



Finovate Showed That Fintech is Becoming Personal. Will Banks Have the Confidence to Be "Creepy" Too?

22 May 2015 By: Ian Benton

Every few years I like to go back and re-read a clever little article called [Imagining the Google Future](#). In 2006, CNN tapped a group of tech gurus and futurists to cook up four visions for the company's evolution. With a decade of hindsight, a few of the details look a bit silly. But on the whole the article actually has aged well and they got quite a bit right:

- Chrome [quickly dethroned](#) IE and Firefox.
- Google made forays into shopping and payments.
- The company amassed a vast library of media it is preparing to deliver at lightning speeds via [Fiber](#).
- The last section even hints at [a foreboding plot device](#) underlying the 2015 sleeper hit *Ex Machina*.

Still, it seems like there's something the futurists left out: the development of the virtual assistant and how central that's becoming to our digital lives. Google Now has evolved into something striking. With the announcement in January that it will support cards from third-party applications, Google Now is no longer just a feed of personalized sports scores, flight schedules, article suggestions, and commute updates. Don't get me wrong, the service is impressive in its own right, filled with features many dubbed "creepy" when they first appeared. But Google Now is fast becoming a central outlet for a [plethora of really popular apps](#) to deliver personalized content. In the next few months, users should start to see personalized Spotify playlist suggestions, rentals for their next vacation on Airbnb, restaurant bills paid through OpenTable, Kayak price alerts, podcast updates from TuneIn—you get the idea. It may sound like I'm gushing, but that's because [it's all really cool](#). Unfortunately, as [FinovateSpring](#) neared last week, I couldn't help being fixated on a large, bank-sized hole in that space. If you take one thing away from "[Push Notifications Change the Game for Financial Alerts](#)," a report I recently co-wrote with Mark Schwanhauser, I hope it's this: alerts are going to be everywhere. Whether it's email, SMS, push notification, Now card, or a combination, we're going to be inundated with messages on our phones, tablets, laptops, televisions, cars, watches, eyeglasses, thermostats, and more. Amidst this fray of communication, financial institutions are going to struggle mightily to maintain a personal connection with their customers unless they evolve their content to be more timely, more relevant, and especially more advice-driven. Sooner than many expect, the most valuable and tech-savvy banking customers will expect more from their primary FI. After all, if eBay and Yelp are creating a more personal, contextual relationship, why isn't my bank? It was pleasantly surprising, then, when Finovate showed that a number of the presenters were thinking along these lines too. What's more—and probably to everyone's delight—the [dreaded acronym](#) "PFM" was hardly uttered.

- [Yodlee](#) premiered Sense, using financial data to deliver distinct and personalized experiences for customers at different stages in their financial lives. In-app "Tips" and "Challenges" alerts actually look and feel like Google Now cards. And the Sense notifications show signs of being proactive, bite-sized, advice-driven, and game-like without being overbearing or preachy.
- [Digital Insight](#) showed how consumer data paired with beacons could create a personalized and contextual branch experience. The experience had echoes of an Apple or AT&T store but with the added benefit of using customer insight to make product suggestions, and the opportunity for immediate customer feedback.
- [Moven](#) demonstrated a number of new features, including location-specific offers for short-term credit based on a user's spending patterns, and the opportunity to lock in savings based on a customer's financial wellness performance against a typical month. After conversations at the Moven booth, I'm confident contextualized and actionable alerts will soon follow.

So it looks like some of the important or up-and-coming fintech players are anticipating what I hope will be a revolution in how consumers interact with their banks in the digital space. The question is: Are banks ready to confront the classic conflict of practicality vs. privacy—in other words, the "creepy" factor? From the conversations we regularly have, I'm convinced the answer is a resounding "yes" among people responsible for product and digital experience design. Of course, almost as a rule, consumers in Javelin's studies regularly cite privacy concerns as the No. 1 factor in their anxiety about new financial technology. And as a result, the traditional [undercurrent of caution emanating from the C-suite](#) is understandable. But that trepidation is holding the industry back from a great opportunity to move beyond

traditional security and balance alerts. At a time when customers are moving away from the branch, alerts give FIs the ability to initiate daily conversations with their customers. Those conversations should give customers insight about themselves, positioning the FI as a financial partner. And they should be advice-driven and actionable, deputizing customers against fraud and empowering them to monitor and manage their money in a way that leads to financial wellbeing. The history of technology is filled with examples of companies that took what [seemed like enormous leaps at the time](#), only to win over consumers in the long run. Banks and fintech need to take the lead and dare to be “creepy” too.

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