



DIGITAL BANKING TRACKER

November

urban|ft™



Levelmoney



SIMPLE

urban|ft™



ACCOUNT MANAGEMENT



ENGAGEMENT



MONEY MANAGEMENT



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moneyclouds™

Levelmoney



SIMPLE



PAYMENTS



moneyclouds™

INTRODUCTION

Banking as we know it is undergoing a shift brought about by easy, accessible technology. The banking industry has long been dominated by behemoth banks and regional credit unions. The gradual but steady rise of FinTech startups is disrupting the traditional brick-and-mortar banking experience to make it seamless, convenient and richer.

Enter, The PYMNTS Digital Banking Tracker™. Powered by Urban FT, this monthly research digest will serve as a proprietary content artifact that will define and track the new entrants, established players, and major developments in the digital banking/financial services space and be a forum that frames and addresses trends, issues and unique challenges players in this ecosystem encounter.

In this first edition we feature Urban FT, which makes white-label digital banking solutions for financial services companies.

We evaluate the companies we track on the number and scale of services they provide, including

- *Account Management - features such as the ability to view transactions, monitor account history and transfer funds between accounts*
- *Money Management - functionality focused on saving tools, tracking expenses and financial analysis*
- *Payments - the ability to make peer to peer payments, bill payments and point-of-sale or in-app purchasing*
- *Engagement - capabilities such as rewards, deals and social engagement*

We also score each provider on these services in addition to ranking them for basic features like languages, devices and OS supported. We plan to increase the list of providers each month.

The tracker will also bring the latest industry news from the FinTech and consumer banking space, along with company profiles, latest research and expert commentaries.

We hope you like this tracker and we welcome your feedback, as we'll be doing this each month. Don't hesitate to tell us what you liked, who we're missing and how we can make this report better by emailing us at digitalbanking@pymnts.com.

Happy reading.

COVER STORY

Kicking off the first version of the Digital Banking Tracker, we spoke to Richard Steggall, CEO of Urban FT, a company that is taking an unusual approach to banking by mashing up traditional banking services, personal finance tools and social engagement strategies to create what it calls a “financial lifestyle product.” But rather than take that product directly to consumers, Steggall is making that API available to small banks and credit unions and non-FIs such as telcos so that they can, in turn, make it available to their customers. We spoke to Steggall about his strategy, his product roadmap and why he feels banking needs to be reinvented.

Here are the excerpts.

What do you feel are some of the areas of opportunity for a company like Urban FT?

There are a huge number of financial institutions and non financial institutions out there with loyal user bases and trusted relationships with their customers, who want to offer some sort of financial services, yet don't fully understand their options. So there is a significant opportunity for startups to step in and provide that engagement capability to traditional banking services.

What are the top challenges and trends you see playing out in 2016?

One challenge is the lack of clarity in regulatory requirements. Providers may go through different due diligence processes with different financial institutions and no two processes are the same.

This also affects the risk appetite of banks, who tend to err on the side of caution. Because of the regulatory environment, products that allow real-time funds transfer, whether the Automated Clearing House (ACH) or peer-to-peer lending, are not being enabled by the banks in the U.S., because they don't want to take the burden of responsibility. It's preventing us from competing or even catching up with Europe and Asia, where people do same-day transfers.

Will we see startups eating into banks' margins ?

There are number of services that will shave off bank margins, but nothing that will threaten them. Services like non-conforming loans and P2P lending are some examples. But the banks are very clever; they sit back and watch this unfold and if they believe there's a proven business model there, they will either enter the business or acquire a startup.

Simple, for instance was believed to shake up the banking industry and that did not happen. We have not had anybody since PayPal that ate into bank profits. We should remember that no matter how frustrated consumers get with banks, they still trust them. We will however see more partnerships and acquisitions and it will be very interesting to see how it all unfolds.

Each month, the tracker will highlight, analyze and critique news and trends and provide with expert commentary on the latest in the digital banking space.

DIGITAL BANKING NEWS

CR2 ARRIVES IN ARMENIA

CR2, which provides omnichannel banking solutions, will be working with Ameriabank, an Armenian bank, to implement BankWorld, an omnichannel banking solution. The service will not only complete the implementation of mobile and online banking platforms, but also [improve](#) the bank's ATMs by including features such as P2P transactions or the possibility of making cash transactions without the use of a payment card.

TECH STARTUPS CUTTING BANKS' PROFIT EXPECTATIONS

In a David vs. Goliath scenario, young FinTech startups are eating into big banks' profits. A study [noted](#) around 12,000 startups playing in the banking industry could eat up to 60 percent of banks' operating margins during the next decade. The report found that consumer finance, actually representing 60 percent of profits and 40 percent of sales, is an area that is at great risk.

MOBILE BANKING USAGE RISING

Consumers who have a bank account and a smartphone are likely to download their respective bank's app, the U.S. Consumer Payment Choice Study from TSYS [suggested](#). The study also found that loyalty and rewards can go a long way in changing consumer behavior favorably.

HIP POCKET ROLLS OUT NEW APP

Those wanting to take control of their finances without the hassle of the math involved can turn to [Hip Money](#), which offers different personal finance management tools to help the user have a better understanding and administration of her savings. The app also has features like "Swipe to Save," which periodically suggests moving a certain amount of money into a savings account.

THE ENVELOPE SYSTEM MEETS THE DIGITAL ERA

Money Clouds by Quemulus debuted its saving [app](#), which is based on the envelope saving system with social sharing. The service allows users to create "clouds" representing their saving goals to where they will be able to deposit money from their checking account. The app adds a social side by allowing users to accomplish saving goals together or by making a personal contribution to other friends' goals.

CITI TURNS TO MOBILE FOR GROWTH

Citigroup's consumer banking unit announced the [launch](#) of Citi FinTech, a new unit that will be part of the company's reorganization toward a more mobile-oriented business model. The new unit will recruit team members from inside and outside Citi and is aiming to present a mobile offering for the U.S. by the end of 2016.

DIGITAL BANKING NEWS

SCOTIABANK'S NEW DIGITAL FACTORY

Scotiabank's new [Digital Factory](#) plans to be fully operational by mid-2016. The new unit boasts more than 350 employees, including data scientists and designers who are working to create a better user experience.

BB&T GETS CUSTOMIZABLE

Financial services manager BB&T has launched its [U platform](#), a new service that lets users personalize their banking experience. The portal's dashboard lets users track receipts, rewards and savings.

MAKING RETAILERS THE NEW BANKS

German startup [Number26](#) partnered with Barzahlen, another German startup that lets users pay online for offline purchases. This new tie-up will allow users to make cash deposits in more than 3,000 drugstores, grocery stores and other retail chains. By accessing the Cash26 service, users can deposit or withdraw funds by scanning a barcode and entering a PIN.

CHASE RELEASES CHASE PAY

Chase unveiled [Chase Pay](#) in partnership with MCX. The new mobile wallet features offers and promotions by allowing merchants to integrate their loyalty programs into the service. The service will work with almost every smartphone scanner that reads QR codes and adopts tokenization.

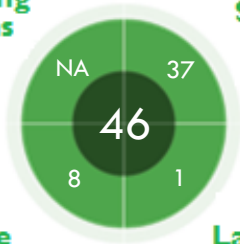
CAPITAL ONE INTRODUCES SWIFTID, SWAPS SECURITY QUESTIONS

Capital One is replacing security questions with swipe authentication. The bank released [SwiftID](#), which will work as a two-step authentication solution. Once enabled in the app, if users want to log into their online account via the bank website, change the registered address or schedule a transfer, they will receive a notification on their phones that will verify the user via swipe.

DEVELOPERS ARE LISTED ALPHABETICALLY BY COMPANY NAME



Operating systems



Services

Company

Alkami Technology

Founded in

2009

Categories

Money Management - Account Management
Payments

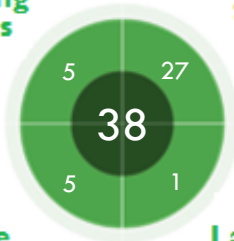
Device

Languages

Alkami offers a digital banking solution that works to improve financial institutions' online and mobile channels. The users can follow their account history, transfer funds and pay bills. The software also includes mobile deposit capabilities as well as configurable alerts so the user can follow their transactions.

Levelmoney

Operating systems



Services

Company

Capital One

Founded in

2012

Categories

Money Management - Account Management

Device

Languages

LevelMoney, available for iOS and Android phones, helps users manage their spending and saving goals. The app provides the user with a "spendable amount" per day, week and month based on the user's established saving objectives. On the other hand, it provides the client with financial insights about how they are spending money as well as projections about those expenses.



DEVELOPERS ARE LISTED ALPHABETICALLY BY COMPANY NAME



Operating systems

Services

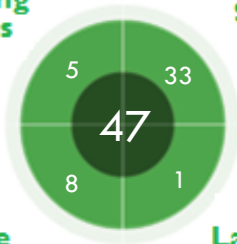
Company

CR2

Founded in

1983

Categories

Money Management - Account Management
Payments

Device

Languages

Headquartered in Dublin and claiming to be present across 60 countries, **CR2** is the developer behind the omnichannel retail banking platform **BankWorld**. The service works not only on browsers and mobile devices, but also on ATMs, where the user can engage in loan applications (which can be accepted right away) between other functionalities. From the mobile and online platform, users can get a view of all accounts and use it for making P2P or bill payments, locating ATMs and to activate or deactivate cards when they are not being used.



Operating systems

Services

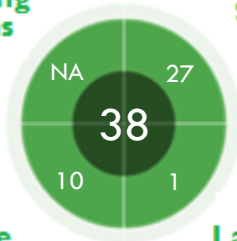
Company

D3 Banking

Founded in

2007

Categories

Money Management - Account Management
Payments

Device

Languages

Based in the Silicon Prairie in Omaha, **D3 Banking** develops SaaS solutions aimed at banks and credit unions. The software allows users to make payments, complete transactions, view balances, and to reach financial information insights of their budget and financial position.



DEVELOPERS ARE LISTED ALPHABETICALLY BY COMPANY NAME



Operating systems



Services

Company

Intuit Mint

Founded in

2006

Categories

Money Management - Account Management
Payments

Device

Languages

Founded in 2006 by Aaron Patzer and later acquired by **Intuit** in 2009, **Mint** lets users better manage their money. By connecting accounts, cards and bills to the app the user can create budgets and plan saving objectives. **Mint** will tell the user when their expenses are exceeding the planned budget, when unusual or suspicious money movements are done, how much the user is spending in fees and when a bill payment (the user can also pay bills with the app) is around the corner. **Intuit Mint** also provides free credit scoring and portfolio managing tools.



Operating systems



Services

Company

Mobilearth

Founded in

2005

Categories

Money Management - Account Management
Payments

Device

Languages

Mobilearth develops an omnichannel mobile banking product designed for financial institutions and their customers. The service offers different features to help the user manage their digital bank account: apart from the classic balance inquiry service one can effectuate transfers and reach close by ATMs via GPS localization. The product also offers payment capabilities like bill payments or P2P payments as wells as expenses tracking and budgeting features.

DEVELOPERS ARE LISTED ALPHABETICALLY BY COMPANY NAME

money clouds™

Operating systems



Services

Company	Quemulus
Founded in	2011
Categories	Money Management - Payments

Device

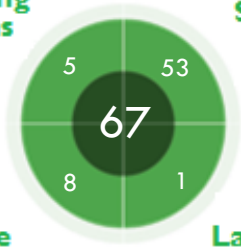
Languages

The classic envelope saving system finds its place in the digital era by the hand of **Quemulus'** saving management app, **Money Clouds**. The user can create saving objectives and deposit money via the app. Users can also share those objectives with friends and help them reach theirs by contributing money.



SIMPLE

Operating systems



Services

Company	Simple
Founded in	2009
Categories	Money Management - Account Management Payments

Device

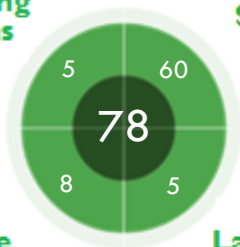
Languages

The **Simple** bank account lets the user organize their expenditures by category and gives them insight on their evolution in time as well as helping them in reaching budgeting and saving objectives. In addition to receiving a Visa debit card, the ownership of a **Simple** account lets the user pay bills, transfer and deposit money with a photo deposit tool, and withdraw funds without an ATM fee.

DEVELOPERS ARE LISTED ALPHABETICALLY BY COMPANY NAME

urban|ft™

Operating systems



Services

Company

Urban FT

Founded in

2012

Categories

Money Management - Account Management
Payments - Engagement

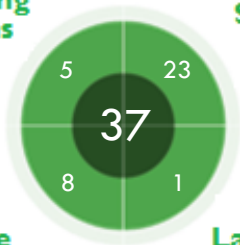
Device

Languages

Urban FT develops white-label, lifestyle applications for financial institutions and telcos working in the digital world. The app allows banking services like remote check deposits and transfers as well as payment functionalities like split-bill payments and peer to peer transfers. Urban FT adds a social perspective to the usage of the app by allowing users to know when their friends have used the app for, for example, leaving a review of a restaurant. The app also offers daily deals based on user's past and projected spending habits.

 **ZenBanx**
around the corner around the world

Operating systems



Services

Company

Zenbanx

Founded in

2012

Categories

Account Management- Payments -
Engagement

Device

Languages

Zenbanx offers a mobile account focused on those users who usually manage multiple currencies. The service allows the user to manage the money in their account in multiple currencies and gain access to it from ATMs around the world with a Zenbanx debit card. By using the account, the user can make money transfers to family and friends from their mobile device, adding a social twist as the app lets the user include a message or a photo along with the transaction.

ABOUT Digital Banking Tracker™

The PYMNTS.com Digital Banking Tracker™ is designed to provide an organizing framework for evaluating the many players **in the digital banking/financial services space.**

Scoring

We evaluate companies based on the functionality they offer in the following categories:

- Account Management - features such as the ability to view transactions, monitor account history and transfer funds between accounts
- Money Management - functionality focused on saving tools, tracking expenses and financial analysis
- Payments - the ability to make peer to peer payments, bill payments and point-of-sale or in-app purchasing
- Engagement - capabilities such as rewards, deals and social engagement
- Operating System – the number of OS (Android, iOS, Windows) supported by the provider
- Language – the number of languages supported by the app or solution
- Device – the number of devices or channels supported by the provider including mobile phone, tablet and web

FEEDBACK

If you would like to be included in this report and/or would like your information to be updated, please contact us at digitalbanking@pymnts.com and we will send you the data sheet required for submission.



ABOUT CONT'D

URBAN FT

Urban FT (UFT) is a white-label digital banking platform focused on delivering small card-bank as well as non-bank issuers the ability to compete with, and even leapfrog the offerings of the big card-issuers. The UFT solution, which has positioned itself as a 'lifestyle application' successfully delivers consumers with best-in-class banking functionality, PFM tools, social features, and venue and deal discovery. UFT allows card-issuers to better engage their customers, increase brand touchpoints, and develop new lines of revenue. In addition, the UFT Management Portal allows card issuers to be in full control of their platform, user data, and all integrated analytic tools, thus combining financial, social and discovery together. Urban FT is best known for recent partnerships with Sprint Corporation and Boost Mobile.

PYMNTS.com

PYMNTS.com is reinventing the way in which companies in payments share relevant information about the initiatives that shape the future of payments and commerce and make news.

This powerful B2B platform is the No. 1 site for the payments and broader commerce ecosystem by traffic and the premier source of information about "what's next" in payments. C-suite and VP level executives turn to it daily for these insights, making the PYMNTS.com audience the most valuable in the industry. It provides an interactive platform for companies to demonstrate thought leadership, popularize products and, most importantly, capture the mindshare of global decision-makers. PYMNTS.com... where the best minds and best content meet on the Web to learn "what's next" in payments and commerce.

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