

## Why Mobile Matters

Are you watching your competitors launch mobile services and wondering where to start? Are you unsure what type of service would best answer your customers' needs for a mobile banking solution?

As more and more consumers trade in their traditional cell phones for smartphones, and more people start using tablets and other mobile devices on a daily basis, they are starting to demand more convenient and accessible ways to access products, services and information — including their financial information.

While it is true that a bank's regular web services will function on many mobile devices today, it is also true that a bank does not need ATMs, nor does its lobby need chairs, but both make the customer's experience better. Similarly, mobile-specific solutions make the customer's experience better. Banks and credit unions will find mobile platforms a much-valued service that customers are beginning to demand.

Providing these services to customers equipped with mobile devices requires banks to make platform decisions. While many of these services can be integrated into a traditional website, most websites are not designed to work well on mobile devices.

To drive adoption and satisfaction with the mobile channel, banks need to create their technology on platforms designed specifically for these devices, namely mobile-optimized websites or mobile apps.

### The Most Popular Services Include:

- Mobile banking Access
- Access to the institution's locations, hours and contact information
- Easily accessible customer service information, FAQs
- SMS text messaging of balances, recent transactions and responses to inquiries
- Complete balance transfers and account inquiries

# Mobile-Optimized Website vs. Mobile Application

Driven by competitive pressure and customer demand, banks around the world have invested heavily in mobile platforms for product and service delivery. The rapid consumer adoption of smart phones, tablets and portable devices with Internet capabilities has fueled the growth of mobile services and is quickly making mobile a must-have offering for even the smallest banks and credit unions. But with thousands of devices and a constantly evolving family of platforms, it's important for bank executives to understand the terminology and core fundamentals of the two main options for delivering mobile services: mobile application and mobile-optimized website.

## Mobile-Optimized Website

Like a normal website, a mobile-optimized website is one or more HTML pages that reside on a web server and are viewable using any web browser. The difference between a mobile-optimized website and a traditional website, however, is that the web designers create the mobile-optimized website to display and function optimally within the small screen dimensions, bandwidth limitations and input constraints of a mobile device. Additionally, all mobile websites are viewable using a normal desktop web browser, such as Internet Explorer.

## Mobile Applications

A **mobile application** or "app" is a software program that a user downloads and installs onto a mobile device. While not all apps require an Internet connection to function, most banking apps include features that only work with an Internet connected device.

## Apps – What You Need to Know

An app, sometimes called an “application” or “native app,” is a software program that users install and use on a specific mobile operating system and/or device. In banking, apps are frequently used to provide services such as remote deposit capture and online banking services. The major mobile operating systems include: Apple's iOS, Google's Android, RIM's Blackberry and Microsoft's Windows Phone 7. Currently Apple and Android constitute the largest chunk of market share.

### Drawbacks of Apps

#### Costly & Slower to Develop & Deploy

An app is installed directly onto a mobile device, so **you must design, develop and test your app on every platform that you want to support**. For most retail financial institutions, the platforms would include Apple iOS, Android, Blackberry and Windows phones. Programmers proficient on mobile platforms are in high demand. Programming teams capable of developing across all major mobile platforms have plates that are overflowing with work and command hourly rates that can be cost-prohibitive. While you will be able to share the software design across each platform, the coding expense will compound for each device platform you want to support. In other words, **a fully custom mobile application that runs on multiple platforms can take months to plan, develop, test and deploy, at a price tag that can reach six figures.**

#### Dealing with Multiple Marketplaces

To produce a successful app, you must not only create the software, but you also must know how to distribute the app on each platform. The most common method to distribute apps is through the aforementioned app stores. But not all app stores let you publish your app at will. Instead, app stores such as Apple's require that their staff review and approve your app before you can distribute it. To pass the review process you and your programmers must fully understand Apple's requirements for acceptable functionality and design characteristics within an app or they will reject your app. The approval process can take from weeks to months and can cost thousands of dollars extra if the app is rejected and requires additional coding.

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# Apps – What You Need to Know

## Drawbacks of Apps

### Support Complexity & Cost

Since an app is installed onto a device, an app is susceptible to bugs and performance issues caused by hardware differences between the devices the app is tested on and the devices that your users actually install it on. For example, if you designed your app and tested it on version 2.0 of a mobile operating system and a user installs it on version 3.0, it is possible that your app features may work differently or not at all. Supporting and fixing OS and hardware related bugs can be difficult and expensive, often requiring that you purchase specific devices that you're trying to support. At a cost of \$300 to \$700 per device, these costs can quickly accumulate. In addition, once the issue is found and fixed in an app, you must still deploy your app through the marketplace before your customers can get the update. The net result of bugs and delayed fixes can be frustrated customers and fractured customer relationships, as well as damage to your brand's reputation. Continued marketing and customer relations management will be required to maintain a channel of communication, particularly as it relates to app updates, bug fixes and new features. When building apps, be sure to invest heavily into thorough testing — across platforms and versions — before release.

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# Apps – What You Need to Know

## Benefits of Apps

### Full Use of Sensors and Hardware

Smart phones have unique hardware features such as GPS capabilities, gyroscopes, cameras and microphones. These components can feed an app data about its surroundings. For example, an app using the GPS capabilities can determine its current latitude and longitude and then use that data to locate the closest ATM. Using mapping technologies, the app can obtain a satellite image of the surrounding area to show actual street and building signs in the owner's immediate vicinity and then provide turn-by-turn directions to guide the user to the ATM.

### App Store or Marketplace Exposure

In order to install an app, users must locate and download that application from an app marketplace, such as the Apple App Store for iPhone users. To promote the app, banks must make use of marketing through traditional channels: websites, email, fliers and mass media. However, an added benefit to having an app is bonus exposure for the bank and its application to prospective customers who may come across the app in the various app marketplaces.

# Mobile Site – What You Need to Know

An alternative to building a native app is to create a website specifically for mobile devices, otherwise known as a mobile-optimized website. Users access these websites the same way they would a traditional website: through the browser on their mobile device. Skilled developers proficient in modern web development platforms can create mobile websites that deliver all of the mobile services customers expect from a bank.

## Drawbacks of a Mobile-Optimized Website

### Limited Offline Support

To access your website, your mobile users must be connected to the Internet. If you want to provide functionality for your users when they are disconnected from the Internet, a native app is required. It is important to note that many native apps also require Internet connectivity to provide many of the features common in retail banking today.

### Cross-platform Complexities Still Exist

Multiple web browsers are available for each of the mobile platforms, and each of these browsers can support unique features. You may need to test your mobile-optimized site on popular mobile browsers and customize your site to provide the best user experience possible across all browsers.

### Hardware

Mobile devices limit a web browser's access to certain hardware and sensors on the devices, such as cameras and microphones. While this provides a degree of security, it can limit certain features you might want to provide through your website, such as video chat that requires use of the mobile device's restricted hardware. Functionality that needs special access to a mobile device's hardware may require a native app.

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# Mobile Site – What You Need to Know

## Benefits of a Mobile-Optimized Website

### Accessible from Any Mobile Device

Mobile-optimized websites require no installation on the mobile device. Like a normal website, a mobile site is stored on a web server and visitors use a web browser to view and interact with the site. The website will work the same on all mobile devices without the need to create a separate version for each device platform. This significantly shortens the development cycle, saving both time and money when compared to apps. Developers can optimize your mobile website to accommodate the smaller screen size, unique touch navigation controls and the slower Internet speeds of mobile devices.

### Easily Discoverable

While apps require the user to find and install them, users can find mobile websites via search engines or following a link from another website. In fact, with just a few lines of code, your main website can automatically redirect visitors to your mobile website if they are using a mobile device. This simplifies your marketing effort and lowers costs required to bring mobile users on board.

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# Mobile Site – What You Need to Know

## Benefits of a Mobile-Optimized Website

### No Barriers to Distribution

While a marketplace is required to download an app, no special store or marketplace is needed to access a mobile-optimized website. Users simply open the browser on their mobile device and type in the mobile web address. As outlined in the previous section, app stores are not void of challenges, such as Apple's App Store denying apps, citing reasons from terms of service violations to more subjective reasons such as design preferences. While the approval process can delay the launch of an app, mobile websites do not suffer from this constraint, allowing website owners to publish updates and new features instantly without fear of rejection.

### Cost Effective

Unlike apps, mobile-optimized websites reside solely on the web hosting server. With centrally hosted code, you can push new features, bug fixes and design changes to all users simultaneously by simply updating the website code. Not only does this save development and support staff time, it also means you can respond to users' needs and requests more quickly, saving you money and giving you a distinct competitive advantage over slowly moving banks and credit unions who are supporting native apps.

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# Common Functionality in Mobile-Optimized Websites

We reviewed dozens of mobile-optimized bank and credit union websites to evaluate features common in today's mobile sites. The most common features included:

## Access to Mobile Banking

While not a pre-requisite for a bank to launch a mobile-optimized website, more than 75 percent of the sites we reviewed contained a link to a mobile banking service.

## ATM and Branch Locations

Since visitors to your mobile website are often on the go, providing quick access to an ATM or a branch locator is useful. A simple list of locations can work, but a proximity-based lookup would be more useful and convenient. This would integrate with a mapping service, such as Google Maps.

## Contact Information

The contact section of mobile-optimized sites typically includes the hours and phone numbers for specific locations, as well as the main phone number. We recommend that banks offer at least a basic contact form. It's important for any form on your mobile site to follow security best practices for handling personal information.

## Interest Rates

To allow customers to easily compare your interest rates to that of car dealers, mortgage brokers and other lenders, we recommend listing real-time interest rates for your most common loan products.

## Link to Main Site

Since most mobile-optimized websites contain only a subset of information from the bank's main website, it's helpful to link to the full website. This link most often exists in the footer of the mobile-optimized website so that it is accessible on every page.

## Are You Ready for Mobile?

With the right planning and a focus on strategy development, providing a mobile channel to your customers doesn't have to be difficult or expensive. Our mobile experts can help you create a strategy and a clear approach to provide your customers a mobile-optimized website or app that will further enhance their relationship with your institution.

For a limited time, we are offering our Mobile Readiness Analysis at a discounted price. We will help you evaluate your current mobile readiness and provide a Mobile Web Action Plan that will help you lay the foundation for your new mobile channel.

### Your personalized Mobile Readiness Analysis will include:

- A one-hour consultation with an InetSolution expert to define your goals for your mobile strategy
- An analysis of your current website's performance on today's most popular mobile platforms
- A written recommendation detailing the platform and features required to best meet your goals for your mobile channel that you can use to solicit cost estimates

Reserve your Mobile Readiness Analysis today!

<http://mobile.inetsolution.com>

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# Glossary

## App or Native App

A software program designed to install and run on a specific mobile operating system, such as Apple's iOS or Google's Android. Must be downloaded through an app marketplace.

## HTML

Hyper Text Markup Language is the language used to instruct web browsers how to display text, graphics and other elements on a web page.

## HTML 5

The most recent HTML standard that allows modern web browsers to more fully support rich multimedia within the web browser.

## Mobile Device

A handheld computing device capable of accessing the Internet and running certain software applications. Common devices include smartphones, multimedia devices (e.g., Apple iPod Touch) and tablet devices (e.g., Apple iPad).

## Mobile-Optimized Website

A platform and hardware agnostic collection of web pages constructed using HTML. Mobile-optimized websites do not require installation and can be used from any mobile device that supports a web browser.

## Operating System

Software that allows a human to interact with a computer or mobile device, such as a smartphone or tablet. The most common mobile operating systems are made by Apple, Google, Microsoft and Research in Motion.

## Web Server

A computer that is always connected to the Internet, typically in a data center, that stores web pages and delivers them to computers and mobile devices that request them.