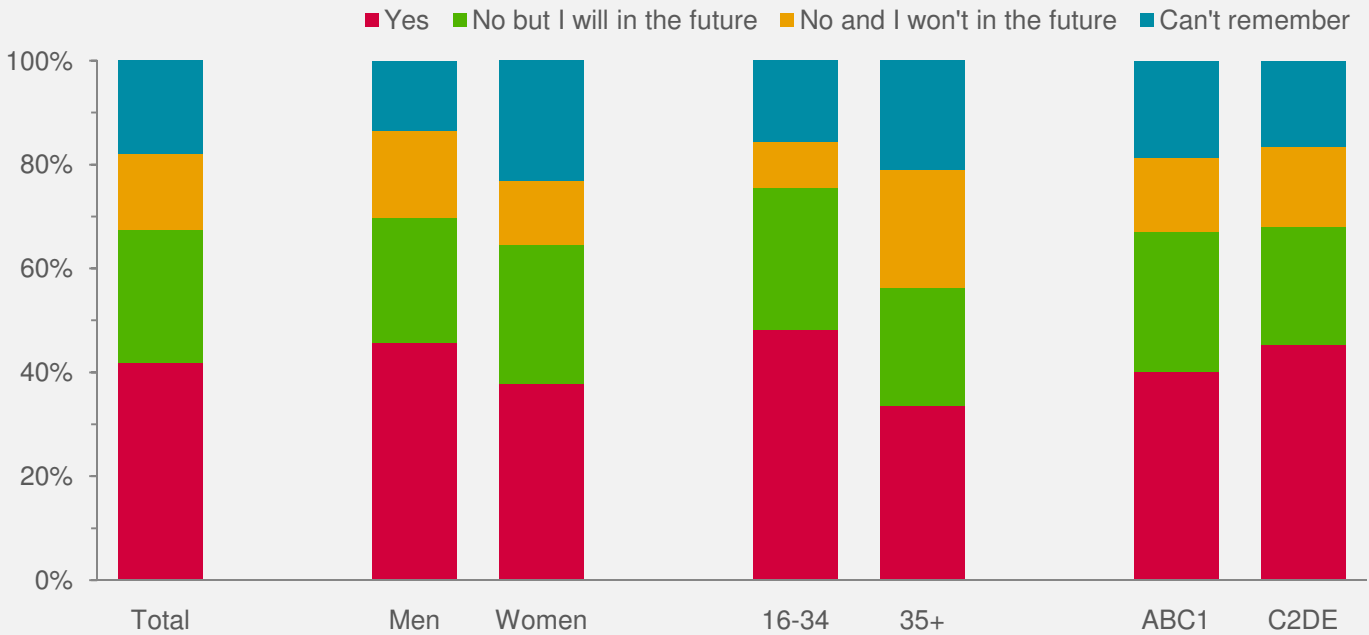
While consumers who have adopted mobile phone banking are increasingly using the channel, they are also active in spreading the word to others.

More than two thirds of people using mobile phone banking have either recommended this way of banking to others or will do in the future. That level of advocacy suggests a significant and satisfied group of consumers.

The fact that a substantial number of users recommend this method of managing finance to others is significant. In recent years consumers have been markedly more cynical towards marketing messages and the power of personal recommendation has grown – be it within families, informal networks or online. We see this reflected in the number of people who have taken up mobile banking as a consequence of recommendations from friends and family. One in four started using mobile phone banking because it had been recommended to them.

It seems that a virtuous circle is created: those who try this form of banking like it and are likely to share their positive experience with others.

3. Have you ever recommended mobile phone banking to others?



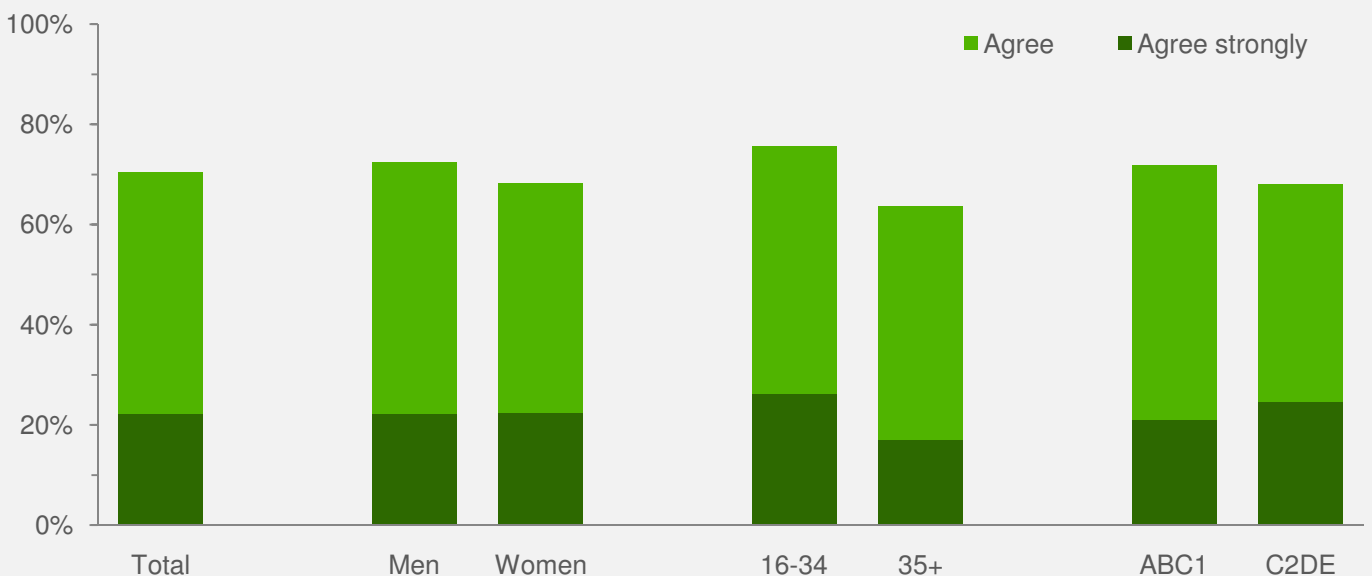
Source: Monitise / Future Foundation | Base:200 who check their balance with a mobile phone aged 16+, UK, 2010

3.4. The future of mobile banking

Among the group that use mobile phone banking, 57% have used this channel more often over the past twelve months – clearly the majority of existing users like this type of banking.

The rapid acceleration in mobile phone banking suggests that consumers will readily adopt further innovation. Indeed our own data shows that 70% of mobile bankers are interested in using their handset as a means of paying for goods and services. Even among the general population one in four people are interested in using a mobile phone to pay for goods.

4. "I would be interested in using a mobile phone to pay for goods and services."



Source: Monitise/Future Foundation | Base: 279 who manage their finance via mobile phone banking aged 16+, GB, 2010

Given these high levels of agreement, it doesn't seem too much of a stretch for consumers to use the phone as a means of paying for goods. Again the convenience offered by this type of payment will be motivating to consumers. John Slater of Nationwide believes that there is a ready audience for this technology:

"I expect people will love the convenience of paying for things with their mobile phone and for some people it will give them one less thing to worry about as they will be able to leave their wallet at home. Whilst security will be a factor for consumers I don't see this as a barrier."

Consumers who have become used to tap-and-pay payment on their credit cards will already have experienced Near Field Communication payment and will have a greater familiarity and confidence in using an NFC-equipped phone. Public transport also introduces NFC to consumers – Oyster in London of course along with an increasing number of other public transport operators.

It is our view that NFC payments by phone – which seemed a distant prospect when we started this research for Monitise in 2008 – are not only imminent but desired. The London Olympics in 2012 represents something of a staging post on the route to wider adoption. This type of payment will find a strong consumer franchise as the benefits of speed, simplicity and convenience directly address the needs of many consumers, particularly the young.

4. The users of mobile phone banking – young, savvy and in a hurry

The people who have adopted mobile phone banking are young, technically savvy and time-pressured.

Users of mobile phone banking tend to belong to higher social grades and are primarily aged between 25 and 34 (the next largest age group are those aged between 35 and 44). The split between genders is not especially marked and statistically not significant.

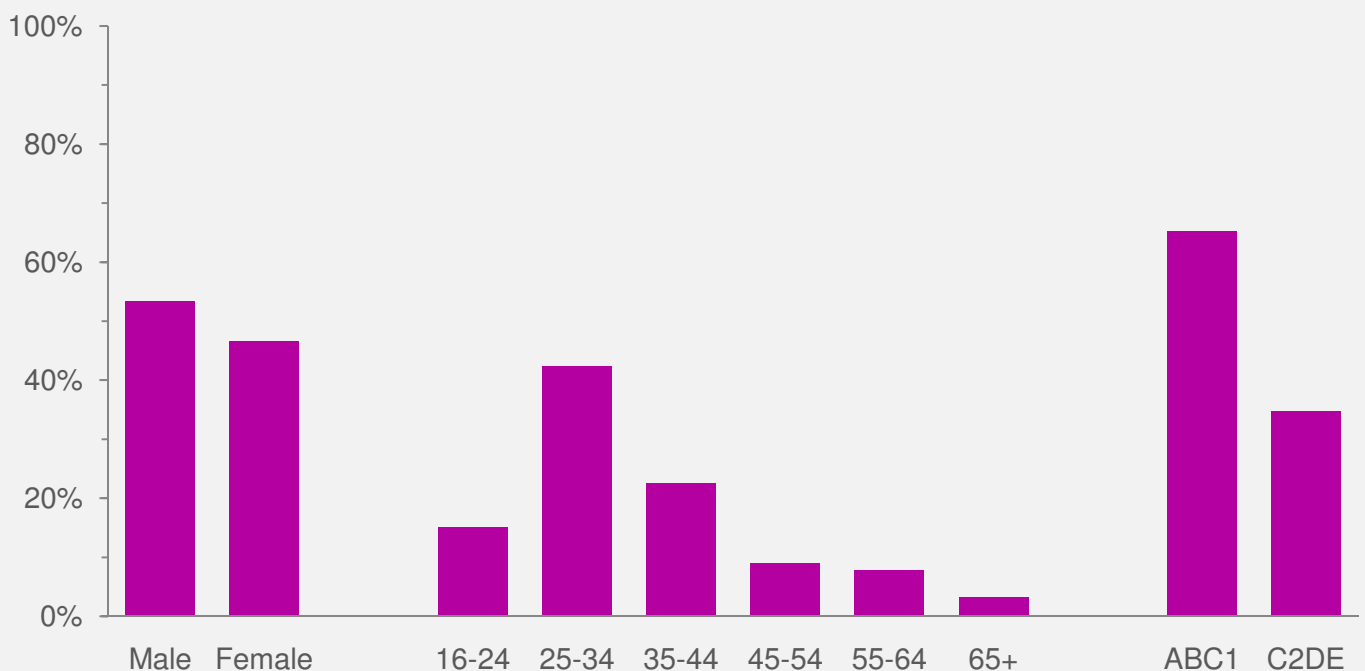
Demographically, the group who use their mobile phone for banking are quite disparate from either Blackberry users or iPhone owners. Blackberry ownership is relatively even across the age groups while iPhone owners are concentrated in the 16 to 34 age group. Men find iPhones more appealing than women although ownership is relatively even across the AB, C1 and C2 groups.

It's our view that mobile bankers are not merely a reflection of smartphone users; rather they are a separate group of more mature people from higher social grades. This suggests to us that the current group of people using mobile phone banking have not come to this form of banking accidentally through their exposure to mobile phone technology.

Our research shows that 65% of mobile bankers belong to the ABC1 social grades based on occupation. Online banking is also skewed towards the higher social grades with less difference between grades on ATM use, branch visits and call-centre banking. The higher social grades use online and call-centre banking with greater frequency than the C2DE group. The lower social grades are heavier users of branches.

As we've previously noted in our work for Monitise, the mobile phone has a role in reducing financial exclusion not just in developing countries but in the UK. The mobile phone has the potential to help people who are currently outside the banking system resolve basic problems in transferring and managing money.

5. People managing their finances via mobile phone banking: demographic composition



Source: Monitise / Future Foundation | Base: 279 who manage their finances via a mobile phone aged 16+, 2010

Users of mobile phone banking are not just heavy users of mobile phones – they are dependent upon them. The phone is *the* key tool for organising their work and social lives. 92% of our sample of mobile bankers use their phone several times a day. This group also use their phones in a wide variety of ways – 76% access the internet, 63% listen to music, 62% play games and 56% access social networking sites. The phone has become embedded into their everyday lives – enabling access to and control of a variety of activities through a single device. The phone has become their ultimate remote control.

	Population	Users of mobile phone banking
I like to upgrade my phone regularly	29.8%	68.6%
I would be interested in using my phone to carry out routine tasks like banking and paying bills when on the move	22.1%	70.8%
I would like to be able to research, plan and organise my finances using a mobile phone	17.9%	66.2%
I use my mobile phone to manage my social life	46.3%	70.6%
I like to be contactable on my mobile phone at all times	52.9%	75.2%
I often use text messaging instead of talking on my mobile phone	66.3%	78.5%
I would be interested in using a mobile phone to pay for goods and services	24.6%	70.5%
If I have a spare ten minutes, I'll often use my phone to carry out chores (e.g. e-mail, shopping, banking, bill payment)	14.2%	62.1%

4.1. Users of mobile phone banking: employing technology to create free time

The people who use mobile phones for banking purposes feel time-pressured and consequently place great value on using time well. Compared to the general population they are more likely to describe 'speed' as the most important aspect of customer service and they are more likely to be interested in technology which saves them time. While 56% of the population believe that technology has enabled them to save time that can then be used for leisure, 84% of mobile bankers believe this to be true.

	Population	Users of mobile phone banking
Increasing pressure on time means that I prefer to perform routine tasks remotely	35.4%	62.5%
Speed is the most important part of customer service	41.6%	52.2%
I am interested in technology that saves me time	56.9%	84.2%
Technology has enabled me to save time which I can then use for leisure	56.0%	83.1%
I am willing to spend money to save time	17.7%	38.6%
I never seem to have enough time to get things done	39.5%	54.3%

This is a savvy group, open to all means of maximising their own time – 39% are willing to ‘spend money to save time’ compared to 18% of the general population.

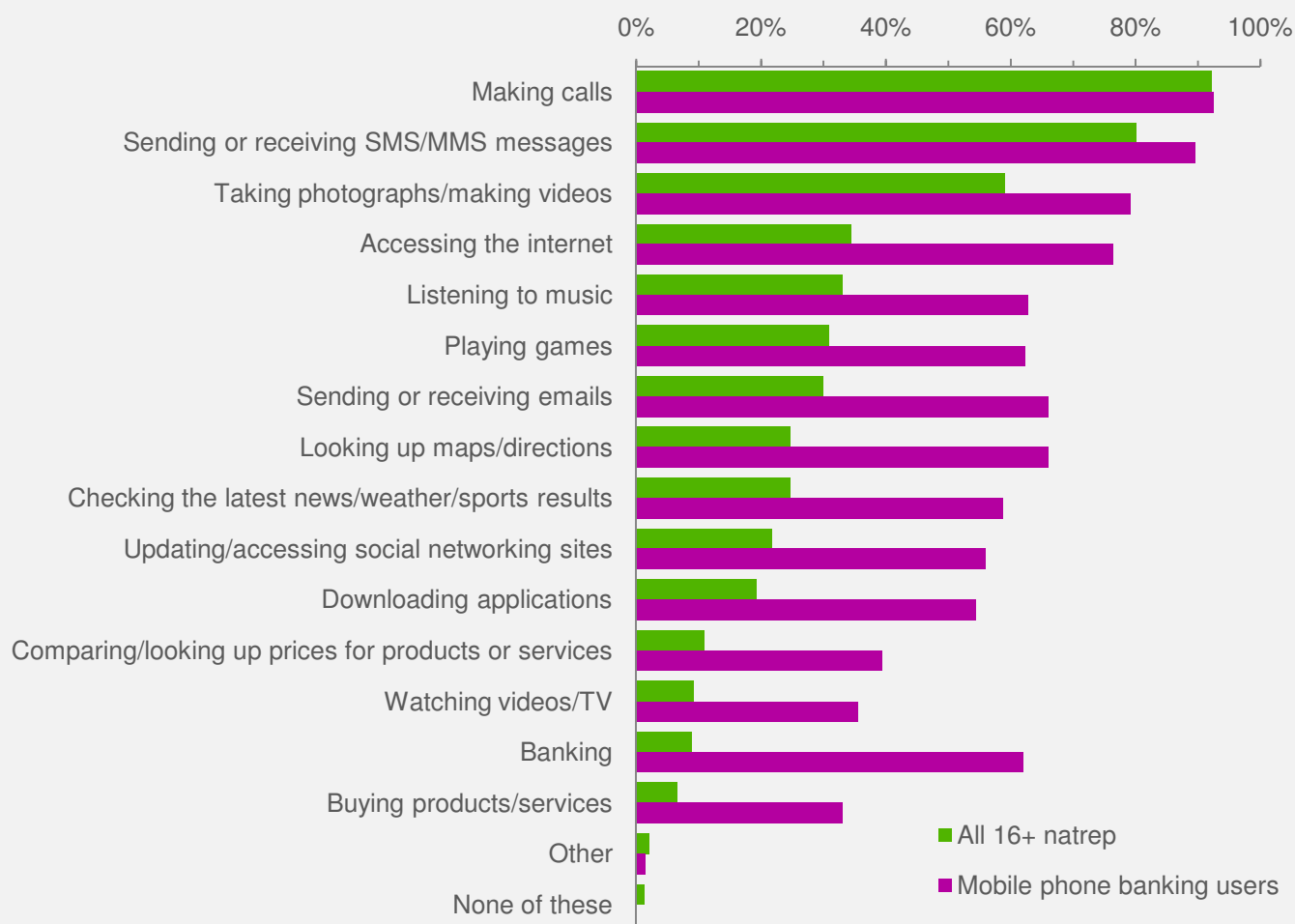
This group exemplifies a consumer trend that we term ‘smart boredom’. We define this as consumers using small pockets of dead time (such as waiting for trains, commuting and queuing) to consume media, play games, update social networking sites, sort out chores, reply to e-mails, check balances and pay bills on a variety of electronic devices from Kindles to Blackberries. This benefit of turning dead time into useful time is beyond value. Smart boredom effectively increases our leisure time.

Our research shows that mobile bankers use a great deal of their phone’s capability – more than 50% use all of the following; taking photographs / video, accessing the internet, listening to music, playing games, sending or receiving e-mails, getting directions, checking news / weather / sport, accessing social networking sites and downloading apps.

The individuals who use mobile phone banking see technology as a means of easing time-pressure and are likely to embrace further innovations such as mobile payments. Their extensive experience in using an array of phone applications gives them a confidence in the security of the handset and networks and this will encourage adoption of new services and features.

In terms of the future uptake of mobile banking, the fact that 57% of the population have an interest in time saving technology bodes well, as does the fact that two fifths of people think that speed is the most important aspect of service.

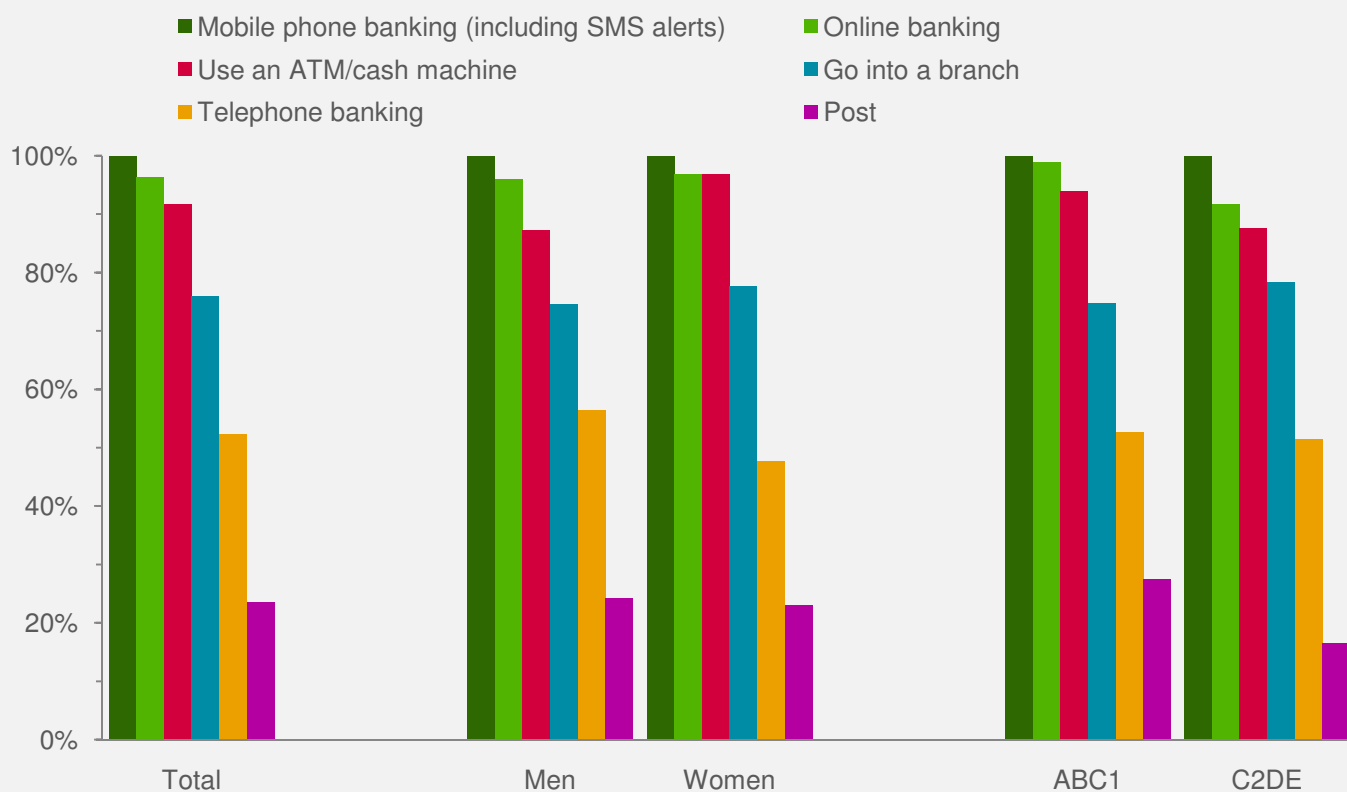
6. “Which of the following do you use your mobile phone for?”



Source: Monitise/Future Foundation | Base: 837 respondents who have a mobile phone plus 279 mobile phone banking users aged 16+, GB, 2010

4.2. Users of mobile phone banking: constantly in contact

7. “In which of the following ways do you manage your finances? (e.g. check balance, transfer money, make payments)?”



Source: Monitise / Future Foundation | Base: 279 who manage their finances via mobile phone banking aged 16+, 2010

Our data shows that people who use mobile phone banking do not use this channel exclusively. As we’d expect they use online banking and ATMs but interestingly three quarters of mobile bankers also use branches at least occasionally.

The users of mobile phone banking are distinctive in that they interact with their bank with far greater frequency than the general population – this is particularly marked in online banking but it’s also noticeable in the use of ATM machines, phone banking, branch visits and even contact by post. It seems that mobile bankers are distinguished not only by an interest in technology but also by a desire to be on top of their finances through very frequent contact with their bank.

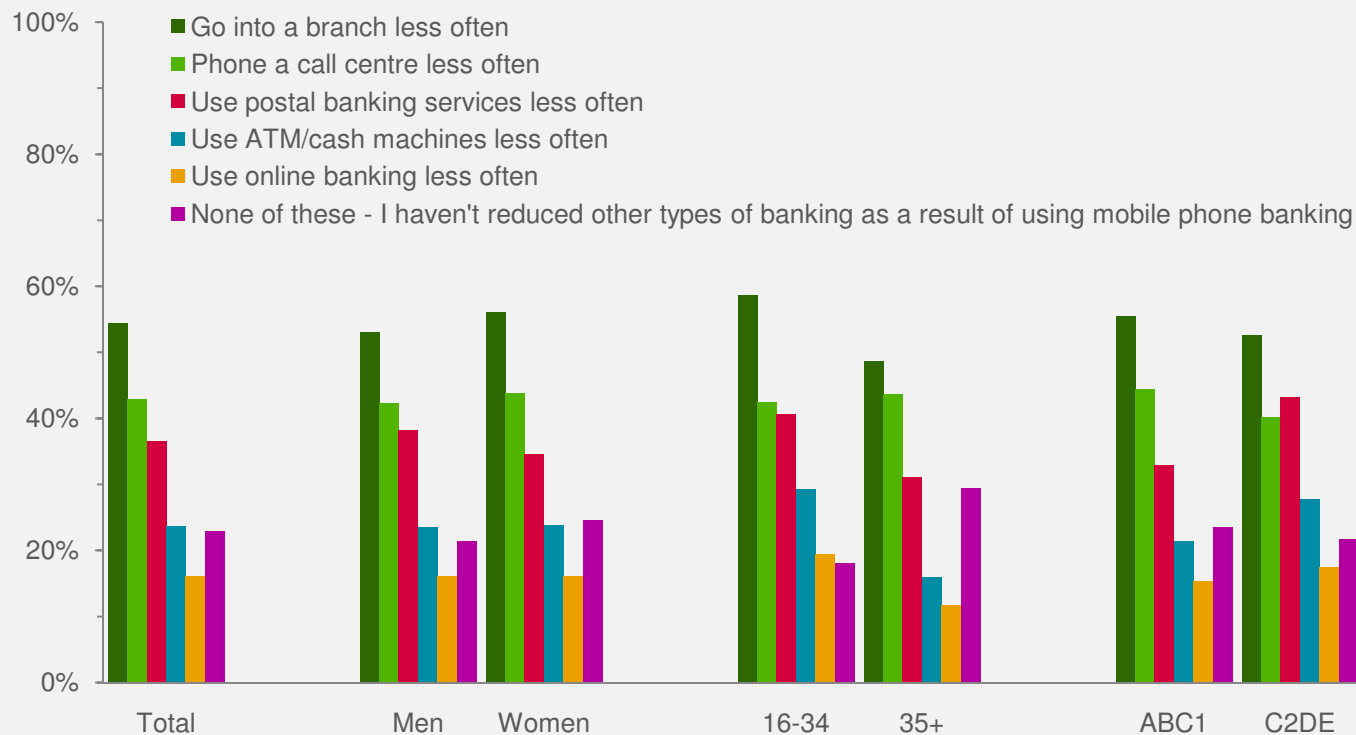
“How often do you manage your finances in each of the following ways?” (combined response for ‘several times a day’, ‘daily’ and ‘every two to three days’)

	Population	Users of mobile phone banking
ATM/Cash Machine	18.2%	31.6%
Telephone banking (i.e. call-centre)	2.5%	8.6%
Going into a branch	2.9%	7.5%
Online banking	47.2%	69.6%
Mobile Phone Banking	3.1%	30.5%

Banking by mobile phone has it consequences as consumers use other channels less. Over half of those who've embraced mobile phone banking now visit a branch less often while two fifths use call-centres less. On many banking occasions, speed and convenience are more important than a personal touch.

That said, we note that nearly a quarter - 23% - still use other channels as often as they did previously. This supports the idea that mobile bankers frequently interact with their bank and are happy to use a number of means to do so. It also suggests that it's too early to predict the demise of branches – even the technically savvy users of mobile phone banking have an enduring use for them.

8. “Have you reduced how often you use the following types of banking as a result of using mobile phone banking?”



Source: Monitise / Future Foundation | Base: 279 who manage their finances via a mobile phone, aged 16+, 2010

5. Smart phones, smarter usage

In the previous research report for Monitise we highlighted the desire for control that consumers have over their finances. Mobile phone banking provides an immediacy that consumers value. It also means that they have constant access to their finances. The ability to have access to our own data when and where we need it is an important benefit.

“So whether that be allowing people to have a feed of their balance into Facebook, whether that be allowing consumers to take their savings goals with them onto their mobile device or whether that be actually just having a degree of portability about their data. So that when they’re having a mortgage conversation, whether they are having financial planning conversations, it’s very easy to provide that link and access to your data, your money, your accounts... Now that’s not something that I think any of the banks have really yet developed – if we can crack that and make data portable... then that for me sounds like a fantastic step forward for consumers.” Ben Green, Head of Digital service, RBS



Can see mobile banking being used in this way - 26% of respondents, when they do check to see if they can afford an item, do so while in the shop.

There is strong evidence to suggest that younger people are using their phones more than older people to monitor their spending and budget their money. A potent example is in the numbers of mobile bankers checking their balances before they buy an expensive item – 41% of those aged 16 to 24 do so compared to only 27% of those aged 35 and older. Similarly 43% of the younger group are prompted to use their phone to see if they are near their limit compared to 34% of people aged 35+.

It seems that – for a growing number of younger people especially – the mobile phone is an invaluable tool for balancing budgets and managing their finances more actively.

6. Control and clarity

Consumers generally like powerful, sophisticated technology. We like the fact that so many devices are capable of achieving so much. However that technology is only of value if we can use it easily. Nobody wants to spend an extended period of time studying an instruction book or owner's manual.

Thus the simplicity of mobile banking will be key.

The Future Foundation has been monitoring the progress of a trend we call 'Simple Complexity' for some time. This describes the growing consumer expectation that any technology, any item of consumer electronics, will be easy to master, intuitive and straightforward. This has become so prevalent that consumers will reject products that they perceive to be complicated or confusing. This presents problems and also opportunities for manufacturers. Apple's advertising for the iPad has focused on how it makes a complicated, powerful product easy and straightforward to use. Indeed Apple's touch-screen approach has created a standard for others to follow. SMS texting in particular now seems a clunky way to send messages to others.

For the banking industry the quality and simplicity of the mobile banking platform will be critical and a source of competitive advantage. The simplicity of many phone banking tools may go some way to explaining why many consumers use their phone to carry out banking tasks even when they are at home with access to a personal computer (section 8).

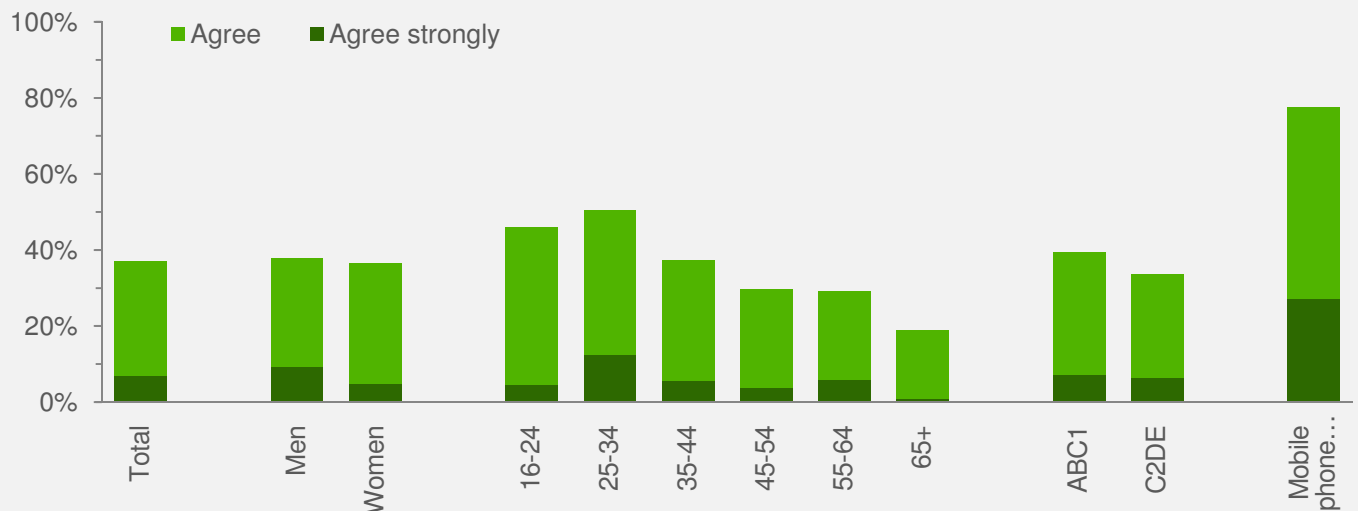


7. Mobile banking; building better relationships

As we saw in section 4.2, users of mobile phone banking are in very frequent contact with their bank. Interaction rates for mobile money users are greater than that from any other channel. This creates some important new opportunities for retail banks to build their relationship with consumers.

“Given that people have their phones with them 24/7 customers are likely to interact more frequently with their finances using the mobile channel than other more traditional channels. On the whole, the mobile channel will be the most effective and efficient way of communicating with customers.” John Slater, Nationwide

9. “I would be happy for my bank to contact me via my mobile phone if it meant they provided a better service.”



Source: Monitise/Future Foundation | Base: 900 respondents plus 279 mobile phone banking users aged 16+, GB, 2010

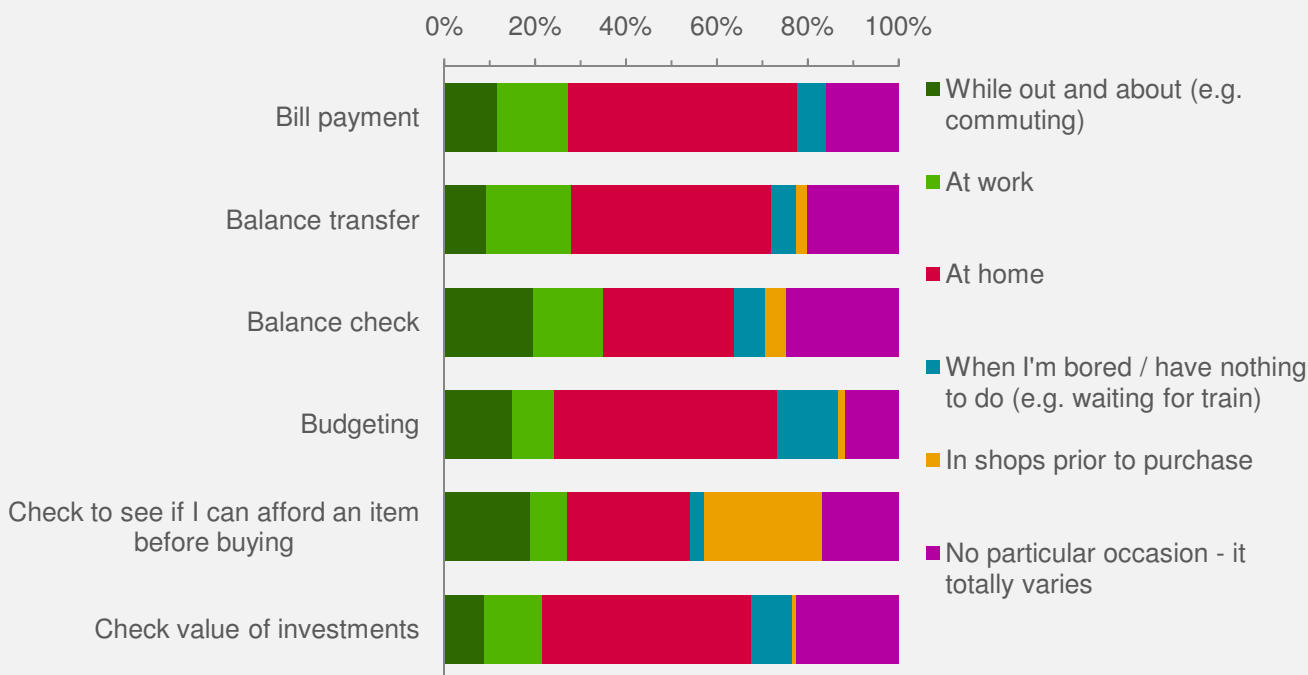
The nature of mobile phone banking is different to traditional channels and carries unique service benefits for both consumers and the banks. A third of consumers would welcome being contacted by their bank via their mobile phone if it improved the service they receive, compared to 77% of people who use mobile phone banking. There is a clear opportunity here for mobile banking to generate more frequent communication with consumers.

Mobile phone banking also provides banks with an opportunity to connect with a well-educated and profitable 25 – 34 year old segment of their customer base.

So much of what mobile banking provides is helpful for consumers. This channel provides a means of improving a bank's relationship with consumers through helping them manage their finances well and avoid the sort of charges that many people resent. At a time when consumer confidence in the economy remains fragile, mobile phone banking is helpful banking.

8. Mobile versus internet

10. “For each of the following banking activities, please say, in general, where you are when you carry them out.”



Source: Monitise/Future Foundation | Base: 279 who manage their finance via mobile phone banking aged 16+, GB, 2010

The people who use mobile phone banking exhibit some unexpected behaviour in terms of their location while banking. The most common place to use a banking service is at home – this despite the fact that the majority of homes in the UK have broadband access to the internet. The location behaviour suggests that the phone offers an advantage in terms of speed and convenience over a personal computer. A computer takes a while to boot-up while a mobile phone tends to be switched on for a greater period of the day. In many cases the phone will be the more convenient and immediate option.

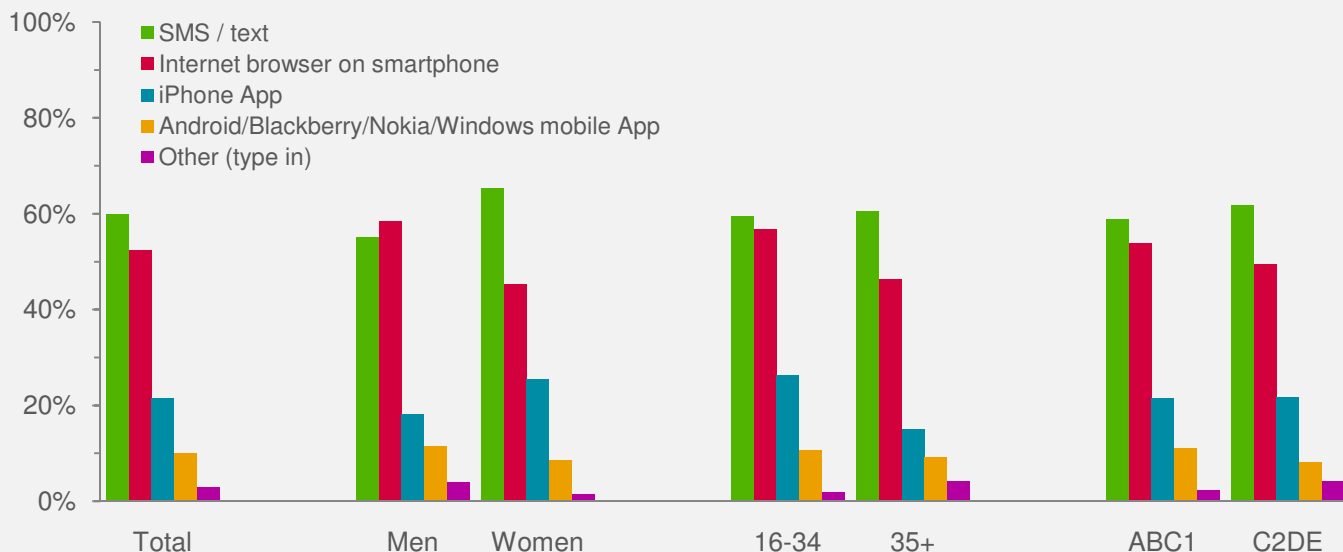
As we commented in section six, the simplicity and ease of use of mobile banking may encourage people to use their mobile phone rather than their personal computer to carry out most banking tasks. Only 32% of mobile bankers state that they find banking ‘easier or faster’ on a computer. It seems entirely credible that consumers will prefer to use their mobile handset rather than their p.c. for banking purposes.

In general, simple, quick tasks like checking balances tend to be done while people are out of the home while more involved tasks like budgeting or bill payment tend to be done in the home.

The ‘smart boredom trend’ (section 4.1) is apparent in this data too. Balance checking and budgeting are tasks that are sometimes carried out when people are killing time.

9. Gender differences

11. “In which of the following ways do you bank using your mobile phone?”



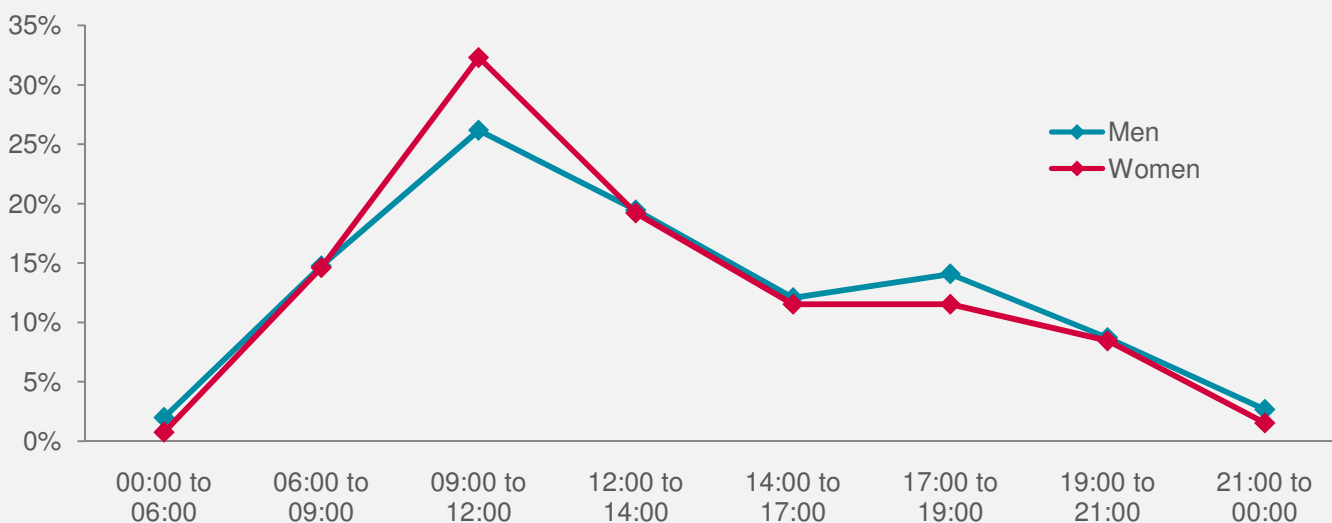
Source: Monitise/Future Foundation | Base: 279 who manage their finance via mobile phone banking aged 16+, GB, 2010

There is no real gender divide in mobile phone banking: 47% of users are female and 53% male. However the way men and women use the phone does vary – men tend to use an internet browser on a smartphone while women are more likely to use SMS/text banking.

Women use mobile phone banking more in the morning and men very slightly more in the early evening.

When it comes to what prompts consumers to use mobile phone banking, the genders are relatively even. Women are more likely to use this form of banking to check they can afford an expensive item, to check their balance after they've been shopping or to check if they are near their limit. They are using phone banking as a way of managing their spending prudently; as a way of controlling their money and avoiding becoming overdrawn. Men are more likely than women to use mobile banking to check bank statements.

12. “In general, at what time of day do you tend to use mobile phone banking?”



Source: Monitise/Future Foundation | Base: 279 who manage their finance via mobile phone banking aged 16+, GB, 2010

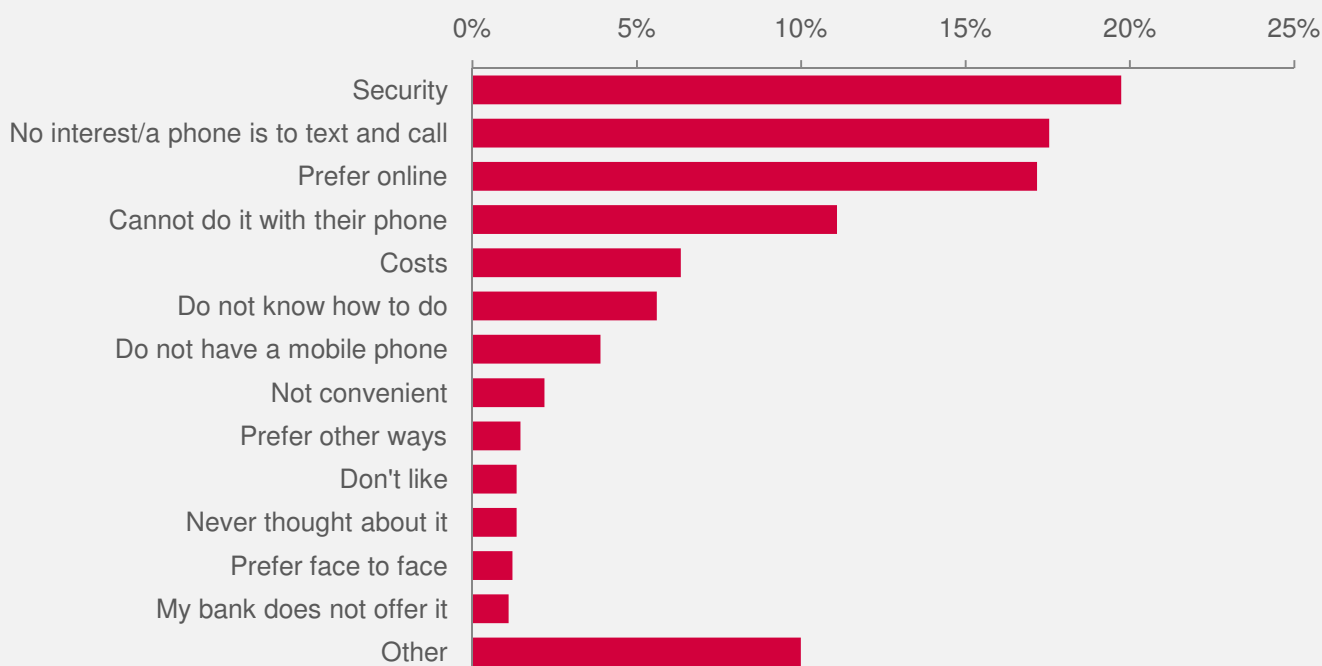
10. Barriers to mobile phone banking

Our analysis of mobile banking in 2011 is a very positive one and our perception of it is shaped by many factors that are encouraging the adoption of this technology.

However it is worth considering why people *don't* use mobile banking.

When prompted, the most common reason is given is still 'concerns about security'.

13. "Why don't you use mobile phone banking?" Open-ended question recorded, number of answers



Source: Monitise/Future Foundation | Base: 821 respondents aged 16+ who do not use mobile phone banking to manage their finances, GB, 2010

There is another, significant, group who feel that a mobile phone is only for making and receiving calls and that the additional features of the modern generation of phones are unnecessary. This attitude has been prevalent for a while among a reasonably sizeable group of individuals and we expect that the number of people who feel this way will decline as the benefits and costs of smartphones become more apparent. It is worth bearing in mind that older people and those on lower incomes are more likely to agree that a phone is just for calls and text messages.

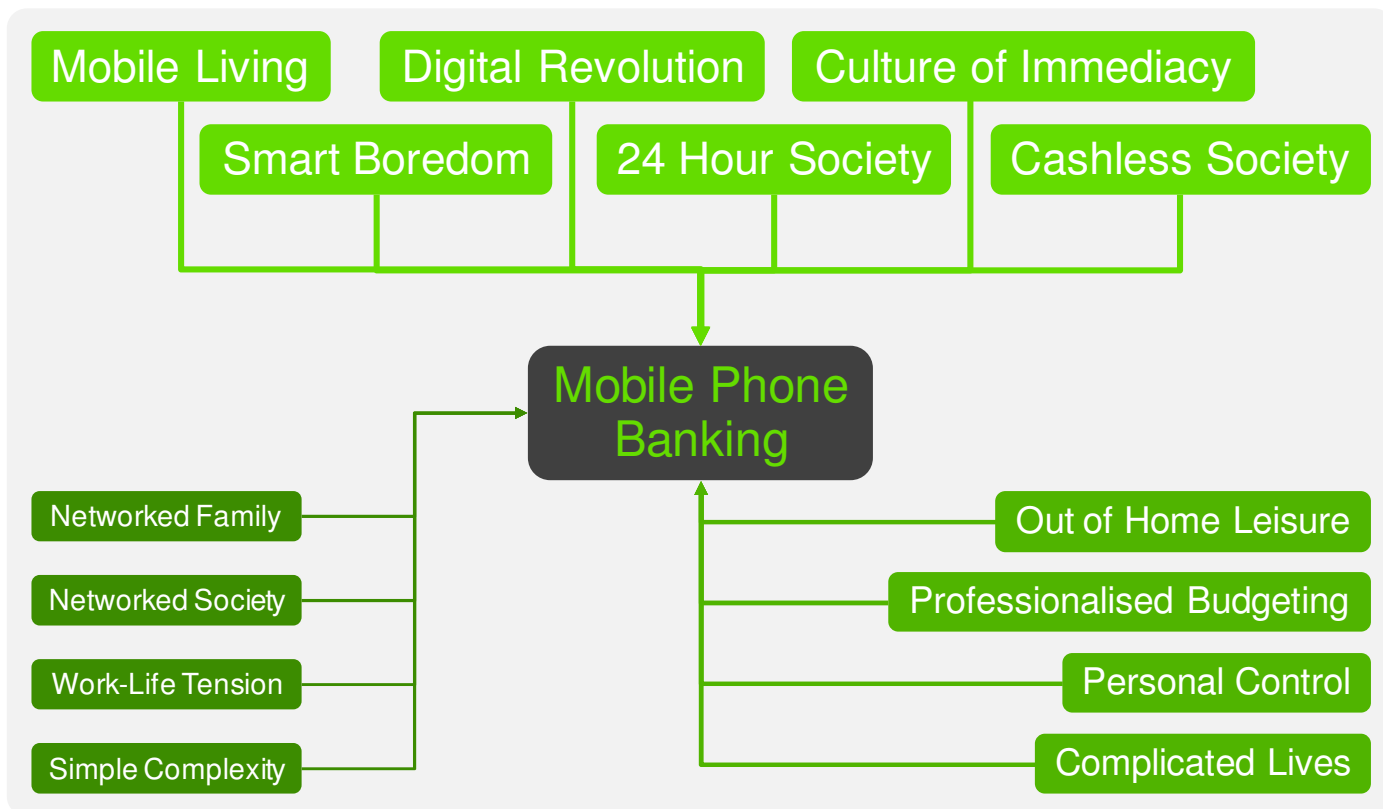
The fourth most commonly stated reason for not banking on a mobile phone is that consumers 'can't do it on their phone'. One interpretation of this is that there are a reasonable number of people who believe that a sophisticated phone is required for mobile banking. There may be a need for consumer education in this area.

11. Conclusions

The Future Foundation has been monitoring consumer behaviour for the last 13 years. In that time we have identified sixty significant trends.

We have reviewed all of our trends against mobile phone banking and we are struck at how many evolving consumer needs are positively correlated with this form of banking.

Mobile banking is going with the grain of consumer change and for this reason we are optimistic about future prospects. This type of banking offers a range of highly valued benefits – the efficient use of time, real-time control of spending and finances, budgetary control, convenience and ease of use. As technology, it helps consumers achieve many things which are important to them (not least freeing up their time and creating more space for leisure).



We firmly believe that the recession has been an important factor in boosting the adoption of mobile phone banking. However, we stress that it is a contributory factor in the accelerating uptake of this technology. The benefits offered by mobile banking will continue to be valued after the economy returns to growth; immediacy and the ability to use time efficiently are very important to consumers whatever the health of the economy.

Perhaps most importantly, mobile banking has the potential to be a game-changer in terms of customer service. Service can be on the front-foot, with banks offering real-time help and assisting customers exactly when they need it.

Technology is changing the very definition of service and in mobile banking there is a significantly enhanced level of service that promises to improve the relationship between a bank and its customers.