

unlocking new revenue streams

The Power of Strategic Integration and Innovation

The fundamental structure of the banking industry is changing.

Higher interest rates, new regulations, and a multitude more of disruptive forces are reshaping how community and regional banks and credit unions generate income.¹ Navigating these upcoming challenges will require a fresh perspective, innovative solutions, and a renewed focus on fee income opportunities.

Adapting to the New Norm

The dynamics of the relationships people have with their financial institutions have changed.

The COVID-19 pandemic highlighted the need for community and regional banks and credit unions to make processes simpler, more agile, and more responsive to the needs of accountholders.

“Satisfaction among credit union members and bank customers with their primary financial institution during the pandemic dropped considerably.”² As a result, 34% of Americans are considering changing financial institutions in the next year. Of those definitely looking to switch, 17% say online or mobile banking capabilities will be the most important decision-maker.³

So, the question becomes: how can you give your accountholders all of the digital capabilities they need while generating non-interest income? Strategic integrations and open banking.

Using Open Banking to Generate Revenue

Through open banking, you can become the financial hub for your accountholders by providing external aggregation.



Right now, your accountholders are buying, saving, spending, and planning with up to 40 different financial providers.⁴ By offering the opportunity to aggregate their financial data into a single app – yours – you’ll gain visibility into your accountholders’ financial lives so you can identify new opportunities and trends, upping your chances of becoming first-app in a noisy financial world.

You can also use open banking to offer tailored financial products and services through strategic integrations with third-party fintech providers. While some of these integrations provide convenient services that drive loyalty and create stickiness, others provide non-interest income opportunities through revenue sharing or fee-based services.

By creating a revenue-sharing ecosystem, you can offer your accountholders access to the third-party-developed services they’re already using or want – simultaneously strengthening your relationships while profiting from a subscription, cross-sell, or referral structure.

fee income opportunities

In the realm of fee income opportunities, community and regional banks and credit unions are witnessing transformative innovations that go beyond conventional banking practices – offering unparalleled opportunities for growth and enhanced accountholder satisfaction. Here are just a few examples of fee income opportunities banks and credit unions are exploring:

Direct Deposit

Atomic is a pioneer leveraging the Banno Digital Platform’s open APIs to embed its technology into the digital experiences offered by community and regional banks and credit unions. Atomic’s deposit plugin – which is seamlessly integrated into the Banno Digital Platform™ – introduces a first-to-market direct deposit switch and set-up solution. This enables your accountholders to digitally set up and switch direct deposits, driving account growth and profitability.



Navigating these upcoming challenges will require a fresh perspective and innovative solutions.

Onboarding and Adoption

The Digital Onboarding engagement platform is another game-changer. It transforms account openers into fully engaged and profitable relationships through personalized messages, microsites, and self-service enrollment tools. Collaborating with Jack Henry, Digital Onboarding ensures personalized and consistent messages across channels, giving you the edge in driving product and service adoption.

Identity Protection and Credit Management

Array integrates credit management services, identity protection tools, and an Offers Engine into the Banno Digital Platform. With this integration, you can offer personalized credit and financial insights to accountholders, fostering deeper relationships and driving recurring revenue. Identity Protect features can be configured into tiered plans, creating upsell opportunities and enhancing your ability to meet accountholders' evolving needs.

how Jack Henry™ helps

With the Banno Digital Platform, banks and credit unions can apply open banking rails to create revenue opportunities.

Using external account aggregation through Jack Henry's expanded relationship with Finicity, banks and credit unions can provide 360-degree views of your accountholders' financial lives. Beyond addressing financial fragmentation and providing insights that improve accountholders' financial health, account aggregation gives your institution the data you need to make informed, strategic decisions that can drive revenue through cross-selling and other opportunities.

With the Banno Digital Toolkit™, you can generate unique revenue streams through value-added services embedded into a tailored digital banking experience aligned with your strategy.

Industry-leading API integrations ensure security and an enhanced experience for your accountholders as you drive non-interest income and create an experience your accountholders desire.



With the Banno Digital Platform, banks and credit unions can apply open banking rails to create revenue opportunities.

By taking advantage of Toolkit integrations and external account aggregation, you can not only create new revenue streams for your organization, but redefine your role in the lives of your accountholders.

unlock new opportunities

Talk to our team to [learn more](#) about how you can generate new revenue opportunities through strategic integrations and external account aggregation.

For more information about Jack Henry, visit jackhenry.com.

sources

1. [2024 Banking and Capital Markets Outlook](#). Deloitte. Accessed January 9, 2024.
2. Peter Strozniak. [Pandemic Issues Cause Drop in Consumer Satisfaction for Credit Unions, Banks](#). CU Times. Accessed January 19, 2024.
3. Maggie Davis. [National Banks Are the Most Popular With Consumers, But They Don't Generally Offer the Best Rates – Find Out Where Your Money Could Grow the Most](#). DepositAccounts. Accessed January 19, 2024.
4. [Global Banking Consumer Study: Reignite Human Connections to Discover Hidden Value](#). Accenture. Accessed January 5, 2024.