PurePoint Financial: disrupting the US retail savings market

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How outsourcing can enable retail banks to focus on core capabilities
Customers of the US’ largest three retail banks, Bank of America, JP Morgan Chase and Wells Fargo, are satisfied when conducting basic mobile banking tasks, but all three fall short on more complex inquiries, reports Briony Richter.

A recent UserTesting study asked mobile banking customers from the three largest US retail banks to evaluate their banking apps based on five factors – ease of use, speed, credibility, aesthetics and delight.

According to the findings, US mobile banking usage is projected to surpass 60% of households, yet all three of the largest US retail banks have noted declines in growth of active mobile banking customers since 2012.

As consumers in all age categories become more comfortable with digital technology, it is vital that banks match – and, more importantly surpass – their expectations.

The study noted that for customers, speed is not just about how responsive an app is, but also how quickly a task can be completed. Of the three banks, Bank of America (BoFA)’s mobile banking app rated the best for speed. Participants noted that the app was easy to navigate through, and all functions needed were where customers expected them to be.

When it came to credibility, BoFA, Chase and Wells Fargo ranked 94, 92.7 and 85.9 respectively out of 100. App credibility was based on customers’ levels of trust in a brand after using the app. Users were asked how much they could trust the three banks after using the app, with tasks such as viewing balances, checking statements, transferring funds, and setting up fraud alerts.

One Chase customer credited the bank’s app. “Because items were in a place where I expected them to be, it makes it feel as though the company put time and energy into making a trustworthy product.”

Ease of use was measured by customers’ ability to seek out information and complete tasks. Participants were asked to find their account balance and statement, transfer funds from their savings to their checking accounts, and set up fraud alerts.

Although customers highlighted difficulty in setting up fraud alerts, most actually cited the number of security features and alerts as a reason to award high credibility scores. For them it showed how secure their money and financial data is with each bank.

How a brand expresses itself is equally important to customers when it comes to customer experience and satisfaction. An app has to stand out with attractive and modern designs.

According to the study, one in four users abandon an app after first use, highlighting the need to enhance visual branding to achieve more positive experiences.

Chase ranked the highest in aesthetics. Customers noted that its colour scheme was “easy on the eyes” and associated the blue with the Chase brand.

Wells Fargo scored 91.7 out of 100, ahead of BoFA, which ranked the lowest at 89.5. A Wells Fargo customer stated: “I like the colour scheme; it’s simple and bold at the same time. I particularly like the grey background for the account balances, which make them easy to see, even in the dark.”

Customer delight is more complex to measure. All the other attributes evaluated contribute to a customers’ delight in an app. However, it is also based on user expectations, and whether the app meets their needs. In this category, all three banks slipped below a score of 90, with Wells Fargo at 67.5.

The low scores are mostly due to customers experiencing difficulty in completing certain tasks – setting up fraud alerts being the most frustrating task. In Wells Fargo’s case, customers also noted that finding a statement was difficult on the app.

“There wasn’t much good I can say about the app, given that I couldn’t find my April 2017 statement. I searched through what I thought were the more obvious menu choices, but after about five minutes or so I just gave up and left the task incomplete,” said a Wells Fargo customer.

Overall, the three banks were praised by customers for having mobile banking apps that were easy to navigate through. The study highlights the importance of recognising what customers’ desire from every possible function available within an app.

Banks that successfully drive greater digital engagement will attract more customers, while also reducing costs. Customers have entrusted banks with their money and private financial data, and expect their bank to have high standards in all aspects of mobile banking.