

Online Banking

Strategies for the Internet

REPORT

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Digital Overdraft Protection

Making it a consumer benefit again

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Abstract: Overdrafting checking accounts is a \$30+ billion market in the United States, even before adding in the return-item fees and various merchant charges.

But in the digital world, where you can reach your customers in real-time for pennies, it's getting harder to justify \$30+ fee for a negative balance or for rejecting a check for lack of funds.

In the latest Online Banking Report, we look at how to make overdraft protection a true consumer benefit that maintains the relationship, rather than an adversarial situation that drives customers away.

We look at the current state of overdraft protection, primarily through lines of credit and linked accounts, and propose two dozen mobile and online enhancements.

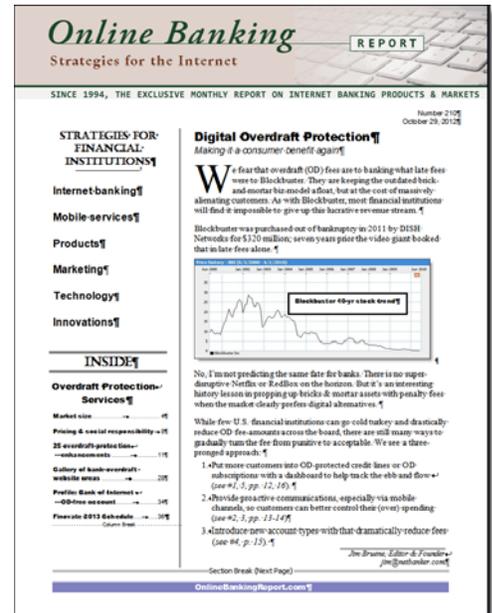


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