

Executive Summary

Transform your mobile banking with m-commerce services



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Why is banking going to disappear?

REASON #1: FINTECHS

Big banks will continue losing ground to fintech players. Same happened with taxi industry - with the emergence of technology, Uber came to play. Today every banking service can be replaced by a fintech startup or a tech giant. The changes are inevitable.

REASON #2: CARD NOT PRESENT

This is how the purchasing process looks today: a customer picks up a product and then takes out a card to pay. A bank is a payment enabler. But Apple Pay, Samsung Pay and other players are gaining traction among users and soon cards will be replaced by mobile payments.

Whoever will own the payment app will own the relationship with customers. A bank's role may be reduced to the source of money, completely hidden in the process behind a third party app interface. Is there a space for building a relationship with a customer if the customer can't see your service?

REASON #3: BANKING WALLET IS BORING

Mobile wallets focus on in-store or online payments despite the fact that cards can already perform these payments seamlessly. Banking wallets will fail just like Google Wallet if they focus only on payments and try to fix something that isn't broken.

Starbucks understands this - its wallet is highly focused on customer's loyalty while providing useful innovations like queue jumping with ordering ahead. What reason do you give your customer to choose your mobile wallet over Android Pay or Apple Pay?

Why tech titans are so successful and how to copy their models in banking?

Gafa approach (Google, Apple, Facebook, Amazon) is the way to win in modern economy. How?

First of all, the successful tech companies start by launching a one incredible product and then monetizing the users with many different products. Google started with a simple search and now Alphabet is expanding into unexpected areas like payments, m-commerce or self-driving cars. Google's recipe? Answer to customers' fast changing needs.

Second, who brings the client, profits on margins. YouTube, the biggest broadcaster barely creates its content, Airbnb or Booking.com, the biggest booking companies don't own a single hotel. Their asset is a huge user base brought by third party services.

Third, m-commerce purchases during Black Friday accounted for more than a half of online sales. Tech companies are heavily investing in developing m-commerce products like Facebook Messenger bots or Google Shopping as this is where customers will be fulfilling their needs.

Transforming mobile banking into superwallet

A bank defines itself through its products: credit, deposit, investments etc. But customers don't need a mortgage - they need to buy a house, they don't need a car loan - they need to buy a car. A bank's mission is not to sell financial products but to help its customers in their daily lives.

Superwallet is the next generation of mobile banking that gives its users the access to banking and useful m-commerce services.

Imagine you can check your account balance and make payments, but also, from your phone, remotely buy bus or train tickets, pay parking fees, make everyday grocery shopping, buy event tickets, book a hotel, a flight or order a taxi from a single banking app.

All remotely and with one unified UX across all the services. No need to install a number of separate applications as mobile banking has all their functionalities.



THIS CAN'T WORK?

NO. IT ALREADY WORKS.

Superwallet is not only a concept - it already works in the biggest Santander bank in CEE and one of the most innovative banks in the world - BZ WBK. Users can use the banking app to order a taxi, buy a bus or a parking ticket, book a hotel and more.

The BZ WBK app was ranked #3 in Forrester's Global Mobile Banking Functionality Benchmark. Apart from that, in its recent report, OVUM finds that:

The mobile banking application add-on SuperWallet also helps banks to address the problem that the industry is facing up to: how to compete against the threat of disintermediation from third-party wallets and other payment services.

WHAT SUPERWALLETS BRING TO USERS? (USE CASE)



Thomas is planning on a business trip. He opens his mobile banking app (superwallet) and checks his account balance. As he ensures himself he has enough funds he books a hotel room, buys a plane ticket and hails a taxi to drive and pick him up at a fixed hour so that he can get to the airport comfortably.



It is convenient: Everything is done in one, unified user experience as all of the services (whether banking or m-commerce) share the same unified interface. Thomas gets to know how to handle the app in no time. All data (e.g. delivery address) is already stored and shared through the services.



It is safe: Services are provided by a bank and its certified partners therefore Thomas is sure that they will be of the highest quality.



It is quick: His payment methods (credit and debit cards) are already stored in the app. No need to add a card.

HOW WILL SUPERWALLETS CHANGE BANKING INDUSTRY?

Banking is a centuries-old industry. Throughout the years banks have established a strong relationship with their customers but centuries old legacy makes banks too slow to react. Nowadays, the only frequent contact that a bank has with its customer is while using the mobile and online banking services and making payments, but those will also decrease.

Companies like Uber which provide a platform for users and third party services are the winners in today's economy.

Superwallets move banks to the front of the value chain. It is a getaway to third party services, giving a bank an opportunity to fulfil new customers' changing needs and at the same time to profit on margins. Superwallets help banks to actively take part in customers' decision making.

WHY SUPERWALLETS ARE THE MISSING ELEMENT OF BANKING INDUSTRY?

Banks invest billions into CRM and business intelligence solutions, yet their noticeable influence is hard to see in financial results. With the classic payment process, banks are informed only about where the payment was made and how much was spent.

In superwallets banks know exactly what a consumer is buying via their app and can rigorously analyze shopping behaviors across various embedded m-commerce services, thus make banking and non-banking services much more personalized.

According to Gartner, banks need to focus on Big Data more than ever, as „data (...) will begin to outweigh the direct financial revenue from the payment itself“. With superwallet, one customer equals one consumer segment.

About Finanteq

FINANTEQ is a vendor focused on mobile banking. The company provides mobile solutions to the leading banking groups like Crédit Agricole, Santander or UniCredit and has a strong presence in the Middle East. FINANTEQ has won Citi Mobile Challenge and Finovate with SuperWallet: a fusion of banking and m-commerce platform.

Transforming trends into mobile finance.



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