Jordan Innes:

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James Robert Lay:

Greetings and hello. I am James Robert Lay and welcome to episode 217 of the Banking on Digital Growth podcast. Today's episode is part of the Exponential Insight Series, and I'm excited to welcome Jordan Innes to the show. Jordan is product specialist and council at Compliance Systems, who has reimagined the way compliance documents are delivered to provide an even better closing experience by considering the needs of consumers and users first. Welcome to the show, Jordan. It is good to share time with you today.

Jordan Innes:

Hi, James Robert, thank you so much for having me today. I'm excited to be here.

James Robert Lay:

Absolutely. Now, before we get into talking some of the good work that you're doing over at Compliance Systems, specifically around your recent launch of Simplicity Mobile, I want to start off on a positive note as we always do here. What is good in your world right now, personally or professionally? It is your pick to get started.

Jordan Innes:

Personally, if any of your viewers are from Michigan, we have a saying here that says we're headed up north, spending some time at the lake with my family this weekend in Charlevoix.

James Robert Lay:

Well, enjoy that. It's always good to connect with family, to connect with friends, and sometimes even disconnect with technology, because at the end of the day, we are human beings. But it's the technology that we can use to improve people's lives as well on the other side. We can reduce friction, we can make connections, which is exactly what you're doing over at Compliance Systems, because you have reimagined the way that compliance documents are being delivered. Which historically has been a friction point, but you're doing even better here, closing the experience that has created a lot of friction historically. And I know last year, y'all launched Simplicity Mobile, which was the industry's first mobile enabled compliant solution for online deposit account opening. Before we get into the work that you're doing here on this front, why? Why take this time to build something out that is really a big problem? What is the problem, or what were the problems that you were seeing prior to launching Simplicity Mobile?

Jordan Innes:

Yeah. I mean, you hit the nail in the head with just the buzzword of friction. When creating Simplicity Mobile, that's where we started. We asked a lot of our financial institutions for feedback of, why are these high abandonment rates? What is the reason for these customers having the friction with the online account opening process? And it really came down to that, it's not a streamlined process. It is very cumbersome and it's not user friendly. We really want to pertain to the customer itself and just the current or the previous digital online account opening solutions, and especially the documentation piece, which Simplicity Mobile solves for, just did not solve for those aspects of it.

James Robert Lay:

I want to dive deeper into that, because you hit on something that we see here through the research that we do, through the coaching that we do in the Banking on Digital Growth program, abandonment rates. On the depository side, it can be on average between 65 to 85% of applications that are started, end up being abandoned. And then sometimes on the loan side of things, it could be as high as 95%. And what does that mean? We're converting just 5% of people through the entire experience and we're losing. And I think that's the best way to frame this, is we're losing millions and millions and millions of dollars in loans and deposits because of friction that either, A, we may, or B, we may not be aware of.

But it's the feelings and the emotions of people applying for these accounts, applying for these loans. They're the ones who are feeling this because they're benchmarking them off of other experiences, digital experiences that they're having, brands like Apple and Amazon. What were some of the specific pain points that you were hearing through the research that you were doing, through the conversations that you were having with these financial brands?

Jordan Innes:

The feedback that we are hearing is, it's not consistent with the way that we browse the web today. If you or your viewers or anyone like me, I do everything off of my phone, I do everything off of my tablet. A customer does not want to be forced to come into a bank that was definitely proven. Obviously, when everything was shut down with the pandemic, we're able to now open up a banking account online, where it is user friendly. You don't need to pinch and zoom in and scroll anymore. Simplicity Mobile, really tailors to that and fits to the size of the screen of the mobile device, and not necessarily the artificial page, so that it is not a cumbersome process when doing so, but is a user experience that we're used to today.

James Robert Lay:

You're tapping into a very common pain point, and I liked how you framed this. Pinching and scrolling, zooming in, zooming out, scrolling up, scrolling down. And it's interesting that we can measure a lot of that frustration, we can measure a lot of that friction with heat maps and scroll maps and digital behavior. I know Simplicity Mobile streamlines the account opening process by delivering compliance documentation, and I want to dive deeper into this point about compliance documentation, that is configured, that is optimized around a mobile device. How historically, and maybe even today, how are most financial brands delivering this compliance documentation through a digital, through a mobile-like manner? What is causing all of the pinching and the scrolling and the zooming, and all of the pain points, and the friction, and the frustration here?

Jordan Innes:

Well, just sometimes just comes down to that not all the devices will have PDF readers. So, that is where the scrunch and the zooming in comes into play. But also, just the way that platforms or online banking experiences are, you have to go into different links or it's not all consolidated into a user friendly, easy readable format. And that's what really Simplicity Mobile is, these required documentation. The customer needs to have bylaw and just puts it all together in a nice readable format. And also, it is a acceptable button. Or I guess taking it back to something that we're familiar with, when you buy an airlines ticket, or you get an iOS update, you get those nice formatted terms and conditions where everything's readable. And then you usually just accept the button in order to proceed with the purchase or proceed with the update.

Well, that is exactly the functionality, the format that Simplicity Mobile takes on, it's that easily readable consolidated format. And then you accept and then you can proceed with your application. So,

that's really, if we're going back to the friction point, it streamlines it because everything that you need is right there in front of you and then you accept. So, it's that instant gratification we're used to.

James Robert Lay:

I can think of the thousands of digital secret shopping studies that we have run and conducted over the years. And when you get to compliance documentation, there's one particular instance that comes to mind. And I remember watching the film, I remember watching the video of these users that were literally opening up PDFs in almost a third window, and then having to close that and go back. And one of the questions that we asked during the study was, if this were not a study, would you have continued to move forward in this experience? And 85%, 87% said, absolutely not. And it was actually interesting, because a vast majority of them, even in the study got to the point where we're like, okay, I'm done, I can't do this anymore.

And I'm curious, because y'all have seen really some rapid exponential growth here since launching Simplicity Mobile, literally 100% growth. What have been some of the early wins of financial brands who have adopted this type of thinking and this platform, integrating it into their mobile and digital experiences? What have been some of the early wins? And I want to touch on this, because I know a lot of times when you are a "first mover," you got to build the courage and confidence of others within the organization to go down this path. What have been some of the wins that they've experienced here?

Jordan Innes:

Just going back to the streamline, it makes the digital account opening process just very fast and easy. Granted, it might be based on the platform, their digital platform that they have for the application process. A lot of them that we have seen are done in real time, so that is always a factor in this, but it really streamlines the process. And we actually had one client that did a live demo in front of us, were done through the application process. Again, they had one of those digital platforms that did everything in real time, but just the ability to consolidate the documents, just have an accept button, really streamlines the process. But also, a lot of the financial institutions that we received feedback, there was an inconsistency or their online platform or online solution was not coherent with their in branch traditional banking solution.

And that's what we were also trying to solve for, is making it fit under a consistent banking umbrella. So, it's not almost like it's two different solutions, and you're not getting the same experience as a customer if you were to go in branch versus online. So, we really were able to leverage what customers or clients are using for their in branch for their online solution, and making it very highly configurable for them to do so.

James Robert Lay:

So, it sounds like there's an opportunity here to create value across different areas of the organization. There's value from a marketing, which I would look at as more of the experience piece of this. There's value from the sales side, where you're acquiring new accounts, deposits, and loans. And then there's also value from the compliance piece of this, because of course, we have to ensure that we are in compliance with the regulatory docs and the "legalese" side of things. What are some of the roadblocks that you hear or have heard that prevents financial brands from moving forward to reduce friction? What keeps them stuck in the status quo or trapped in what I call the cave of complacency? What prevents them from moving forward here?

Jordan Innes:

Yeah. Sometimes it just is that financial institutions have a lot of initiatives that they want to undertake for their roadmap items. So, we've seen that a lot where they get started on something and then

something else becomes a higher priority. Compliance Systems has really been able to have a unique close relationships with our partners in this digital banking platform, or even within their own banking industry. They might not always be aligned with the same objectives to bring their customers to the next level. So, I'd really say it's partnerships, but also just not being aligned and communicate well with your partners.

James Robert Lay:

Let's talk about that, that idea of alignment. And I know there's the third party piece of this with other platforms, other systems integrating within them. But I also want to come back internally, because it's almost like there's some ancient stoic wisdom that we can apply here. We can only control what we can control, and that's primarily the internal piece of the puzzle, the internal conversations that we have, the prioritization. What would you recommend to help teams that might not be aligned, get aligned? Because this is a truly a million dollar problem that has, for lack of a better word, a very simple solution to solve that problem, and literally create millions and millions and millions of dollars within the months and years to come. How can teams get aligned when they're not aligned?

Jordan Innes:

Yeah, you're right. I mean, this is a simple solution that I think we make a little more complicated than it needs to be. But really just asking, asking the questions from your partners, asking the questions from the customers. The feedback that we've received from both customers and institutions, that have made us the innovative company that we are, has really been in our benefit. So, asking those questions has really gone a long way. And again, just going back to the alignment to make sure you're all on the same page.

James Robert Lay:

I like that idea of asking questions, whether it be questions from internal team members, questions from third party solutions, or probably most importantly, questions from the marketplace, questions from account holders. And maybe even more importantly than that, questions from prospective account holders that have the potential to open an account, apply for a loan with you digitally, mobilely, because they have no brand affinity. And that's what we find when we conduct our secret shopping studies. It's those who are unaware of what a financial brand offers or even who a financial brand is that tend to speak the truth the most. And as I've shared many, many times before, all transformation begins by telling the truth, where you've been, where you're at, and where you could go next.

But I think when you ask questions, or when you ask a question, there's a great acronym that we can keep in the back of our minds here for the dear listener, there's nothing wrong with asking a question. It doesn't mean that you don't know something. When you ask a question, it means what? It means you're always seeking knowledge. And when we're always seeking knowledge, that is what's going to continue to empower us to grow from good to great, to be even better. As you look ahead towards the future, Jordan, when it comes to optimizing, improving, enhancing mobile experiences, digital experiences, what are you feeling most hopeful and excited about based upon all of the work that you are doing at Compliance Systems?

Jordan Innes:

I mean, we definitely live by the saying at Compliance Systems that if you haven't thought or implemented now, what is going to be relevant in two years, three years, five years, you're already behind. You're already not ahead of the game. So, we're really just going to capitalize on the innovations. And ask, back to my own knowledge, or my own statement of asking the questions and solutioning for

things that there are gaps in the industry. So, we definitely have initiatives and projects in the works that are going to close those gaps for both technology wise, but also compliance wise.

James Robert Lay:

It's a great point you make about, if you're not, number one, thinking about it, yet alone applying against all of the exponential changes that have happened, are happening, and will continue to happen at even greater speed, you're definitely lagging and falling behind, and that's a risk. And if you think about financial brands being risk adverse, this lack of adoption and forward momentum, this lack of movement is inherently risky behavior, and financial brands want to do everything to minimize risk. I'm curious for you, and this is more of just a personal perspective here, when it comes to just say dealing with all of the exponential changes that have happened, particularly over the past couple of years, are happening and will continue to happen, how are you managing all of that change in your mind? Because change can feel scary, can feel painful, it can feel confusing, but how are you managing all of the change in yourself in your own mind?

Jordan Innes:

Yeah, that's a great question. So, I am an attorney by trait, so we think a little differently than maybe the normal person. So, I guess just change, I'm able to think about it methodically and compartmentalize it, and just, I call it, put it into different buckets. So, you wear different hats or you have different buckets. And by able to categorize those things, you'll be able to keep everything in place, but also really be able to expand upon those.

James Robert Lay:

Let me ask, because you're bringing a very unique perspective from that lens of being an attorney and you talk about compartmentalizing here. If there are, I would call three buckets of change that we need to be aware of, changes in technology that drive changes in consumer behavior. And I would say it's the changes in consumer behavior that are driving changes in competitive threats. Technology, consumer behavior, and competition, which out of those three buckets, technology, consumer behavior, competition, would you say poses the greatest inherent risk for financial brands when it comes to "digital experiences?"

Jordan Innes:

I definitely think there's been a shift more towards asking what the consumer wants. So, I guess that becomes the biggest pitfall sometimes that I've seen. Technology is in place, whether you want to seek it out or not. It's definitely there. You bring up competition, which is a great point, because that's really what we've seen as far as the regulators and just banking industry in itself. They want to promote that competition for the users, but really the consumerness of this is where I would say that where we might be striving for a little bit more.

James Robert Lay:

You've mentioned this a couple times in our conversation about asking questions. And I've always said one of the greatest competitive advantage for financial brands is to get really good at asking really good questions. If there's questions that financial brands need to be thinking about as they look ahead to maximize their own future digital growth potential, to maximize their own digital and mobile experiences to reduce friction, what might be one or two questions that they need to be thinking about, they need to consider asking of either, A, themselves, or B, just going out into the market and asking their account holders or even people in the communities that they're serving. What might be two

questions, one or two questions that you could think of that would be really important to ask that put people at the center of all of their thinking and all of their doing?

Jordan Innes:

Yeah. I think it, first and foremost, comes down to just, what is your architecture internally first? Do you have these processes in place to really go from a traditional banking sense to a digital platform? Just ask internally first, is everything set up to really be able to exponentially on this trend? And then you can receive that feedback loop that I'm very fond of.

James Robert Lay:

I like the idea of the way that you frame that. Do we have what we need today, presently, in the present moment to exponential? That's a great word, to exponential our growth. And Dr. Benjamin Hardy, who's an organizational psychologist, he's writing another book right now with Dan Sullivan, who's heads up strategic coach. And it's an entrepreneurial program. But one of the perspectives that he's writing about in the book is why 10X is easier than going 2X. Because if we're going to 10X something to exponentially, to use your perspective here, it requires new ways of thinking, it requires new ways of doing. And to achieve new ways of thinking to achieve new ways of doing, we have to roll that back. What do we need? We need to see the world differently than how we saw that before.

And one of the best ways to see the world differently than how we saw it before is to come back to your recommendation of asking questions. Because it's by asking questions that we can help get outside of the bottle, that we can't see the label on the outside of the bottle, but the questions allow us, impower us to get outside of the bottle, walk around the bottle, see the label on the bottle, and just see things a little bit differently than how we saw them before. Because when you see things differently than how you saw them before, that then helps to transform our thinking, which transforms our beliefs, our behaviors, our actions, our habits, and our habits are what then lead to our predictable future. So, I like the way that you've framed all of this up from an exponential perspective, because as Peter Diamandis has written in his book, the future really is faster than you think.

So, let's slow things down because the future really is. It can feel faster than a lot of us think, but I want to get real practical. Jordan, what is one small next best step that you would recommend to the dear listener, to continue to optimize their digital and mobile experiences that would empower them to continue to maximize their future digital growth potential? What would that one small next best step be?

Jordan Innes:

Be innovative. The landscape out there, you brought up the best point, it is a shift of your mindset about thinking in the digital aspect. And at Compliance Systems, we've been fortunate enough to be innovative and solve for things that need to be solved for. I think that maybe that's actually my concept here is, do not solution for things that do not need to be solutioned for, but really make sure you're finding that niche, finding that gap, and solving for it.

James Robert Lay:

Be innovative. And I think practically applied, innovation comes back to the theme of our conversation today. Get really good at asking really good questions, because when you ask a question, what are you doing? You're always seeking knowledge. And when you put people at the center of your questions, their problems, their concerns, their hopes, their dreams, you're always seeking knowledge to improve their wellbeing. Which is the whole point of, I think, why so many of us do what we do in this financial services space. This has been a great conversation, Jordan. What is the best way for someone to reach out and say hello to continue the conversation that we started here today?

Jordan Innes:

Yeah. Definitely reach out to me on LinkedIn. I'd love to hear from your viewers.

James Robert Lay:

Good stuff, Jordan. Connect with Jordan, learn from Jordan, grow with Jordan. Jordan, until next time, and as always, be well, do good, and make your bed.