Segmented Consumer Experience and Digital Wallet Capabilities Hold Keys to the Future of Mobile Banking, Finds Cognizant and Monitise Study

New Study Uncovers Consumer Expectations for Mobile Banking Services, Revenue Opportunities for Banks

TEANECK, N.J., and SAN RAFAEL, Calif., July 30, 2013 /PRNewswire/ -- A new study conducted byCognizant (NASDAQ: CTSH) and Monitise plc (LSE: MONI) finds that retail banks can realize the full potential of mobile banking by offering segmented consumer experiences and advanced digital wallet capabilities.

According to the study, consumers are increasingly expecting banks to help improve their mobile lifestyles by providing anytime, anywhere capabilities, customized user experiences, shopping and social features, and value-added services. This, the study states, represents a new opportunity for retail banks to drive customer loyalty, attract new business, and generate more revenue.

The study surveyed more than 700 consumers from a diverse group of U.S. financial institutions, age ranges, annual incomes, genders, ethnicities, education, and employment backgrounds to understand their mobile banking expectations, emerging trends, and current and future needs. A report titled "Segment-Based Strategies for Mobile Banking," based on the findings of the study, details consumer expectations and recommendations for banks to focus on continuing innovation and tailoring mobile strategies through consumer segmentation.

Key study findings include:

- **Anytime, anywhere capabilities:** Consumers are looking for greater functionality as they seek more options. This strongly relates to segmentation of consumer interest and behavior. Interest in remote check deposit and real-time alerts on unusual account activity are important features across segments that could induce consumers to switch banks.
- **Customized user experiences:** Tablets have emerged as a unique and valued user interface with 41% of survey respondents wanting to use tablets compared with smartphones, and 60% of tablet owners preferring a tablet for mobile banking. Consumers are now using both devices for different purposes and want features optimized to suit each device's form factor. Feature personalization like rearranging tabs and functions is also important to more than 75% of the consumers surveyed. Offering this flexibility can give banks a competitive edge and help retain customers.
- **Better shopping and social experiences:** Consumers want their bank to offer better shopping and social experiences and also prefer offers from banks rather than other mobile payment mediums. By offering discounts and offers from retailers on consumers' mobile devices, retail banks can increase mobile payment traffic. Consumers are also open to using social networking features on mobile banking apps/Web sites for accessing information on new products and sharing opinions.
- **Value-added services:** Consumers are seeking services that drive security, ease mobile payment use and provide insights on spending and bill payment patterns, and they're willing to invest in these products. More than one-third of consumers surveyed are willing to pay for advanced security features such as biometrics and nearly 30% of respondents indicated a willingness to pay for mobile payment capabilities.

"Amid the growing proliferation of digital channels and rapidly evolving consumer behavior, retail banks can no longer afford to adopt a one-size-fits-all approach in devising and enhancing their mobile strategies," said Vin Malhotra, Consulting Partner for Banking and Financial Services with Cognizant Business Consulting (CBC), Cognizant's consulting practice. "Providing innovative and personalized mobile services based on consumer segmentation will enable banks to not only run better by maximizing their investments, but also run differently by strengthening customer engagement and driving greater adoption of mobile banking for competitive differentiation."

"Smartphones and tablets are quickly becoming the main contact point between consumers and financial institutions," said Lisa Stanton, President of Americas at Monitise. "Integrating value-added services such as mobile payments directly into a bank's mobile application doesn't just build customer loyalty, but it also grows revenue and fights the growing threat of disintermediation."

The report was developed by CBC and Monitise, and the primary research for the study was carried out by Cognizant Research Center in conjunction with CBC. To learn more about how banks can impact consumers' digital wallet decision with innovative, feature-rich mobile banking applications, read the full study here.

About Cognizant

Cognizant (NASDAQ: CTSH) is a leading provider of information technology, consulting, and business process outsourcing services, dedicated to helping the world's leading companies build stronger businesses. Headquartered in Teaneck, New Jersey (U.S.), Cognizant combines a passion for client satisfaction, technology innovation, deep industry and business process expertise, and a global, collaborative workforce that embodies the future of work. With over 50 delivery centers worldwide and approximately 162,700 employees as of March 31, 2013, Cognizant is a member of the NASDAQ-100, the S&P 500, the Forbes Global 2000, and the Fortune 500 and is ranked among the top performing and fastest growing companies in the world. Visit us online at www.cognizant.com or follow us on Twitter: Cognizant.

About Monitise
Monitise (LSE: MONI) is a world leader in Mobile Money - banking, paying and buying with a mobile device. Leading banks, payments companies, retailers and mobile networks utilize Monitise's technology platforms and services to securely connect people with their money. Already over 23 million consumers benefit from our patented technology to 'bank anywhere', 'pay anyone' and 'buy anything' accounting for over $40 billion of payments, purchases and transfers annually. More information is available at www.monitise.com

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