

M&T Empowers Customers During Times Of Financial Instability

MX | M&T Bank

Challenge

With the outbreak of a global pandemic in March 2020, many of M&T Bank's customers were impacted financially. Amid much uncertainty, customers needed a way to stay on top of how much cash they had available to manage their day-to-day lives, and M&T sought to find a way they could help.

Solution

M&T implemented a forward-looking, predictive solution powered by MX's Cash Flow tool, which uses transaction history data to forecast future cash balances, allowing customers to easily identify potential negative cash balances and take action accordingly.



WHO THEY ARE

M&T Bank is a regional bank that provides banking, insurance, investments, mortgage and commercial financial services throughout the northeastern part of the United States. They're deeply committed to understanding what's important to their customers and finding ways to help them improve their financial health.

ASSETS
\$120B

BRANCHES
750

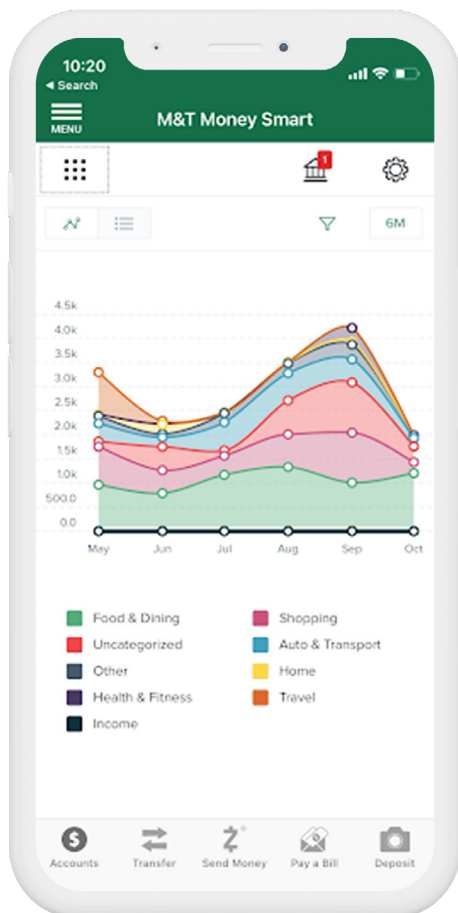
FOUNDED
1856

HEADQUARTERS
Buffalo, NY

An Easier Way to Manage Finances

In July 2019, M&T partnered with MX to launch M&T Money Smart, a tool for their online and mobile banking platforms that helps users manage their finances and make smart financial decisions. Powered by MX's MoneyMap, Money Smart allows M&T's customers to view all of their accounts—from M&T and other institutions—in one dashboard and creates budgeting and spending visualizations to help users track spending, set financial goals, and pay off debt. With a user interface focused on simplicity and ease of use, this tool provides M&T customers with a positive user experience that helps them improve their financial wellness.

“What we've seen with our customers is that the demand for digital banking solutions is evolving,” said Mary Kate Loftus, M&T's senior vice president and director of digital banking. “Consumers today expect convenience and real-time access and are looking for ways to make managing their finances easier. Introducing a tool like Money Smart helps us differentiate our digital experience and improve our users' financial strength.”



Today, customers that are using Money Smart to view all of their accounts in one place are connecting, on average, five external accounts from other institutions. The more a customer engages with Money Smart and links their external accounts, the more M&T is able to understand their full financial picture. By understanding what's important to their customers, M&T is better equipped to provide products and services that are relevant and personalized to a particular customer's financial situation.

For example, Money Smart has a feature that lets customers set financial goals. Not only does this tool help customers work toward their goals, it also gives M&T meaningful insights that enable them to provide their customers with better personalized services that will help them on their journey.

“Perhaps they're trying to set aside money for an emergency fund, or maybe they're saving for home improvements or a new car,” said Barbara Walsh, M&T's digital product manager overseeing the Money Smart tool. “Whether it's saving for key milestones such as their wedding or the arrival of a new baby, we can recommend products and services that will help them achieve their goals. This allows us to be a better bank for our customers and understand when we can provide relevant services that would benefit them.”



Understanding What's Important to Customers

One of M&T's core values is understanding what's important to their customers. By proactively listening to them, M&T is able to provide customers with the financial guidance they need when they need it most. Recently, this meant finding a way to help their customers manage the anxiety and financial stress associated with the coronavirus pandemic.

"When COVID-19 hit, we heard from our customers that they needed a more intuitive way to forecast upcoming financial obligations," said Ryan Lee, a member of the digital team that led the Money Smart implementation. "They wanted visibility into how much money would be in their bank account after accounting for anticipated payments."

With the increasing uncertainty their clients were feeling, M&T needed something that could project future financial standing and serve as a call to action toward financial stability.





Managing Future Cash Flow

Enter MX’s Cash Flow tool, which offers a better way for users to visualize how money moves in and out of their account throughout the month. Cash Flow allows users to easily see any upcoming deficits—and then to plan accordingly. The tool simplifies a complex element of financial planning through advanced analytics driven by past transactions.

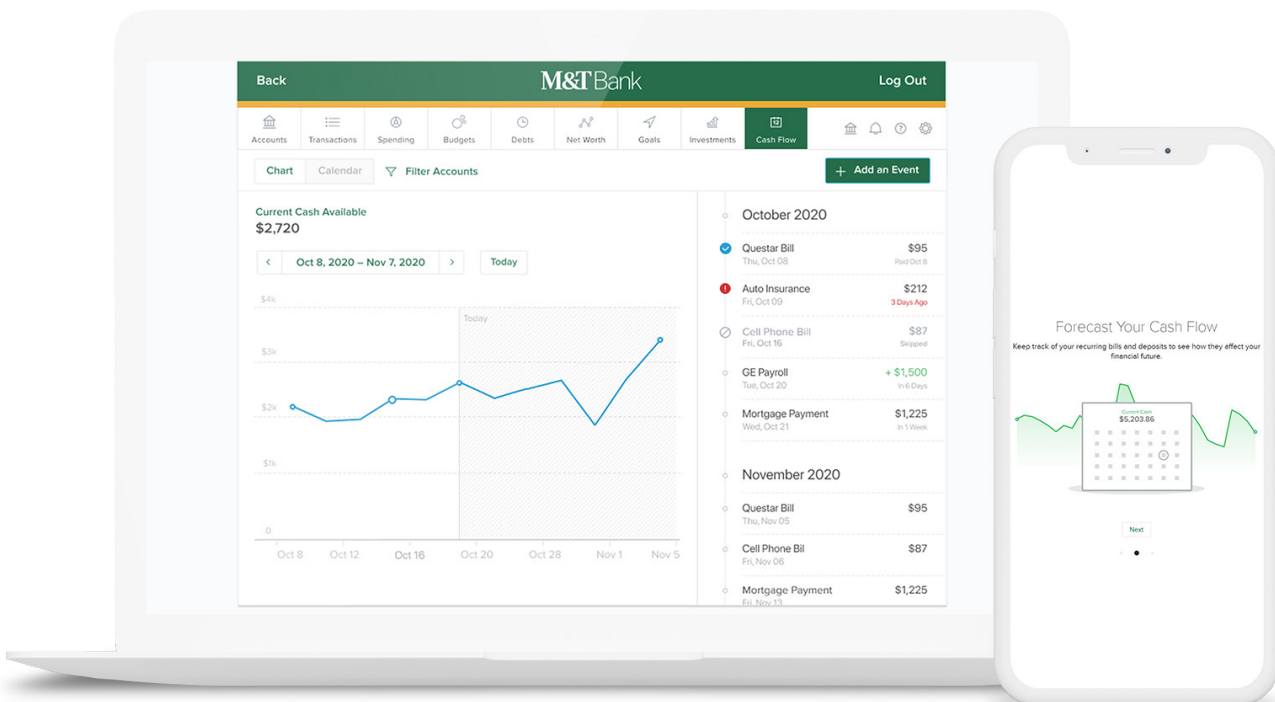
Luckily for M&T, with Money Smart they’d already put in place the infrastructure needed to support the Cash Flow tool, having planned to launch this as a new feature in Money Smart later that year.

“When we realized this tool could substantially help our customers, we came together and reprioritized our roadmap so we could meet our customers’ needs quickly during this time of uncertainty,” Lee added.

The MX Cash Flow tool specifically addresses the need for individuals to both understand their historical spend and predict their future spend. It analyzes a user’s transaction history for recurring deposits and payments and then provides a future-cast of their projected cash balance each day to help them see the impact of any additional expenditures.

Within Cash Flow, users are asked to validate certain transactions as outflows or inflows. Once the transaction is validated, the user determines the frequency and saves the transaction as a recurring inflow/outflow that will enable Cash Flow to project future cash balances.

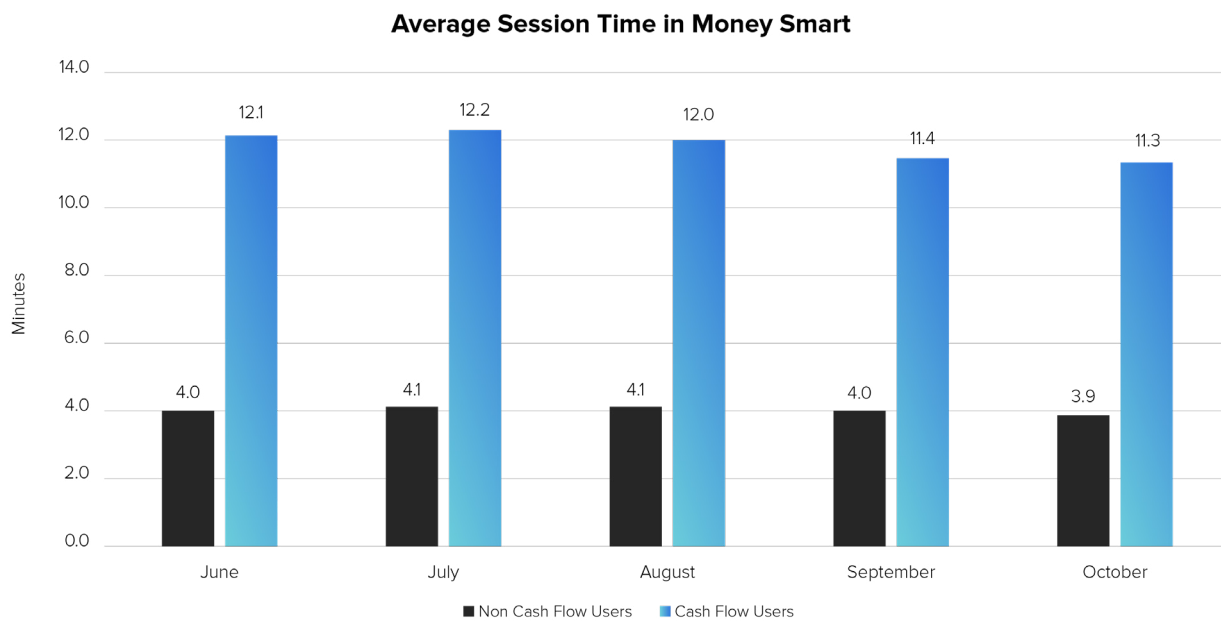
Using Cash Flow, users have the ability to track—and take action on—their data.





Increasing Customer Engagement

Just four months after releasing this new feature, M&T found that Cash Flow dramatically increased engagement and interaction with Money Smart. Customers utilizing Cash Flow logged into Money Smart 50% more often than other users and spent three times longer in the tool managing their finances.



In addition to increased engagement, with the launch of Cash Flow, M&T noticed a 4% increase in profitability of Money Smart users. They also saw a 2% decline in NSF and overdraft transaction fee growth rate for those using Money Smart. This is a significant contrast from the overall rise they have seen in overdraft and insufficient funds transactions that have occurred as a result of the global pandemic.

“I think the work that M&T and MX have done together is really tremendous,” Loftus added. “This project was not just about providing a new product or service, but it has really helped our clients when they needed it most—especially during this pandemic. The MX Cash Flow feature helps customers visualize the predicted daily balance in their account based on recurring ins and outs like paychecks or rent. This helps customers plan accordingly. It’s been a game changer.”

By providing their customers with insights on future cash balances, M&T is simplifying financial planning and furthering their mission of making a difference in people’s lives.