

Internet Banking Update

Do you have the right partner?

By Lisa Hochgraf

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Are we providing the best Web banking experience for our members?

This is a question many credit unions and other financial institutions are asking as they review their Internet banking offerings right now, according to Eric Weikart, senior director with CUES Supplier member [Cornerstone Advisors Inc.](#), Scottsdale, Ariz., CUES' partner in *CUES Technology Edge*.

“I think we have had a pause of 18 months to 2 years where we didn't make so many improvements [in our Internet banking offerings] as we should have,” Weikart told attendees of the June installment of the *Quarterly Slant* Webinar. As a result, many financial institutions are now re-examining their offerings and asking: “Do we have the right partner?”

During his presentation, Weikart discussed key players in the CU Internet banking arena. First, he discussed three “best of breed” solutions providers. Then, he described the Internet banking offerings of several credit union core systems providers.

Best of Breed

[Intuit Financial Services](#), formerly **Digital Insight**. Weikart called Digital Insight the “800-pound gorilla in the Internet banking space.” While the company's pricing has been high, according to Weikart, he said those costs are coming down. Intuit executives tell Weikart that they are positioning the company's Financesworks personal financial manager tool as a market leader. However, Weikart's take is “there's still some traction that we're waiting on” as the company develops a new user interface for its offering and moves its data

center.

Q2. Weikart said Q2 has traditionally served banks, but it is starting to serve CUs as it gains market share. He noted that the company has a solution for small business users in addition to its retail product. “I can look at retail and business accounts all in one place,” he said approvingly. Earlier this year, Q2 acquired PM Systems to boost its credit union presence.

Online Resources Corp. This company has recently signed some big CUs, giving them momentum in the large CU space, Weikart said. Online Resources has a pretty good payments network and has done a pretty good job of developing its own mobile and online account opening products, he noted. The company is working on user entitlements and chat. Weikart expects chat will be a good market differentiator.

The Core Five

Harland (Cavion). Weikart noted that most users have moved from the UltraAccess product onto Cavion and that Harland is working on a personal financial manager tool, as well as SMS messaging and chat functionality.

FIS. Consumer eBanking (gained from FIS’ Metavante acquisition) will be the main large credit union product going forward, according to Weikart; the legacy Certegy product will sunset in the long term. FIS is working on tighter integration of its Internet banking product with its core system offering, he said.

Fiserv. “Corillian is going to be the future of Fiserv Internet banking,” Weikart asserted, “and products like PCU/Virtuoso will be offered only in the short term.” Like FIS, Fiserv is working on tighter integration of its Internet banking and core offerings.

Open Solutions. Weikart said Open Solutions often pushes its larger credit union clients to best-of-breed solution providers, such as Intuit Financial Services, above. However, coming out by 2012 is Open Solutions’ DNAweb, a new

Internet banking product that promises especially tight integration with the Open Solutions core system.

[Jack Henry](#). Jack Henry is pushing new clients toward its NetTeller product; however, a lot of Symitar users are out there using Member Connect, Weikart said. “You’ll see less and less investment in Member Connect,” he predicted. While Jack Henry likely won’t force CUs to move over to NetTeller anytime soon, “you’re going to see advantage for moving over,” Weikart added.

Which Internet banking provider is going to stand out in the end? Weikart said most users choose core add-on products for price rather than for great features.

“I think the core providers are never going to get to the functionality,” Weikart said. “At the end of the day, best-of-breed providers like DI and Q2 are going to be around for the foreseeable future.”

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