



# Mobile banking is still not widespread but has become much more interesting

February 2010



**Mobile banking is not a mass phenomenon.** Only 11% of German mobile internet users also access banking websites over the phone. Other internet services such as e-mail, weather reports or new ringtones are still much more popular. However, 31% of mobile surfers can imagine using mobile banking in the future. [chart 1](#)

**Mobile internet is usually the prerequisite for mobile banking.** Many banks now offer online-banking websites that are specially designed for mobile phones. This appeals particularly to people who go online with their mobile phones. Already, one in five Europeans below the age of 35 indulge in this activity. Better technology and affordable data plans will add to their numbers. [chart 2](#)

**In Germany, a majority of mobile surfers uses mobile internet also at home.** This illustrates that internet access via mobile phone has unique qualities (e.g. no booting time, ready to hand, special applications) that appeal to users even though a desktop computer is usually available. [chart 3](#)

**Mobile surfers are more often financially self-directed.** Evidence from Germany suggests that consumers who access the internet from their mobile phones are more likely to be financially savvy, to have higher incomes and to use online banking. Hence, they are an attractive target group. Yet, the bigger this group gets, the less distinction will remain to the rest of the population. [chart 4](#)

**Mobile banking is more than just mobile account access.** True, most mobile bankers still use the phone to conduct relatively mundane tasks such as checking account balances. However, around 10% of German iPhone owners have downloaded additional software (apps) which add a broad array of financial tools. This makes the concept of mobile banking much more interesting, particularly since other phone makers are developing similar marketplaces for such apps. [chart 5](#)

**Third-party apps add new variety.** Most apps on the US top-100 list are software that assists in managing personal cash flows: it helps to keep books and reminds the user to pay bills on time. There are also many straightforward mobile-banking applications on the top-100 list, usually offered by the account-holding bank. The long tail of other applications includes tools such as currency converters and price-comparison sites. [chart 6](#)

**Some apps leverage the unique powers of the mobile phone.** The most popular finance apps in the US include finance news, budgeting tools, ATM finders and a tip calculator, which helps to avoid embarrassment and overspending in a restaurant. One app lets consumers deposit cheques by taking a picture of it with the phone rather than sending the paper slip to the bank. [chart 7](#)

**Obstacles remain: usefulness, convenience and security.** Most consumers currently shy away from mobile banking because they don't see the point, find it too complicated or unsafe. Smartphones and financial apps are steps ahead, but it is important to adapt them to different banking habits: where there are few cheques, such as in Germany, there is little need for a cheque-depositing app. New ideas and country-specific solutions are to be expected. [chart 8](#)

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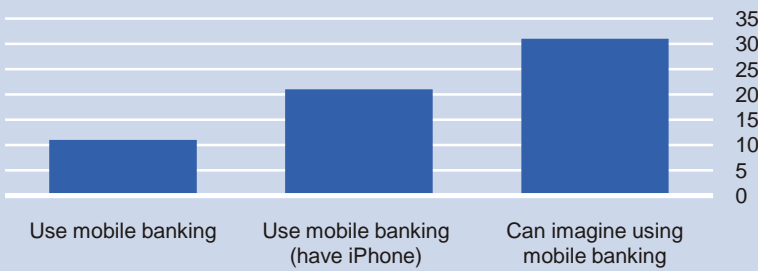
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Thomas Mayer

**Not a mass phenomenon**

Germans who access the internet via mobile phone, % (2009)

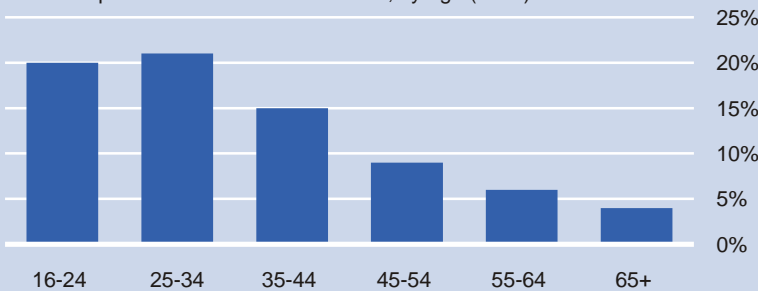


Sources: Accenture, DB Research, 2009 **1**

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**One in five Europeans below 35 go online via phone**

% of Europeans who use mobile internet, by age (2009)

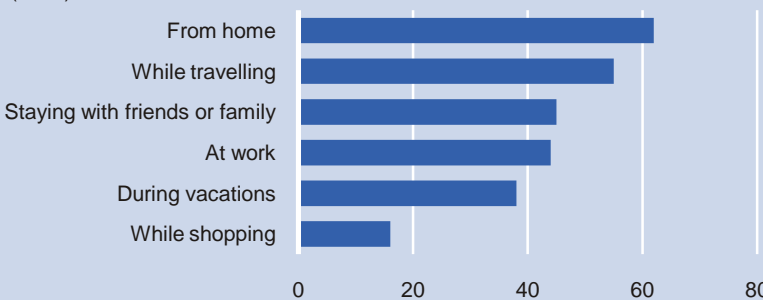


Source: Forrester Research Inc., 2009 **2**

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**This may come as a surprise**

% of Germans who access the internet via mobile phone, by place of usage (2009)

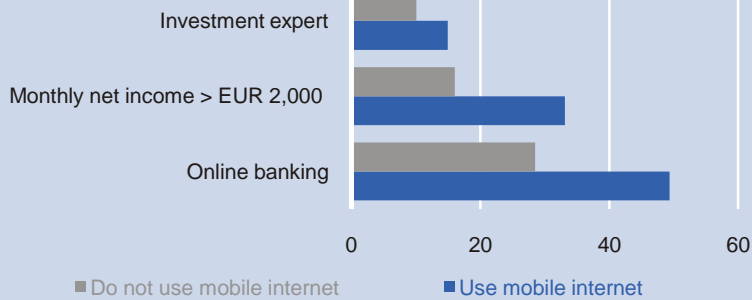


Source: Accenture, 2009 **3**

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**Self-directed financial consumers are more frequent among mobile surfers**

German consumers, % (2009)



Sources: DB Research, Typologie der Wünsche, 2010 **4**

Mobile surfers are more often financially self-directed. Evidence from Germany suggests that consumers who access the internet from their mobile phones are more likely to be financially savvy, to have higher incomes and to use online banking. Hence, they are an attractive target group. Yet, the bigger this group gets, the less distinction will remain to the rest of the population. [back to front page](#)

**Apps add new financial tools**

Mobile activities of Germans who access the internet via mobile phone, % (2009)



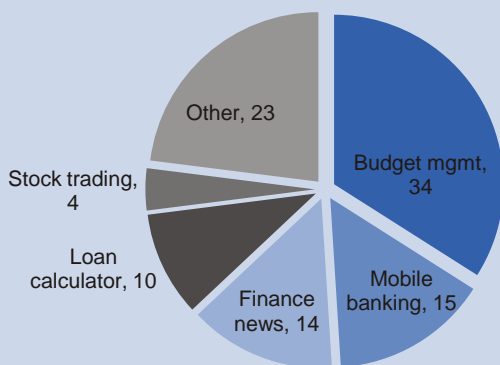
Apps are small pieces of additional software provided by third parties.

Sources: Accenture, DB Research, 2009 **5**

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**More than just checking one's bank balance**

Top-100 most popular finance apps for Apple's iPhone, US



As of Dec 21, 2009

Sources: Apple, DB Research, 2009 **6**

Third-party apps add new variety. Most apps on the US top-100 list are software that assists in managing personal cash flows: it helps to keep books and reminds the user to pay bills on time. There are also many straightforward mobile-banking applications on the top-100 list, usually offered by the account-holding bank. The long tail of other applications includes tools such as currency converters and price-comparison sites. [back to front page](#)

### The 10 most popular finance apps on Apple's iPhone

US

1	Bloomberg	Finance news
2	Bank of America	Mobile banking
3	Chase Mobile	Mobile banking
4	PayPal	Payments
5	Check Please	Tip calculator
6	Mint.com	Budget management
7	Wells Fargo	Mobile banking
8	Balance	Budget management
9	USAA	Mobile banking
10	Save Benjits	Price comparison

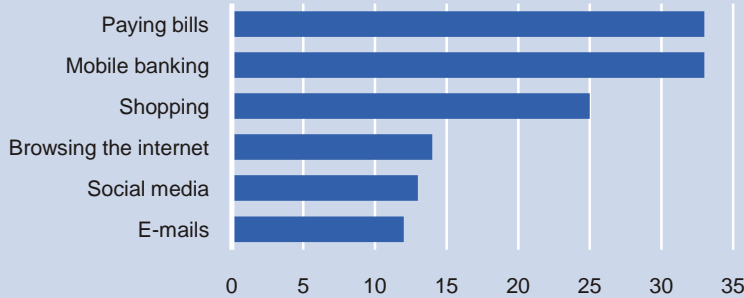
As of December 21, 2009

Sources: Apple, DB Research, 2009 **7**

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### Mobile banking acceptance hinges on security concerns

% of US adults who refrain from doing any of the following activities because of security concerns



Basis: Adults who are at least somewhat concerned about the security of their mobile devices

Source: Harris Interactive, 2009 **8**

Obstacles remain: usefulness, convenience and security. Most consumers currently shy away from mobile banking because they don't see the point, find it too complicated or unsafe. Smartphones and financial apps are steps ahead, but it is important to adapt them to different banking habits: where there are few cheques, such as in Germany, there is little need for a cheque-depositing app. New ideas and country-specific solutions are to be expected. [back to front page](#)

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