



## UNIT 2

## Using Financial Services

## Topic

## Using Mobile Banking

## LEARNING OBJECTIVE(S)

Students will:

- **explain** common mobile banking features and uses.
- **research** and **evaluate** mobile banking services offered by a variety of financial institutions.

## Title

Banking on the Go

## Overview

*Which mobile banking services are important to you?* Students learn about common mobile banking features, rank them in order of personal importance, and compare their responses with peers. In small groups, students research mobile banking options from various financial institutions and prepare a recommendation for their class

## Financial Literacy Theme

Using Financial Services

## 21st Century Skill(s)

Critical Thinking, Collaboration, Communication

## Key Terms

Mobile banking, balance, transfer, remote deposit capture, alert, bill payment

## Materials

- **Mobile Banking Feature Student Handout**—one copy per student, cut into cards
- **Signs**—four signs, each with one of the following written on it: Mobile, In Person, Both, Neither
- **Internet access**
- **Mobile Banking Comparison Student Handout**—one per group of 3–4 students

## Pathway to Financial Success

In Schools

### Connect

#### How does this connect to the student?

Students use mobile devices like smartphones and tablets to perform basic, daily functions. They likely will conduct as much—if not more—banking from their phones or tablets than in person at their financial institutions. This activity arms them with consumer skills to compare mobile banking services.

#### How does this connect to careers?

**Mobile App Developer:** Imagine being able to create the next popular social media site. Jobs in mobile web development tend to be high paying and in demand. Developing good apps also involves people in other roles such as graphic designers and user experience experts.

#### How does this connect to the world?

Mobile banking is credited with getting more people access to financial services in areas of India, Africa, and other developing countries. Being able to use mobile technology to receive and send money has a huge impact on people's overall economic well being.

### Prepare

**Background:** Use of mobile banking is widespread, and younger consumers are adopting its use at very high rates<sup>5</sup>. Many people now use mobile apps provided by their financial institutions or third parties to perform functions previously done at a branch. Mobile banking features vary from one institution to another, but the most common are the ability to check an account balance, transfer money, locate an ATM, deposit a check, and receive an alert such as those for low balances.

In advance of this activity, consider your own personal use of mobile banking. If you have not downloaded, explored, and used a mobile banking app, consider doing so. Alternatively, ask someone who is a frequent user of mobile banking services to show you how they use a device to conduct banking services. Being familiar with mobile banking services and how they can vary from one financial institution to another is very helpful when teaching about this topic. Some financial institutions also offer videos which highlight their mobile banking features. Exploring these can also be useful.

### Engage

Note: Before class, hang the signs in different corners of the room.

- Ask students what they know about **mobile banking** (banking that is done through a mobile device like a smartphone or tablet usually using an app). Explain that some people use mobile banking instead of going to their financial institution in person.
- Read the scenarios below with students and direct them to move to the sign that best describes the institution/technology they would use. If they would use both or neither, they should move to that sign.
  - You want to **transfer** money from your saving account to your checking account. Will you go into the bank or transfer it using a mobile app?
  - You get a check in the mail for your birthday. How will you deposit it? You can go in person to a branch or take a photo of it using your bank's mobile app (the technical term for this is **remote deposit capture**).
  - You need to check to see how much money is in your account before making a purchase using your debit card. How will you check your **balance**?

<sup>5</sup><https://www.federalreserve.gov/econresdata/consumers-and-mobile-financial-services-report-201603.pdf>

## Pathway to Financial Success

In Schools

### Teach

- Explain that transfers, deposits, and checking balances are just three common features of mobile banking. Invite student groups to brainstorm other mobile banking features they have used or heard about others using. Challenge students to use the key vocabulary terms such as **alerts** (text messages, push notifications, or e-mails sent to inform such as those for low balances) and **bill payments** (a money transfer from your account to pay a bill) to accurately describe their answers.
- Explain to students that mobile banking features vary from one financial institution to another and that you can “shop around” for a financial institution that has the features most important to you.
- With students still in their small groups, distribute one set of cards from the **Mobile Banking Features Student Handout** to each student. Direct students to sort the features and put them in order from most to least likely to use. They can set aside features they would not use. Give students time to compare their results with members of their groups. Discuss how individual responses varied and why.
- Introduce **fees** and **limits**. Tell students that some financial institutions charge fees or place limits on certain features. For example, there may be a maximum amount which can be transferred, a limit on the value of a check that is being deposited remotely, or there may be fees if too many checks are deposited each month. Invite students to share how fees or limits might change their minds about how they use mobile banking.
- Distribute one copy of the **Mobile Banking Comparison Student Handout** to each group. Review the directions, and give students 20 minutes to locate information online and reach a consensus about which mobile banking product they would recommend to the class. Encourage students within the group to select a variety of different types of financial institutions. (Optional: Provide a list of local and large banks and credit unions from which the students can choose.) Consider first whether students will be allowed to contact institutions to gather additional information. If groups struggle to locate information encourage them to search online using the name of their financial institution and the term “mobile banking” or “mobile banking tutorial.”
- Call on groups to present their recommendations and the reasons behind their choices. Ask students if they found services or features that were not previously mentioned, such as the ability to track purchases in a budget or alert the institution of travel plans. These are examples of less common mobile banking features.
- If time allows, poll students to see which institution they would select based on the information presented. Challenge student volunteers to justify their choices.

### Extend

- **Technology:** Challenge students to take on the role of app developers charged with developing a mobile banking app for teens. What features would it have and why?
- **Family:** Encourage students to ask members of their families about their use of mobile banking and offer assistance, if possible, to those that are interested in trying it.

### Standards Correlation

[National Standards for Financial Literacy](#) from the [Council for Economic Education](#)

2. Consumer decisions are influenced by the price of a good or service, the price of alternatives, and the consumer’s income as well as his or her preferences.

# Mobile Banking Features

**Directions:** Cut into cards. Sort the features and put them in order from most to least likely to use. Set aside any you think you will not use. Compare results with the members of your group.

<b>Check an account balance</b>	<b>Transfer money between your bank accounts</b> (such as from savings to checking)
<b>Receive an alert</b> (e.g., a text message, push notification, or e-mail) <b>from your bank or credit union</b>	<b>Deposit a check to your account electronically using the camera on your smartphone or tablet</b>
<b>Check recent transactions</b>	<b>Make a bill payment</b>
<b>Locate your financial institution's nearest walk-in branch or ATM</b>	<b>Send money to relatives or friends</b>
<b>Contact your financial institution with a question or concern</b>	<b>Additional feature of your choice (optional)</b>

# Mobile Banking Comparison

**Directions:** Each member of the group will select one financial institution and research the features and limitations of its mobile banking services. Compare results. Which would you recommend to the class and why? Prepare a recommendation to share with the class.

	#1	#2	#3	#4
Name of Institution				
<b>Features</b>				
Check account balances				
Monitor recent transactions				
Transfer money				
Remote deposits				
Locate a branch or ATM				
Send money to people				
Receive alerts				
Pay a bill				
Contact financial institution				
Other features				