

MOBILE BANKING, SHOPPING AND PAYMENTS TO SURGE IN NEXT 12 MONTHS

- 63% of mobile device users across Europe will be banking by mobile within 12 months
- 71% of mobile bankers say it helps them manage money better, with many also saying the benefits are increasing over time
- 56% of mobile device owners expect to use a mobile payments app within 12 months

Adoption of mobile banking, mobile shopping and mobile payments is gathering speed across Europe, according to the *ING International Survey – Mobile Banking 2016*, a new report out today.

The annual survey by ING shows the share of mobile device users in Europe who bank by mobile has swelled to 47% – up from 41% in 2015 – with another 16% expected to adopt the technology in the next 12 months.

Who is leading the way?

The countries leading the way in mobile banking adoption year-on-year are Austria (+13 percentage points), Luxembourg (+12 percentage points) and the Czech Republic (+10 percentage points). Countries with large shares of the population already banking by mobile, including the USA, Spain and the Netherlands, are growing their shares more slowly and could even be approaching ‘peak mobility’.

Managing money better

The surge in mobile banking is having a positive impact on money management, with 71% of mobile bankers in the 13 European countries surveyed indicating they manage their finances better as a result of adopting mobile banking. Furthermore, the evidence from *Mobile Banking 2016* is that, for many respondents, the benefits of using mobile banking actually increase over time.

Mobile payments¹ – and mobile payment apps

In the *ING International Survey – Mobile Banking 2016*, the rise of mobile devices is also reflected in the popularity of paying by mobile. The share of people in Europe who have used a mobile payment app to pay on the go has risen to 40% in 2016, up from 33% in 2015. And 56% of mobile device owners say they expect they will “certainly” or “probably” use a mobile payment app in the next 12 months.

The key reasons for using mobile payment apps, as opposed to any other method of payment (such as cash, or the internet) are speed (53%) and ease (45%) – with the ability to use it in different locations (34%) also ranking highly.

Should trends continue, Europe could overtake the USA when it comes to adopting the tech, where adoption rates have remained static in the last twelve months at 42%².

Shopping anywhere, anytime

Shopping by mobile device has also made notable gains in 2016, the report reveals. A 66% share of people in Europe are now shopping on their smartphone or tablet, up from 58% in 2015.

The onward march of mobile is one contributing factor to the evolution of a ‘cashless society’. There is, however, significant variation in growth across the continent. While two thirds in Turkey (67%) and Italy (66%) agree they use physical cash much less than 12 months ago, far fewer in Austria (28%) and Germany (31%) are willing to give up their notes and coins. The UK (52%) and France (53%) hover near the European average (53%) for reducing cash use.

Confidence in contactless payments has barely increased from last year: fewer than half (46%) of the people in Europe surveyed are sure about the security of the technology.

Ian Bright, senior economist at ING, commented: “Mobile devices seem to be everywhere and many people can’t live without their smartphone. They use them all the time for all sorts of things. Mobile banking is only part of the story: the ING International Survey Mobile Banking 2016 shows that more and more people are using their phone for mobile banking but also to pay for things and to shop.

“The mobile revolution is not a fad. People not only want to use their mobile phone in their everyday life to manage their money but many also reckon it helps them manage their money better.”

Ends

Table 1: Mobile Banking Growth Index: 2015-2017 (adjusted by internet penetration)

| Country | Percentage who expect to use mobile banking in next 12 months | Percentage who use mobile banking in 2016 | Percentage who used mobile banking in 2015 ³ |
|-------------------------|---|---|---|
| Austria | 60% | 50% | 39% |
| Belgium | 56% | 42% | 35% |
| Czech Republic | 54% | 39% | 30% |
| France | 58% | 45% | 40% |
| Germany | 64% | 46% | 42% |
| Italy | 63% | 39% | 36% |
| Luxembourg | 62% | 52% | 39% |
| Netherlands | 72% | 63% | 58% |
| Poland | 63% | 43% | 43% |
| Romania | 47% | 22% | 15% |
| Spain | 65% | 51% | 45% |
| Turkey | 59% | 44% | 35% |
| United Kingdom | 67% | 55% | 49% |
| European average | 63% | 47% | 41% |
| United States | 63% | 53% | 50% |
| Australia | 59% | 49% | 44% |

Table 2: Mobile Payments App Growth Index: 2015-2017

| Country | Percentage who expect to use a mobile payment app in next 12 months | Percentage who have ever used a mobile payment app - 2016 | Percentage who have ever used a mobile payment app - 2015 |
|-------------------------|---|---|---|
| Austria | 30% | 21% | 18% |
| Belgium | 36% | 24% | 20% |
| Czech Republic | 39% | 27% | 26% |
| France | 45% | 34% | 25% |
| Germany | 40% | 29% | 23% |
| Italy | 62% | 42% | 39% |
| Luxembourg | 32% | 20% | 20% |
| Netherlands | 35% | 30% | 13% |
| Poland | 73% | 61% | 43% |
| Romania | 62% | 34% | 32% |
| Spain | 61% | 39% | 35% |
| Turkey | 81% | 66% | 56% |
| United Kingdom | 49% | 32% | 30% |
| European average | 56% | 40% | 33% |
| United States | 58% | 42% | 42% |
| Australia | 38% | 23% | 22% |

Note to editors

¹ A mobile payment is defined as using a mobile payment app such as Google Wallet, Android Pay or Apple Pay, with contactless payment technology, or a web browser on a smartphone or tablet. It does not include shopping online by laptop or PC.

² In the *ING International Survey – Mobile Banking 2015*, 42% in the USA said they had used a mobile payment app at some point in the past. In this year's survey, the USA's share of mobile payment app users was unchanged.

³ See *ING International Survey – Mobile Banking 2015*, responses adjusted by internet penetration on p7.

About the research

The *ING International Survey – Mobile Banking 2016* was conducted by Ipsos using internet-based polling. Nearly 15,000 people across 15 countries were surveyed: Austria, Belgium, Czech Republic, France, Germany, Italy, Luxembourg, the Netherlands, Poland, Romania, Spain, Turkey, the United Kingdom, USA and Australia. Polling took place between 18 March and 6 April 2016.

The ING International Survey is produced three times a year by ING eZonomics. It is about money and life – combining ideas around financial education, personal finance and behavioural economics to produce regular and practical information about the way people manage their money – and how this can affect consumers' lives.

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