

sandstone

# 6 Innovations in Online Banking

Bob Hall, CEO, Sandstone Technology

[www.sandstone.com.au](http://www.sandstone.com.au)

...or...

Where we are spending R&D dollars

“Building tomorrow’s Best Online Bank”

# About Sandstone

- 14 Years in business, based in Sydney
- Around 200 staff in AU, Asia, UK
- Online Banking specialist
- Loan Processing specialist
- Business consulting + Systems

# Positioning

- Most of the innovations in Banking will occur in Online Banking
- The rise of the Digital Native and the decline of the Digital Immigrant
- Your Brand = Online Channel
- Leverage the brand trust to participate in other relationships the consumer seeks

# Some Ideas

- Identity Management – Who am I?
- Mobile Payment (P2P)
- Personal Budgeting
- Targeted sales
- Mobile Merchant Payments
- Settlement Hub

# 1. Identity Management Hub

- Mobile phone is the ideal platform
  - Mobile number identifies consumer
  - Personal Apparel
- Huge potential for applications
  - AML
  - Other online providers
  - Granting Access to my data
  - Physical Access

## ....cont

- Customer authorised
- Whose data is it? Yours or the customers?
- Revenue:
  - based on who submitted the information,

## 2. P2P Mobile Payments

- Real time confirmation. Currently cash or cheque.
- Competes with paypal.
- Service becomes compelling only when banks provide the service.

# 3. Online Merchant Payments

- Consumers not always comfortable about providing Credit Card details to web sites.
- Chip and pin will focus consumer risk concerns on online payments
- Details of purchase held at bank

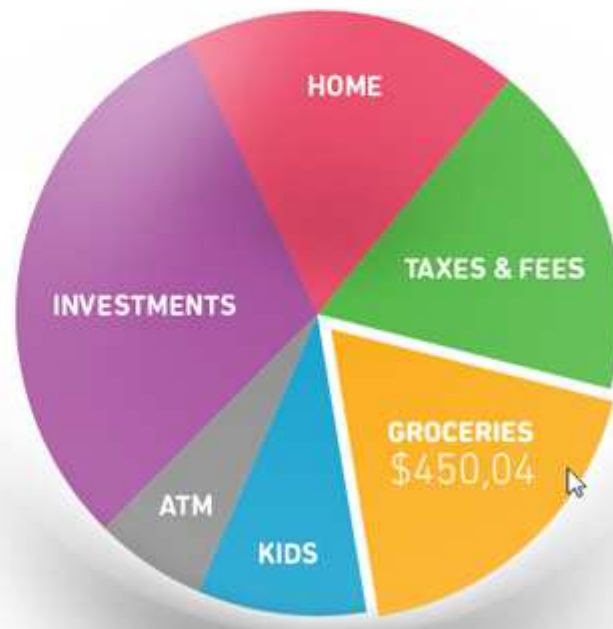
# Online Merchant Payments

- Consumer shops on merchant site and selects purchase
- Merchant provides consumer with a payment id
- Consumer logs in to their bank and enters payment id.
- Consumer views description of purchase and amount.
- Confirms payment, and returns to merchant site to obtain goods

# 4. Personal Budgeting

- Responsible Banking - Assisting consumers in managing their finances
- Big part of the challenge is in correct classification of spending
- Allows consumers to compare their spending patterns with their communities

Navigation menu with buttons: Home, Transfers, My Budget, Payees, Users, Bills, Tools, Income, Expenses, Targets, Organiser, Money Trends.



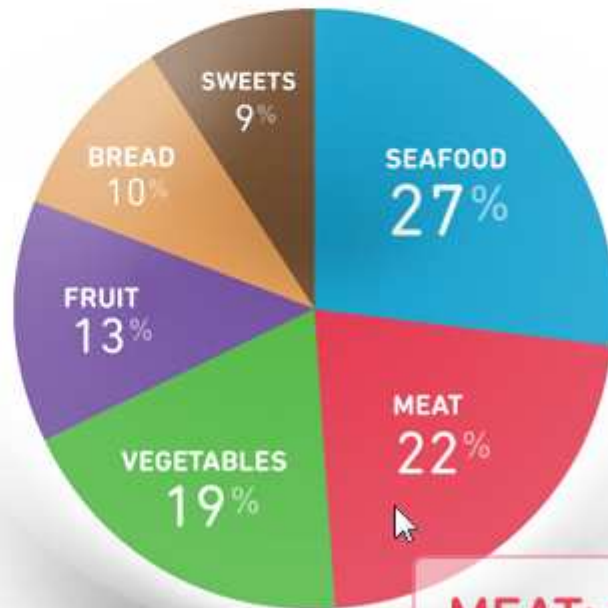
← JUNE 2009 →

**I'VE SPENT:**  
**\$4,654.00**

Vertical sidebar menu with items: Accounts, Streamline, Trading, Visa Go, Import, A new 29 May, Your c 30 Apr, Quick, Pe, Tr, Pe, Pe.

Home Transfers My Budget Payees Users Bills Tools

Income Expenses Targets Organiser Money Trends



← JUNE 2009 →

I'VE SPENT:  
**\$450.04**

ON GROCERIES

**MEAT: \$99.01** I SAVED \$15.99

MONTHLY AVERAGE: \$142.50

HOW MUCH DO OTHER PEOPLE LIKE ME SPEND ON MEAT: **\$119.50** per month

I COULD HAVE SAVED: \$25.00

Accounts

Streaming

Trading

Visa Go

Imports

A new 29 May

Your c 30 Apr

Quick

- Pe
- Tr
- Pe
- Pe

# 5. Targeted Sales

- ... Into existing customer base
- Almost too good to be true
  - The right proposition
  - ... at the right time
  - ... at no cost
- Personal Budgeting provides excellent opportunities

# Bpay

Step 1: Form Filling

Step 2: Confirmation

Done

Billers Code:

1234

Billers:

IAG Insurance

Customer Ref:

12345678

Amount:

\$ 478.14

Payment Date:

1 July 2009



Schedule Payment

MyBudget Category:

Insurance

Sub category:

Home and Contents

Import Note: Customers that switched to our Home and Contents cover saved on average \$38 per year. To get a quote in just 5 minutes click [here](#).

Transfer

Clear

## Account Balances

MORE

Streamline Unlimited	\$2,391.89 CR
Trading Account	\$35,004.52 CR
Visa Gold	\$213.12 DR

## Important Info

A new statement is available.

29 May 2009 - 11:00 PM

Your card activation.

30 April 2009 - 08:52 PM

## Quick links

## Calculations

- [Pay Sally ...](#)
- [Transfer to Sargo ...](#)
- [Pay Telstra](#)
- [Pay Salaries](#)
- [View UK currency](#)

# Targeted Sales

## BPay

Bill Code:

Customer Ref:

Bill: IAG Insurance

Amount:

Payment Date:

MyBudget Category  
 ▼

Sub category  
 ▼

Suggestion: Customers that switched to our Home and Contents cover saved on average \$38 in their first year premium. To get a quote in just 5 minutes click [here](#).

**Confirm Payment**

**Give me a Quote**

## 6. Settlement Hub

- Settlements are a mess!
- Too much scope for Consumer dissatisfaction
- Hub independent of Settlement service provider
- Transparency to all parties including the customer
- Extract efficiencies through process normalisation
- eConveyancing enabler

The end

Questions?