Fincity and Online Financial Management

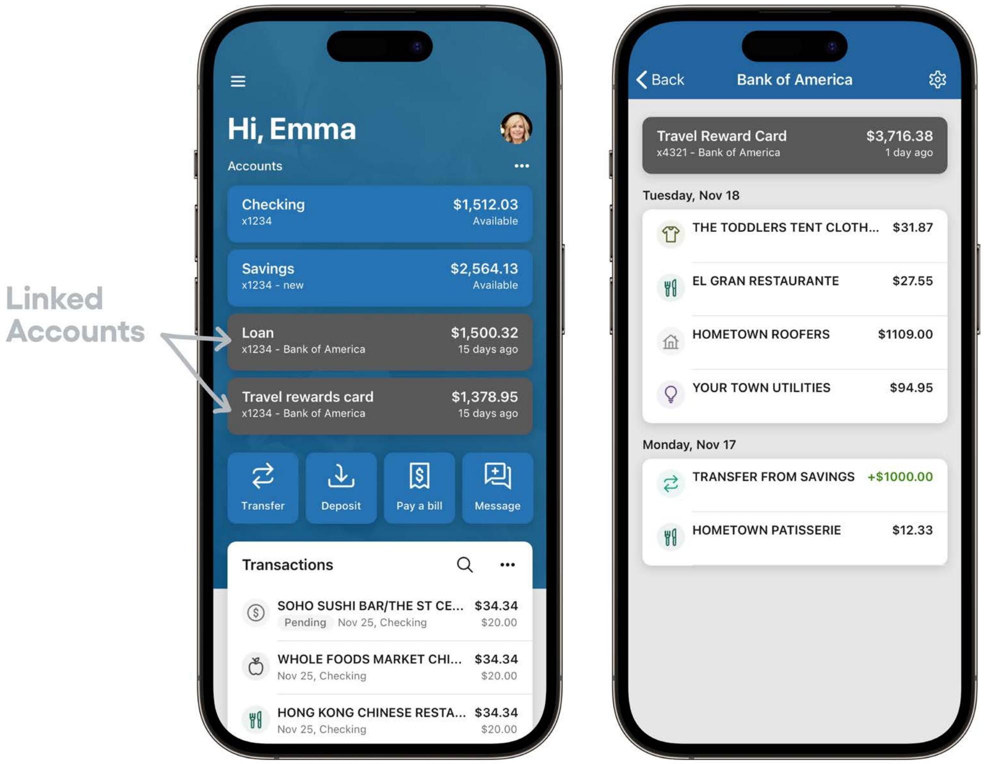
become the financial hub for your accountholders

You already know that the banking industry's competitive landscape has changed massively over time, expanding to include more than just other financial institutions and the big banks. Today, the average millennial family has 30-40 financial relationships, the average person has 14 financial apps on their phone, and their top reason for using those apps is to check their accounts' balances and transactions[1].

Have you ever asked yourself, 'What if they could do this right within your banking app?' Until now, the only way users could bring all of their financial accounts into one place was through an online finance management (OFM) tool, like Mint, Personal Capital, or YNAB. We're excited to share that Banno™ natively supports external account connection, which will position your financial institution at the center of your accountholders' financial lives – making your app the first place they'll go to for checking their accounts, reviewing their transactions, and managing their finances.

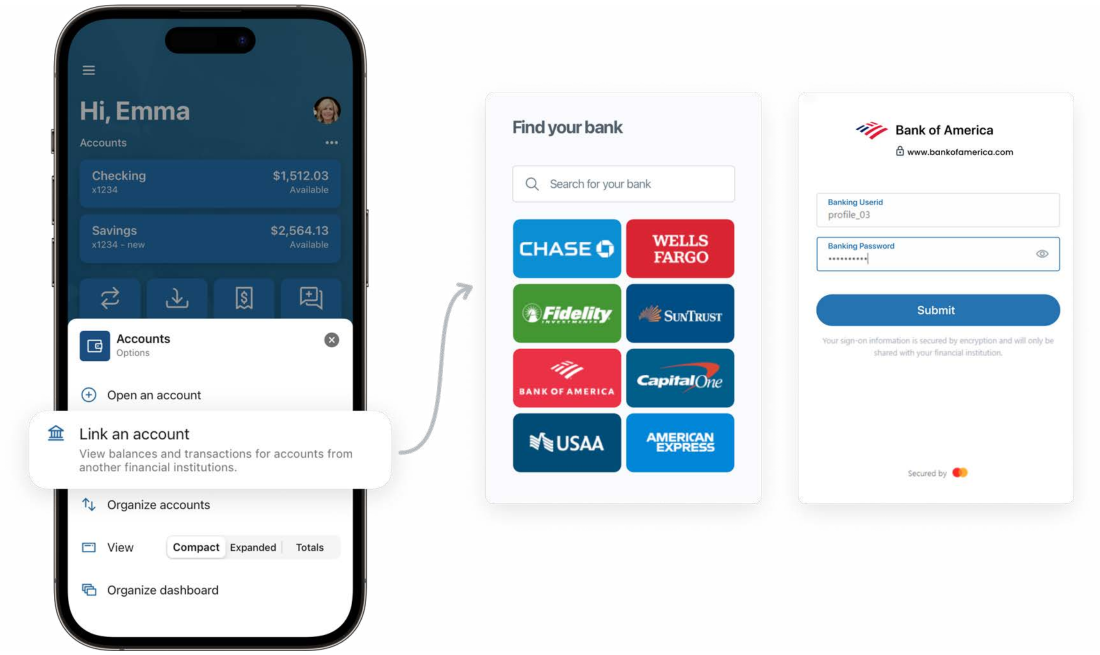
connect external accounts in your app

Let's say one of your accountholders has an American Airlines credit card they use to accumulate miles. Rather than opening a separate app to see their balance and recent transactions, then jumping over to your app to see their debit card transactions, now that user can simply add their American Airlines credit card account into your app. And voila! That credit card displays right next to their checking and savings account, and all of their transactions can be viewed from your banking app. If accountholders are mostly opening financial apps just to check balances and recent transactions, you've just intercepted most of their interaction with the other bank. Now multiply that by all the accounts they have with other financial institutions. Can you see how this adds value to your accountholders and starts to benefit you and your brand?

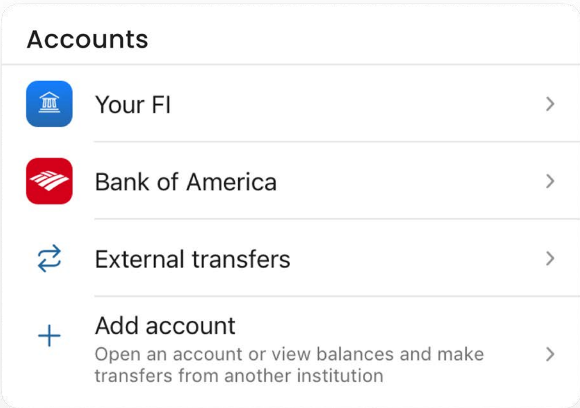


how does it work?

Users can link an account contextually, from multiple places in their app or online experience – from their dashboard, accounts, or settings. From this point, Finicity's interface – matching your theme – will walk users through finding and logging into their external account.



Once the user is authenticated, the external account will display next to yours in the Accounts section, and they can view their transactions by clicking on the external account. Managing linked accounts can be done within account settings, and if there's ever a connection issue, a message will appear to help the user correct the issue by re-verifying their credentials.



help your people manage their finances

Now that all of your users' accounts are in one place, they can truly manage their finances and budgets – replacing the need for outside OFM tools, like Mint. This has been part of our strategy to help you become a financial hub from the start, and is why we are bringing OFM functionality to Banno. You might be wondering, how important is it to provide personal finance management (PFM) services for your users? Let's take a look.

Money Management Struggles Are Not Uncommon

Many Americans have trouble managing their finances – the statistics don't lie:

40%
of Americans
have less than $300 in savings.
Source: GoBankingRates

$145,000
average debt
per American household.
Source: Debt.org

66%
of millennials
don't feel on track to saving for retirement.
Source: TD Ameritrade

These struggles can stem from a variety of factors, including a shortage of financial literacy, education, or lack of access to tools that help them manage their finances.

The OFM Industry Is on the Rise

Users have come to expect a lot more from their digital banking platforms. Many are looking for a more comprehensive experience that gives them greater control over their finances, and 75% of people prefer financial management tools that are offered by their primary financial institution.

This is reflected in the quickly growing value of the OFM software market, which is projected to be worth over $1.57 billion by 2027[2].

$1.57 Billion

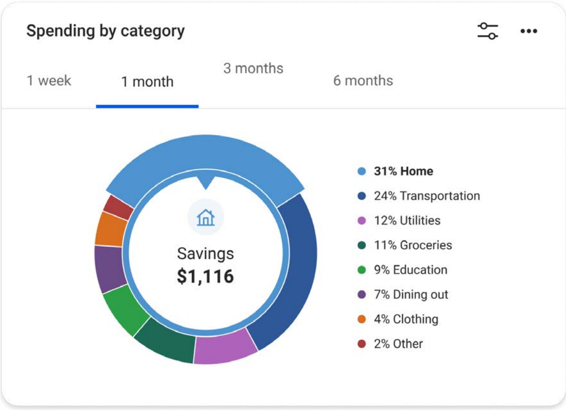
Projected value of the personal finance software market by 2027.

Source: Allied Market Research

You have the opportunity to meet this demand by providing your users with the guidance and tools they need to make better financial decisions – directly within your digital banking experience. Here's a breakdown of the features that make up our OFM platform:

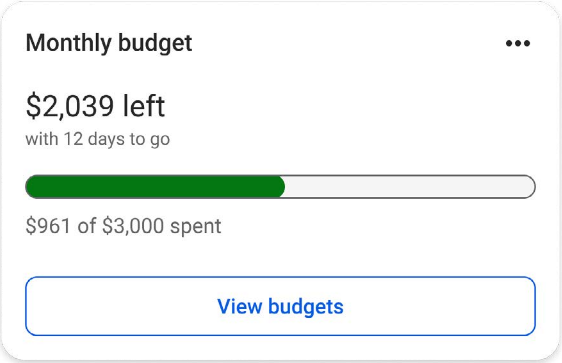
Spending by Category

View all their spending activity broken up by category, and drill down into each one to get a full spending analysis report. This clear, visual format makes it simple for users to understand where their money is going, and organize transactions in the way they find most beneficial.



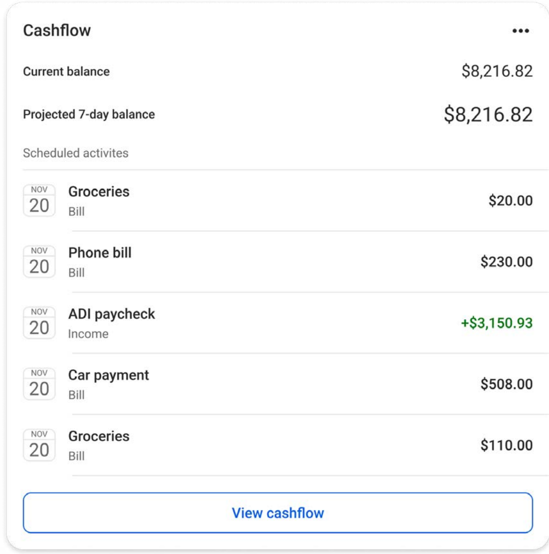
Budget Progress

Build a comprehensive monthly spending plan and keep track of their progress, all within the context of their digital banking account. Users can even receive status alerts to help them stay on course.



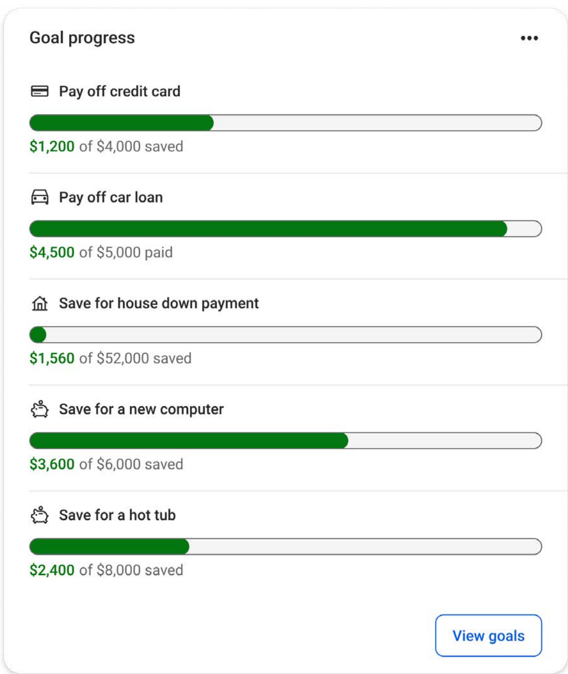
Cash Flow Calendar

Quickly view upcoming expenses – both reccuring and one-time payments – and paychecks laid out in calendar view. This format makes it easy for users to plan for the future, and ensure they're prepared for what's coming.



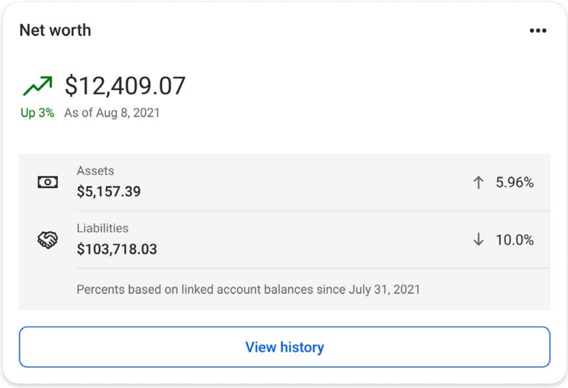
Financial Goals

Create financial goals for anything they want to accomplish. Whether it's saving for a big purchase or paying down debt, your users will have access to a library of goal templates that make it easy to get started, customize as needed, view a step-by-step plan to reach the finish line, and track their progress along the way.



Net Worth

Get a full-picture view of their net worth and its growth over time, including all their linked accounts. This gives users the ability to view their investments, assets, credit cards, and liabilities within the context of their digital banking account.



frequently asked questions

How will pricing work for these services?

External account connection via Finicity at a cost of $0.25 per user, all-in (meaning your users can connect as many accounts as they'd like for a flat rate). This functionality does not require any additional fees, such as an Enterprise Integration Service (EIS) fee.

Will external account connection work for business customers?

All of the functionality discussed here – external account connection, transaction enrichment, and the spending wheel – will be available for both retail and Banno Business™ customers. That said, if one user of a business account connects external accounts via Finicity, those external accounts will only be visible to that user, not the entire business. One reason we love partnering with Finicity is that they have more advanced business and commercial solutions, and we're already planning for how those features will impact your Banno Business and to Treasury Management accountholders beyond external account connection.

Will we have access to the data for connected accounts?

At launch, you will be able to see the externally connected accounts and transactions on an accountholder's profile within Banno People™, and we're already working on an interface to view aggregated data analytics across your accountholders. This data is also accessible via our API gateway. Please note that we have no plans to provide raw data access from externally connected accounts.

Can customers transact with their external bank accounts within Banno after adding them?

Not at this time.

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Let's talk about this together. digitalexperience@jackhenry.com

For more information about Jack Henry, visit jackhenry.com.

sources

1. Statista Research Department, 2022.
2. Allied Market Research