



## Mobile Money: Bank of America Shows the Way

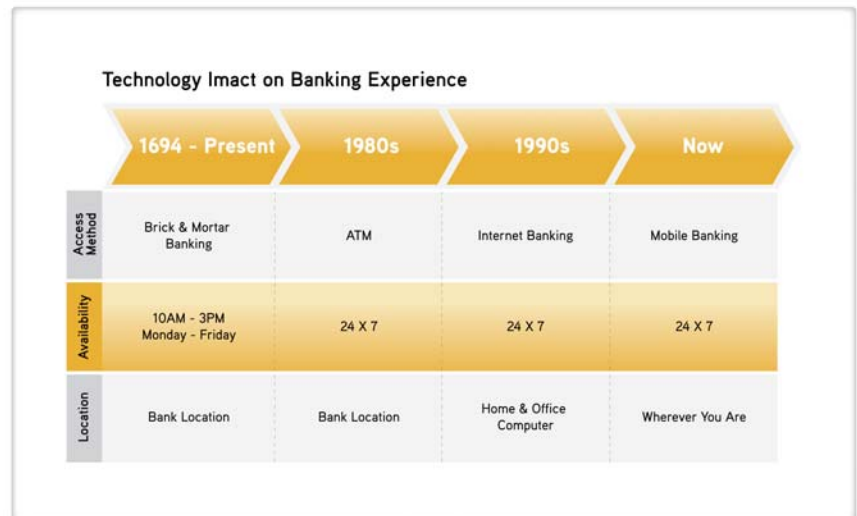
In July of 2009, Bank of America announced plans to shutter a significant number of branch locations because customer preference was shifting to online and mobile banking services. The Wall Street Journal, The Los Angeles Times, and many other news agencies reported on the story, noting that Bank of America (BoFA) first introduced mobile banking services in early 2007, and had already attracted more than one million mobile users by June of 2008. MSN Money cites a BoFA officer when they prominently proclaim, "Customers prefer mobile."

### Banking—an Example for All

In less than 30 years, banks have gone through a complete metamorphosis – from the time when "banker's hours" (10-3 Monday through Friday) were the envy of everyone in business – except the bank's customers – to 24x7 accessibility.

Technology empowered every step of the evolution and at each step customers got better services while the banks lowered operational costs. Let's look at the history:

- Initially, customers had limited access to their money and accounts. Banks were only open from 10-3, longer on Fridays. Lines were long.
- ATMs were introduced. Advances in technology allowed the customer to access money and perform a limited number of transactions 24x7 – as long as he or she went to a physical location where an ATM was installed. Lines got shorter.
- Web banking took off. A customer's 24x7 access was expanded to the home or office computer.
- Today, mobile offers more – ubiquitous 24x7 banking. Wherever there's a signal, you can access your money.



Just as the Web eventually shaped how enterprise business was run, the forward-looking adaptation to online and mobile access in the financial world will help shape other sectors of commerce.

## Lessons for the Mobile Enterprise

Bank of America, along with many other forward-thinking enterprises, recognizes that we have entered a new era where businesses can employ a whole host of tools that allow them and their customers to keep in touch around the clock. Brick & Mortar locations are less of a driving factor for business success. Superior technology and reliable Web and mobile access become crucial components of successful business models.

Accessibility and availability become crucial. As your business shifts its emphasis on resources, difficulties occur when people are forced to revert back to the tools of earlier phases when current technology is not adequately maintained. When a mobile or Web service is unavailable, the customer will often pick up the phone or visit the branch or store. Neither enhances the customer experience and both call centers and physical locations add to your overhead.

### Mobile for the Masses

Your goal is to provide ubiquitous, 24X7 contact with your entire customer base, and mobile applications and services are the way to do it. However, there are two things you need to keep in mind: mobile devices differ in their capabilities and their users differ in the services and applications they prefer. A comprehensive strategy will cover a large cross section of devices and offer multiple channels for access. In some cases, multiple technologies can be combined too, in unique and exciting ways.

When it comes to device and technological options, there are many things to take into consideration. WAP browsers allow easy Web access for the greatest number of mobile devices. WAP-based mobile Web sites can successfully deliver scaled-down content that's viewable on the simplest handset screen. In the case of a bank, simple account information is well suited for the mobile Web. Creating a mobile Web site is a popular strategy for reaching a large customer base.

Smartphones provide powerful browsers that present much richer content. Additionally, the screens are typically larger and thus more content can be delivered. If you think that your typical customer with a smartphone is a more active user of your services, you may want to create a Web site optimized for the devices.

Newer downloadable applications support highly customized information and a broader range of services. Applications are most often developed for the particular OS and require additional effort to make sure that they perform properly across all of the most popular devices. However, they enable the user to create the most personalized environment to stay in touch with your organization around the clock. The benefits of protecting this relationship and delivering the optimal experience should be obvious.

### Make Sure It's User Friendly

As businesses drive their customers to transactions that are either online or over mobile, they want to make sure they do it right. However, there are many opportunities for failure – which can provide the reverse of the desired effect. Too much scrolling, too many clicks, or excessive download times may not sit well. Good execution yields customer satisfaction and repeat business; poor execution can yield increased overhead from

customer service calls at best to abandonment at worst. Always keep in mind how long it'll take for your customer to get to the content they need. A ton of information on a small screen can crowd out the important stuff.

## Getting Creative with SMS

Don't forget SMS, the world's most popular data service. It's widely adopted and enables quick business transactions. If you want a quick price check, a balance transfer, or account information, SMS is a great tool. Using a Common Short Code, customers are only a few clicks away. If you're about to implement CSCs make sure that you get it right, they can fail at alarmingly high rates.

In all of its simplicity SMS can combine with other technologies to truly enhance the customer experience. Banks are using SMS confirmation for Web transactions to provide an additional password security. The customers of a large electronics retailer can send a product inquiry to their Common Short Code and receive detailed information over the mobile Web.

**Real-life example:** A Keynote customer is a Financial Services company that provides sophisticated and innovative fail-safe mobile transactions. Here is a fund transfer scenario that utilizes SMS, Interactive Voice Response (IVR) and mobile Web components:

- Brett wants to send funds to Larry, and uses SMS to initiate a request for a fund transfer by texting a simple command, "send \$25.00 to 6504031234", to his financial company, "Money House". Money House's IVR system calls back, prompting Brett to confirm his identity by entering the PIN code and acknowledging the transaction.
- After Brett confirms the transaction, Larry receives an SMS from Money House letting him know that a fund transfer has been received from Brett and including a URL that Larry needs to click on. When Larry signs into the Money House mobile portal, he can check his updated balance and view the transaction details. He has the option to accept or decline the fund transfer by SMS or directly on the mobile portal and Brett will be advised of Larry's action via SMS.



### The Dawning of a New Era

Technologies like the ATM and Internet were around long before they truly took off, and so has much of mobile. With over 1 million customers on board, Bank of America has signaled that mobile's time has come and many are sure to follow.

As IT departments and online operations teams execute mobile strategies, the emphasis will be on the performance and usability of mobile Web sites and native applications, and that means that monitoring and testing of mobile content will become even more important.

Is your business mobile-ready? Think of all of the ways that you can maintain continual contact with your customers. Are you taking advantage of them? Is it the experience you want to deliver? As the saying goes, *if you're not in contact with your customers – chances are that someone else is.*

### About Keynote

Keynote Systems (NASDAQ "KEYN") is the global test and measurement company for mobile communications and online business performance.

As an independent and trusted third-party, Keynote provides IT and marketing executives with an unbiased view into their Internet services from around the world. For over a decade, we have been providing measurement data and testing capabilities that allow companies to understand and improve their customer's online and mobile experience.

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