FINANCIAL SERVICES
MARKETING TREND 2018
DIY FINANCIAL WELLNESS

The personal financial management tools of yesterday will evolve into do-it-yourself financial improvement apps founded on the research of behavioral economics and powered by artificial intelligence.

What’s Happening In 2018?

Mirroring recent changes in the healthcare, self-help, and diet industries, advancements in financial wellness are gaining some much needed momentum. Driven by recent uncertainties in the political, fiscal, and environmental arenas, consumers are finding comfort in having control over their own financial situations. Personal financial management (PFM) has come a long way from its foundation as a basic budgeting and transaction analysis tool. PFM is blurring the lines between reactive notifications and proactive recommendations, with some innovative gamification all mixed into one.

Why Marketers Should Care

Drawing from lessons in behavioral economics and taking advantage of advancements in artificial intelligence (AI), financial marketers are well positioned to incorporate effective and engaging PFM strategies into their existing digital offerings. The challenge for marketers will continue to be adoption of mobile-centric tools. No matter how unique a product or marketing campaign may be, there is still the large and ever-present concern over security that could dampen adoption rates.

Consumer usage and awareness of digital financial products

Canadian consumers who have used a mobile money management app say they like it

US consumers (aged 22-39) say they would be more motivated to use mobile banking or use it more often if there was a budgeting feature that tracks spending
The Royal Bank of Canada (RBC) introduced two digital services in 2017 which use AI to help consumers manage their finances and spending: NOMI Insights and NOMI Find & Save.

In August 2017, Scotiabank launched a digital savings account, MomentumPLUS, which helps consumers save for multiple things at once.

Bank of America updated its mobile banking app in 2017 to create a more customizable experience. The app’s new goal-setting tool allows customers to personalize their savings goals with names, target amounts, and even photos.

Honeydue is a money managing app that launched in early 2017 and aims to help couples stay on top of their finances together.
Where Next?

The concept of personal financial management will adapt to consumers’ desire for simplification, gamification, and education in 2018 and beyond. As younger generations begin to take control of their own financial futures, we predict a shift will occur towards DIY goal-setting and portfolio management that is rooted in AI-driven guidance. Mintel research reveals that the iGeneration (or Generation Z) will differ greatly from their older, Millennial peers in their desire to work and save money. Close to a third (31%) of older iGens (aged 18-22) even go so far as to say that they think they are more hard-working than previous generations.

In the near-term, we will see new and innovative solutions for managing one’s finances and developing better savings habits coming from more financial institutions. In the long-term, DIY financial wellness will pave the way for financial services marketing to focus on a more holistic, customer-centric message that brings financial products into every aspect of the customer journey.

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‘DIY Financial Wellness’ is one of four Marketing Trends Mintel predicts will shape the Financial Services industry in 2018. For more information on the full trend predictions, log in to Mintel Comperemedia or contact info@mintel.com.

About The Author

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Lily Harder is the Vice President of Research for Mintel Comperemedia. Lily specializes in the financial services industry, researching and presenting on the latest industry trends, competitive intelligence insights, and newsworthy developments. She is also responsible for leading a team of senior industry analysts that produce both custom and syndicated competitive intelligence reports. Lily earned her BA in Economics from Northwestern University and her MBA from ESADE in Barcelona, Spain.