

* 2016 Mobile Banking Across the Network

Three years ago, CU*Answers took its first in depth look at mobile banking usage among credit union members in light of a growing number of U.S. adults with smartphones. That number has continued to grow—according to the Pew Internet & American Life Project, smartphone ownership among U.S. adults has increased from 35% in 2011 to 55% in 2013¹, 64% in 2015², and 72% as of early 2016³.

What's more, in a March 2016 study released by the Federal Reserve, mobile banking usage among Millennials is as high as 67%, compared to 18% among consumers aged 60 or over⁴.

Using the ARU/Online Banking Summary Stats dashboard available from the Miscellaneous Processing menu (MNMISC #9) in CU*BASE, we compiled stats from nearly every online and self-processing credit union in our network to determine how we as a network of credit unions are doing when it comes to our members' use of **It's Me 247** Mobile/App Banking.

On the following pages, we've compared the results of our June 2015 study with our findings for September 2016. You'll find five key percentages demonstrating member usage of online banking and mobile banking broken out by each credit union. We've also listed below the top 5 credit unions in each category in terms of mobile banking penetration. Stats are for the month of September 2016.

Explaining the Percentages and Top Users

% of Total Members Using Any Online Channel – this number represents the percentage of all members in the credit union that used **It's Me 247** Online Banking *or* Mobile Web banking during September. Top 5 in this category:

1. 48.1% - Madison County FCU (Anderson, IN)
2. 46.9% - Newaygo County Service Employees CU (Fremont, MI)
3. 44.4% - Sioux Empire FCU (Sioux Falls, SD)
4. 44.1% - Honor CU (St. Joseph, MI)
5. 43.2% - Vermillion FCU (Vermillion, SD)

% of Total Members Using Mobile Banking – this number represents the percentage of all members in the credit union that used **It's Me 247** Mobile Web banking during September (does not include Mobile Text). Top 5 in this category:

1. 24.3% - Honor CU (St. Joseph, MI)
2. 23.5% - Western Districts Members CU (Grand Rapids, MI)
3. 23.2% - Sioux Empire FCU (Sioux Falls, SD)
4. 23.0% - Madison County FCU (Anderson, MI)
5. 23.0% - Newaygo County Service Employees CU (Fremont, MI)

¹ Smartphone Ownership 2013 (<http://pewinternet.org/Reports/2013/Smartphone-Ownership-2013/Findings.aspx>)

² Smartphone Ownership 2015 (<http://www.pewinternet.org/2015/04/01/introduction-20/>)

³ Smartphone Ownership 2016 (<http://www.pewglobal.org/2016/02/22/smartphone-ownership-and-internet-usage-continues-to-climb-in-emerging-economies/>)

⁴ Consumer and Mobile Financial Services 2016 (<http://www.federalreserve.gov/econresdata/consumers-and-mobile-financial-services-report-201603.pdf>)

% of Total Members Using Both Channels – this number represents the percentage of all members in the credit union that used both **It's Me 247** Online Banking *and* Mobile Web Banking during September. Top 5 in this category:

1. 14.8% - Sioux Empire FCU (Sioux Falls, SD)
2. 14.5% - Western Districts Members CU (Grand Rapids, MI)
3. 14.0% - Department of Labor FCU (Merrifield, VA)
4. 13.9% - Des Moines Police Officers' CU (Des Moines, IA)
5. 13.7% - Madison County FCU (Anderson, MI)

% of Online Users Using Mobile Banking – this number represents the percentage of members who used an online channel in September that included Mobile Banking (i.e. of members that either used mobile banking only *or* that used both standard online banking and mobile banking). Top 5 in this category:

1. 65.8% - Community First FCU (Howard City, MI)
2. 61.7% - Brewery CU (Milwaukee, WI)
3. 60.2% - Kansas City CU (Kansas City, MO)
4. 59.9% - Isabella Community CU (Mount Pleasant, MI)
5. 59.8% - Forest Area FCU (Fife Lake, MI)

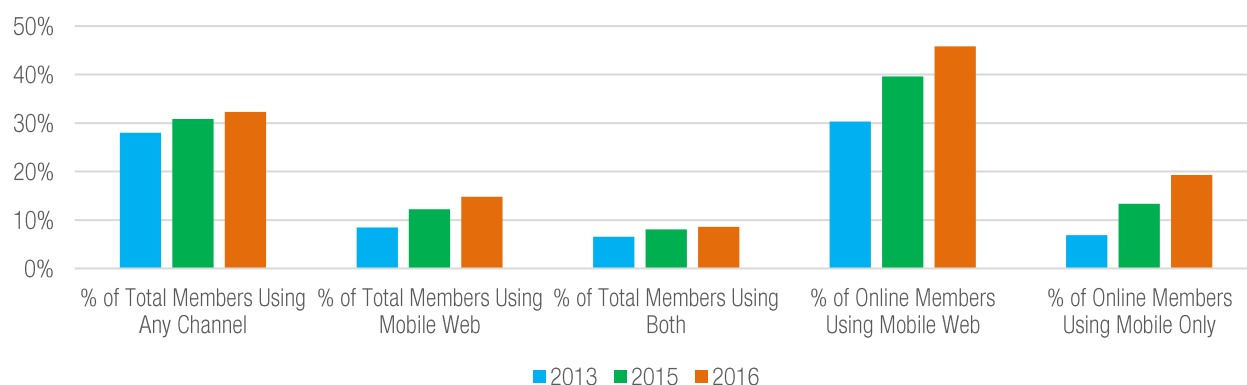
% of Online Users ONLY Using Mobile Banking – this number represents the percentage of members who only accessed **It's Me 247** via Mobile Banking in September (i.e. members who did not access their account via standard online banking). Top 5 in this category:

1. 39.1% - Community First FCU (Howard City, MI)
2. 33.2% - Building Trades FCU (Maple Grove, MN)
3. 31.6% - Forest Area FCU (Fife Lake, MI)
4. 31.4% - Quest FCU (Kenton, OH)
5. 30.0% - Parkside CU (Livonia, MI)

NOTE: In 2013, the highest was 13.0%. In 2016, 140 credit unions exceeded this number.

Trend Analysis

Given the rapid growth of the smartphone adoption over the last four years, how would that be reflected in credit union member adoption of Mobile Web and App banking?



As seen in the chart above, member adoption of **It's Me 247** increased slightly since last year (1.34%). With the addition of new credit unions and member growth of existing clients between 2015 and 2016, this represented an additional 104,000 members using online banking during a single month period (236,000 more than September 2013).

This growth was primarily due to adoption of mobile banking rather than standard online banking, which actually decreased in adoption among total members from 26.8% in 2015 to 25.8% in 2016. Mobile banking usage across all members, on the other hand, increased from 12.21% in 2015 to 15.4%, a difference of over 92,000 members.

Top 5 Credit Unions by Change in % of Online Users Using Mobile Banking (CUs with positive membership growth):

1. 18.0% - Neighborhood Trust FCU (New York, NY)
2. 16.5% - Northern Hills FCU (Sturgis, SD)
3. 16.2% - Frankenmuth CU (Frankenmuth, MI)
4. 14.2% - SB Community FCU (Muskegon, MI)
5. 13.7% - TBA CU (Traverse City, MI)

What's more, the percentage of active online banking users that used mobile banking increased from 39.68% to 47.76%, and the percentage of active online banking users that *only* used mobile banking during the analyzed months grew from 13.38% to 20.05% (with 26 credit unions surpassing 25%). Although a majority of members are still accessing their accounts solely through desktop online banking, their share has dropped from 60% to 52% in only one year.

Diving Into 2016 Usage

It's clear that online banking usage, and mobile banking in particular, continues to grow among credit union members. This section looks at September 2016 stats and compares credit union usage based on adoption of other key online services (e.g. MoneyDesktop, social media presence, CFS, etc.).

	% of Total Members Using Any Channel		% of Online Users Using Mobile Banking	
	Yes	No	Yes	No
Top Half of CUs by Member Size?	33.0% (87 CUs)	29.2%	48.6%	43.4%
Converted in the Last Five Years?	31.2% (43 CUs)	32.7%	46.8%	48.1%
Online Membership Application?	33.0% (108 CUs)	30.9%	48.3%	46.6%
Custom OBC Color?	32.9% (96 CUs)	31.3%	48.6%	46.3%
It's Me 247 Logo Customization?	35.3% (36 CUs)	30.4%	49.1%	46.8%
MoneyDesktop?	35.0% (35 CUs)	31.4%	51.0%	46.6%
CFS?	32.0% (7 CUs)	32.3%	49.3%	47.7%
Twitter?	34.9% (45 CUs)	30.3%	49.3%	46.4%
Facebook?	34.0% (80 CUs)	29.7%	48.6%	46.2%
YouTube?	34.8% (25 CUs)	31.2%	48.1%	47.6%

Generally speaking, the data supports the claim that credit unions with a more active online presence, who are more engaged with their members digitally, see better usage rate of their online banking products.

Larger credit unions have higher usage rate among their peers, in general. Longevity on the CU*BASE system also seems to contribute to a higher usage rate as credit unions converted within the last five years have a slightly lower percentage of members using desktop and mobile banking.



How will this data shape how your credit union approaches online and mobile banking? Is it time to rethink your marketing strategies and devise new ways of reaching your members? How should these numbers shape how CU*Answers approaches development? We encourage you to reach out to your peers and talk to each other about how you're marketing your Mobile Banking options.

Credit Union	City	State	% of Total Mbrs Using Any Chnl.	% of Total Mbrs Using Mobile	% Online Users Using Mobile Banking	% Online Users Using Mobile Only
AAA FCU	South Bend	IN	29.46%	14.13%	47.96%	20.73%
AAC CU	Grand Rapids	MI	31.02%	15.29%	49.29%	21.76%
Aberdeen FCU	Aberdeen	SD	31.74%	14.99%	47.23%	18.52%
Advantage CU	Newton	IA	21.47%	9.85%	45.90%	22.52%
Aeroquip CU	Jackson	MI	32.51%	14.68%	45.16%	18.94%
Affinity Group CU	Pontiac	MI	35.09%	16.60%	47.30%	19.33%
Allegan Community FCU	Allegan	MI	24.67%	13.33%	54.05%	27.23%
Allegius CU	Burns Harbor	IN	23.03%	12.13%	52.68%	25.43%
Alpena Alcona Area CU	Alpena	MI	37.04%	17.27%	46.61%	18.78%
Alpena Community CU	Alpena	MI	36.93%	15.75%	42.65%	18.56%
ATL FCU	Wyoming	MI	27.30%	12.07%	44.20%	20.11%
Auto-Owners Associates CU	Lansing	MI	38.60%	15.07%	39.04%	10.88%
Awakon FCU	Onaway	MI	27.99%	14.66%	52.36%	26.86%
Battle Creek Area CFCU	Battle Creek	MI	24.40%	9.04%	37.04%	11.85%
Bay Area CU	Oregon	OH	37.03%	18.15%	49.02%	22.04%
Besser CU	Alpena	MI	29.49%	13.92%	47.22%	22.04%
Birmingham Bloomfield CU	Birmingham	MI	30.20%	10.54%	34.92%	10.62%
Brewery CU	Milwaukee	WI	25.48%	15.71%	61.65%	29.22%
Bridge CU	Columbus	OH	24.72%	11.60%	46.92%	17.99%
Building Trades FCU	Maple Grove	MN	27.26%	14.90%	54.67%	33.15%
Calcite CU	Rogers City	MI	28.82%	13.82%	47.97%	22.26%
Catholic United Financial CU	St. Paul	MN	15.40%	2.17%	14.07%	3.08%
Century Heritage FCU	Pittsburgh	PA	20.64%	11.03%	53.44%	24.43%
Chief Financial CU	Rochester Hills	MI	14.91%	7.07%	47.45%	25.45%
Chiphone FCU	Elkhart	IN	32.65%	14.41%	44.13%	19.44%
Chiropractic FCU	Farmington	MI	33.58%	9.11%	27.14%	6.56%
Cincinnati Interagency FCU	Cincinnati	OH	35.94%	6.46%	17.96%	3.36%
Commonwealth Utilities CU	Marion	MA	30.57%	11.23%	36.73%	14.24%
CommStar CU	Elyria	OH	24.33%	11.08%	45.55%	19.63%

Credit Union	City	State	% of Total Mbrs Using Any Chnl.	% of Total Mbrs Using Mobile	% Online Users Using Mobile Banking	% Online Users Using Mobile Only
Community First FCU	Lakeview	MI	29.38%	19.34%	65.84%	39.11%
Community West CU	Kentwood	MI	29.82%	12.95%	43.41%	15.86%
Consumers FCU	Brooklyn	NY	11.86%	5.11%	43.07%	17.77%
CorePlus FCU	Norwich	CT	29.60%	12.83%	43.35%	16.00%
Country Heritage CU	Buchanan	MI	8.63%	0.00%	0.00%	0.00%
Credit Union Plus	Bay City	MI	23.45%	11.57%	49.34%	21.93%
Cumberland County FCU	Falmouth	ME	40.47%	21.81%	53.88%	22.61%
Day Air CU	Kettering	OH	37.79%	18.65%	49.35%	18.79%
Delta County CU	Escanaba	MI	29.95%	15.92%	53.14%	25.86%
Department of Labor FCU	Merrifield	VA	42.91%	20.07%	46.76%	14.08%
Des Moines Police Officers' CU	Des Moines	IA	38.71%	21.07%	54.43%	18.56%
Destinations Credit Union	Baltimore	MD	25.82%	0.00%	0.00%	0.00%
DeTour Drummond Community CU	Drummond Island	MI	24.14%	8.56%	35.45%	15.07%
District Government Emp FCU	Washington	DC	23.61%	8.65%	36.65%	11.97%
Diversified Members CU	Detroit	MI	22.68%	13.15%	57.99%	27.36%
East Traverse Catholic FCU	Traverse City	MI	29.63%	10.65%	35.94%	13.23%
ELCA Federal Credit Union	Chicago	IL	36.83%	12.10%	32.85%	3.65%
Element FCU	Charleston	WV	31.55%	17.64%	55.90%	22.26%
Everence Federal CU	Lancaster	PA	22.73%	5.00%	22.02%	7.27%
Evergreen CU	Neenah	WI	42.76%	9.58%	22.39%	4.41%
Farm Bureau Family CU	Lansing	MI	38.63%	15.00%	38.83%	11.24%
FEDCom CU	Grand Rapids	MI	31.30%	14.95%	47.78%	19.84%
Filer CU	Manistee	MI	34.40%	17.01%	49.43%	21.56%
Firefighters CU	La Crosse	WI	35.72%	15.53%	43.49%	16.83%
First Choice CU	Coldwater	OH	28.26%	5.63%	19.93%	5.54%
First Financial CU	Skokie	IL	30.55%	15.56%	50.94%	25.11%
First General CU	Norton Shores	MI				
First Ohio Community FCU	North Canton	OH	20.04%	7.36%	36.71%	13.62%
First Trust Credit Union	Michigan City	IN	38.68%	21.84%	56.46%	26.02%
First United CU	Grandville	MI	24.74%	11.58%	46.82%	24.33%
Florida Customs FCU	Tampa	FL	18.47%	6.66%	36.06%	14.42%
Florida Hospital CU	Altamonte Springs	FL	30.52%	14.61%	47.88%	19.10%
FOCUS CU	Wauwatosa	WI	33.47%	15.05%	44.95%	16.69%
Forest Area FCU	Fife Lake	MI	34.56%	20.65%	59.76%	31.56%
Fox Communities CU	Appleton	WI	38.46%	17.14%	44.58%	17.01%
Frankenmuth CU	Frankenmuth	MI	40.32%	23.01%	57.06%	24.35%
Gabriels Community CU	Lansing	MI	35.73%	17.10%	47.84%	18.88%
Generations Family FCU	Saginaw	MI	29.48%	11.31%	38.38%	16.00%
Glacier Hills CU	West Bend	WI	41.14%	21.65%	52.62%	24.48%
Governmental Empl. CU	La Crosse	WI	33.76%	15.68%	46.44%	16.96%
GR Consumers CU	Wyoming	MI	40.88%	17.79%	43.51%	16.78%
Grand Trunk (BC) Empl. FCU	Battle Creek	MI	28.18%	14.62%	51.89%	25.08%

Credit Union	City	State	% of Total Mbrs Using Any Chnl.	% of Total Mbrs Using Mobile	% Online Users Using Mobile Banking	% Online Users Using Mobile Only
Gratiot Community CU	Alma	MI	24.22%	13.53%	55.86%	26.65%
Great Lakes Members CU	Dearborn	MI	13.88%	3.31%	23.84%	10.47%
Greater Metro FCU	Long Island City	NY	27.91%	8.90%	31.88%	9.48%
Greater Niles Community FCU	Niles	MI	39.89%	18.55%	46.50%	19.70%
Greater Wayne County FCU	Rittman	OH	16.23%	0.00%	0.00%	0.00%
Greensboro Municipal FCU	Greensboro	NC	34.91%	18.71%	53.58%	21.81%
H.P.C. CU	Alpena	MI	25.57%	10.59%	41.41%	16.85%
Harris County FCU	Houston	TX	26.30%	13.49%	51.28%	19.58%
Heartland CU (Madison)	Madison	WI	41.53%	15.70%	37.79%	13.36%
Heartland CU (Springfield)	Springfield	IL	28.84%	15.27%	52.96%	22.03%
Highmark FCU	Rapid City	SD	32.35%	13.59%	42.03%	15.33%
Honor CU	St Joseph	MI	44.05%	24.28%	55.11%	24.79%
Horizon Community CU	Green Bay	WI	29.55%	11.59%	39.21%	16.01%
Horizon Utah Federal CU	Farmington	UT	40.86%	17.96%	43.95%	16.26%
Illinois Educators CU	Springfield	IL	40.24%	18.77%	46.63%	16.94%
Isabella Community CU	Mount Pleasant	MI	34.00%	20.37%	59.93%	26.37%
KALSEE CU	Kalamazoo	MI	30.37%	16.33%	53.77%	23.43%
Kansas City CU	Kansas City	MO	24.19%	14.56%	60.18%	0.00%
Kellogg Community FCU	Battle Creek	MI	36.77%	20.91%	56.86%	24.57%
Kenowa Community FCU	Wyoming	MI	33.13%	16.73%	50.48%	17.47%
Kent County CU	Grand Rapids	MI	36.67%	17.17%	46.83%	16.67%
Lake Huron CU	Saginaw	MI	27.06%	15.83%	58.49%	28.26%
Lakes Community CU	Lake Orion	MI	31.73%	14.57%	45.92%	20.38%
Lakeshore FCU	Muskegon	MI	29.52%	14.83%	50.22%	20.13%
Lakota FCU	Kyle	SD	3.76%	1.76%	46.84%	15.19%
Lenco CU	Adrian	MI	35.26%	16.31%	46.26%	17.73%
Lower East Side People's FCU	New York	NY	19.07%	3.13%	16.39%	3.33%
Madison County FCU	Anderson	IN	48.05%	22.95%	47.76%	19.33%
Madison CU	Madison	WI	34.60%	13.78%	39.82%	14.26%
Meijer CU	Grand Rapids	MI	35.50%	16.97%	47.79%	18.01%
MEMBERS1st Community CU	Marshalltown	IA	21.16%	9.12%	43.08%	19.14%
Michigan Coastal CU	Muskegon	MI	20.12%	11.58%	57.54%	27.85%
MidUSA CU	Middletown	OH	25.85%	12.77%	49.40%	20.82%
Monroe County Comm CU	Monroe	MI	29.94%	15.29%	51.08%	24.09%
Muskegon Co-op CU	Muskegon	MI	24.43%	12.68%	51.90%	25.04%
Muskegon Governmental Empl. FCU	Muskegon	MI	34.83%	17.26%	49.55%	23.98%
Neighborhood Trust FCU	New York	NY	15.25%	6.22%	40.78%	18.44%
New Horizons CU	Cincinnati	OH	32.52%	15.77%	48.48%	19.45%
Newaygo County Service Empl. CU	Fremont	MI	46.89%	22.70%	48.41%	20.93%
North Central Area CU	Houghton Lake	MI	28.44%	13.47%	47.35%	20.22%
Northern Eagle FCU	Nett Lake	MN	0.34%	0.00%	0.00%	0.00%
Northern Hills FCU	Sturgis	SD	28.30%	15.15%	53.52%	23.95%

Credit Union	City	State	% of Total Mbrs Using Any Chnl.	% of Total Mbrs Using Mobile	% Online Users Using Mobile Banking	% Online Users Using Mobile Only
NorthPark Community CU	Indianapolis	IN	27.04%	10.74%	39.70%	15.78%
NorthStar CU	Warrenville	IL	30.19%	8.33%	27.58%	8.53%
Northwest Consumers FCU	Traverse City	MI	32.01%	14.75%	46.09%	20.38%
Notre Dame FCU	Notre Dame	IN	40.61%	20.51%	50.51%	20.75%
Ohio Catholic FCU	Garfield Heights	OH	30.13%	10.88%	36.12%	13.28%
Park City CU	Merrill	WI	31.49%	12.00%	38.10%	15.41%
Parkside CU	Livonia	MI	38.01%	22.39%	58.91%	29.95%
Pathways Financial CU	Columbus	OH	27.94%	13.13%	46.99%	19.61%
Peninsula FCU	Escanaba	MI	34.00%	16.99%	49.96%	21.14%
Peoples Choice CU	Medford	WI	17.57%	7.80%	44.40%	24.88%
Port City FCU	Muskegon	MI	29.47%	15.43%	52.37%	23.71%
Port Conneaut FCU	Conneaut	OH	25.37%	12.68%	50.00%	23.92%
Post Community CU	Battle Creek	MI	32.94%	10.79%	32.77%	10.45%
Preferred CU	Grand Rapids	MI	28.58%	15.11%	52.85%	24.48%
Progressive CU	New York	NY	4.53%	0.00%	0.00%	0.00%
Prospera CU	Appleton	WI	35.28%	18.46%	52.31%	21.70%
Public Service CU	Fort Wayne	IN	35.91%	14.14%	39.39%	16.03%
Quest FCU	Kenton	OH	31.95%	18.92%	59.22%	31.37%
Ripco CU	Rhineland	WI	33.00%	15.53%	47.05%	21.08%
River Valley CU	Ada	MI	42.56%	21.27%	49.98%	19.91%
Riverview CU	Belpre	OH	26.65%	10.57%	39.66%	14.22%
Rogue River Community CU	Sparta	MI	29.63%	15.77%	53.21%	23.80%
Safe Harbor CU	Ludington	MI	33.53%	9.09%	27.11%	7.96%
Saginaw County Empl. CU	Saginaw	MI	29.64%	12.48%	42.12%	15.17%
San Antonio Citizens FCU	San Antonio	FL	34.66%	18.04%	52.06%	25.57%
Sarasota Municipal Empl. CU	Sarasota	FL	39.14%	18.37%	46.92%	17.83%
SB Community FCU	Muskegon	MI	26.02%	13.22%	50.83%	21.73%
Sentinel FCU	Box Elder	SD	29.67%	12.83%	43.26%	17.91%
Service 1 FCU	Muskegon	MI	29.76%	17.65%	59.32%	28.52%
Services Center FCU	Yankton	SD	40.56%	12.29%	30.29%	9.45%
Shoreline Credit Union	Two Rivers	WI	27.37%	12.36%	45.17%	18.91%
Sioux Empire FCU	Sioux Falls	SD	44.35%	23.19%	52.30%	19.03%
Sisseton Wahpeton FCU	Agency Village	SD	5.07%	0.00%	0.00%	0.00%
SMART FCU	Columbus	OH	15.51%	5.67%	36.54%	11.81%
SPE Federal Credit Union	State College	PA	33.05%	8.37%	25.32%	6.67%
Straits Area FCU	Cheboygan	MI	20.15%	10.06%	49.90%	24.42%
Superior Choice CU	Superior	WI	32.18%	12.72%	39.53%	16.71%
Tahquamenon Area CU	Newberry	MI	25.10%	9.58%	38.16%	15.68%
TBA CU	Traverse City	MI	34.35%	16.39%	47.72%	17.81%
The Finest Federal CU	New York	NY	12.11%	8.14%	67.16%	35.79%
Thornapple CU	Hastings	MI	31.33%	16.52%	52.75%	25.02%
Thunder Bay Area CU	Alpena	MI	27.23%	12.47%	45.77%	20.29%
Toro Empl. FCU	Bloomington	MN	29.29%	8.78%	29.98%	11.27%

Credit Union	City	State	% of Total Mbrs Using Any Chnl.	% of Total Mbrs Using Mobile	% Online Users Using Mobile Banking	% Online Users Using Mobile Only
Total Community CU	Taylor	MI	34.92%	13.78%	39.47%	15.06%
Tri-Cities CU	Grand Haven	MI	32.16%	14.62%	45.45%	18.06%
Unison CU	Kaukauna	WI	30.84%	15.99%	51.86%	21.26%
United Educational CU	Battle Creek	MI	34.35%	17.46%	50.82%	23.73%
University of Toledo FCU	Toledo	OH	28.13%	5.38%	19.11%	3.26%
Urban Upbound FCU	Long Island City	NY	3.06%	1.49%	48.72%	25.64%
VacationLand FCU	Sandusky	OH	34.77%	19.45%	55.93%	23.80%
Vermillion FCU	Vermillion	SD	43.22%	14.09%	32.61%	9.64%
Verve, a Credit Union	Oshkosh	WI	39.31%	18.87%	48.00%	19.07%
Viriva Community CU	Warminster	PA	22.32%	9.84%	44.06%	17.61%
Wakota FCU	South St Paul	MN	31.41%	13.81%	43.97%	11.90%
Washtenaw FCU	Ypsilanti	MI	28.57%	14.75%	51.63%	23.43%
West Michigan CU	Grand Rapids	MI	37.14%	16.58%	44.63%	17.70%
West Michigan Postal Service FCU	Muskegon	MI	18.06%	9.84%	54.49%	26.92%
Western Districts Members CU	Grand Rapids	MI	41.74%	23.49%	56.29%	21.68%
Western Division FCU	Williamsville	NY	32.13%	10.94%	34.05%	11.01%
Western Illinois CU	Macomb	IL	29.84%	12.97%	43.46%	14.45%
Wexford Community CU	Cadillac	MI	30.79%	16.28%	52.88%	24.56%