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James Robert Lay:

Greetings and hello. I am James Robert Lay and welcome to the 165th episode of the Banking on Digital Growth podcast. Today's episode is part of the Exponential Insight series. And I'm excited to welcome Mary Wisniewski to the show. Mary is the banking editor and fintech features reporter at Bankrate.com. And she also has spoken and moderated at numerous fintech events, including Future of Fintech, Digital Banking Summit, The Money Experience Summit, Emerge, and so many more. I appreciate the thinking and the perspective you share, Mary, and I'm looking forward to our conversation today. Welcome to the show, Mary. It is so good to have you on.

Mary Wisniewski:

[Crosstalk 00:01:32].

James Robert Lay:

What is going well for you as we get started here today?

Mary Wisniewski:

Well, thank you first off. It's pleasure to be here. What's going well for me is it's been sunny in Los Angeles. So I could do a little beach walk over the weekends, roller skating my dog. It's fun to walk around and scare people, he likes to bark at people.

James Robert Lay:

Now you mentioned roller skating. So is that quads or is that inline?

Mary Wisniewski:

It's quads. Right before the holiday, I was in an amateur holiday show.

James Robert Lay:

Really?

Mary Wisniewski:

Rocking around their Christmas tree. Yes. That was my big thing of last year.

James Robert Lay:

So the reason I'm asking is my wife used to be on the speed team-

Mary Wisniewski:

Oh, wow.

James Robert Lay:

... growing up, with quads. And it was her, her sister and her brother. And they're the three youngest out of six. And let me tell you, so they went from quads and then they went over to the inlines and it was the inlines to where the speed really started to picking up. And I think it's BANT Is The Brand is the name. I think they're out of Australia and they all got a new pair of inlines last year. And I'm telling you, they're

going some really dangerous speeds. So that's so neat. That's so neat that you're doing some roller skating.

Mary Wisniewski:
Yeah. It's freeing kind of.

James Robert Lay:
Yeah. Well, I got to give a shout out to... We're talking skating here to Jeffery Kendall and the team over at NYMBUS because over the holidays, they sent me this beautiful custom skateboard deck and I have it up here hanging in the studio. And I was like, I told him, I said, "I got to figure out how to ride this thing again. Otherwise I'm going to be breaking a bone or two along the way."

Mary Wisniewski:
Oh yeah.

James Robert Lay:
So I got to go figure it back out.

Mary Wisniewski:
Since it's customized with your brand, you're going to be like, "Wow, I'm a professional here."

James Robert Lay:
Exactly. Exactly. Well, speaking about being a professional. You are a professional when it comes to covering fintech trends. And what I want to do in this conversation is I want to look back to look ahead. And if we roll back in our mind and hop into the [inaudible 00:03:58] of our mind, if you will, take a trip back. What have been some of the biggest fintech trends that you've observed, maybe the top one, two over the last 12 months or so. Things that have really kind of just percolated up to the top, things that stand out in your mind, what would those trends be?

Mary Wisniewski:
Yeah. So it's curious because in this industry and I'm sure you know, everything's so slow moving. Some of these trends are years in the making or years old. So now I've covered it for over 10 years. So some of it started in my earlier days and it's just kind of [inaudible 00:04:33], but something that I've been falling over the years, but it got momented last year also is open banking and how are apps pulling in data? And in the earlier years of me covering this feed, it was kind of a fight over, banks were being accused of blocking data access, and then the banks would say, "We're doing this because we're responsible for this and it's just not safe to do what you're doing." And so that fight seems to have become less of a fight. And now it's like momentum to really take this into consideration. So that's one of the trends I would say, gained momentum last year.

James Robert Lay:
When you talk about open banking and there's that fight versus flight versus now it's more of a collaborative approach, or we're starting to see the collaboration opportunities to create value together instead of competitively. What do you think has really led to that mindset shift? Because I would say it's probably momental than anything. What do you say on that front there?

Mary Wisniewski:
Well, I think momental but also other countries like the UK that it's laws. US does not like being behind. We are, we're also not in a way, so competitiveness is certainly one thing. And also just the old ways,

crescendoing people, nobody likes that. No one's ever liked that. It's not reliable way to get data. So, no, I would say it was just a long time coming.

James Robert Lay:

You're right. And I think it's that crescendo of, there's been things that have been building up to this point and now we've hit a critical mass that we can really start to move things forward. When you think back over the last year or so, what's been a big surprise to you, something that you were like, "Ah, that's interesting."

Mary Wisniewski:

Oh, yes. And we've talked about this before, and this is the other trend I would say is these new digital bank brands are forming for specific communities. But the one I'm thinking in particular that really surprised me, I did a story on it was Stretch is early stage startup that is creating a bank account for the formerly incarcerated. So as soon as I stumbled on them, I'm like, "This is just intriguing as an audience, but also it's something that's so needed." But that really surprised me last year, when I first heard about it.

James Robert Lay:

You talk, so there's Stretch, there's Nerve, there's so many of these micro niche brands that are popping up. What's the trend that maybe an incumbent should pay attention to? Is there a path that they could learn from this? Because I literally was just having this conversation yesterday with, probably they're they're between the five to 10 billion asset range and they're in our banking on digital growth program and they were talking about this idea of personas and niche. And what does that mean? Does that mean that we exclude? And I said, "Well, not necessarily." I said, "This is about focus. This is about positioning. This is about going to market with a lot more intention." And think about like fishing, you the fishing holes that you want to go fishing in. And it's much easier to probably catch if you know the right fishing holes to fish, as opposed to going out into the massive ocean and just dragging a net and hoping that you catch something along the way, you're probably going to catch something, but then there's probably going to be garbage tied into that net. And just all of this other noise.

James Robert Lay:

What's the trend there that others can maybe pay attention to? What can they learn from those other niche brand examples?

Mary Wisniewski:

Yeah. It definitely depends on the size of the bank, but it's certainly like community bank or something more like, I think just general digital bank has been commoditized, basically. You have the chimes, you have the borrows, appeals to wider audience. And in a way, no fee banking is also commoditized. And so you have to think as a banker, like, "What is going to be this thing that I can offer that doesn't necessarily exist, it will have all the normal standard things, but it's going to be that thing, that hook to grab customers." And so it needs to solve a very particular problem, I think. And so if you pick a group you're going to be better prepared to solve a particular problem. And I would think as long as you're good at getting your brand name out there, that that would help you capture an audience you wouldn't otherwise have necessarily.

James Robert Lay:

That's a great point. You talk about this idea of the chimes and the [inaudible 00:09:18] and the no fee banking and that's becoming table stakes. And we saw that trend pop up last summer, particularly around overdrafts and Ally was leading the way. And now everyone's starting to follow that same path

and pattern there. And then I'm hearing from a lot of the community brands like, "Oh, well that was our bread and butter. We really relied on that." Now what's the next step for, to maybe detach from some of the old to begin to create the new? Is that maybe where open banking comes back into the conversation to create new possibilities, new opportunities. What's your take on that?

Mary Wisniewski:

Well, I think it could, if you're getting better data access, a lot of things are more at your fingertips. Assuming you want an app that's pulling in data from other banks and other fintechs. I think it could play a role. Yeah.

James Robert Lay:

I think the other thing too is, and I know Ron Shevlin has touched on this, this idea of personalization, because there's that data piece there. It's not just personalizing to his point, communication. It's also personalizing conversation and being able to... And this came up in the conversation that I was having the other day with this financial brand and they were talking about big data versus thick data and to not just have access to it, but to be able to practically apply it and use it to create value going forward. Speaking about going forward, looking ahead, what might be the big opportunities or over say, the next 12 to 18 months available for either a financial brand or a fintech to create capture, capitalize on either independently or working together?

Mary Wisniewski:

I definitely encourage working together because it's usually the fintech's going to have a mindset that will be slightly different than the banker's mindset. It doesn't have to happen that way, but often I find that that is the better arrangement. I think there's still lots of opportunities to explore creating a different digital bank. There's so many banks in the country in credit unions and so you think on one hand, "Wow, we have way too many." But then on the other hand, it's like, there's so many people still who don't have what they need.

Mary Wisniewski:

And to bring it back to that Stretch example. So what they did is they're including job leads for companies that will hire people with criminal records. So that is the hook, that is a very important problem to help solve. And so you sort of need to think about how to do that for other populations of the US, assuming you're saying to the US of just what can I do that hasn't been done and then create a brand around it.

James Robert Lay:

Yeah. I want to blue sky on this for a little bit, because it's always fun. What can we do that hasn't been done? So we know the financial health aspect, we know the toll that financial stress is taking on a person's physical and mental wellbeing. I think there's an opportunity to really kind of bring all three of those pieces together. And there's that going even outside of the industry, partnering with a gym brand. It could be Peloton, right? We got the physical wellbeing aspect there, but then bringing the financial wellbeing and there's also a built in community too. So there's that piece. There's that aspect. There's that element.

James Robert Lay:

You mentioned collaboration between fintechs and financial brands and you talked a little bit about fintech mindset versus a traditional financial brand mindset. What's driving the two and we were kind of even touching on this before we hit record. What's driving the thinking, if you will, of these two organizations, fintech versus financial brand, when it comes to the mindset specifically?

Mary Wisniewski:

Sure. And this is, it's going to sound like a generalization and it's not always this way. You certainly find renegades within a bank and they're always very intriguing. People, you never expected and you're like, "Who are you?" And I'm like, "Oh, we have something in common here." But I think a fintech is able to just experiment quicker. I think they're throwing out ideas more often, and this is both a pro and a con. Sometimes they're not really thinking about all the roles, so oops, they break a role and that is a big problem. But also on the flip side, they're not limited in what could be, a banker is probably so used to the rhythm of business as it's always been, the way to climb the ladder, X, Y, Z. And maybe you don't even care. Maybe you just want your paycheck and call it a day. And this is a big problem. Well if you're an entrepreneur, you're driven to solve this something bigger, something bigger, but not necessarily at a bank.

James Robert Lay:

It's that idea of entrepreneurship that I'm really interested in on the fintech side to possibly package some of that up in some shape, way, form or fashion, and bring that into a financial brand and we'll call it intrapreneurship. And I was just talking with the VP of marketing at a financial brand, community institution on the east coast earlier this week or last week actually. And one of the things that he mentioned was he has come from the startup world. He likes that, but he was attracted to this financial brand because of the entrepreneurial mindset that they're trying to build within. So that was a really positive statement. And one that I'm looking forward to following to see how that really pans out over the next 12, 18, 24, 36 months, is it something that is kind of, we're going to dabble in or are we really going to commit to and go forward?

James Robert Lay:

Looking ahead as well, I think it's important to consider potential roadblocks, dangers that could get in the way, that could prevent us from moving forward and making progress. Knowing what you know and reading what you read and talking to who you talk to, what are some of those roadblocks and dangers that the dear listener needs to be aware of as they continue to move forward on their own journey of growth?

Mary Wisniewski:

And the risk from the banker side of things?

James Robert Lay:

Correct.

Mary Wisniewski:

I think it's a lot of the similar roadblocks, sometimes the projects are taking multiple years and then the person in charge of the budget leaves, and then the project goes down toilet. And then you're like, "What was the whole point of my life?" I'm speaking as if my project was thrown out, but so that's just one that's always in the way, bureaucracy is always in the way, but also just getting stuck with the day-to-day task, like how do you carve out time think about possibilities? I think that is actually very hard. We're still in this pandemic, in person things aren't happening as much still. And sometimes you lose the brainstorming a bit, as a result. So that's still a thing that a bank would be up against this year.

James Robert Lay:

So there's two things that really kind of bubbled up to my head when you were talking through that, you mentioned the bureaucracy. One of the things that we did this year, and we do this every year is for

financial brands that are in the banking on digital growth program. We always send an end year gift, and it is typically a book to read and something local to eat. So we're sending something from Houston out to them and around the world, along with the book. And this year, the book that we sent was a book called Humanocracy. I don't know if you're with it, but if you're not, I highly recommend, A, put it on your radar. B, read it because it is something that I'm seeing as a way to break free from the bureaucracy that holds financial brands back from moving forward and making progress.

James Robert Lay:

The second point was there's another book and we're talking about open banking to begin with. There's another book, and I believe the title is called Open Strategy. And it's this idea of strategy happens throughout the organization, not just at the top, but it can happen through all different levels. And we need to be open to listen to what people have to say, to what they're thinking, to what they're hearing too, also on the front lines.

James Robert Lay:

And that comes back to the point that you were just making, creating space and time to break free from the doing so that we can review what we've done. Think through that. Because if we keep down this path of just checking things off the list, project based, I wish I could say I was hopeful about the future, but I'm not because the future becomes the predictable past, and we're just continuously repeating the same cycle over and over and over, which I'm addressing in my second book Banking on Change of how financial brands can do that. I'm curious for just your own personal take on this. How do you create that space and time? Just for yourself, to reflect, to review, to think.

Mary Wisniewski:

Well, that's what you were just making me think of because I would label myself more of a creative person, but in any given day, there's a lot of tedious things one must do to "fulfill your job."

James Robert Lay:

Right.

Mary Wisniewski:

And so what I get most frustrated with, but I also love the challenges. I was like, I don't like interruptions when I'm trying to do a brainstorm. So like the slack messages and stuff, it interferes with my thought process. Well, I start the day with just reading industry news and let it sort of sit on my brain or I collect things that I find kind of interesting, but aren't a full bake story. And I put it in an ideas folder and because I am completely driven by creative projects. So without doing that kind of work, I'd feel ill, I think. But I usually carve at the beginning or the end of the day where I'm like, "Let me just spend this like 30 minutes, even, not even that much of the time to really think through either story ideas or video ideas, maybe even social ideas of things that I could do that would involve fintech or bank would be a good story.

James Robert Lay:

That's an interesting point. So there are certain habits and rhythms and routines that you've built into your day, so that you do block that time to learn, to think, and then you can execute and do, but then you're also coming back and reviewing and reflecting. And there's a lot of stoic wisdom in that. One of the authors I've been reading recently is Ryan Holiday and his thinking on stoicism and how it applies to modern times. And when you look at the stoics, they plan the day, they review the day, every single day on what they need to do. And then they review the day of what happened. Like, "Where can I continuously improve on that next day going forward?"

James Robert Lay:

And you mentioned slack, and I've been thinking a lot about this, digital, we've got access to everything 24/7, and that's a positive, but it can also be very dangerous too, from a creative thinking mode, an innovation mode, because you can't be on 24/7, you have to create that space to literally disconnect so that you can do some deep thinking, some deep work, which a great book by Cal Newport on that subject there. How do we create or empower either ourselves our teams to disconnect?

James Robert Lay:

Because I'll be the first one to admit, I've struggled with digital addiction, right? It's the continuous dopamine hit of, it was Twitter. And it was back in 2019, 11, 12. And so, "Hi, my name's James Robert Lay, I'm a recovering Twitter addict." To the point to where I've literally have taken email off my phone, I've taken an internet browser off my phone. I've taken social media off my phone. I have a dumb smartphone. Because I think the environment's too strong.

James Robert Lay:

And so when you think about working in this digital world, and if we're struggling with dopamine hits and digital addiction, it's almost like asking someone struggling with alcoholism to bartend. How do we create that space? Because I don't know. It's like it's a delicate subject to work around. But I think it's one that we need to lean into.

Mary Wisniewski:

Yeah, no, it's totally delicate. Sometimes I'll have a couple ideas and then I'll go for a walk because then I'm just focused on whatever's going on in my brain. So that helps me. I will silence my phone because I'm someone like you, if I see it, I want to get it done by the moment. But then it's not a way to get a bigger project accomplished. You can't be at everybody's bidding or you won't get the bigger thing done.

James Robert Lay:

I heard someone say one time, your inbox is someone else's problems.

Mary Wisniewski:

I love that.

James Robert Lay:

I've had to struggle. I've had to struggle and try to create boundaries of what that looks like because you literally could live in your inbox and work and be busy all day long, but never get anything done. And I hear bankers, I see bankers. They're like, "I was in meetings all day and then I had my inbox and emails." And I'm like, "Well you need to look at what those behaviors are." Because I think that, back to your point, creativity and innovation and future thinking, they all go hand in hand together. This has been a fascinating rabbit hole that we've gone down to. One that I've never ventured on before on this podcast. So thank you for taking the trip and the journey with me on this one. Because it's-

Mary Wisniewski:

You know what?

James Robert Lay:

Go ahead.

Mary Wisniewski:

You just made me have another thought, like you could even set a challenge. A banker might like this, like, "Every week, I'm going to find out about one idea that I didn't know." So maybe find out about a fintech startup they didn't know or something, because you just never know what's going to inspire your work. So I think if you put a pattern around it, it could help.

James Robert Lay:

That right there, I think is a great practical application. And I always like to end this podcast with the next best step because all transformation that leads to future growth begins with something small, something simple, something easy. It's not overwhelming. It's not too complex. Can you dive deeper into this thought because it's one that I want to come back and give a little bit more commentary around. Because I do see value in this, but let's just call it the one thing or the one idea or the one lesson learned each week.

James Robert Lay:

If we could put some more rails around these bumpers on the bowling alley so that we can keep these bankers out of the gutter and they can roll the ball down and get a strike and really like, what would that look like? Is it one fintech a week? How would you provide some more practicality or around this? What should they look at?

Mary Wisniewski:

It should be defined a little bit about what their interest is, because it's always, you're going to do something more. This is your interest too, but maybe it's set up a Google alert for fintech and just scan the headlines and then pick the one that you find more interesting, could be. Keep it simple, otherwise you won't do it or I wanted [crosstalk 00:26:29].

James Robert Lay:

So let me add on that. So you got the Google alert, and maybe it's the fintech of the month. And then you get together as a team. It could be a senior leadership team. It could be a marketing team. It could be an operations team, whatever it might be. But each person on that team has an assigned fintech that they're focus on studying that month. And every single week when they come together, they build into their meeting agenda. Just a brief update. Maybe it's a three to five minute update. "Hey, here's what I learned over the previous week about this fintech." And this is so practical because in a coaching session that I had to start the year, one of... And this was from a vice president. One of the challenges that they shared was, "We just feel like our senior leadership team is out of touch because..." They were talking about the whole buy now, pay later, she knows about it, but they're not even having kind of these conversations at a higher level. And so I think you're onto something with this.

Mary Wisniewski:

Yeah. I think it'd be really tangible, would speak to their fact finding enjoyment and wouldn't be too much of the time set. And one thing I would tell everyone that they should follow it's the challenger banks got a lot of customers because of letting them get early payday by a couple days early and Chase made a big announcement in December that it's customers will now have that feature. And that's going to have a huge effect that now like every bank is going to need that feature because Chase customers will have it. So that's something you'd want to know. That would be a thing to follow.

James Robert Lay:

Yeah. But one of the other things too, and I was talking with a credit unit about this and they were lamenting on the fact that, they were like, "We've had early payday for the last few years." And I'm like, "Well, no one knows about it because it's not being communicated as a unique positioning or a value

prop in your local market." I think it was, we were looking at credit karma. I said, "Credit karma is doing an amazing job of positioning and communication around this."

James Robert Lay:

So you're right. Like all of what was some of this early mover, first mover differentiation is now becoming tables stakes, because once Chase goes down that path, well, we've all got to be able to... And I think the word of this, we don't want to react because if we're always reacting, we're always going to be in almost a defensive state. We need to be more proactive. And this comes back to continuously learning, thinking, doing, reviewing, and then repeating that process over and over again. So I love the practical exercise that you have challenged us all with to go forward.

Mary Wisniewski:

I like it too, because the other thing is, the generalist will never think banking is an interesting industry. I'm speaking outside of the industry, but the thing is impossibly interesting. There's so many things to learn. There's so much drama and there's so much opportunities. So as a banker, I would say sweet relief to be able to think of how interesting it is actually the world that I work in.

James Robert Lay:

Well, one of the things that I'm almost considering, because I've talked with my team about doing either a weekly or a monthly, what I call a fintech focus, to where we do exactly what you're talking about so that we can continuously transfer knowledge back into these financial brands. Because one of the things that I hear from them is, "We just don't have time. We're so busy doing, we don't have time to continuously look out and look at the market." I'm like, "Well, no, I'll play like the Oregon Trail." Did you ever play Oregon Trail growing up?

Mary Wisniewski:

I did. I did. And I died quite a lot.

James Robert Lay:

Of dysentery. Exactly. You died of dysentery. And so I think that's the thing, we kind of always need that what's out on the horizon and then relay that information back in and it would be better served internally. But yeah, you've got my mind now really spinning in opportunistic ways of how to continue to educate and empower others.

James Robert Lay:

So this has been a lot of fun, Mary. I really appreciate the thinking, the wisdom and some of the new ideas that we've been able to collaborate together. And we'll see if we check in a year from now, at the end of the year, what all has transpired for both of us, as well as for our dear listeners here.

Mary Wisniewski:

Yeah, I'd love that.

James Robert Lay:

If someone's listening and they want to connect with you, they want to continue the conversation. What's the best way for them to reach out connect and say hello?

Mary Wisniewski:

Oh, yeah, definitely social. And don't mind that I said I hate slacks. That's more to do with my day-to-day work. That's a message for my coworkers, but I'm very accessible on social media. You can follow me on Twitter, MaryMWisniewski, W-I-S-N-I-E-W-S-K-I, LinkedIn. I'm pretty quick to respond.

James Robert Lay:

Absolutely. Well, connect with Mary, learn from Mary. Your thinking is top notch. I thank you for all of it. And I'm looking forward to just seeing how this year plays out as we continue to move forward together. And we all make progress on our own journeys of growth. Mary, thank you so much.

Mary Wisniewski:

Yeah. No, thanks for having me, pleasure.

James Robert Lay:

As always, and until next time, be well, do good and make your bed.