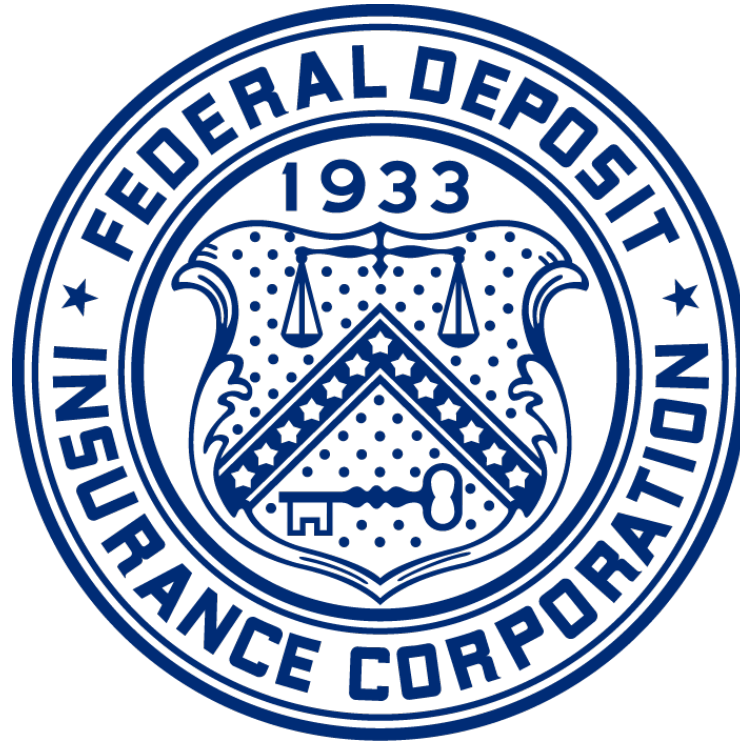




Developments in Mobile Financial Services



December 13, 2012



Overview of Current Efforts

The Mobile Financial Services Subcommittee Work Plan includes keeping the Committee informed about the breadth of mobile financial services available to consumers. With this in mind, we are:

- ◆ Exploring how mobile technologies are being leveraged by financial service providers and used by consumers – and how those technologies may provide new opportunities to draw the unbanked and the underbanked into the financial mainstream.
- ◆ Reviewing mobile apps currently used in the marketplace and the features of those apps that may have value to the unbanked and underbanked.
- ◆ Engaging in a dialogue on these issues with stakeholders, including mobile app developers and technology vendors.



Scope of Initial Efforts

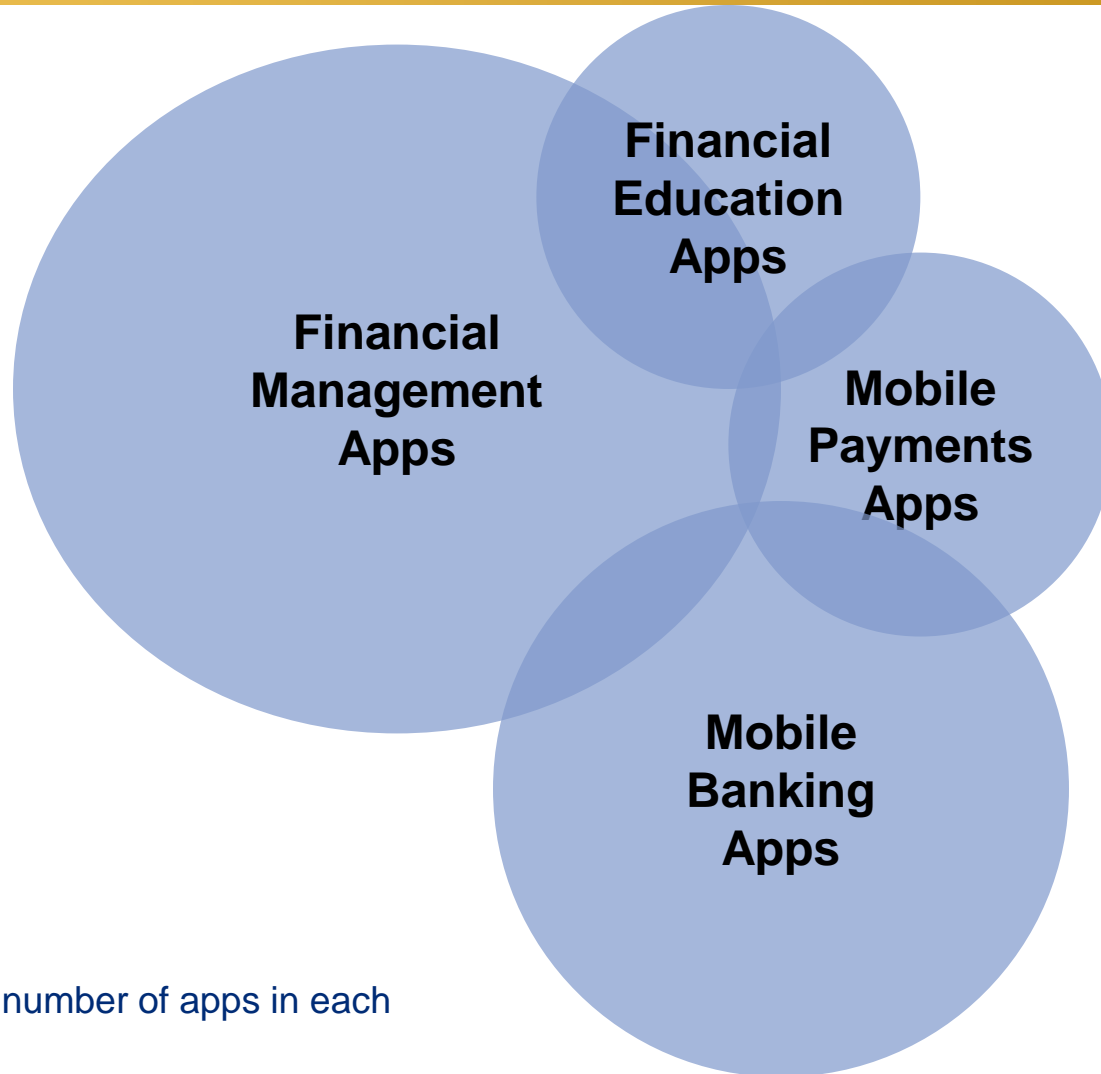
As an initial step to understanding the mobile app landscape, we are:

- Reviewing the most popular financial apps available through Apple iTunes and Google Play.
- Considering how these apps relate to each other in the marketplace and how they can be categorized (*i.e.* mobile banking, mobile payments, financial management, financial education)
- Noting important features (*e.g.*, remote deposit capture, account transfers, peer-to-peer transfers, alerts / notifications, balance inquiry, bill pay, location finder, deals / rewards, prepaid card reloading, budgeting, and point of sale payments).

Although not a scientific research study, this is helping us better understand what we have read in reports and heard about in conferences. It is also helpful to see the menu of available financial apps in a way that consumers would experience.



Financial App Landscape



Size is illustrative of number of apps in each category.



Financial Management Apps

Common Features

- **Budgeting**

Other Features

- **Alerts / Notifications**
- **Balance Inquiry**
- **Account Transfers**
- **Bill Pay**

Examples

- **Finance calculators**
- **Account aggregators**
- **Budget and bill tools**
- **Financial Education**



Mobile Banking Apps

Common Features

- **Balance Inquiry**
 - **Account Transfers**
 - **Bill Pay**
 - **Location Finder**
 - **Alerts & Notifications**
-

Other Features

- **Peer-to-Peer Transfers**
 - **Remote-Deposit Capture**
 - **Deals / Rewards**
-

Examples

- **Large banks, small banks, credit unions**



Financial Education Apps

Common Features

- Alerts / Notifications
- Budgeting

Other Features

- Balance Inquiry

Examples

- Debt payoff planning
- Credit score monitoring
- Money tips
- Savings plans



Mobile Payments Apps

Common Features

- **Peer-to-Peer Transfers**
 - **Account Transfers**
 - **Balance Inquiry**
 - **Bill Pay**
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Other Features

- **Location Finder**
 - **Remote Deposit Capture**
 - **Alerts / Notifications**
 - **Deals / Rewards**
 - **Point of Sale Purchases**
-

Examples

- **Point of sale payments**
- **Money transfers**



Selected Features of Mobile Financial Services Technology

- **P2P/ Billpay**
- **Mobile Imaging Technology**
- **Alerts / Notifications**



- **Remote Deposit Capture**
 - ◆ Immediate Availability of Funds
- **Enrollment:**
 - ◆ Direct Deposit
 - ◆ Bill Payment



- **Real Time Financial Awareness**
- **Enhanced Delivery of Financial Education and Money Management**
 - ◆ Incentives (e.g. Peer Awareness)
 - ◆ Directly Linked to Financial Activity



Mobile Financial Services Technology

- **Valuable Features**
 - ◆ Convenience
 - ◆ Real-Time Financial Awareness
- **Potential Impact:**
 - ◆ More attractive banking services
 - ◆ Increased Effectiveness of Financial Education and Financial Management tools
 - ◆ More sustainable banking relationships