



The missing magic word for 21st-century PFM

08 May 2013 By: Mark Schwanhausser

Olivier Berthier raises some important questions in a [blog](#) on Finextra about how to address the “subpar” adoption rates for online personal finance management tools. But what struck me most was the question he didn’t ask. There’s a crucial word missing in this look at how personal finance management will evolve: mobile.

Don’t get me wrong. Javelin has been saying since 2009 that it is critical to integrate personal finance management into the heart of online banking, and to free it from the confines of the tab for dedicated do-it-yourself budgeters. We have added to this vision of PFM moving from an online tab to mobile ubiquity in 2010, 2011, December 2012, and most recently in February with [21st-Century PFM for a Mass Audience: How to Build Everyday Online and Mobile PFM](#). Here’s a key takeaway from the most recent report: While slow-moving bankers and PFM players are musing over the color scheme for a spending pie chart, consumers already are looking to their smartphones to help them make smarter financial decisions while they bank, shop, pay, invest, and save. It is because of the smartphones and tablets that a wide range of specialized elements of personal finance management will become ubiquitous, offered not just by banks, credit unions and PFM websites like Mint and Check/Pageonce, but also by merchants, online giants like Google, mobile carriers, billers, and hundreds of mobile app developers.

Javelin’s data shows that the most coveted banking consumers – Moneyhawks™ who actively use online and mobile banking and pay bills through their primary FI – already say they would be as likely to look for personal finance features from non-FIs as from FIs. For banks and credit unions, the first step toward satisfying the Moneyhawk™ mentality is to jettison the decades of baggage associated with those three letters – PFM – and rethink personal finance management outside the desktop box. The mass market craves PFM – but it must be redefined for the 21st century for a mobile generation.

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