

Big US banks unveil consumer payment app

October 24 2016



The new app called Zelle will launch in 2017 and give consumers the ability to instantly send and receive payments using a smartphone

Major US banking groups Monday announced they would join forces for a new person-to-person mobile payment application to counter services like PayPal's Venmo and Square Cash.

The new app called Zelle will launch in 2017 and give consumers the ability to instantly send and receive payments using a smartphone.

"Zelle will transform how people manage their financial lives, providing them faster, safer, and more convenient payment options with their friends and family," said Paul Finch, [chief executive officer](#) of the banking technology firm Early Warning, which made the announcement.

"We are pleased to partner with the leading [financial institutions](#) and financial service organizations in the country to make our vision for faster payments a reality for millions of consumers nationwide."

Zelle will be open to all banks and credit unions in the US and accessible to some 76 million mobile banking users.

To date, 19 financial institutions including eight of the largest US retail banks, have joined the Zelle Network, according to Early Warning.

The new service aims to woo consumers away from non-bank services that allow money transfers such as Venmo and Square Cash.

Because it involves the banks themselves, the service will allow recipients to instantly get use of the funds instead of waiting one or two business days.

Among the banks joining the service were Ally Bank, Bank of America, Bank of the West, BB&T, Capital One, Citi, Fifth Third Bank, FirstBank, Frost Bank, JP Morgan Chase, Morgan Stanley, PNC, US Bank and Wells Fargo.

Card networks Mastercard and Visa will also be partners in the service.

© 2016 AFP

Citation: Big US banks unveil consumer payment app (2016, October 24) retrieved 27 April 2024 from <https://phys.org/news/2016-10-big-banks-unveil-consumer-payment.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.