

COLUMNS

Mobile image technology: Revolutionizing mobile transactions

July 13, 2012



By **Mike Nelson**

Whether on a subway in New York or on a plane headed for San Diego or in a grocery store in Seattle, it seems like everybody has a smartphone. Everywhere you look, there is a square object firmly placed in hands of all sizes and demographics.

The ubiquity of the smartphone and tablet has opened up a whole new world. But too many people and, especially, businesses are overlooking one of the most powerful tools on that phone: the camera.

With smartphone cameras reaching the capabilities of digital ones, there is a lot of detail and information that can be captured and used to fuel profits for businesses.

What is the big deal with the camera?

Snapshot

We have had cameras for years. But, now, the resolution for smartphone cameras is catching up to the standards of high-quality cameras and the possibilities are expanding.

At the same time, consumers are intimately familiar with their smartphones, so using their camera to perform a transaction comes naturally.

In fact, in a recent Gartner report, "Learn Lessons From U.S. Mobile Banking: Focus on Active Functionality for Revenue Generation," the researcher suggests that banks should take advantage of new capabilities available in mobile devices, such as higher-resolution cameras, to design and deploy useful customer applications.

Today's world has changed tremendously and the ability to monetize mobile interactions, especially mobile photo capture, has reached its tipping point. Here are a few examples.

The financial industry was the first to benefit from mobile image capture with remote deposit capture (or RDC) the ability for a bank customer to snap a picture of their check with their smartphone or tablet and make an instant deposit, from any location, any time.

With this application, banks can offer a real differentiator to consumers with an easy, familiar and fun way to deposit checks. And, this translates into long-term customers and increased revenues.

This technology has not only changed mobile banking, but has also become a cornerstone of retail banks' mobile strategies. In fact, it is a must-have for retail banking.

In its 2012 U.S. Mobile Banking Functionality Rankings compilation, Forrester Research reported, "No mobile feature has made as big an impact as quickly as mobile remote deposit capture (RDC). Virtually every bank in the country is

currently considering or building mobile RDC functionality We believe mobile RDC will soon be table stakes for direct providers and large, national banks."

Remote deposit capture for the banking industry is just the beginning.

Capturing images with a camera-enabled smartphone or tablet, and being able to use those images to do things, such as deposit a check from anywhere, opens up endless possibilities. This will dramatically change the ways people handle finances and conduct important transactions such as paying bills, buying insurance, making claims and paying taxes.

Here are areas that will see major transformation in the near term due to advancing mobile image technology:

Mobile payments

When banks began offering online bill pay, it changed the way that consumers paid their bills. The simplicity and convenience of paying bills from one location is a key online banking offering.

Though many banks now offer the ability for customers to perform bill pay functionality from their phones or tablets, new bill payees must be added manually, a tedious task from a mobile device.

Mobile photo bill pay automates the addition of a new bill payee with just a few snaps of a smartphone or tablet camera.

In the near term, mobile image technology will enable retail banks and credit unions to offer a new service enabling customers to add payees with just a few snaps of their bill from their camera phone.

Once the consumer uploads the bill photos, the mobile image technology instantaneously deciphers the bill data and sets up a new bill pay account so that the mobile banking user can begin paying that bill automatically no need to use a desktop or laptop and manually enter the information.

Shopping for insurance and making claims

The insurance industry is notoriously competitive, with consumers constantly shopping for better deals the faster the better.

Mobile image technology has given insurers a leg-up on securing new customers by providing the opportunity to get an instant quote simply by snapping a photo of a driver's license and VIN using the camera on a mobile device. This process significantly reduces the cost of delivering quotes to prospective customers.

Mobile commerce

Many of the world's biggest technology and payment brands including Google, PayPal and all of the major credit card companies are abuzz about mobile wallets the ability to use the smartphone as one would use a wallet to pay for everything straight from the device.

While the competition over this market builds the one area that is needed in order for mobile wallet use to become ubiquitous is the ability for consumers to get the information needed (and bank account information and identification) into the wallet quickly and easily. How will this be accomplished?

With mobile image technology. Click, snap submit. Quickly you are enrolled and can find your wallet from the account of your choice. Identification images stored on your smartphone also provide another authentication factor to prevent fraud.

Research shows that smartphone and tablet use will continue to grow exponentially. And, as more consumers use these devices, their expectations for conducting transactions traditionally done online or even in person will grow.

Mobile image technology will be a key facilitator in this revolutionary shift making these transactions a reality.

THE CAMERA IS the key. Incorporate mobile phone imaging technologies into your apps and you have got a whole new experience.

Remember, the world is not just becoming more mobile it is also becoming more visual. Extract and streamline the data from the visual and you are three steps ahead.

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