



JAVELIN STRATEGY & RESEARCH

2007 Online Banking and Bill Payment: Trends, Forecasts, and Strategies for Reinvigorating Growth and Adoption

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Overview

With over half of the U.S. household population now banking online, online banking and bill pay have finally achieved mainstream acceptance. Over the past three years online banking and bill pay adoption have plateaued, and 38 million consumers are less likely to recommend online banking in 2007 as in 2005. Javelin has used five years of longitudinal data to create a forecast model to deliver projections of adoption through 2012 for online banking, consolidated bill presentment, and online bill pay (FI and biller-direct). Javelin also explores the benefits of green banking and its impact on consumer behavior and adoption. Using quantitative consumer research and case studies of select top ten U.S. financial institutions Javelin has clearly outlined the next steps for FIs and vendors to reinvigorate growth, adoption, and profitability of the online channel.

Primary Questions

- Where is online banking and bill pay headed over the next five years?
- What prevents holdouts from adopting online banking and how can they be successfully persuaded to switch?
- What capabilities must FIs include in online banking and bill pay to capture market share?
- Which marketing and consumer education messages will best drive consumer adoption?
- How can FIs improve the migration of online bankers into online bill payers?
- Which new features and enhanced services will increase transaction volume and loyalty among existing online bankers?

Audience: Financial institutions, specifically online banking groups; and security and messaging vendors to the financial services industry

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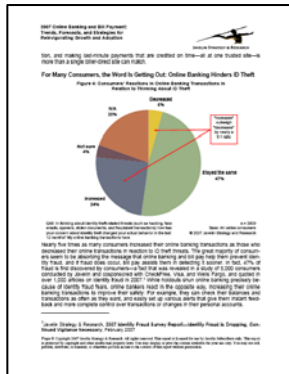
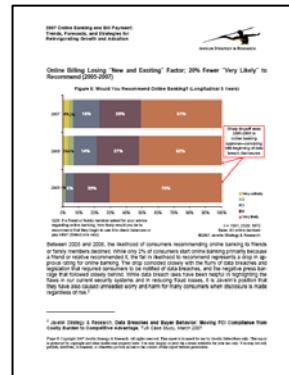
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Companies/Organizations Mentioned in Report

- AOL
- mFoundry
- Bank of America
- Microsoft
- Chase
- M-Com
- Citibank
- MShift
- ClairMail
- Nature Conservancy
- Corillian
- Spectrum Message Services
- Digital Insight
- Visa
- F1 Proprietary Solutions
- Wachovia
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