

## BANKING NEWSLETTER

SEPTEMBER 2018

Many of you know that I'm a cheap New Englander. I buy my cars used, then drive them into the ground. We had an understanding with our trusted mechanic: he'd let us know when it was no longer worth it to repair our 2006 SUV with 187,000 miles on it. We recently got the bad news, so I embarked on the always pleasant quest to find a new used car. With the spate of recent announcements from a few big banks that they were going to make the car-buying journey easier, I thought I'd give one a try.



Dan Latimore, SVP

Going to the site of a large bank where I have a \$100 checking account (with no fees), I went through the process. It was a disappointment. It sent me to a third party site car buying site, let me know vaguely that I'd receive 50 basis points off my loan rate if I financed through them, and offered supposedly discounted, but undisclosed, prices if I'd surrender my contact information to a literal used car salesman. I passed, and went with the trusted mechanic, who got me a replacement SUV at auction.

I'll be blogging about this shortly, but my point is this: at Celent, we think of ourselves as **pragmatic futurists**. We stay on top of the **latest technologies**, we're briefed by leading fintechs, and we play with the latest bank offerings, so we know what's really out there. We're not pursuing a "FUD" strategy; sowing fear, uncertainty, and doubt is not our shtick. Instead, we listen to the hype, we evaluate the claims, and we provide our clients with our views on what's *really* happening today, and what's likely to happen in the future. We're keenly aware of the constraints of legacy technology and culture, the reality of human behavior, and the promise of fintech. **Change is coming, but there's no need to panic**. Incumbents have to adapt, and more quickly than they'd like, but they have time if they proceed with urgency and purpose.

A couple of recent efforts highlight today's reality. The first is Stephen Greer's piece on opening checking accounts on mobile devices, [The US Open: Looking at Mobile Account Opening at US Banks](#). A casual perusal of the headlines might lead one to think that leading banks have mobile account opening nailed. Spoiler: they don't. The report provides examples of what's really happening with mobile account opening today and highlights the shortcomings and strengths.

In the same vein, Zil Bareisis tackles a new payments method in [Replacing Cards with Account-to-Account Payments for Shopping: Hold Your Horses](#). While there are promising aspects, a lot of practicalities mean that we won't be seeing near-term hockey stick growth here.

To show that we're not fixated on debunking technologies, Joan McGowan's report, [Robotic](#)

[Process Automation in Risk and Compliance](#), explores how to reduce costs and fraud using RPA — it's pretty compelling.

## VendorMatch

Several vendors across the financial services technology spectrum have chosen to list their services on our new platform [VendorMatch](#). [VendorMatch](#) helps you to discover new, exciting, and relevant commercial technology solutions, allows you to evaluate partners for future projects, and saves you time and money in the process.

We are not stopping there! We will also use [VendorMatch](#) internally as a mechanism for our own research and plan to deliver the bulk of our vendor-related research through the platform. Our goal is to run our ABCD and Spectrum reports on [VendorMatch](#) by the end of the year. We've got an ambitious digital roadmap ahead of us, and I look forward to hearing your feedback from you as we continue to launch our [new digital services](#).

## Up Next

On another front, I'm delighted to announce that the nomination window for Celent's Model Bank Awards is now open. [Here's how you can apply](#).

We're heading into the conference season and hope to see you at Sibos, Finovate (New York and Asia), Money 2020, AFP, and numerous others.

With all best wishes,

**Dan Latimore**  
**Senior Vice President**  
[@DanLatimore](#)



[Latest Blog](#)

## [RAISING THE DIGITAL BANKING BAR](#)

Ask any banker for his or her strategic intent for investing in digital (mobile and online) channels, and you'd get a fairly uniform response. The bulk of digital-banking activity has been around facilitating a growing variety of convenient, low-friction transactions.



[Featured Analyst](#)

## [CRAIG FOCARDI](#)

Craig started his career as an economist analyst, but a management training program and transfer from finance to product marketing led to his career in business strategy-led technology advisory 18 years ago.

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Upcoming Roundtable

### [\*\*NEXT-GEN PARADIGMS FOR OPERATIONAL RISK, COMPLIANCE, AND FINANCIAL CRIME\*\*](#)

Risk and compliance in the financial industry is at a watershed moment. This roundtable will feature four in-depth sessions examining the potential of and prospects for next generation technologies including artificial intelligence and blockchain for compliance and financial crime.

[All Events »](#)



Upcoming Webinar

### [\*\*UNDERSTANDING THE INVESTMENT INTO AI BY BANKS IN LATIN AMERICA\*\*](#)

Artificial intelligence is a hot topic on the mind of banks across the globe. In Latin America, institutions are thinking critically and making investments in the technology.

[All Events »](#)

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Webinar On-Demand

### [\*\*AI MADE TO REDUCE FALSE POSITIVES\*\*](#)

[Joan McGowan](#) examines the new technologies developed to help tackle the problem of false positives facing the banking



In the News

### [\*\*DO YOU KNOW COBOL? IF SO, THERE MIGHT BE A JOB FOR YOU\*\*](#)

With a generation of old coders leaving, companies are scrambling to find those who know the decades-old program

industry.

[More On-Demand Webinars »](#)

[All News »](#)



Model Bank

### [MODEL BANK 2019 NOMINATION OPEN](#)

It is that time of the year again when we invite financial institutions to review their technology efforts and submit initiatives for consideration for Model Bank 2019 awards.



Celent VendorMatch

### [THEY CAN'T FIND YOU IF YOU'RE NOT HERE](#)

It costs nothing to build and feature a vendor profile. Give us an hour and we will help you find your match(es).

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## Recently Published Reports

- [Banking as a Service: Delivering Faster Digital Transformation](#)
- [Enabling AI Through DataOps and Teamwork: How Banks Can Get Started](#)
- [Financial Inclusion in Latin America: A Survey of Financial Institutions](#)
- [How Well Do Banks Know Their Customers? Branch Panel Series Part 8](#)
- [Replacing Cards with Account-to-Account Payments for Shopping: Hold Your Horses](#)
- [Robotic Process Automation in Risk and Compliance](#)
- [Solutions for Anti-Money Laundering: 2018 Transaction Monitoring ABCD Vendor View](#)
- [Understanding the Investment into AI by Banks in Latin America](#)
- [The US Open: Looking at Mobile Account Opening at US Banks](#)

## [Banking Reports](#)

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## Recent Posts to the Banking Blog

- [Are You Facing a Legacy Challenge in Cards? Download our Report or Join a Webinar](#)
- [Commercial Banking: Nonbanks are Your Biggest Threat](#)
- [Connected Corporate Banking in Asia-Pacific: The World's Leader in Revenue Growth](#)
- [Enabling AI Through DataOps and Teamwork: How Banks Can Get Started](#)
- [How Will AI Transform Retail Lending?](#)
- [Raising the Digital Banking Bar](#)

- [Understanding the Technology Trends Affecting Corporate Banking](#)

### **Banking Blog**

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*What would you like to see on Celent's research agenda? Email [info@celent.com](mailto:info@celent.com) with your suggestions.*