

Mastering the Digital Experience

Q2 {open}

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VP Strategic Solutions

June 14, 2019

Q2



Who Do You Compete With?

WELLS
FARGO

CHASE 

Bank of America




**SECURITY
SERVICE**
FEDERAL CREDIT UNION

NAVY 
FEDERAL[®]
Credit Union

B|E|C|U


citi[®]

Southwest[®]



amazon.com[®]



THE RITZ-CARLTON[®]

P&G



Zappos[®]
com



A large billboard stands on a tall, weathered metal pole. The billboard is white with the words "LOW" and "RATES" printed in large, bold, black, sans-serif capital letters. The billboard is positioned in the lower-left quadrant of the frame. The background is a clear, solid blue sky. At the bottom of the image, there is a thin strip of green grass. The billboard's structure includes a metal frame and several spotlights mounted along the top edge.

**LOW
RATES**



What's your Goal?

Choose your Goals, set up Rules to trigger deposits into your Qapital account! It's FDIC-insured and powered by industry-leading security.



Redacted Users
in
Three Years

Spending Account
\$229.22

Set a Spending Sweet Spot

Save \$3,843.21 >

Spain spending money
\$716.87 of \$2,500
\$15.29

House Painting
\$2,090.59 of \$5,000
\$15.31

Car for Gracie
\$0

Missions

Library

Buy a gift	Turn daily habits into weekly treats
Do sweat the small stuff	Have a worry-free night out
Buy time not things	Put one thing back

Move Money

- New Transfer
- Recurring transfers Off
- Rules
- Pay Bills
- Set up Direct Deposit

9:41
 Search

Cancel Round-up Rule Done

Spend \$12.50, round-up to \$14.00, and save \$1.50.

WHEN YOU MAKE A PURCHASE...

Using Wells Fargo • CHECKING >

THEN CAPITAL WILL...

Round up to \$2

Toward All Goals (2) >

AND FUND IT FROM

Your Wells Fargo • CHECKING >

Delete

9:41
 Search

Cancel Guilty Pleasure Rule Done

Save \$10 every time you make a purchase at Whole Foods.

WHEN YOU MAKE A PURCHASE...

At Whole Foods >

Using Wells Fargo • CHECKING >

THEN CAPITAL WILL...

Save \$10

Toward Spain spending money >

AND FUND IT FROM

Your Wells Fargo • CHECKING >

Delete

9:41
 Search

< Savings

Name Goals Account

Type Demand Deposit Account

Partner Lincoln Savings Bank

Interest rate 0.10%

[Account statements](#)

Convenience is the new loyalty, and experience
is the new interest rate.



BEATING A DEAD HORSE

Sometimes, it just gets tiring.

motifake.com

A good digital experience is not a differentiator, it is a basic requirement – and experience is not just design.





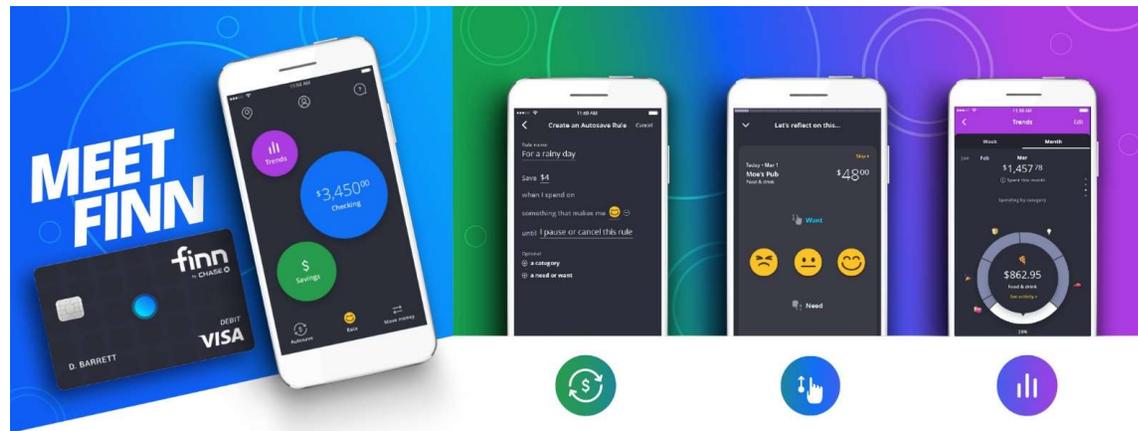
JPMorgan Chase

Announced availability of FINN at Money 20/20...



Finn is a standalone mobile application that offers tools specifically geared toward helping millennials manage spending.

The app was developed to target millennials, as well as consumers who don't live close to a Chase branch.



YOUR NEW ALL MOBILE BANKSM

When you download Finn, you can set up a checking and savings account right in the app, do all your classic bank stuff, and use some brand new tools to help you take charge of your money.

SAVE THAT MONEY

Create personalized rules to autosave for things that matter to you.

GET INVOLVED

Rate your purchases to see how you really feel about the way you spend.

UNDERSTAND YOUR SPENDING

Check your monthly spending trends, decide what you can improve, and start to spend smarter.

IT'S ALL HERE

Because your bank should help you handle your money, we've got the classic bank stuff you expect and some new tools to make it better.



October 23, 2017

JPMor

11,158 views | Jun 6, 2019, 01:46pm

Why Did Chase Shut Down Finn?



Ron Shevlin Contributor Fintech
Observations from the Fintech Shark Tank



by

Finn is a stance that offers toward helping millennials spend.

The app was for millennials, and they don't live close to branches.

Why Did Finn Fail?

Finn's failure can be attributed to the combination of three factors:

- **Lack of demand.** Who wants to bank with a digital bank like Finn? According to Cornerstone Advisors' research, not a lot of people. When asked who they would consider if they were in the market for a new checking account, only 7% of respondents said they would consider a digital bank.
- **Wrong audience.** If Finn's target market was "younger, digitally native users," it was barking up the wrong tree. Just 7% of 20-something Millennials and 6% of 30-something Millennials said a digital bank would be in their consideration set. In contrast, 9% of Gen Xers and 7% of Boomers said they would consider a digital bank.
- **Better choices in the market.** This is the clincher. The bottom line is that Finn didn't offer consumers (and in particular, existing Chase customers) anything they couldn't get elsewhere. Chase was already leading the pack (or right up there) in mobile banking capabilities.



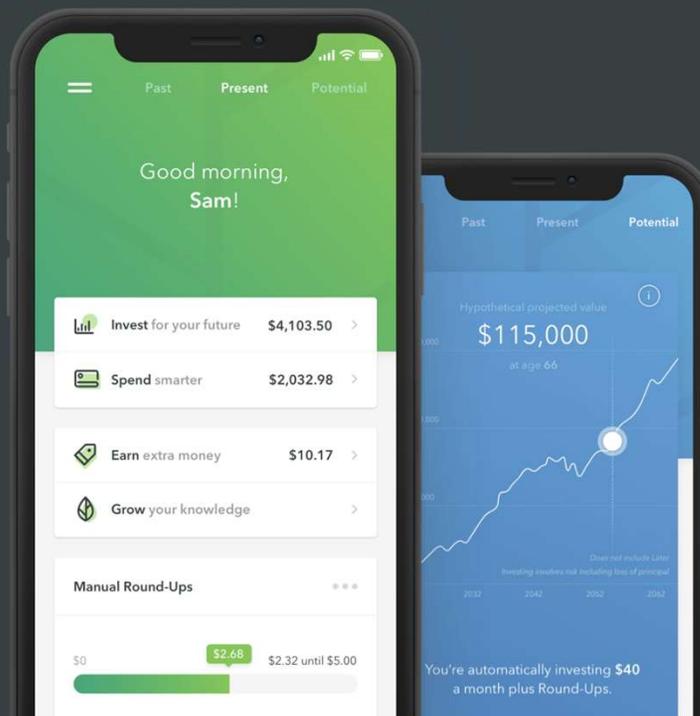
IT'S ALL HERE

Because your bank should help you handle your money, we've got the classic bank stuff you expect and some new tools to make it better.

Invest your spare change

Anyone can grow wealth.

Get Started



Forbes

"Investing is now made for everyone."

Apple App of the Day

Featured by Apple, 2019

FAST COMPANY
Most Innovative Companies

50 Most Innovative Companies, 2019

CNBC

"Investing is one of the most effective ways to build wealth, and you don't need a lot of money to get started thanks to Acorns."



- ✓ My Priority
- ✓ My Current Mortgage
- ✓ My Home Info
- ✓ Who's on the Loan
- ✓ My Money
- ✓ Government Questions
- ✓ My Credit
- 8 My Solution**
- 9 See If I'm Approved
- 10 Lock My Interest Rate

Your Priority: Lower My Monthly Payment

Your Refinance Solution

These are real refinance numbers based on all the information including your credit report. Customize your solution to see if you're approved with the click of a button.

Rates as of 11/11/15

Fixed Rate Mortgage

Current Monthly Payment

New Monthly Payment

* See the estimated monthly payment breakdown.

Monthly Payment Difference

* Payment Difference Over Time

Fixed Rate

APR

Estimated Closing Costs

New Loan Amount (Including Closing Costs)

Customize Your Rate, Costs and Term

Reduce Your Rate

Reduce Your Costs



Adjust Length of Loan

30 years



- ✓ My Priority
- ✓ My Current Mortgage
- ✓ My Home Info
- ✓ Who's on the Loan
- ✓ My Money
- ✓ Government Questions
- ✓ My Credit
- ✓ My Solution
- ✓ See If I'm Approved**
- 10 Lock My Interest Rate**

Your rate is now locked!

Property Address:

123 Main Street, Detroit, MI, 48226

Here's what you've locked in:

Interest Rate	4.125%
Loan Type	30-Year Fixed
Discount Points	0.12 (\$264.36)
New Loan Amount	\$211,050
Your Rate Lock Expiration Date	01/06/2016

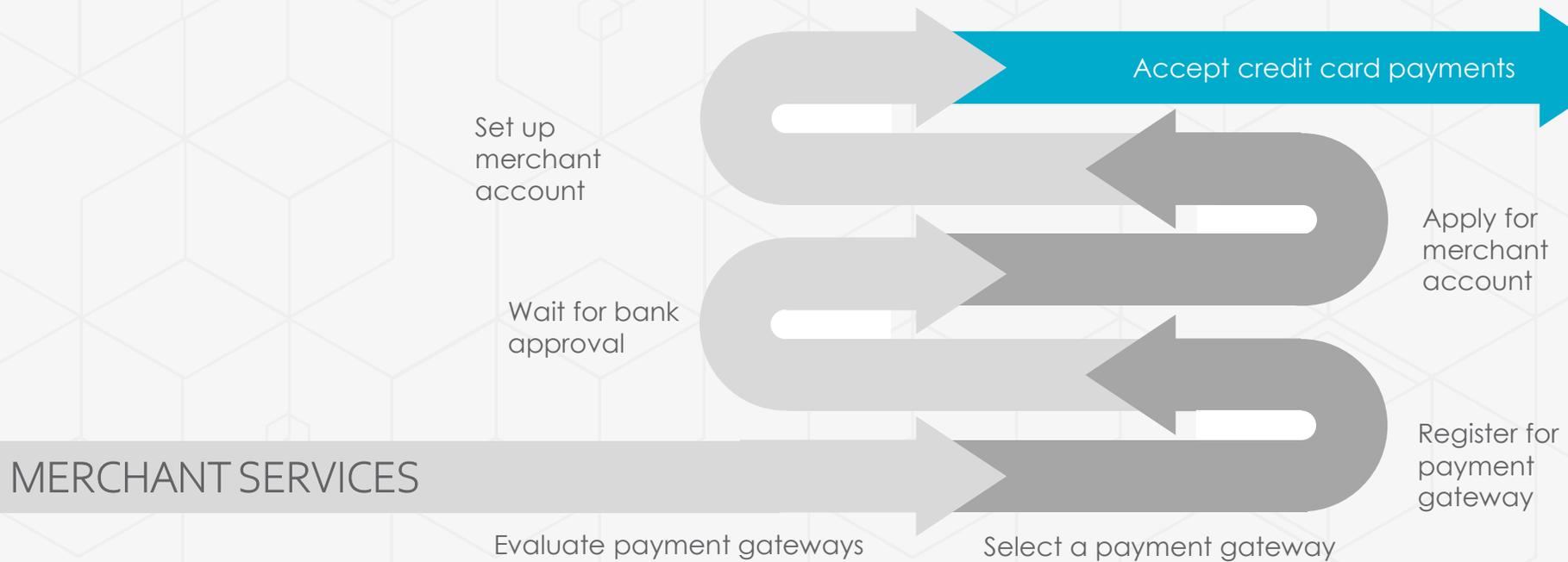
The Steps to Get You to Closing

- Use our powerful online tools to get you through the mortgage process with ease.
- Complete your simple to do list by 11/25/2015.

Save & Continue

8 Minutes

ARCHAIC PROCESS CREATED COMPLEXITY IN MERCHANT SERVICES APPLICATION



ARCHAIC PROCESS CREATED COMPLEXITY IN
MERCHANT SERVICES APPLICATION

Square

Set up
merchant
account

Wait for bank
approval

MERCHANT SERVICES

Evaluate payment gateways

Select a payment gateway

Apply for
merchant
account

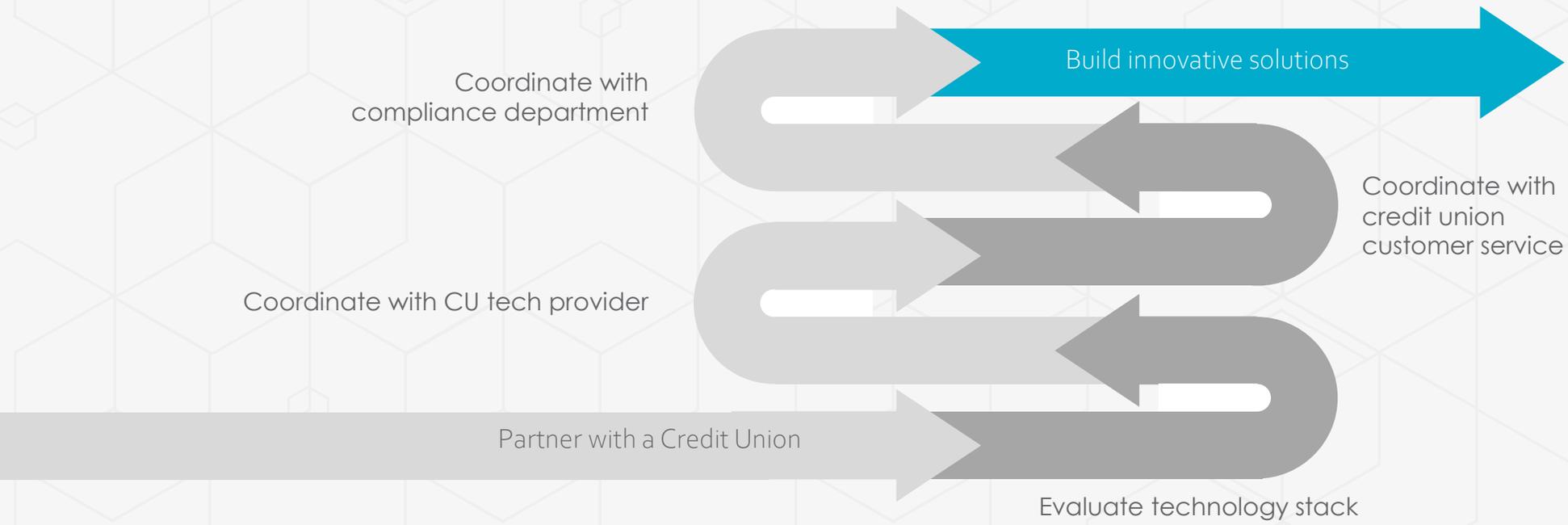
register for
payment
gateway



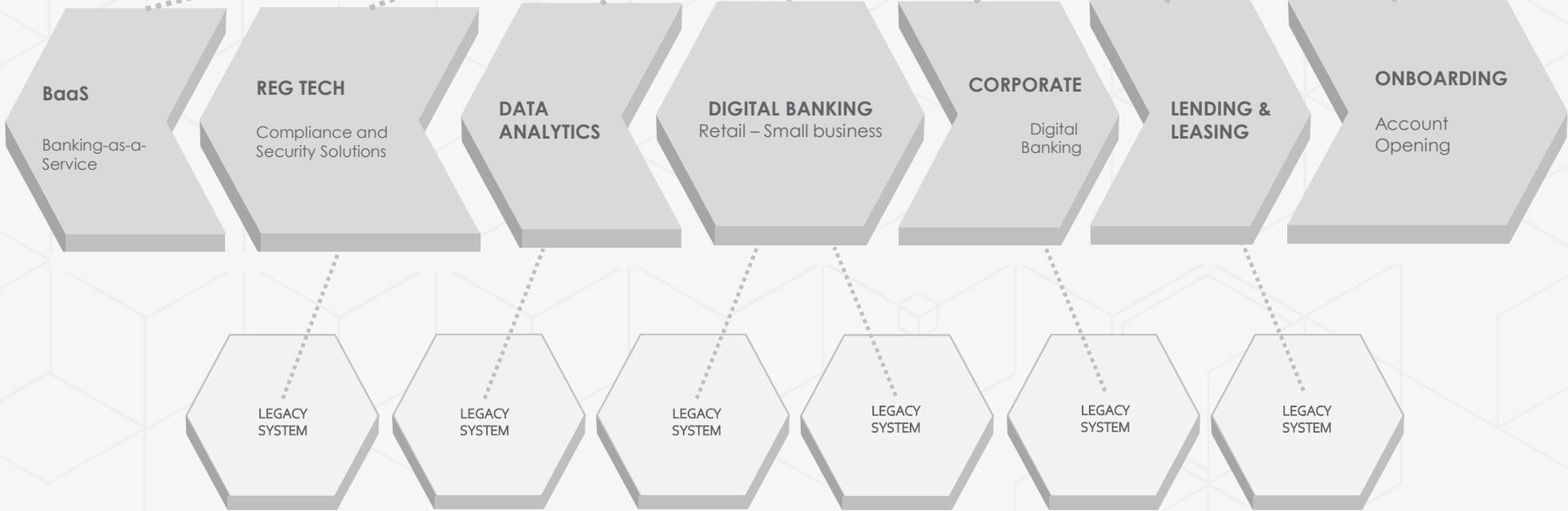
Digital Transformation \neq using technology to deliver
the same services

Digital Transformation = using technology to deliver
things that weren't possible before

PARTNERS SEEKING TO BUILD DEPOSIT/ONBOARDING SOLUTIONS ALSO FACE COMPLEX PROCESS



Credit Union



Credit Union

BaaS

Banking-as-a-Service

REG TECH

Compliance and Security Solutions

DATA ANALYTICS

DIGITAL BANKING
Retail - Small business

CORPORATE

Digital Banking

LENDING & LEASING

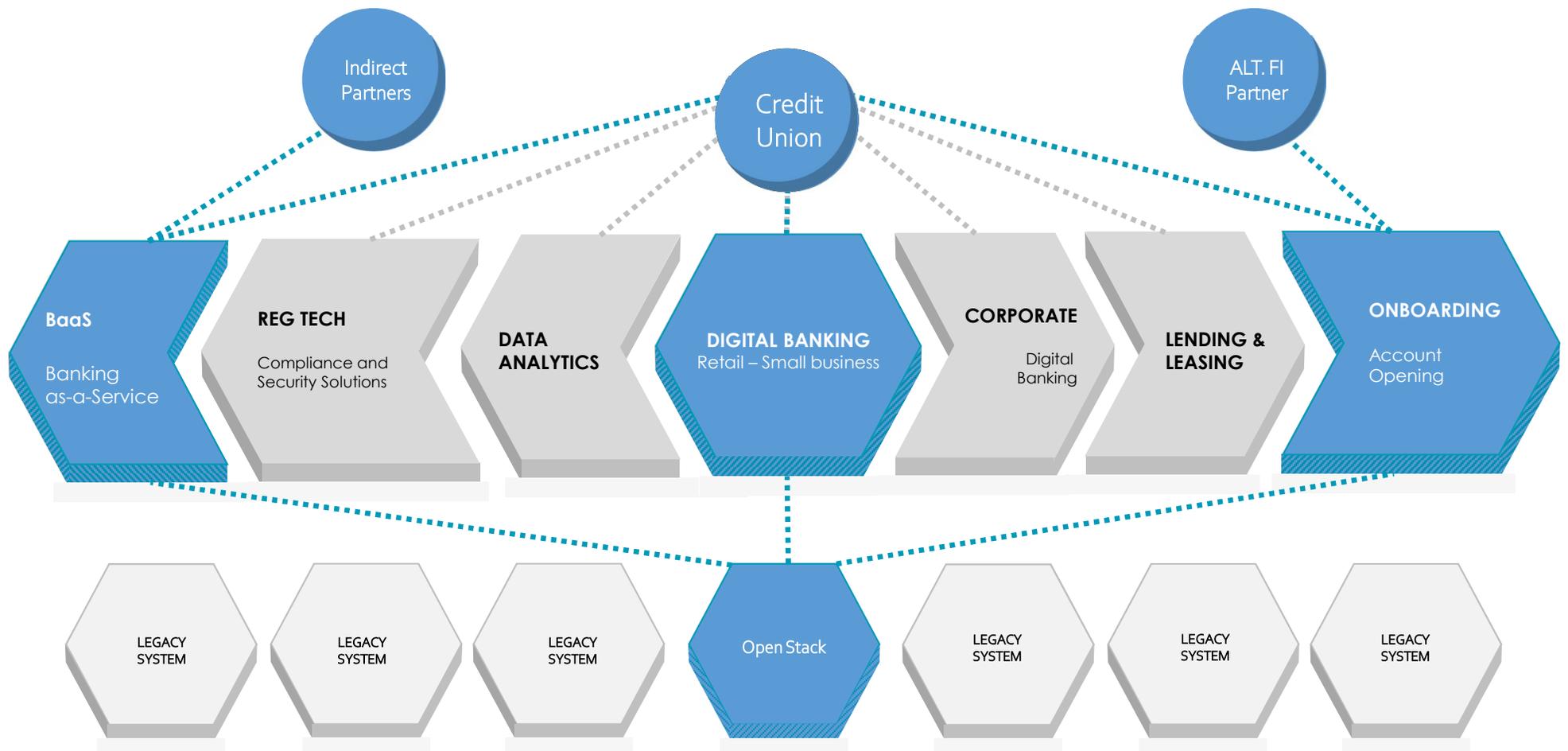
ONBOARDING

Account Opening

Proprietary systems present challenges for developers

Not all legacy systems operate in real-time

Systems are bloated and costly to maintain





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9:41

< **Savings**

Name Goals Account

Type Demand Deposit Account

Partner Lincoln Savings Bank

Interest rate 0.10%

[Account statements](#)

Automatically Pay Monthly Bills

Sign up for Automatic Bill Payment with your credit card and you won't have to worry about due dates, late fees, service interruptions, checks or stamps.

1. Find out which of your service providers offer Bill Payment by contacting your billers directly or visiting their website.
2. Provide your 16 digit credit card account number to those service providers and choose a one-time or recurring bill payment. Many billers will also allow you to choose the date on which your card is charged and set a limit on the amount of money they are authorized to bill you.

It's convenient, easy and secure.

Do You Know What it Takes to Maintain Good Credit?

Throughout your life, it's important to maintain good credit. [Learn More.](#)

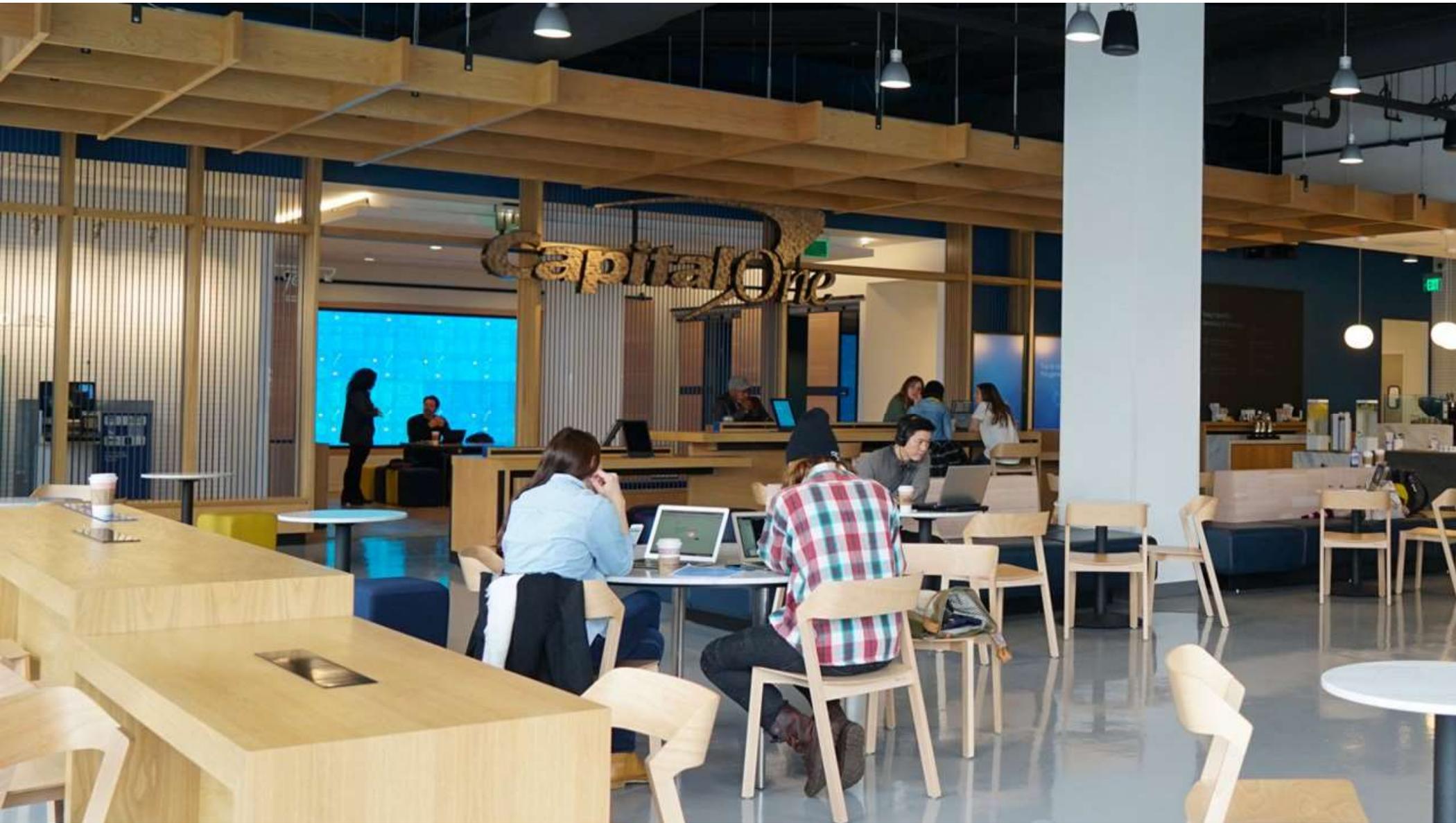
TotalAccess



Which of these brands do you pay?







Thoughts from random runners on the Internet

- “My wife loves Peets coffee but they recently closed the few locations they had in our city. Fortunately the Capital One Cafe serves Peets...”
- “I need a loan, not a high five”
- “Again, a cafe is not going to incentivize me to do business with a bank”



Mastering the digital experience is about
extending the social reach of your community,
not just your app



6:07

UFCU DISCH-FALK FIELD

MPH



St David's
HEALTHCARE