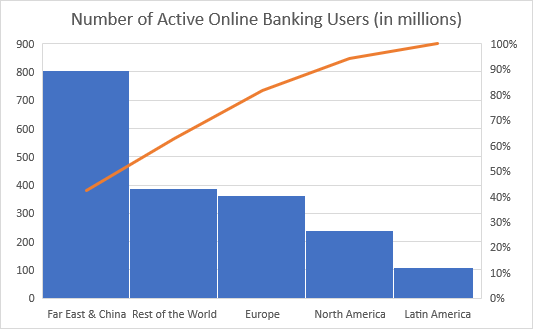
**Online Banking Services**

* Online banks operate exclusively online, meaning they don’t operate branches where we can conduct business in person. The best online banks offer low-cost or free banking, plus above-average interest rates on [savings accounts](https://www.investopedia.com/best-high-yield-savings-accounts-4770633), [certificates of deposit (CDs)](https://www.investopedia.com/best-cd-rates-4770214), and [money market accounts](https://www.investopedia.com/best-money-market-accounts-5096917).
* These banks handle customer service by phone, email, or online chat rather than in person. Prominent online banks in the U.S. include [Ally Bank](https://www.investopedia.com/ally-bank-review-4842316), [Discover Bank](https://www.investopedia.com/discover-bank-review-5069129), and [Synchrony Bank](https://www.investopedia.com/synchrony-bank-review-4846433).
* Online-only banks might not provide direct [automatic teller machine (ATM)](https://www.investopedia.com/terms/a/atm.asp) access but usually enable customers to use ATMs at other banks and retail stores.
* **Online banking is commonly used for opening an account, paying bills, transferring funds, applying for loans, depositing checks, and viewing transaction histories.**
* A number of online banks offer interest-bearing checking accounts, something that isn't standard at brick-and-mortar banks or is reserved for customers with high balances. As of November 2011, the best interest rate for a traditional [**checking account**](https://money.howstuffworks.com/personal-finance/banking/need-bank-account.htm)**is 0.10 percent with a $500 minimum balance, while rates on some online checking accounts** are as high as 0.85 percent with a $1 minimum balance.
* Several online banks also offer investment services. The most common are certificates of deposit (CDs), money market accounts, and Roth IRAs and IRA CDs.
* Phishing scams are one of the most popular methods of committing online banking fraud.
* As cybersecurity is also an increasing issue in online banking; most banks spend at least 10% of their total budget on cybersecurity. For large institutions, such as Bank of America, this represents a figure well over $1 billion.
* The Backend Layer has four key sublayers — APIs, digital banking platforms, Data and Analytics, and [Core Banking Systems](https://medium.com/@hminhhong/431-3dc8c6b10e96). There are **internal APIs** within the bank and **external APIs** connecting to outside systems.
* Online banking is an excellent retention tool for banks, according to the latest digital banking statistics. Most customers expect good online services nowadays. Therefore, upgrading banking platforms for financial institutions could be a viable method of increasing their customer base. **82% of banking customers mentioned that they haven’t switched banks.**
* 63% of US banking customers are more likely to use digital banking apps after the pandemic.
* In 2023, the FDIC reported an additional 2,555 bank branch closures, or about a 3 percent loss of total branches.
* A neobank, sometimes called a challenger bank, is a type of digital-only bank or fintech company — often a startup — that focuses on technological advancement and unique offerings. Neobanks may not be chartered, but they often partner with traditional, FDIC-insured banks to store deposits and ensure federal coverage.



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| **Region** | **Number of Active Online Banking Users (in millions)** |
| North America | 240.1 |
| Latin America | 109 |
| Europe | 361.7 |
| Far East & China | 805.1 |
| Rest of the World | 387.3 |

**Mobile Banking**

* **The usage of mobile banking can be thought of as a subset of online banking. It requires the use of portable devices such as tablets or smartphone. Whereas online banking includes any device that can connect to the internet, which includes tablets, smartphones, laptops, and personal computers.**
* **The most common use for mobile banking is to check account balances according to 94% of users. That is because we can log in using fast security measures like a fingerprint scanner to have a glance at your balance. Also, trends in mobile banking show that banks are adding new security features**.
* You can deposit checks through a mobile app by taking pictures of the front and back of the check. The images are processed by the bank to make sure the check is valid.
* To use a mobile banking app from our smartphone or tablet, we need to download the application from the app store. Once the app is installed on our device, we need to add our bank account details for registration, followed by activation, and create an MPIN— mobile banking personal identification number—to login.
* **[Mobile banking is not be confused with mobile payment, such as Google Pay or Apple Pay. As of November 2022, Apple Pay is the most popular payment platform in the United States.](https://www.bing.com/ck/a?!&&p=d8aa13f9d871e7e6JmltdHM9MTcxOTk2NDgwMCZpZ3VpZD0zMzk1NjI5Yy01MjRjLTY2NDUtMDhlOC03MWVmNTNiZTY3MDQmaW5zaWQ9NTg5OA&ptn=3&ver=2&hsh=3&fclid=3395629c-524c-6645-08e8-71ef53be6704&psq=what+is+difference+between+mobile+banking+and+mobile+payment&u=a1aHR0cHM6Ly93d3cuc3VwZXJtb25leS5jb20vYmVuZWZpdHMtb2YtbW9iaWxlLWJhbmtpbmcvIzp-OnRleHQ9TW9iaWxlJTIwYmFua2luZyUyMGlzJTIwbm90JTIwYmUlMjBjb25mdXNlZA&ntb=1" \t "_blank)**
* Sound wave-based (or sound signal-based) mobile payments represent a newer, cutting-edge solution that works for most mobile phones. Transactions are processed – without the need for internet – through unique sound waves containing encrypted data about the payment.
* Our bank’s mobile app also holds several important pieces of information that we may not know, including our account’s routing and account numbers.
* In 2018, the worldwide mobile banking market stood at a valuation of $715.3 million and is anticipated to escalate to **$1,824.7 million by 2026**, marking a growth rate of **12.2%.**
* Approx **89%** of individuals with bank accounts in America utilize mobile banking for managing their accounts.
* By 2030, revenue from the mobile banking market is anticipated to escalate to **$3.47 billion**.
* Revenue in mobile banking is derived from various streams including transaction fees, subscription fees for premium features, data analytics, and advertising.
* The total value of bill payments executed through mobile banking platforms is approximated to **$3.63 trillion** globally in 2024.
* **47% of mobile banking consumers feel turning off card payments via the app is extremely valuable.**
* The success of PayPal over the last 15 years demonstrates how open consumers are to new payments systems if they’re convenient, secure, reliable and seamlessly integrated into the purchase process.

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| **Age group** | **Percent who primarily use online banking** | **Percent who primarily use mobile banking** |
| 12-27 | 11% | 57% |
| 28-43 | 14% | 60% |
| 44-59 | 17% | 52% |
| 60-78 | 39% | 31% |

**Voice Banking services**

* U.S. consumers continue to adopt and use voice assistants in larger numbers.
* In 2022, 123.5 million adults will use voice assistants at least once per month, according to eMarketer.
* Various services pf voice banking are Account Information, Payments and Transfers, Account Management, Customer Service, Personal Financial Management.
* Some banking apps have built-in voice assistants such as **Bank of America’s Erica a** virtual assistant available in the bank’s mobile app or **U.S. Bank’s Voice Assistant i**ntegrated within their mobile app for various banking tasks.
* In 2021 approximately 30% of U.S. adults with a bank account checked their account balances using a smart speaker. While still a minority in the overall banking populace
* One possible reason for the modest adoption of voice banking so far could be its relatively limited scope initially.
* **Voice Banking Market** was valued at USD 1.48 Billion in 2024 globally and is expected to reach USD 3.04 Billion by 2030, exhibiting a CAGR of 10.81 % during the forecast period (2024-2030).

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| Region | Market Share (%) |
| North America | 30% |
| Europe | 25% |
| South America | 10% |
| Asia-Pacific | 20% |
| Middle East and Africa | 15% |

* Banks can utilise voice-based technologies to add an additional layer of biometric security protection. Because voice assistants can distinguish between different voices, they can use voice to confirm a customer's identity.
* Voice-based technologies will help banks in more rapid and coordinated communication. By enabling customers to use banking services around-the-clock, this will enable banks to offer better services.
* There are 67 million people who speak languages other than English in the United States alone. With voice banking, a variety of financial institutions and fintech businesses can widen their customer bases globally.
* The major key players of the Global Voice Banking Market are U.S. Bank (US), Citigroup (US), Axis Bank (India), HSBC (UK).