

Online and Mobile Banking – Digital Differentiation Strategies

The most important strategy that Financial Institutions (FIs) need to adopt in order to keep consumers happy and stay ahead of the competition is improved digital security. It seems like every day there is another report of a criminal who was able to easily gain access to someone's account and make false transactions. It has become too easy for accounts to be hacked, and this is not a threat that should be taken lightly. Credit unions must ensure that they are offering a digital banking option that places member security, as well as the credit union's security, before anything else.

For example, adding additional security settings to the digital login process is essential. Many FIs have chosen to also incorporate a list of previous account activity with the date, time and type of device that initiated the login so that the consumer is able to audit all transactions that have taken place from their account.

Security becomes even more important when looking to another feature that consumers are craving: photo banking capabilities. People enjoy having the ability to use their device's camera functionality to pay bills, deposit checks and even transfer money. In an age where instant gratification is king, credit unions should do everything they can to relieve their members from the burden of manual data entry, while maintaining a secure system that is not easily accessed by imposters.

Of course, even with a secure digital banking system, it is important for FIs to also train their employees to work more effectively alongside the technology. Technology can fail, so most consumers still believe that there will always be a need for quality human service. FIs are more than software companies offering a digital banking app; there is a valuable human aspect involved.

Not only are staff available to answer questions and introduce new members to the credit union, they are also helping a lot of their members through major life milestones such as buying their first car, first house or joining accounts with a new spouse. Money is often an emotional subject and people want the option of dealing directly with a knowledgeable, empathetic employee.

By sitting down with each member at the beginning of the relationship in order to understand the needs and services that they will want to access, the credit union's staff not only mitigates security risks, but also demonstrates that they are there to complement the technology in order to give their members the best banking experience possible.



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