

Banks in the US aren't listening to consumers' data security fears

Article

The research: It's getting tougher for traditional banks in the US to attract new customers as a looming recession forces consumers to put the brakes on trying out new financial institutions (FIs). But those still looking for a new bank increasingly rank mobile features as their top priority.

Our **US Mobile Banking Emerging Features Benchmark** analyzes 42 emerging features across the top 20 US FIs' mobile apps to determine which are best positioned to entice new customers and keep existing users satisfied. The benchmark surveyed 1,925 adults in the US to gauge how they valued different features.

The big takeaways: Here are three of the most important report findings for banks.

1. **Data security remains consumers' top priority.** Seeing Social Security number (SSN) breach notifications was the study's most in-demand feature for the second year in a row, with more than half of mobile banking users calling it "extremely valuable."
2. **Account management features also saw strong interest.** The ability to view transaction details in easy-to-understand terms was among the most sought-after features. But it received scant coverage: Only three FIs included it in their mobile app.
3. **US banks' mobile product investments have never been more important.** Incumbent banks need to deliver a superior mobile experience as consumers grapple with economic uncertainty. **The likelihood of US adults starting a relationship with a traditional bank decreased by 39% this year, per a June 2022 Morning Consult survey.** That leaves banks with a smaller pool of prospects—and a mandate to drive greater value from their existing customers.

The Top 5 Most In-Demand US Mobile Banking Emerging Features, Sep 2022

% of respondents calling the feature “extremely valuable”

1

Security and Control

Social Security number breach notification

56%

2

Alerts

Unusual account activity

51%

3

Security and Control

Order replacement card

45%

4

Transfers

Electronic direct deposit

44%

5

Account Management

Easy-to-understand transactions

44%

Note: respondents were asked to rate a feature's importance on a Likert scale of 1–5, where 1="not valuable" and 5="extremely valuable"

Source: Insider Intelligence, "US Mobile Banking Emerging Features Benchmark 2022," Nov 2022
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What should banks be doing? Here are three of the big action items banks can take from the survey.

- **Prioritize support for the most in-demand tools.** Two features were highly valued by over half of mobile banking users: seeing if an SSN has been breached and setting alerts for unusual account activity. But neither was offered by more than five FIs.

- **Identify and fill feature gaps within key categories.** For example, Security and Control was the most valued category among mobile banking users, but the second-least-supported among FIs.
- **Better tailor mobile offerings to specific customer segments.** FIs should examine and act on how preferences vary across generation, gender, region, household income, and technology adoption.

Most Important Factors When Choosing a New Bank According to US Mobile Banking Users, Sep 2021 & Sep 2022

% of respondents

Sep 2021

Fees

50%

Mobile banking (i.e., via smartphone)

48%

Online banking

36%

Rates for accounts (e.g., interest rate, savings rate, credit)

34%

Branches near me

30%

Sep 2022

Mobile banking (i.e., via smartphone)

50%

Fees

49%

Online banking

Online banking

34%

Branches near me

33%

Fraud prevention

28%

Note: 2021 n=2,385; 2022 n=1,925; ages 18-76

Source: Insider Intelligence, "US Mobile Banking Emerging Features Benchmark 2021," Dec 2021, and "US Mobile Banking Emerging Features Benchmark 2022," Nov 2022

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Read on: To see which US banks are making top marks in mobile banking app features, check out the [**US Mobile Banking Emerging Features Benchmark**](#).

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