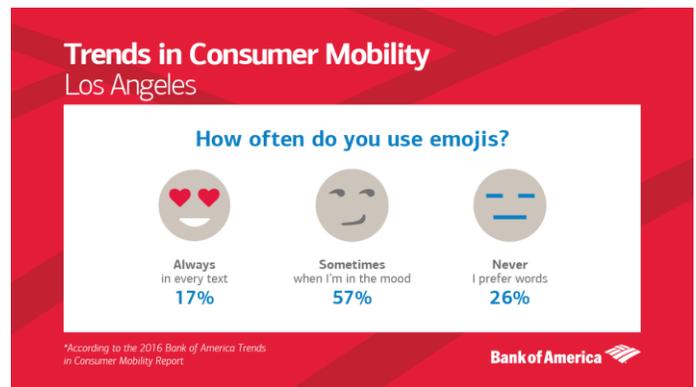


Majority of Los Angeles Residents Deny Smartphone Overuse

Many interact with mobile more than loved ones; increasingly turn to digital for banking and payments

We are increasingly reliant on devices to navigate everyday life. Accordingly, the third annual **Bank of America Trends in Consumer Mobility Report** delves further into the drivers and emotions behind our mobile behaviors, including the impact on our key relationships and daily interactions. It also takes a closer look at the notable impact on the changing financial landscape, seeking to explain where, why and how we are using mobile devices to manage finances, including the evolving constructs of payments and banking, particularly as mobile wallets and digital currencies become more mainstream.



Daily Dependency

The majority of Los Angeles residents appear to need a dose of reality when it comes to their own smartphone behaviors. Fewer than one in five (18 percent) local residents believe they are on their mobile phone too much, while more than half (51 percent) believe other adults are guilty of overuse. Just 20 percent consider themselves 'tuned out to the world' while on their device and 51 percent believe they mind their mobile manners; these perceptions are drastically different when considering the behaviors of others at 46 percent and 20 percent, respectively.

What's more, nearly two in five local residents (37 percent vs. 29 percent nationally) cite that in an average day they interact with their smartphone more than anyone, including their significant other (26 percent) and friends (5 percent). More than half (51 percent) even admit to using their mobile to escape a social interaction.

This growing device reliance is also visible in managing finances: Nearly two-thirds (63 percent) of Los Angeles residents are constantly checking their finances via mobile, including account balances and budgets, which is more often than those nationally (48 percent). Only 31 percent report frequently checking health-related items, such as steps and calories.

Banking Behaviors and Payment Preferences

Los Angeles residents are increasingly turning to digital channels to engage with their financial institutions. More than six in 10 (63 percent) use mobile or online as their preferred method of banking, and 62 percent say they actively use a mobile banking app. Of those mobile banking users, more than two in five (42 percent) access the app once a day or more, while an overwhelming majority (89 percent) check once a week or more.

In further examining behaviors of LA residents using a mobile banking app:

- Popular activities include checking balances or statements (81 percent), transferring funds (60 percent) and paying bills (55 percent)
- Majority (85 percent) are using banking notifications and alerts, such as fraud/unusual activity (49 percent) and deposit made (46 percent) alerts
- Nearly three-quarters (72 percent) are taking action when they receive an alert, with contacting the bank (37 percent) and transferring money between accounts (36 percent) the most popular actions

Los Angeles residents are also adopting digital payments. The majority (63 percent) would consider or are already using a peer-to-peer money transfer service from their bank, and nearly half (45 percent) would use or already use their phone to make a purchase at checkout.

Changing Communications

While in person (35 percent) still appears to be the preferred method of conversing for many LA residents, texting (29 percent) and calling (20 percent) closely follow. When texting, local residents are looking for instant gratification, as the majority (71 percent) believe the appropriate response time is under an hour and 50 percent say under 10 minutes.

Emojis and selfies are also on the rise. More than three-quarters (76 percent) of those in LA say they take selfies, and nearly one-quarter (23 percent) report taking them at least once a week. Similarly, 74 percent of local residents admit to using emojis, and 17 percent say they use them in every text, which is higher than any other market surveyed.

Additional Los Angeles Highlights

- When they don't have access to their smartphone, many LA residents feel anxious (41 percent) and bored (29 percent)
- More than six in 10 (61 percent) LA residents say their mobile personality differs from their in-person personality. Respondents are most likely to say their smartphone makes them more likely to share (30 percent) and more confident (26 percent).
- When it comes to everyday activities, local residents are more likely to turn entirely to their mobile device for getting directions (74 percent) and booking travel (57 percent)

At a glance: Mobile use across the country



About Bank of America Mobile Banking

With 20 million active mobile users and growing, Bank of America's mobile banking platform is an evolving source of increased customer engagement and satisfaction. During the first quarter of 2016, mobile banking customers logged into their accounts almost 900 million times, or approximately 46 times per user. During that same period, customers made nearly 24 million mobile bill payments and 70 million transfers, a growth of 29 percent and 20 percent, respectively, over 2015. Customers also used their mobile devices to deposit more than 254,000 checks daily and to schedule 104,000 appointments with a personal banker or financial center specialist. More customers are opening new accounts through mobile, with sales increasing by 50 percent over the past year.

Methodology

Braun Research, Inc. (an independent market research company) conducted a nationally representative, telephone survey on behalf of Bank of America March 29-April 12, 2016. Braun surveyed 1,004 respondents throughout the U.S., comprised of adults 18+ with a current banking relationship (checking or savings) and who own a smartphone. The survey was conducted by phone to a dual-frame landline and cell. In addition, approximately 300 adults were also surveyed in seven target markets: Boston, Chicago, Houston, Los Angeles, Miami, Phoenix and San Francisco. The margin of error for the national quota of n=1,004 is +/- 3.1 percent with a 95 percent confidence level; the margin of error for the oversampled markets (where n=301-307) is +/- 5.6 percent; and the margin of error for the oversampled markets (where n=300) is +/- 5.7 percent, with each reported at a 95 percent confidence level.