

New Mobile Banking Survey Reveals Untapped Market Among Offline Banking Consumers

Mobile Channel Addresses Consumers' Needs for Frequent Financial Transactions While Reducing Bank Costs

MOUNTAIN VIEW, Calif. Oct. 07, 2009 -- A survey of more than 500 U.S. mobile phone users released today suggests that financial institutions should mine the untapped market of offline-banking consumers as a potential target audience for mobile banking and payment services.

The survey, commissioned by VeriSign's Messaging and Mobile Media Division and conducted by Palmer Research, in collaboration with financial services technology provider Fiserv (NASDAQ: FISV) and mobile banking provider M-Com, illustrates that 60 percent of consumers not currently using online banking would be interested in using at least one mobile banking service if it was offered during a typical month. The survey also shows that non-online-banking consumers are heavy users of traditional bank channels: nearly two-thirds reported contacting their financial institution once a week or more through one or more bank channels such as contact centers and interactive voice response systems. These are among the most costly customer service channels.

"Consumer feedback shows that the potential user base for mobile financial services includes not only online banking users, but also consumers that currently rely on the branch or contact center to conduct financial transactions," said Erich Litch, SVP and General Manager of Consumer Services, Fiserv. "With this in mind, financial institutions should evaluate mobile banking services based on their ability to meet the needs of both online and offline users. This is particularly important if financial institutions intend to achieve cost savings by encouraging consumers to migrate routine transactions from traditional channels to the lowest-cost-to-serve mobile channel."

Until now, financial institutions have been focused on moving customers from the online channel to the mobile channel. Institutions that continue on this course will likely fail to substantially lower their cost to serve their customers and achieve a substantial return on their mobile banking investments. In effect, they are simply migrating some transactions from one low-cost self-service platform to another.

"Mobile banking is by far the lowest-cost non online banking channel available today, at an estimated 8 cents a transaction," said Adam Clark, CEO and Founder of M-Com. "If you compare that to other banking channels such as call center at \$3.75 and IVR at \$1.25 or even ATM at 85 cents, you can see how moving consumers to mobile banking will yield significant cost savings."

The survey also demonstrated that financial institutions should target the growing audience of smart phone users for mobile phone banking, many of whom do not bank online. Eighty percent of smart phone users surveyed said they would likely adopt mobile banking services in the future versus just 54 percent of basic cell phone users. And, while 29 percent of respondents stated they would be likely to use their mobile phone for making and receiving payments if that was made available, that number increased to 52 percent for users of smart phone/high-end devices.

"With the economic downturn, consumers are increasingly micro-managing their money and looking for ways to access their financial information," said Charles Landry, vice president and general manager, Products and Innovation, for VeriSign Messaging and Mobile Media. "SMS messaging remains the most preferred platform for mobile banking as it provides consumers with the anywhere, anytime experience via real time information such as text alerts on bank balances, transfers and deposits."

The survey also indicated that financial institutions still need to do more to educate consumers about the security practices that are in place to protect financial activities on cell phones and other mobile devices, and about good habits to protect themselves. While the majority of respondents perceived the positive benefits of mobile banking, 53 percent cited concerns about transaction security as a key barrier that would prevent them from using mobile banking.

“Even though we have yet to see significant security threats when it comes to mobile banking, financial institutions need to address concerns over security to help consumers overcome their fears,” added VeriSign’s Landry. “As mobile has inherent safety advantages that make it one of the most protected channels for remote banking, once these perceptions of security risks are addressed, consumer confidence can grow and adoption will increase.”

VeriSign commissioned Palmer Research, Los Altos, California, www.palmerresearchgroup.com, to conduct the study. A sample of 501 U.S. consumers were surveyed, 50 percent by land-line telephone and 50 percent online. This dual methodology provided a more realistic cross-section of American consumers who use a cell phone or other mobile device than typical online surveys. Each respondent was screened to ensure they were a mobile phone user and not an active, regular user of online banking.

Financial institutions can learn more about the survey results by downloading a whitepaper, visit www.checkfree.fiserv.com/mobileresearch. For additional commentary on the survey results, a webinar will take place on October 27 at 1 p.m. EDT). To register, visit www.checkfree.fiserv.com/mobilewebinar.

About Fiserv

Fiserv, Inc. (NASDAQ: FISV) is the leading global provider of information management and electronic commerce systems for the financial services industry, driving innovation that transforms experiences for financial institutions and their customers. Ranked No. 1 on the FinTech 100 survey of top technology partners to the financial services industry, Fiserv celebrates its 25th year in 2009. For more information, visit www.fiserv.com.

About M-Com

Headquartered in Atlanta, GA, M-Com is an international mobile banking and payments solution provider with live Fortune 500 banking customers across Asia Pacific, the Middle East and North America. M-Com’s core proposition is centered on delivering a positive return on investment through world-class adoption metrics for the mobile channel, while providing the lowest total cost of ownership. M-Com’s proposition to the US market is delivered with Fiserv under the label Mobile Money. For more information, visit www.m-com.us.

About VeriSign Messaging and Mobile Media

VeriSign Messaging and Mobile Media is a division of VeriSign, Inc., the trusted provider of Internet infrastructure services for the networked world. Through this business unit, VeriSign provides global application services that reliably delivers short-messages (SMS), multimedia messages (MMS), and mobile content across wireless operators and mobile devices throughout the world. As a leader in mobile messaging, mobile banking and mobile content delivery, VeriSign offers a broad portfolio of mobile infrastructure and delivery services. Offering reliable delivery, a worldwide presence, and rapid and effective deployment, VeriSign has built a trusted and respected brand with global mobile operators, media content providers and enterprises. The reach, reliability and value add of VeriSign services enable these companies to capitalize on the rapidly growing messaging and media content markets.

About VeriSign

VeriSign, Inc. (NASDAQ: VRSN) is the trusted provider of Internet infrastructure services for the networked world. Billions of times each day, VeriSign helps companies and consumers all over the world engage in communications and commerce with confidence. Additional news and information about the company is available at www.verisign.com.

Forward-Looking Statement

Statements in this announcement other than historical data and information constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements involve risks and uncertainties that could cause VeriSign's actual results to differ materially from those stated or implied by such forward-looking statements. The potential risks and uncertainties include, among others, the uncertainty of future revenue and profitability; potential fluctuations in quarterly operating results due to such factors as the risk that VeriSign's announcements may not result in additional products, services, customers, profits or revenues; and increased competition and pricing pressures. More information about potential factors that could affect the company's business and financial results is included in VeriSign's filings with the Securities and Exchange Commission, including in the company's Annual Report on Form 10-K for the year ended December 31, 2008 and quarterly reports on Form 10-Q. VeriSign undertakes no obligation to update any of the forward-looking statements after the date of this press release.

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