

The Digital Experience Review: US Mobile Banking Apps, Q4 2022

BEST PRACTICE REPORT

October 6, 2022

US Banks Tread Water As They Seek To Meet Rising And Evolving Demand For Mobile Banking Experiences

Summary

Banking customers continue to do more, want more, and expect more in their mobile banking apps. Some leading banks and fintechs are updating functionality and improving user experiences to meet evolving demand, but many US banking providers still struggle to keep up with customers' needs and behaviors. To gauge mobile banking experiences in the US, we evaluated eight banks' mobile apps. This report lays out where these companies excel, where they fall short, and how bank executives and their teams can improve their own mobile banking efforts.

US Mobile Banking Leaders And Best Practices

According to 2022 data, a majority (53%) of US online adults are now active mobile banking users — meaning they've used a mobile banking app on their smartphone in the past month — and most (54%) now feel that they "should be able to accomplish any financial task through a mobile device." And it is not just usage and demand that are growing: Research shows that banking customers' expectations are, too — for a widening set of features within their banking apps. As such, executives and their teams at banking providers must create more valuable mobile banking experiences to keep up with customers and guard against existing and emerging competitive threats.

To find out how effectively banks and other companies are meeting customers' expectations, the functionality and user experience of eight US mobile banking apps were reviewed: Ally, Bank of America, Chase, Chime, Citi, USAA, U.S. Bank, and Wells Fargo — which include the five largest banking providers by deposit size, the two largest primarily-digital banking providers, and the fastest growing neobank.

USAA Earns The Highest Overall Score, While Bank Of America And U.S. Bank Show Strong UX

The Digital Experience Review (DXR) evaluates and scores a bank's mobile app across more than 50 criteria. These criteria span six functionality categories and five user experience (UX) fundamentals (see Figure 1). We combine this research with findings from unmoderated usability testing with 80 US banking customers. Our reviews of US banks' mobile app experiences revealed many best practices across these categories (see Figure 2). Overall, we found that USAA earned the best overall combined score and was the leader in our review of mobile banking functionality. Bank of America and U.S. Bank lead this year in our UX reviews, tying for the top score. Specifically, we found that:

- **USAA remains the overall digital experience leader.** In our combined functionality and UX reviews, USAA earned the highest overall score by excelling in multiple areas: It leads in account and money management, self-service tools, and search and navigation. USAA's ability to continuously experiment and improve its mobile app has served it well for over five years: USAA's recently redesigned app, for example, breaks up the user's account info into distinct "sections" with relevant functionality. A USAA member can customize their home screen to meet their individual needs, and the app's spend analysis and transaction categorization

capabilities are some of the strongest in the market. USAA's balance of advanced features and effective UX design make its app stand out.

- **Bank of America and U.S. Bank are the leaders in user experience.** Bank of America and U.S. Bank earned the highest scores in our UX reviews. Bank of America improved its app, designing near-flawless navigation, incorporating user-friendly language, and fixing major technical issues. The app's virtual assistant, Erica, offers personalized insights that go beyond just text with useful tools and data charts. U.S. Bank leads in digital accessibility: Its app uses clear color contrast and avoids using color alone to convey information. It also uses bold and large fonts when appropriate for stronger content readability. U.S. Bank's app is also strong in error avoidance and recovery: The app notifies customers in real time of potential errors and specifies exactly how to solve the issue.
- **Overall, US banking apps tend to be sufficient but not spectacular.** Across all the UX and functionality categories of our reviews, US banks' average scores range from 59 to 85 (all out of a possible 100), and for a majority of categories, the average score is in the 60s. It is good news for both banking executives and their customers that these apps rarely earn scores below a 50, since that generally signals that the app doesn't meet customers' needs in that category. By and large these apps nevertheless fail to exceed users' needs and expectations. In a competitive landscape where customer retention is necessary but not sufficient to drive sustained, profitable growth — and where brand differentiation increasingly matters — digital teams need to do more to distinguish their mobile offerings.

Figure 1

What We Cover In Our Digital Experience Review Of Mobile Banking Apps

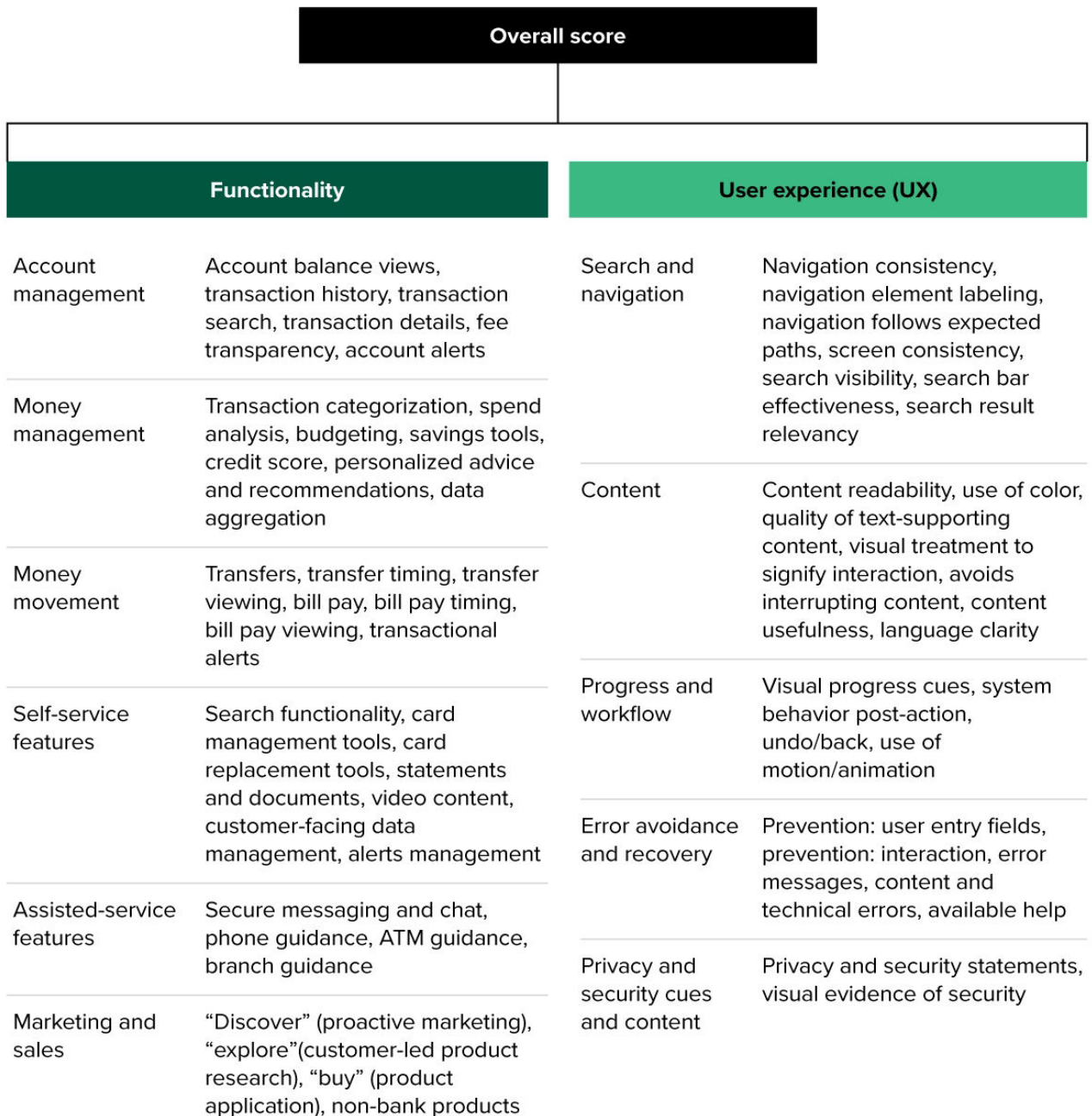


Figure 2

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FEATURES AND FUNCTIONALITY	Best practice
<p>Account management Can the customer view basic account information and keep track of transactions?</p>	<p>Chime and U.S. Bank Provide transaction info with details like location, merchant info, category, useful iconography, and convenient options to dispute a charge</p>
<p>Money management Does the bank help the customer understand their finances and take action when appropriate?</p>	<p>Chase Offers in-app spend analysis functionality that lets the customer monitor, filter, and better understand recent spending behavior</p>
<p>Money movement Can the customer conveniently send money, pay bills, and manage transactions within the app?</p>	<p>Wells Fargo Has wide range of bill pay features and convenient tools for setting up and managing payees, including mobile photo bill pay functionality</p>
<p>Self-service features Does the bank provide customer service tools that don't require a bank representative?</p>	<p>Bank of America Provides personal data management tools within the app, including a one-click feature to revoke access for external data sharing</p>
<p>Assisted-service features Can the customer get answers and help from a bank representative when needed or requested?</p>	<p>Chime and USAA Have mobile chat tools that consistently provide the customer with immediate, clear, and relevant answers and content</p>
<p>Marketing and sales Does the app help the customer find other useful products or services (without being intrusive)?</p>	<p>U.S. Bank Marketing is personalized to the customer, with specific insights-based content (e.g., exact savings available based on recent spending).</p>
<p>Digital feature callout: home screen views Can the customer customize their home screen to meet their individual preferences and needs?</p>	<p>Chase and USAA Viewing options let the customer quickly adjust how their account and product info is displayed on the main landing screen of the app.</p>
<p>Digital feature callout: savings tools Does the mobile banking app help the customer build savings?</p>	<p>Ally and Citi Ally's "boosters" enable trigger-based bonus savings, while Citi's "Earn & Save" automatically moves a portion of direct deposit into savings.</p>
<p>Digital feature callout: onboarding media Does the bank provide useful, accessible educational content within mobile banking?</p>	<p>Wells Fargo Interactive demos let the customer understand and learn to use different app features.</p>

USER EXPERIENCE	Best practice
<p>Navigation Can users orient themselves within the app to accomplish their goals?</p>	<p>Ally and Chime Clear, consistent screen headers and navigational elements build a sense of place.</p>
<p>Search Can users find what they need in the app to accomplish their goals?</p>	<p>Bank of America and Chase Chatbot brings relevant search results and helps users navigate the app by providing useful links.</p>
<p>Content Is the content relevant and easy to understand? Does the app design aid comprehension?</p>	<p>Chime and U.S. Bank U.S. Bank’s content is easy to read, has good contrast, and uses clear language. Chime provides useful transaction details and contextual actions (e.g., dispute a transaction).</p>
<p>Progress and workflow Are cues, including motion, used to orient and direct the customer forward?</p>	<p>USAA and U.S. Bank USAA and U.S. Bank’s descriptive button language informs users about next steps.</p>
<p>Error avoidance and recovery Does the app help customers avoid or recover from errors? Is help easy to find and useful?</p>	<p>U.S. Bank and Wells Fargo Both banks provide users with timely in-context help.</p>
<p>Security cues and content Does the app provide cues and content for users to feel safe using it and adopt safe habits?</p>	<p>Bank of America and Citi Both banks provide cues of security in the payment flow.</p>
<p>Privacy cues and content Is privacy content available within the app and easy to find and consume?</p>	<p>USAA USAA’s privacy policy is well-structured; it uses headings and bullets to enable skimming.</p>

Follow These Mobile Banking Best Practices

We found best-in-class examples in different areas of functionality and user experience in each of the apps we reviewed. The following are 10 of the best practice examples our research uncovered. Executives and digital leaders need to make sure their banks’ mobile apps:

- **Welcome new mobile banking customers with useful information and tools.** Today, mobile banking apps are furnished with an array of useful tools, but these go underutilized when customers either don’t know about or don’t understand the available features. Designing and building onboarding tools and content for new users — either of the app or a specific feature — improves the overall experience.

Leading apps weave educational content and demos into the customer's initial experience. For example, Wells Fargo provides useful tutorials on "Getting Started," "Pay & Transfer," "Card Settings," "App at a Glance," and more. Likewise, U.S. Bank offers excellent app feature demos to help customers (see Figure 3).

- **Provide consistent in-app mechanisms for search, navigation, and exploration.** Finding what you need in an app can make or break the experience. Many leading banks include in-app universal appwide search. Others use virtual assistants as search mechanisms. Bank of America's virtual assistant Erica successfully doubles as a conversational service and a search tool that guides the customer directly to the right functionality or content within the app. Likewise, Chase's virtual assistant is omnipresent as a floating icon throughout the app, then guides the customer to the relevant feature when needed. USAA offers both chat and an appwide search tool located consistently throughout the app. Both features generate helpful responses and proactively guide the user to where they need to go.
- **Help customers understand their financial health and well-being.** Financial well-being is rising in demand and impact. Leading banks are designing mobile banking features and content related to financial well-being. Bank of America, for example, provides in-app updates on the customer's current credit score: Erica (the bank's in-app conversational agent) presents credit scores directly within the conversational UI (see Figure 4). USAA's app helps customers through personalized checklists and action items to improve their financial health. U.S. Bank shows monthly spending in charts, and the app uses secondary indicators (in addition to color) to ensure that colorblind and visually impaired users can consume the content.

"The name of the transaction is useful to remember what the transaction is about. The amount and projected balance are useful obviously because you want to know how much money is involved and if your account has enough money for the scheduled transaction." (USAA customer)

"Upcoming transactions (e.g., phone bill) and future balance show up to help indicate what my actual funds are. That sort of helps inform me and warn against overdraft." (U.S. Bank customer)

- **Let customers view, monitor, and choose how their financial data is used and shared.** Many banks effectively prohibit customers from managing their financial data from within mobile banking, even as people demand more control of their personal data. While many apps provide some basic data usage information, they lack functionality that lets the customer manage how their data is shared and used. There are a few leaders though: Bank of America and U.S. Bank make it easy to see how third parties are using customers' individual data and they provide a convenient tool to revoke access. U.S. Bank offers a video tutorial for customers who are unfamiliar with this functionality. As customers become more sensitive about disclosing personal data, banks need to refine their data management policies and extend customer control.

"Under the help button, it shows how data is sent to an aggregation partner's data center and encrypted [...], and also how to remove access to data." (U.S. Bank Customer)

- **Make moving money easy and convenient for the customer.** People want options for how they can move money and make payments, options that vary by their individual objectives, preferences, and financial situations. Leading banks differentiate by enhancing functionality and creating a seamless user experience. Wells Fargo lets users add a payee by taking a photo of a bill. Chase and U.S. Bank app users can initiate one-time, recurring, and future-dated payments to both internal and external recipients. Chime and U.S. Bank lead on UX design of money movement (see Figure 5). Chime's app lays out clear money movement options with helpful icons and descriptive labels. U.S. Bank's screen headers tell users what to do at each step, and descriptive buttons preview what comes next in the task flow.

"Where to go is very prominent on the app, and it walks you through the process very easily." (U.S. Bank customer) "I like the move money tab at the bottom. I think that makes it very easy to transfer money from one account to the other or to my other bank. The ATM map tab at the bottom makes it super easy to find locations when I am traveling." (Chime customer)

- **Help customers find — and make sense of — their transactions.** Finding a transaction — or viewing all recent transactions — is a top task in mobile banking. Leading banking brands reduce the cognitive load on mobile banking customers as they complete these tasks: For example, Chime offers best-in-class transaction details, with key info on the purchase and the merchant (e.g., time, location, phone number, etc.), icons indicating spend categories, and a clear onscreen call-to-action if the customer wants to dispute the specific transaction (see Figure 6).

"There are as many transactions as can be seen when I open the app, so I find that advantageous. Each transaction is appropriately described and dated, so it is easy to see what each is about." (Chime customer) *"The icons are fun! At a glance, I can see where my money is going." (Chime customer)*

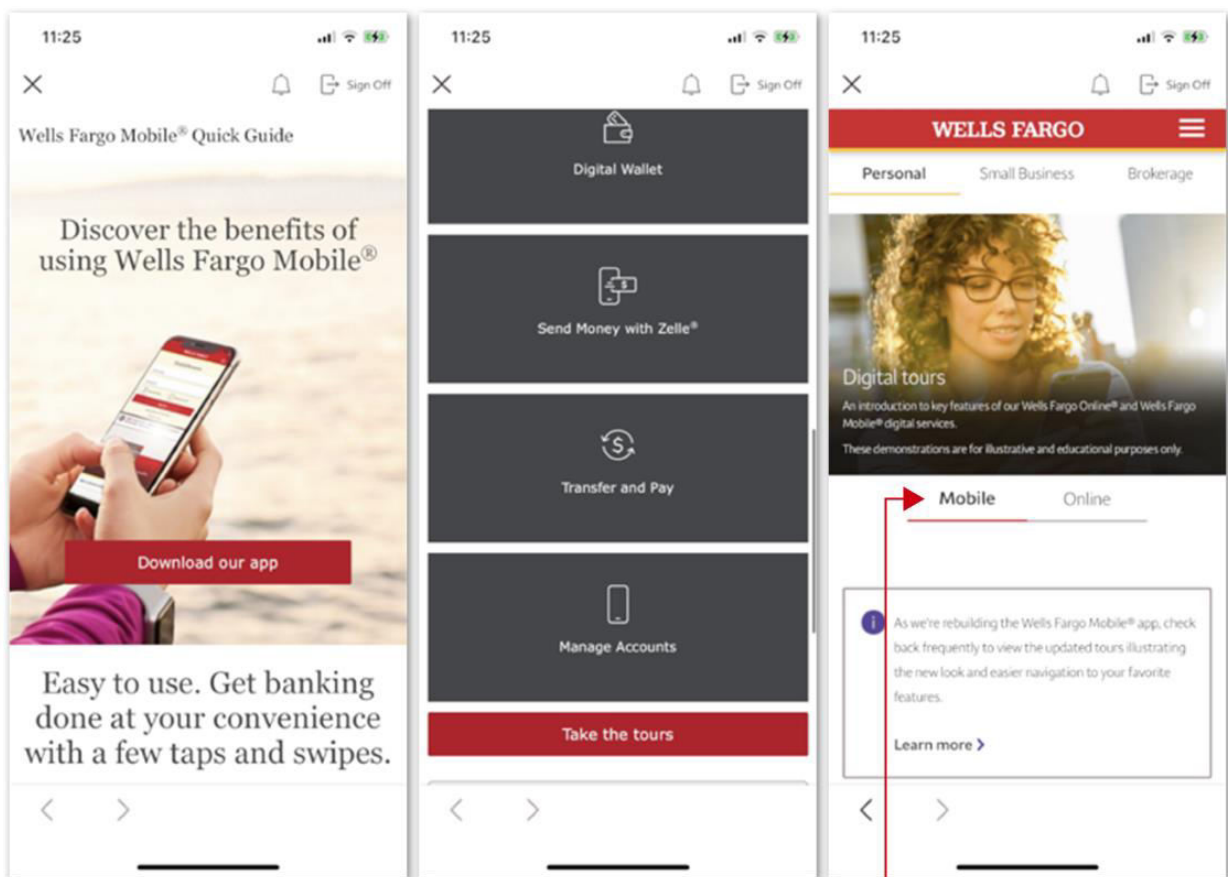
- **Give customers the tools to fix — or avoid — errors during task flows.** Encountering errors in apps can be frustrating — especially when dealing with something as sensitive as money, bills, or financial goals, and especially when the errors could have been avoided easily. To reduce friction and frustration, leading banks design their apps to help customers fix errors quickly or avoid potential errors. For example, U.S. Bank provides clear input guidelines, indicates optional and required fields, shows useful information such as payment limits upfront, and makes sure the user completes all required information before they move to the next step (see Figure 7).
- **Design budgeting and savings experiences that reduce the user's cognitive load.** Better budgeting and money savings tools are increasingly crucial and differentiating in mobile banking: Recent research shows that automatic savings will be a must-have feature in mobile banking within the next three years. Leading banks are designing and building better budgeting and savings experiences now: Ally and Citi both offer useful savings options for customers, and each takes a different approach: Ally's "boosters" feature automatically moves money into savings based on various triggers, while Citi offers three distinct types of "set and forget" savings tools (see Figure 8).
- **Reassure customers about security and privacy as they complete mobile banking tasks.** Leading banks don't merely have strong privacy and security features and policies. They also show and tell it, through clear, jargon-free security

and privacy content and visual cues — like lock icons or other indicators — on screens where customers enter their personal information. For example, Bank of America warns users to send money only to people they trust. If the user is sending money to someone new, the app reminds them to double check the recipient’s details and warns against fraud.

- **Help app users find additional products and services that suit their needs.** Customers use a mobile banking app to complete a task, so they don’t want to be inundated with ads. But there are situations in which a customer needs a new product or service in order to solve a problem. For these situations, leading banks have designed in-app functionality that helps the customer explore their options or get a recommendation. USAA’s “Financial Readiness” includes personalized checklists with content that guides the customer to specific products and services — sometimes a savings account, other times debt management services — relevant to their needs (see Figure 9).

Figure 3

Wells Fargo Helps Customers Get Acclimated To Mobile Banking With Interactive Demos



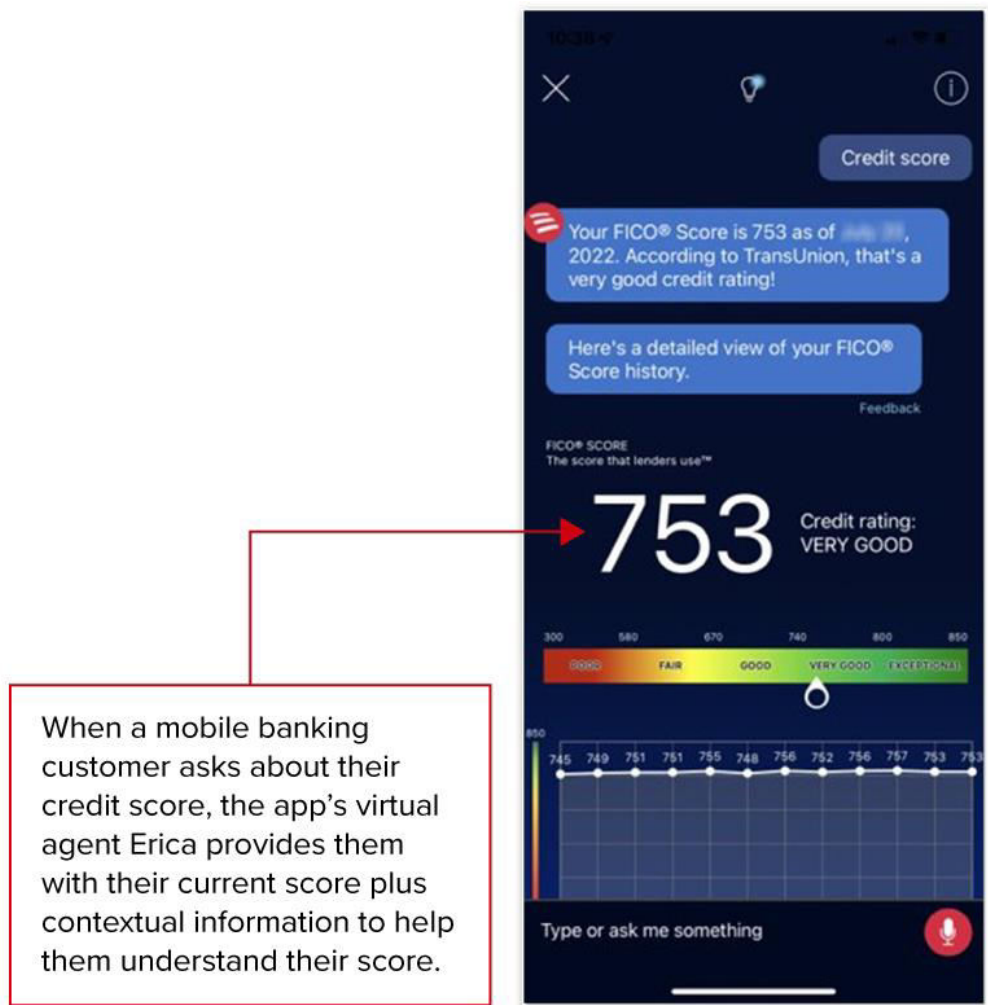
Wells Fargo’s mobile app includes interactive content to help new users (or anyone who needs a refresher) understand how to make the most of mobile banking services.

Wells Fargo provides digital tours of the app as a whole and of individual features.

Source: Wells Fargo mobile app

Figure 4

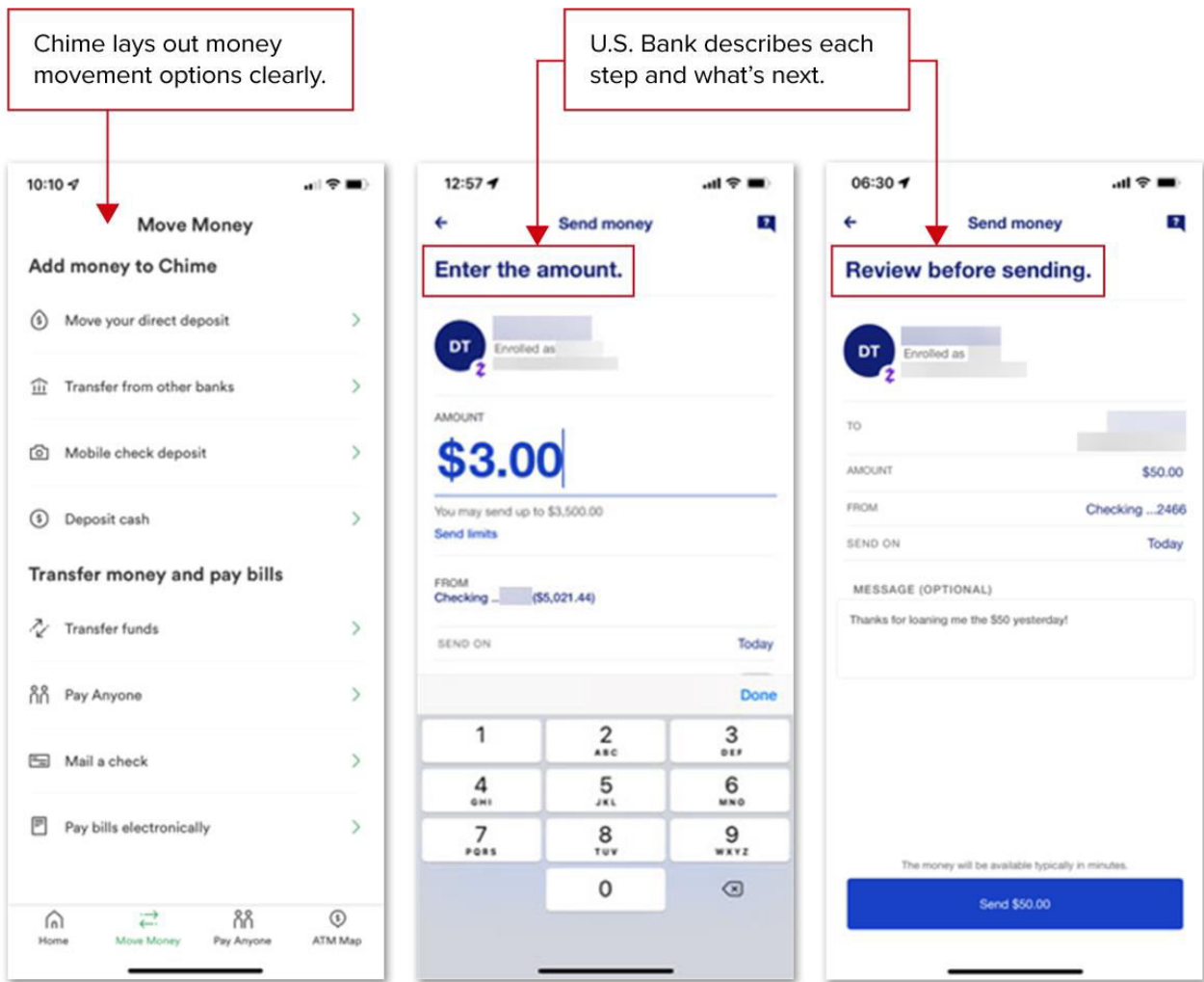
Bank Of America's Erica Provides Convenient In-App Credit Score Info



Source: Bank of America mobile app

Figure 5

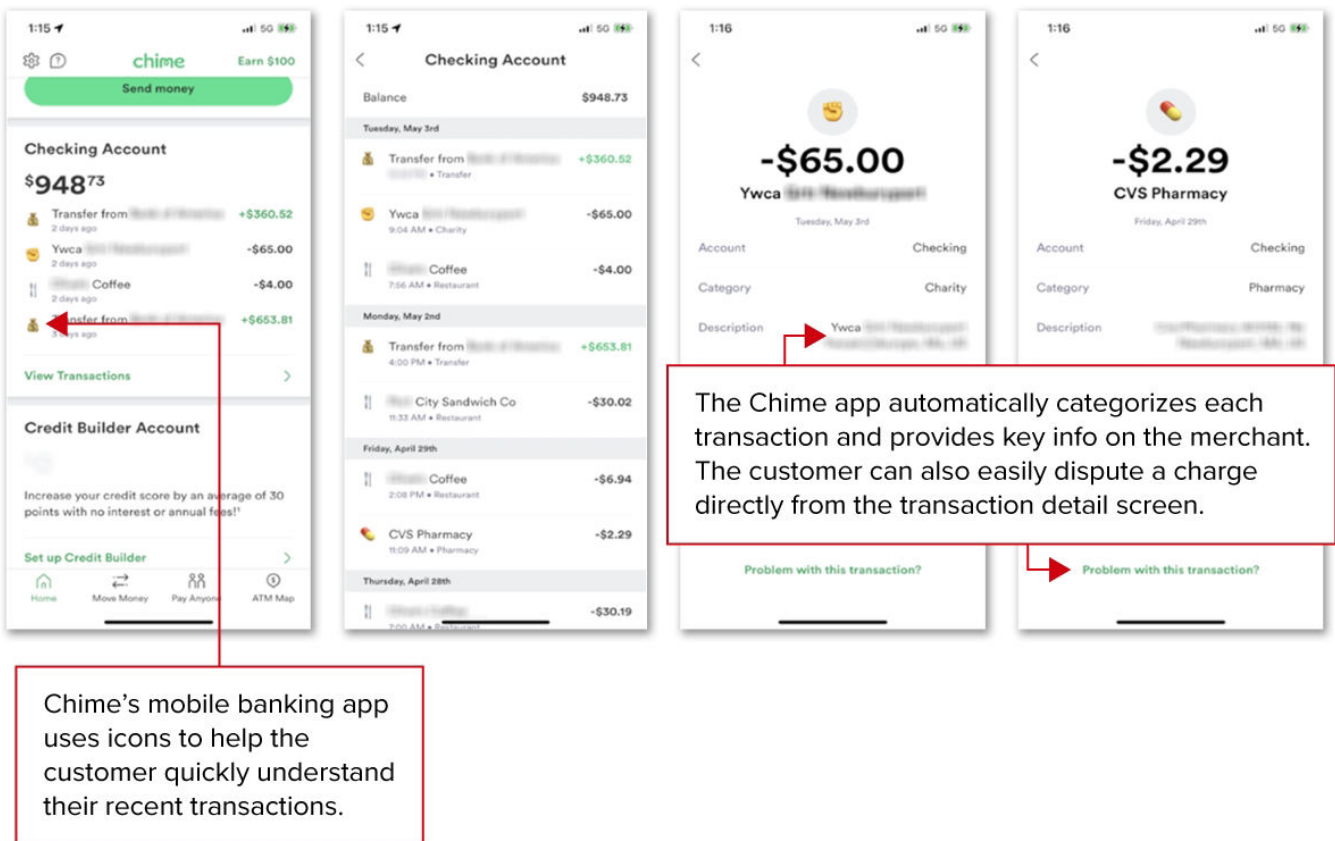
Chime And U.S. Bank Design Money Movement To Reduce The Cognitive Load On Users



Source: Chime and U.S. Bank mobile apps

Figure 6

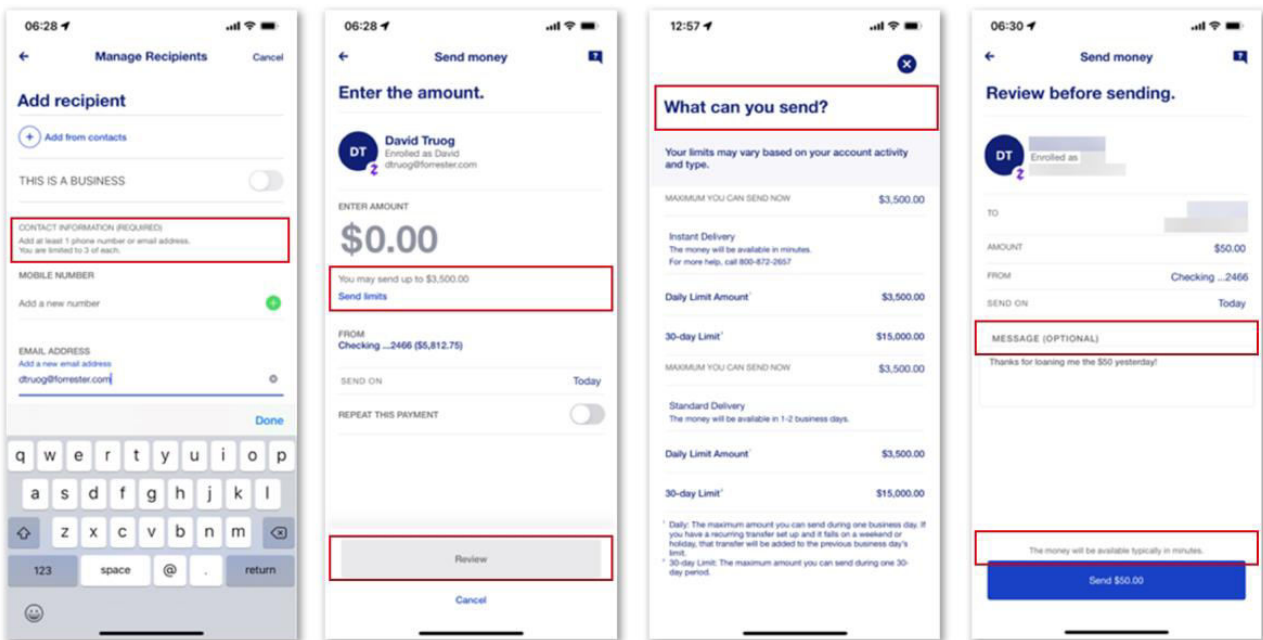
Chime Provides Best-In-Class Transaction Views And Details



Source: Chime mobile app

Figure 7

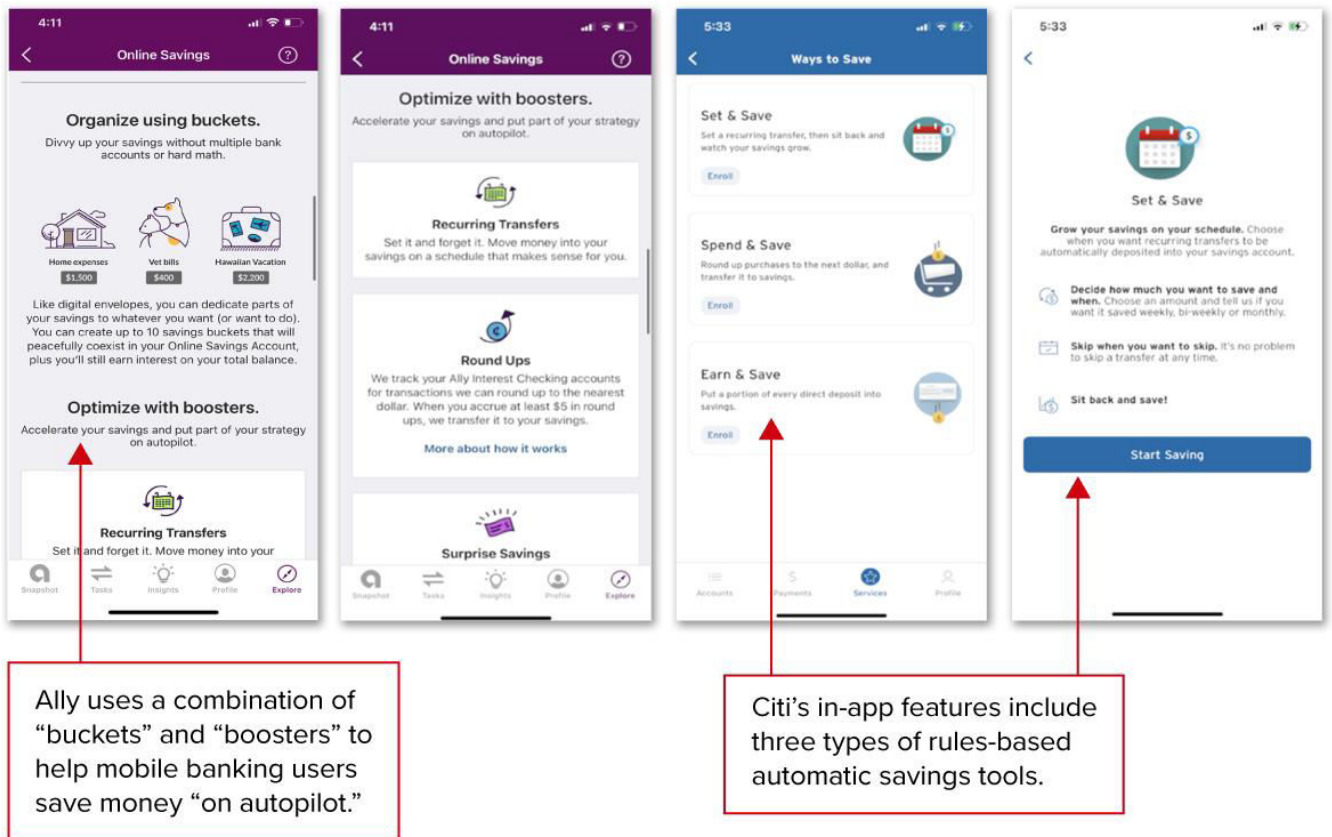
U.S. Bank Gives Clear Guidance And Helps Customers Avoid Errors



Source: U.S. Bank mobile app

Figure 8

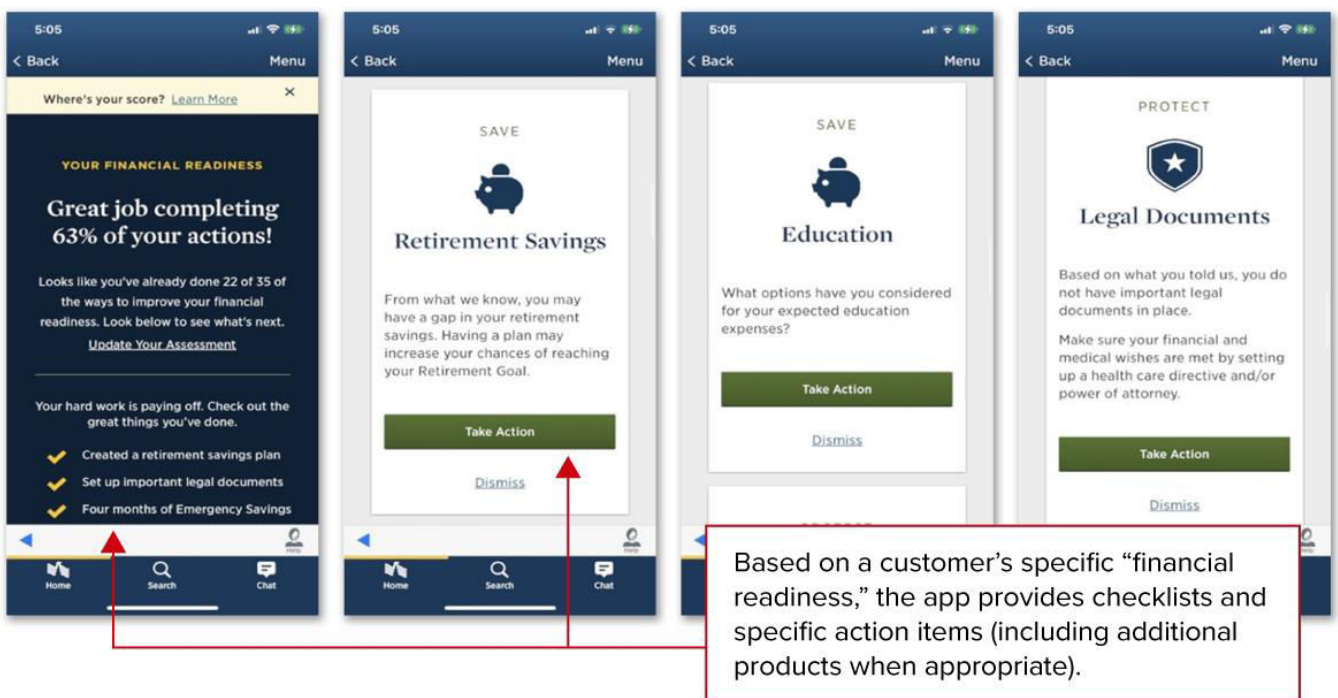
Ally And Citi Offer Tools That Let The Customer Do Less To Save More Automatically



Source: Ally and Citi mobile apps

Figure 9

USAA Shows Customers Products Based On Their Specific “Financial Readiness”



Source: USAA mobile app

Get Objective Recommendations For Your Mobile Apps

Each company has different strengths and weaknesses and should take different steps to prioritize enhancements and new features. How can digital experience teams gauge how their apps stack up against those of others and decide which features and experiences are most vital for their customers and their brand? Tap our experts’ help to:

- **Understand the strengths and weaknesses of your mobile apps.** Digital teams should dig into their scores on each criterion and each category as well as for their apps overall. Companies can conduct a custom review. By comparing your firm's scores against those of other firms, experts can help teams pinpoint key strengths and areas of opportunity. Then walk through visual examples that highlight reasons for your score and share more about how your peers' apps performed in the same evaluation.
- **Prioritize improvements based on gaps and opportunities.** The best practices included in this report are only a sampling from the research, not an exhaustive list. No two companies need to take the same steps to improve their apps. Using the Digital Experience Review (DXR) methodology as a basis, experts can help you identify both immediate next steps and long-term improvements for your mobile apps.
- **Make the case for change.** Senior executives usually grasp the impact of customer experience (CX) on their business and the opportunities that can come from developing better apps and websites. However, digital business and CX leaders often struggle to get budget. Structured heuristic reviews can help make the case for change by providing a more objective benchmark against industry peers.

Supplemental Material

The Digital Experience Review Methodology

The digital functionality and user experience reviews of eight US mobile banking apps was conducted from April 20 to June 10, 2022. Multiple devices to access the banks' apps. The apps were scored across 27 functionality and 25 user experience criteria using a heuristic evaluation based on defined personas and scenarios. This research was combined with findings from unmoderated usability testing with 80 customers.

Persona And Scenarios

Alice is a 35-year-old married woman who has just welcomed a baby girl into her family. She recently received a promotion at work, which came with an increase in her salary. Alice and her husband also just signed a lease on a new, larger apartment — something they can now afford thanks to her salary increase. Alice is comfortable conducting her banking activities online and is now ready to do more of this through her bank's mobile app.

We used three customer scenarios:

- **Find and view a recent transaction.** Alice wants to make sure her latest paycheck reflects her new salary. She logs into her bank's mobile app to see if her paycheck has been deposited in her account yet.
- **Send \$50 (or equivalent) to a friend.** Alice has just heard her friend got the two of them tickets to see their favourite band the weekend she's coming to visit her. Alice wants to send her friend \$50 for the ticket. She hasn't paid her friend previously.
- **Work out how much money she will have left at the end of the month.** There are lots of things Alice wants to buy for her new place, but she's not sure how much money she'll have left at the end of the month. Fortunately, her regularly scheduled bill payments and transfers are mostly the same at her new place, so she wants to work out how much she can safely spend once all her monthly bills are paid.