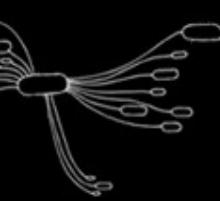


# Can Bankers can be bloggers too ?

Colin Henderson  
[thebankwatch.com](http://thebankwatch.com)

8<sup>th</sup> February, 2007  
Geneva





# Internet is killing business models

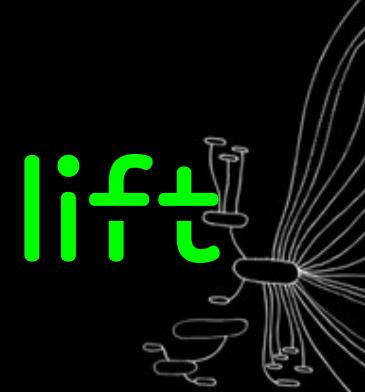
- Retailing
- Research
- Newspapers
- Marketing
- Yet Banks have survived ... or have they?





# Banks motivation for online banking !

- Pure cost play
- Elimination of Branch transactions
- But ... with significant incremental cost

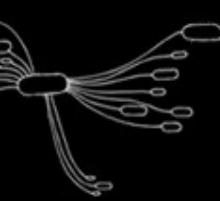




# Banks don't get internet !

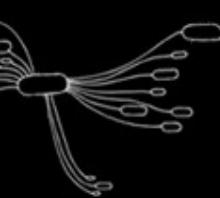
- New fees to cover reduction in spread revenue
- Meanwhile spreads are even tighter, and Banks are competing on interest rates





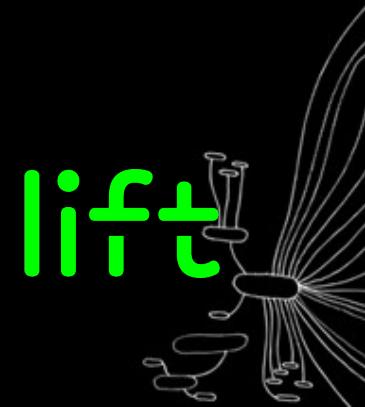
# Message 1

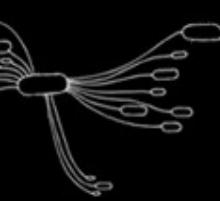
- Banks are vulnerable because of their built in cost structure, arising from technology and branches, as well as their perceptions



# Meantime – new Internet models

- along comes, Zopa, Prosper, CircleLending, Kiva, FYGO ....
- Common theme - simple exchange for borrowers and lenders
  - Middleman eliminated
  - Typically borrower and lender get same rate

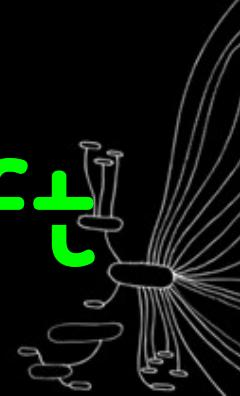




# Cost base that Banks can only dream of

- ... and this is the scary part .. the prod ratios have to be re-thought to account for these social lenders.
- This will devastate Banks, and Banks analysts will go nuts trying to sort this out !
- Recommend “Starfish and the Spider”
  - revenue disappears; maybe the revenue generated by Banks can just be recycled back to the customers. This will drive economists mad !

lift





*"The Starfish and the Spider is a compelling and important book."*  
—PIERRE OMIDYAR, CEO, Omidyar Network; founder and chairman, eBay Inc.

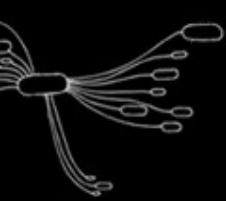
THE  
**STARFISH**  
AND THE SPIDER



THE UNSTOPPABLE POWER OF  
LEADERLESS ORGANIZATIONS

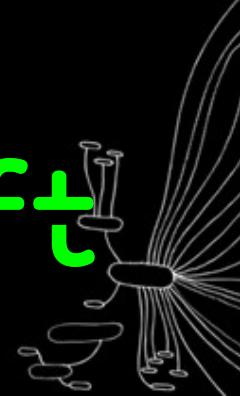
ORI BRAFMAN and ROD A. BECKSTROM

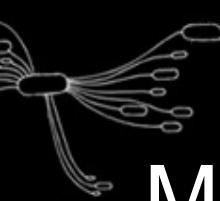




# How can this be accomplished?

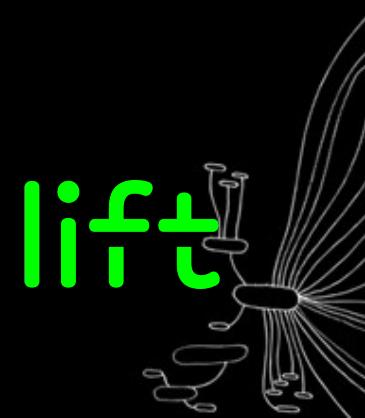
- Can social networks replace Bank staff?
- Social plays a role in new models – what's the role for Banks?
- Or is there a better way to provide Banking that leverages social activity to provide guidance, assistance, and advice





## Message 2 – online banking is not adequate

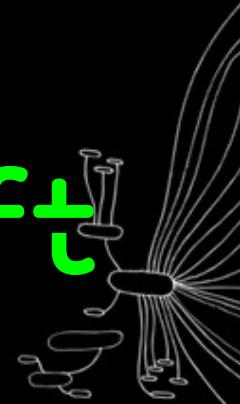
- Boomers outnumbered!
- Gen X & Y require changed ways
- They require services to be fully online

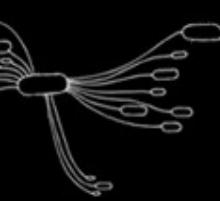




# The Cluetrain effect

- Banks have tried to migrate transactions online and new products in branches
- But there is a disconnect ... branch staff are not online
- Cluetrain was written years go '99
  - Networked customers
  - Networked employees





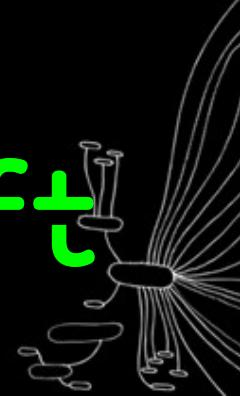
# Small, iterative, incremental, steps ....

- wesabe
- quicken.ca

37signals.com

Is this believable ?

lift





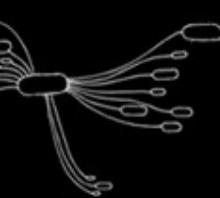
# Wesabe

Setting up  
a will

The screenshot shows a Mozilla Firefox browser window with the Wesabe website open. The address bar shows the URL <https://www.wesabe.com/goals>. The page has a header with a user profile picture and a 'Wesabe' logo. Below the header is a grid of small user profile pictures. The main content area is titled 'Your Goals' and 'Latest Discussions'. A blue callout bubble points to the first discussion post: 'This is no fun' by JasonKnight. The post discusses the process of putting a will together. Other users like debbie p, JasonKnight, and jessecoug have responded. To the right of the discussion is a 'Tips For Your Goals' sidebar with the message: 'You haven't signed up for any goals yet! Check out popular goals on Wesabe, or make one of your own. Once you've signed up for a few goals, you'll be able to connect with like-minded people and get tips on how to achieve your goals.' The bottom of the page has a 'Done' button.

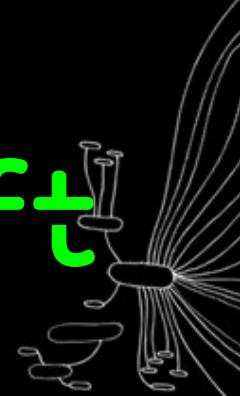
Use only  
cash

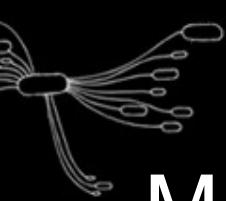




# Is this believable ?

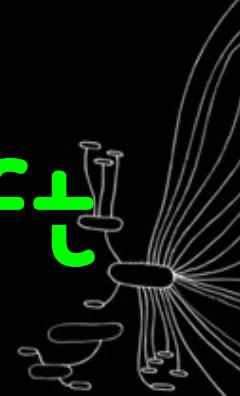
- ebay
- amazon
- new ones
  - wordpress
  - wesabe
  - Comscore
  - immedia
- Verity Credit Union - who are V
- Wells Fargo
- Van City
- ... and best so far ...
- Ufirst





# Message 3 – Local is natural way to start to build social financial services

- The answer may not be complete, but social is the right place to start, and within social, local could be a good starting point





# Who are “V”

who are "V"? We Are V- Verity Credit Union's Blog - Mozilla Firefox

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## who are "V"?

Welcome! "V" are glad you're here. As a financial institution, it's hard to stand out. What makes us different? We think it's our employees. "V" have some of the most interesting, talented, smart, caring people working here. So if you want to get to know us a little better, you've come to the right place. These are personal employee postings and do not represent the view of Verity Credit Union.

### CONTRIBUTORS

- [eCom Gal](#)
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- [shari storm](#)
- [Le Ann](#)
- [Oakley](#)
- [Janie](#)
- [Milt Fritts](#)
- [The Flying Monkey](#)
- [I am V2](#)

WEDNESDAY, JANUARY 31, 2007

### 3 Business Books I Think You Should Read

I think one of the greatest aspects about being human (versus hanging out in trees all day flinging poo at each other) is the ability to read. I love reading. I really do. Not only is it FUNDAMENTAL, like the poster says, I like the mind-bending-paradigm-shifting—"wow-that-was-cool" opportunity that comes with each new book. Three books that I would recommend for any business environment:

**7 Habits of Highly Effective People, Dr. Stephen Covey**  
Empowering. I read this one while in Hawaii and I highly suggest you do the same. I think this book addresses just about any question about personal strategy. Why do I procrastinate? (Habit 2) What kind of manager/co-worker/human do I want to be? (Habit 2) Why do I yell at people in traffic? (Habit 1). I've facilitated this class to almost half the employees at Verity. I really enjoy watching the personal connection that students make with the material. It is quite profound and richly satisfying. And I'm not just typing that because profound is one of my favorite words.

**First, Break All the Rules, Marcus Buckingham**  
Practical. I saw Marcus speak at a conference and charming British accent and dreamy blue eyes aside, he has excellent points to make about management philosophy, approach and workplace systems. Our entire executive team and a majority of our managers have read this book. We also use the survey to gauge employee satisfaction and proactively find ways to enrich our culture. This is the kind of book I flagged with little post-its and hand-written notes because there were so many salient points. It's a good, solid, motivating read for any manager or manager wannabe.

**Death By Meeting, by Patrick Lencioni**  
Relevant. I can't believe this book didn't make the New York Times Best-seller list. Paris Hilton's "book" makes it and this, which could potentially and exponentially impact workplace effectiveness does not. I shake my blond tresses in utter disdain. Anyhoo, back to my recommendation: the ideas and tips have changed the way I conduct meetings, for the better. Do not let the title mislead you; this is not about eliminating meetings. Rather, it's about the focus, drama and function of

Blog link from their site

Verity Credit Union - Enhancing members' lives through exceptional financial services / Home - Mozilla Firefox

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RITY UNION

Enhancing members' lives through exceptional financial services

Business Accounts Deposits & Loan Rates News, Events & Seminars Locations & Hours About Verity Personal Branch

Introducing... Verity Checking

As of February 1, 2007, our Direct eWallet and Vantage checking accounts have been consolidated into one great account: Verity Checking.

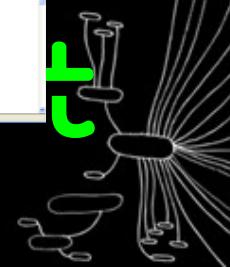
Today's Rates

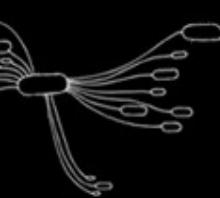
01/29/2006 - 02/02/2006	APY - Annual Percentage Yield
Victory Checking	NEW!
\$0-9,999	0.250% APY
\$10,000-19,999	2.160% APY
\$20,000-49,999	2.210% APY
\$50,000-99,999	3.250% APY
\$100,000+	3.400% APY

select a rate

It's beginning to look a lot like... Tax Time!

Take advantage of online tax filing with TurboTax through Verity's website. There's no software to download and you don't pay a thing unless you file or need your return. [Tax it now!](#)





# Change Everything – Vancity CU

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A community-powered site by **Vancity**

ChangeEverything.ca is in **permanent beta**. [Find out what that means.](#)

photo: www.flickr.com/photos/taylorworld/

**change** everything

Welcome to ChangeEverything.ca, the site for people in Vancouver, Victoria and the Lower Mainland who want to change themselves, their communities or their world. To become part of the Change Everything community all you need to do is [register on this site](#). It's fast, easy and free so [join now](#).

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- Save the Fireworks Show!
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- Reunite a family

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I'm switching off for five minutes tomorrow morning.

Rob Cottingham

Related to change: Turn out the lights on Feb. 1

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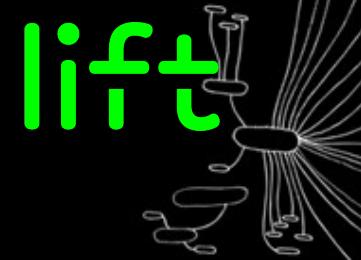
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# Student LoanDown – Wells Fargo

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**WELLS FARGO**

## The Student LoanDown<sup>SM</sup>

A Blog About Financing College And Managing Debt

January 31, 2007

### 529s, custodial accounts, and financial aid

Parents, last week there was a great article in the New York Times with tips on organizing your finances to make the most of qualifying for need-based financial aid. This information may be especially helpful to those who have younger students and are still early in the planning process.

For those of you who are sending students off to college this year—how's the FAFSA coming?

Posted by Staci at 09:21 AM | [Permalink](#) | [Comments \(0\)](#)  
Found in [Financial education](#), [Parents](#), [Paying](#), [Preparing](#), [Student loans](#), [Wells Fargo Bank](#)

January 30, 2007

### Making the best of student loan repayment

We recently received a good question from someone who's in the midst of his student loan repayment and is wondering about his options. Since many of you might be in a similar situation, I thought I'd post the answer here.

Here's his question:

I received my degree in 1995 and have worked as a

<http://blog.wellsfargo.com/StudentLoanDown/about.html>

**About this blog**  
We're here to start a conversation with you about college financing. [Read more...](#)

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**The Boardcast**  
The latest news and announcements from the UFirst Federal Credit Union Board of Directors.

January 30, 2007

\* **Home and Family Finance Radio**

Wolff, the Senior Vice President-Communications of the [Credit Union National Association \(CUNA\)](#), has given The Boardcast permission to feature clips from a weekly radio show entitled [Home and Family Finance Radio](#). This wonderful show is presented by America's credit unions and produced by [CUNA](#). It features Paul Berry hosting interviews with experts in the field of family finance. You can listen to all their episodes at [Home and Family Finance Radio](#) on the [CUNA](#) site. Here is a short clip from a recent segment on Tips for the College Bound:

Posted on January 30, 2007 in [Member Education](#) | [Permalink](#) | [Comments \(0\)](#) | [TrackBack \(0\)](#)

January 27, 2007

\* **Put Tax Refunds to Work for You**

Are you looking to jump start your savings in 2007? [The IRS](#) is providing taxpayers an opportunity to use direct deposit in a more creative way. For the first time, in 2007, you can complete form 888 ([Download f8888.pdf](#)) and request that the refund be divided among three different accounts. Put your refund to work for you by depositing a portion of your tax refund in a share account at [UFirst FCU](#). Make 2007 the year you set aside some of your tax refund for savings.

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January 26, 2007

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Board Activities

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# Thank you!

## Questions, thoughts

[colin@thebkw.com](mailto:colin@thebkw.com)

[thebankwatch.com](http://thebankwatch.com)

