

Cellphone banking shows sharp increase

Cellphone banking adoption continues to beat Absa's expectations, as it announces a 65% year-on-year increase in financial transactions made via its three cellphone banking offerings.

"In 2011, we will see transaction values of about R10 billion transferred via the mobile channels," says Absa Retail Bank client executive, Gavin Opperman. "With a wide range of transactional and enquiry services that are now available via cellphone banking, more customers every day are realising the convenience, simplicity and cost-effectiveness of banking on their phones. It is not surprising, therefore, that we signed up our three millionth user this week."

He believes that recent innovations, such as enabling customers to apply for and receive a loan in just 10 minutes for instance, will continue to drive further migration to this channel. Prepaid airtime top-ups continue to be a popular service, recording a 69% year-on-year growth.

"We expect this momentum to continue. Our recently announced agreement with Vodacom means that customers do not have to use any airtime to access our cellphone banking Lite service. No matter where they are, customers will be able to easily recharge their funds even if they are completely out of airtime."

The domestic money transfer service CashSend and the international version, Western Union money transfer, have also proven to be extremely successful with customers. More than a third of all CashSend transactions are conducted via cellphone banking. "The average number of monthly CashSend transactions that are made via cellphone banking has risen by 500% from last year, to over 37 000 per month.

Although the bank currently has 3 million cellphone banking customers, the total number of customers interacting with the bank on the mobile channel exceeds 7 million.

"This is the number of customers registered for the SMS alert service, NotifyMe. This is now nearing a 70% penetration rate in terms of our total base of active transactional customers." The bank sends over 58 million such messages every month.

Increased business uptake

Statistics also show a 25% increase in the number of businesses using cellphone banking to better control their company finances.

"The seamless integration between one's business internet banking service and one's business cellphone banking service makes the mobile phone a very useful tool for business owners and managers who are always on the move," he says. Over 90 000 businesses are now using cellphone banking on a regular basis.

"The bank is constantly innovating in order to deliver tailored solutions to all our customer segments. We are confident that this will substantially drive up the number of cellphone banking users," concludes Opperman.