

13 September 2012

### Mobile money is killing the wallet

Australians are set to spend an astonishing \$16 billion on internet shopping this year, up from \$13.6 billion in 2011, according to Suncorp Bank.

Suncorp Bank Executive Manager Craig Fenwick said online shopping was revolutionising the way Australians shopped, but the great untold story was that we're moving from online shopping on our computers, to shopping on the move, using our mobile phones.

"Australians now own 13.6 million smartphones giving us greater flexibility to buy what we want, when we want and where we want<sup>1</sup>," Mr Fenwick said.

"No longer do we need to be confined to our computers, we can shop on the bus, at the beach or in the lounge room at any time.

"Increasingly, Australian retailers are taking advantage of this opportunity by creating applications specifically for smartphones or iPads.

"We are infatuated with our phones, with 22 million mobiles in this country, - that's almost one handset for every Australian man, woman, child and baby," Mr Fenwick said.

Research shows the smartphone market is expected to grow by at least another 15% within the next two years while tablet ownership is set to nearly double within the same time frame<sup>2</sup>.

Mr Fenwick said an increasing percentage of online retail sales this year will be via a mobile phone.

"Currently, 32% of Australia's mobile phone owners use their phone for online banking.

"Mobile banking is fast becoming the new norm with seven million Australians opting for a mobile bank wallet rather than a leather one<sup>3</sup>.

"2012 will mark the year that smartphones came of age as a banking tool," Mr Fenwick said.

1 <http://www.pwc.com.au/industry/retail-consumer/assets/Digital-Media-Research-Jul12.pdf>

2 RFI Global Insights Report: ABMP Mobile Applications: the two-speed revolution. July 2012.

3 RFI Global Insights Report: ABMP Mobile Applications: the two-speed revolution. July 2012.



And the trend is likely to continue, with 57% of Australian online shoppers increasing their level of spending via mobile devices over the last 12 months.

“The biggest beneficiaries are those living in remote and rural communities. The roll-out of the national broadband network is expected to benefit these residents further and by 2016 Australians are expected to spend \$26 billion online<sup>4</sup>,” Mr Fenwick said.

“While using the mobile to shop or bank has almost become common, shopping on a tablet device is still in its infancy. Currently internet banking on tablets represents 8% but is expected to grow over the next 12 months as a greater range of tablet devices, such as the iPad mini, come onto the market.”

Suncorp Bank customers are at the forefront of the mobile banking revolution as thousands of customers choose mobile banking (up 118% from last year) over traditional banking.

“Our customers are logging on from everywhere. Last month alone our internet banking users logged on more than 4.5 million times, completing their banking from Brisbane to Bangkok and Auckland to Adelaide,” Mr Fenwick said.

Suncorp Bank’s dedicated Banking app was downloaded 47,000 times by iPhone/iPad users and 26,000 times by Android phone users since its launch in December 2011, testament to the increasing popularity of contactless payments.

“Research<sup>5</sup> indicates that the top three tasks performed by smartphone users include checking account balances or recent transactions, which is equal to listening to music (52%) transferring money to friends and family (34%), and paying bills (30%),” Mr Fenwick said.

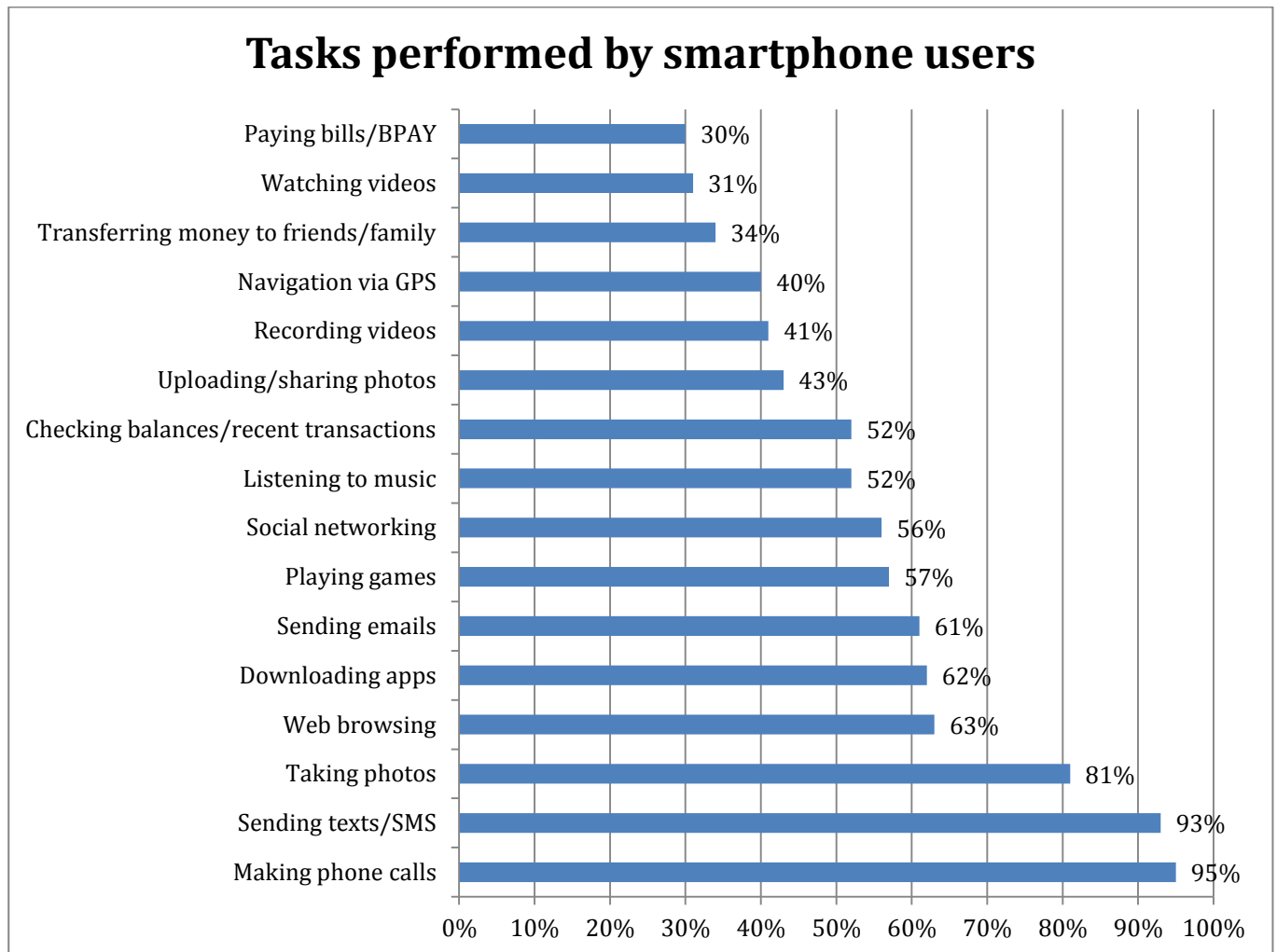
“At Suncorp we are proud to offer cutting-edge technology to reach the broader population and eventually introduce our customers to additional banking products and services such as locating branches and checking foreign exchange rates through these channels.”

<sup>4</sup> <http://www.pwc.com.au/industry/retail-consumer/assets/Digital-Media-Research-Jul12.pdf>

<sup>5</sup> RFI Global Insights Report: ABMP Mobile Applications: the two-speed revolution. July 2012.



Graph: Tasks performed by smartphone users<sup>6</sup>



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**About Suncorp:**

Suncorp Group includes leading general insurance, banking, life insurance, superannuation and investment brands in Australia and New Zealand. The Group has around 16,000 employees and relationships with nine million customers. It is a Top 25 ASX listed company with over \$95 billion in assets. Today Suncorp is Australia's leading regional bank, largest domestic general insurance group, and second largest in New Zealand and has representation in 450 offices, branches and agencies throughout Australia and New Zealand.

<sup>6</sup> RFI Global Insights Report: ABMP Mobile Applications: the two-speed revolution. July 2012.



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