Monkey Memo is an extension of Monkey Insights, an expanded format with a focus on more in-depth discussions of a specific topic. Just like Monkey Insights, Monkey Memo is based on “Little-Data” factoids pulled from a vast array of actual digital-channel usage data, in this case augmented by primary research focused on studying how many mobile banking apps there are in Google Play and The App Store.
Here is the basic data highlighting the analysis:

- Studied Financial Institutions between $5 billion and $50 million in assets
- Includes 7,686 financial institutions
  - 5,507 banks
  - 2,361 credit unions
- 6,114 financial institutions have a consumer mobile banking app
  - 4,100 banks
  - 2,014 credit unions
- 399 financial institutions have a business mobile banking app
  - 384 banks
  - 15 credit unions
- 44 financial institutions have a stand-alone remote check capture app
- 8 financial institutions have a stand-alone card control/management app
- Specific functionality within mobile banking is found as follows:
  - 785 have Person to Person (P2P) payments
  - 422 have debit/credit card on/off switches
  - 354 have an Apple Watch App
  - 129 have Account to Account Transfers (A2A)
CONSUMER MOBILE BANKING GROWTH INDEX

<table>
<thead>
<tr>
<th>YEAR</th>
<th># APPS</th>
<th>% GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>6,114</td>
<td>8%</td>
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<tr>
<td>2016</td>
<td>5,672</td>
<td>6%</td>
</tr>
<tr>
<td>2015</td>
<td>5,340</td>
<td>27%</td>
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<tr>
<td>2014</td>
<td>4,221</td>
<td>48%</td>
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<td>2013</td>
<td>2,838</td>
<td>86%</td>
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<td>2012</td>
<td>1,528</td>
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<tr>
<td>2011</td>
<td>608</td>
<td>305%</td>
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<tr>
<td>2010</td>
<td>150</td>
<td>START</td>
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</table>

The numbers are in. The App Store and Google Play are filled with mobile banking apps. Here are the big stories and take-aways from this years analysis!

**Saturation!** Big Story Is FLAT 8% Growth. At approximately 75% coverage of all financial institutions, we have reached a point of relative saturation. In the past two (2) years new app growth has slowed to about 6%-8%. The banks and CU’s left without an app are almost all under $100 million in assets. 85% of credit unions have an app. Saturation!

**Business Mobile FAILS!** It is clear, people don’t care about Business Mobile. Businesses don’t care and banks don’t care. Although there was 50% growth in the number of Business stand-alone apps in the apps store, the total number is still very low at 399 or 5% overall or 7.5% of the eligible banks. The growth in business mobile is very slow. The growth is NOT following how Consumer mobile grew. Why? Only time will tell why businesses are not gravitating towards mobile banking.

BUSINESS MOBILE IS A DUD!
Person To Person Payments Doubles
AND No One Heard It! P2P is now represented in 785 mobile banking apps. That is double from last year’s count. And no one cares. Bank-centric P2P is a failure. I reverse the look, and 87% of mobile banking apps don’t have P2P. 87%. And those that do have it, as we have discussed before, see very low usage. Bank-centric P2P still has a long way to go.

Debit Card Control Arrive En Masse. Finally. There are 442 banks and credit unions with debit card on-off switches and other card controls. It’s been almost 5 years since the first card control app was launched (City Bank Texas) and finally, just the other day, Wells Fargo had an ad for their version of card management, so it is happening. But at 422+, there is lots of room for more folks to launch the service. When card controls are part of the mobile banking app, approximately 12% of active mobile banking users access the feature monthly. It works and people like it. Right now, it also differentiates as so few are offering it. Some are also including strengthened debit card alerts.

Wearables Lag. The Apple Watch was a big deal when it launched. Reality is there is not a whole lot of usage. 350 financial institutions proprot to have an Apple Watch extension to their mobile banking app. That’s roughly 5%. It is super easy for the digital banking vendor to have a Watch App extension, so it is a bit of a surprise more credit unions and banks don’t have it. That said, usage, actual usage from people, is very very low. Wearables are a simple checkbox now. You need to offer it, on both the Apple and Android platforms, as others do, but usage will lag for some time.

Stand Alone Apps Are DEAD! We track all kinds of apps, most of them are full-featured mobile banking apps with all the bells and whistles. But some are single-purpose, or stand-alone apps. The best example is Remote Check Capture (RDC). There are 44 financial institutions with stand-alone RDC apps. That is 75% less than when we started tracking stand-alone apps. This year, there were almost NO other stand-alone apps represented beyond RDC. There were a handful of stand-alone debit card management apps (less than 5) and one or two stand-alone PFM offerings. There was also 1-2 stand-alone credit monitoring apps, one offered by a major financial institutions.
There are 61 different vendors who have helped financial institutions publish a mobile banking app. 30 have published less than 5 apps (11 have only 1 app to their name) and 5 have published 65% of the apps. The big five are; FiServ, FIS, Jack Henry, NCR/Digital Insight and yes, little ‘ol Malauzai. This is a highly fragmented market overall with high concentration in billion dollar fintech providers.

Vendor Churn HIGH – Seeking Differentiation! Lots of credit unions and banks changed their digital banking vendor in the past year. Overall vendor churn was 15% since 2016 and was the same in 2015. That means over 30% of the market changed hands in 2 years. While we are reaching saturation with less “green-field” opportunities to launch mobile banking, there is a drive towards differentiation. We are entering stage II; “Make my app different from everyone else’s.” Now banks and credit unions want to be different. They are using features to achieve this, as noted above such as P2P or card controls, and they are seeking it through a move from one vendor to another.