


# The MX<sup>®</sup> Business Case



A close-up, side-profile shot of a young woman with vibrant red hair tied back, looking down at a smartphone held in her hands. She has a slight smile and her eyes are closed or looking intently at the screen. She is wearing a dark jacket over a white shirt. The background is a soft, out-of-focus outdoor setting with warm, golden light. The text is overlaid on the right side of the image.

“MX was the number one candidate by a long shot in all the areas we looked at. It was not a tough choice once we gathered all the information.”

- Caroline Philpott, Sr. Director,  
Product Development at Visa Inc.



# MX Highlights:

- \$70 million in total funding, Series A led by USAA
- 1,800+ signed client institutions
- Market's best data categorization by 30 percentage points, as measured by a top 50 FI

MX enables you to win the loyalty of the industry's most profitable users through the power of data.

**We offer four key solutions — all of which center around data.**





If you don't have access to your data, you can't be sure whether you're attracting super-profitable or unprofitable users.

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# 1. Collect the data

In the era of advanced analytics, you're powerless without data — primarily because you have no idea how to attract the most profitable users in the industry.

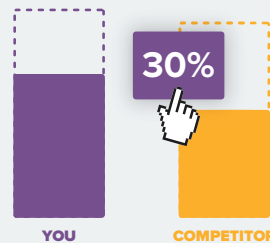
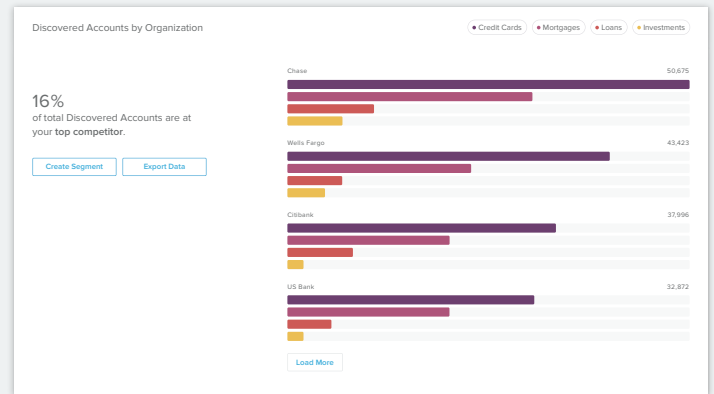
StrategyCorps analyzed over 2 million accounts at 100 financial institutions and pinned an average dollar amount to three core segments: super-profitable, profitable, and unprofitable.<sup>1</sup> They found that super-profitable account holders consist of roughly 10% of all account holders but provide 67% of total relationship dollars, while unprofitable account holders consist of roughly 40% and provide 1.4% of total relationship dollars.

If you don't have access to your data, you can't be sure whether you're attracting super-profitable or unprofitable users. With patented multi-sourced aggregation from MX, you have access to a wide range of account data — enabling you to see exactly which of your account holders are super-profitable and win their full loyalty.

## MX Products that Collect Data

### Discovered Accounts™

Discovered Accounts converts your internal data into profit, enabling you to see which of your users also do business with your competitors. To illustrate, we've helped a client with more than \$15 billion of assets under management discover that \$571,679,462 left their institution to competitors during a single month. This client now sees exactly where this money is going and creates counter offers that win the full loyalty of these users.



The equivalent of

# 30%

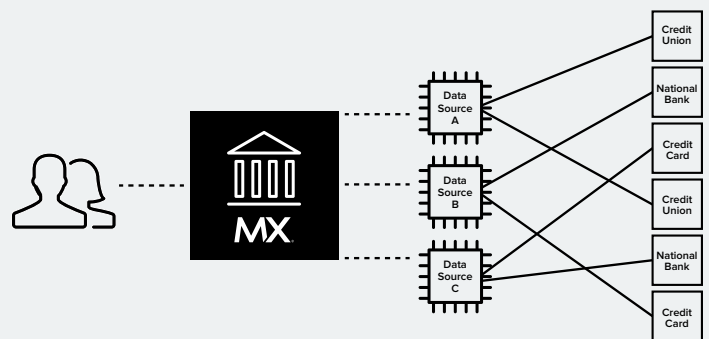
of your assets under management could be leaving your institution to your competitors.

**MX can tell you how much AND to whom.**

Discovered Accounts shows you how much money is leaving your institution to your competitors.

### Hydra™

Hydra, the multi-sourced aggregation router from MX, ensures that users have reliable, real-time account information despite failed connections that hinder other providers. Stable connections incentivize users to stick with the product, creating a reason for them to stick with your company.



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## 2. Enrich the data

IBM estimates that bad data costs the US economy \$3.1 trillion annually.<sup>2</sup> The costs stem from poor decisions based on incorrect data, hiring employees to retroactively fix data inconsistencies, debating which version of the data is most accurate, and much more.



MX categorizes transactions a full **30 percentage points higher** than the closest competitor

MX enriches all transaction data with the greatest accuracy on the market. As proof, a top 50 institution ran 5 million transactions through their system and found that MX categorizes transactions a full 30 percentage points higher than the closest competitor.

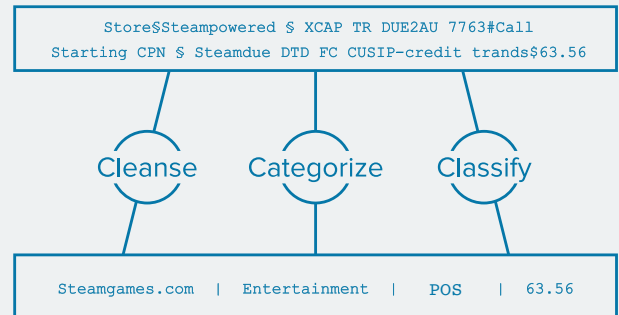
When you have enriched data you lay the groundwork for a wide range of benefits. You can know which of your users have accounts with competitors. You can save money by not clogging up call centers with questions about what an indecipherable transaction feed means. You can use the enriched data to create hyper-personalized offers. These things and so much more depend entirely on enriched data.

## MX Products that Enrich Data

### Transaction Cleansing, Categorizing, and Classifying

MX cleanses, categorizes, and classifies all transaction data — dramatically improving the user experience.

With clean transaction data, call centers no longer have to spend time deciphering garbled transaction feeds for confused users, saving money on the backend. With categorized transaction data, MX clients help their users become financially strong, building long-term user loyalty. Finally, with classified transaction data, MX clients see whether a transaction is a direct deposit, bill pay, POS, and more.



In this example, MX cleanses the name to "Seamgames.com," categorizes the type to "Entertainment," and classifies the transaction as "Point of Sale."

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## 3. Present the data

Over the past decade, investors across the globe have poured tens of billions of dollars into fintech companies, amplifying competition across the entire industry.



It means that if  
you aren't ahead  
of the game,  
competitors like  
Mint.com will erode  
your market share.  
It's as simple as that.

For example, users can sign up at Mint.com to see all their finances in one place so they no longer need to sign into their primary online banking portal. These users can even pay their bills and get loans directly through Mint.com.

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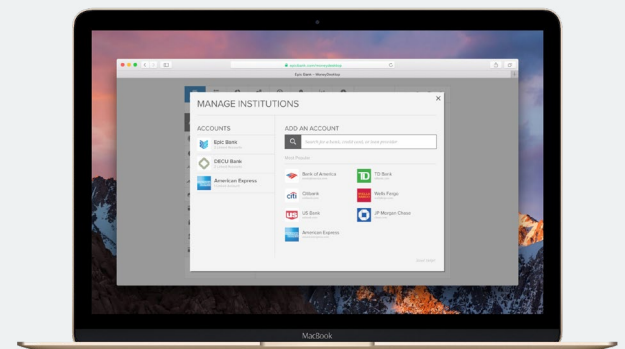
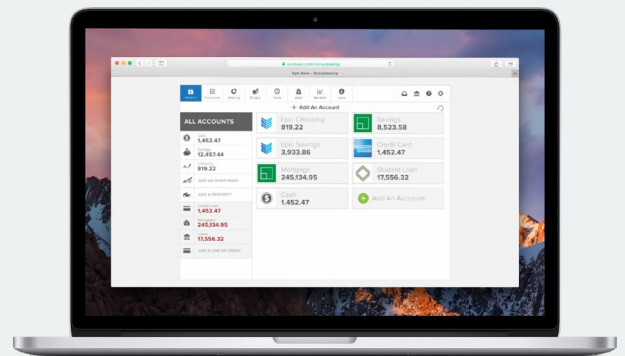
By contrast, MX enables you to be the primary financial hub. This way your users sign into your portal to see all their accounts in one place and you remain top of wallet.



## MX Products that Present Data

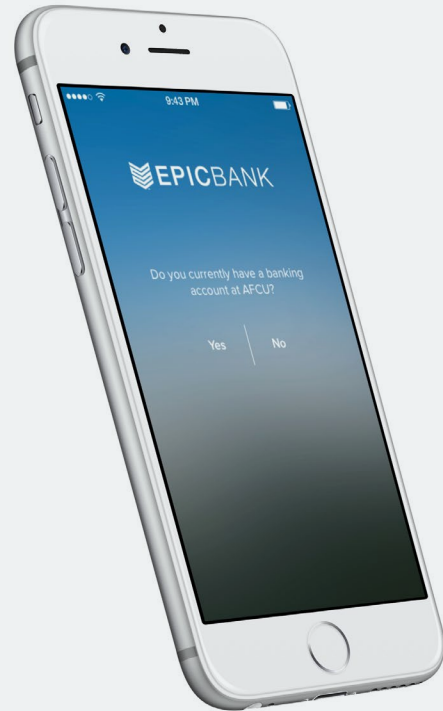
**Data-driven Money Management (DMM)** brings *terrific* returns, as proven below:

- Industry estimates find that attrition among active DMM users is 33% to 50% lower<sup>3,4</sup> than average account holders. In light of this, if a financial institution with 200,000 DMM users retains just 1% more than they otherwise would, they would save \$440,000 to \$884,000 in avoided acquisition costs alone.
- According to Javelin Research, DMM users are 18 percent wealthier than non-users. They also have “relationships with more FIs and manage more accounts” and are more likely to own every major financial product, including savings accounts, retirement accounts, mortgages, and car loans. Finally, they’re also “more likely than non-users to charge purchases to a credit card (52% vs. 36%), swipe a debit card (46% vs. 24%), or pay with a prepaid or payroll card (10% vs. 4%).”
- In addition, an MX client has found that users of DMM saved 20% more than non-DMM users over a four-month period. This increase in savings means more capital on hand for the financial institution and better financial health for the end user.



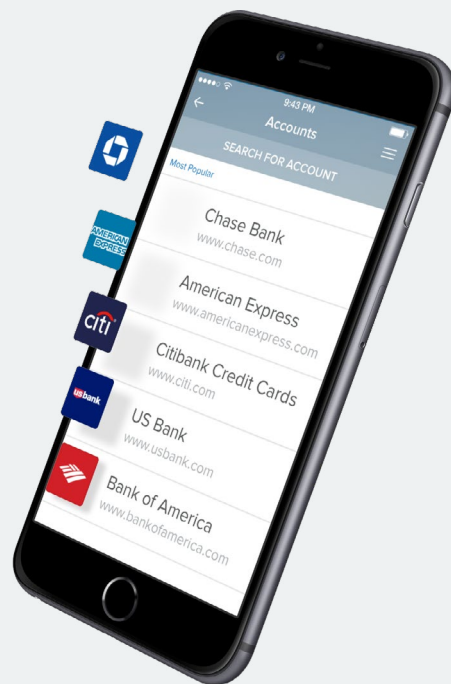
## WideNet™

WideNet enables you to offer data-driven money management to potential account holders (i.e., non-customers and non-members). Users can see all their accounts and transactions in your app before they ever open an account with you, simplifying the user acquisition process and bringing you long-term loyalty. This way you lower the barrier to entry for new users and reap the same benefits mentioned above for DMM.



## The Atrium and Nexus™ APIs

These APIs allow fintech companies and financial institutions respectively to pick and choose which DMM features they'd like to integrate directly into their current offerings or use to create entirely new offerings — all with the data and algorithms of MX working behind the scenes.



## Helios™

The Helios cross-platform framework gives MX clients the ability to offer data-driven money management across a range of platforms and device types — all built from a single C++ codebase. This dramatically lowers maintenance costs and powers agile development (in addition to all the benefits of data-driven money management listed above).

**When BECU implemented Helios they saw the following gains within 18 months:**

- 99% increase in mobile users
- 170% increase in bill pay
- 213% increase in users aggregating external accounts
- 180% increase in external accounts
- 22% increase in check deposits
- 56% increase in transfers

BECU won the #1 spot on MagnifyMoney's "most improved" app list as measured by user ratings after they implemented Helios.

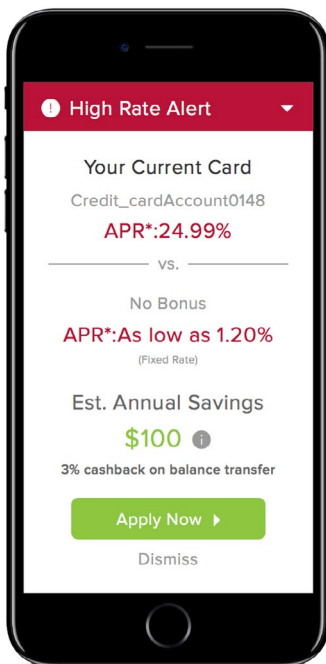


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## 4. Act on the data



“You can set up hyper-personalized offers in less than 5 minutes — all without the help of IT.”



In addition to the returns that come from presenting data, MX clients also reap rewards from acting on data. With MX you can set up hyper-personalized offers in less than 5 minutes — all without the help of IT.

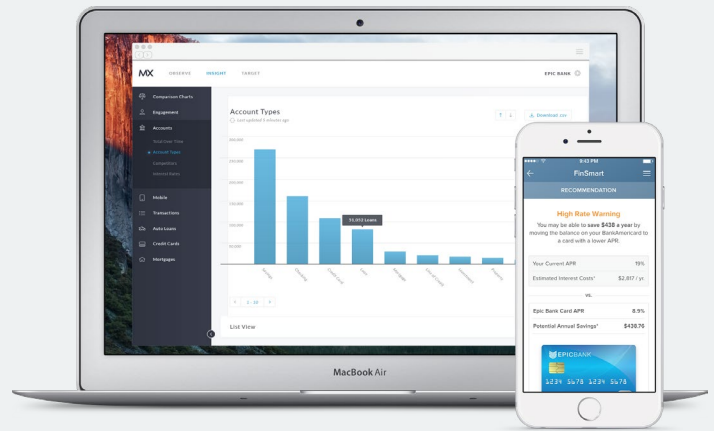
To illustrate how this works, let's look at a single campaign that one of our clients ran using MX FinSmart technology. This client targeted account holders with an offer to switch their credit cards from a higher interest rate with a competitor to a lower one with them. The offer saw a 6% click-through rate and \$3,307 in average balances transferred per user. In addition, based on finance charges, balances, and interest rates (which averaged 22% on the old card and 10% on the new one), these users are now set to save \$408 a year as a result of the transfer. It's a situation that not only drove balances to the institution but also helped these users become financially strong in the process.

This ability to effortlessly act on enriched data is the cornerstone of getting a solid ROI in the age of advanced analytics.

## MX Products that Act on Data

### Insight & Target™

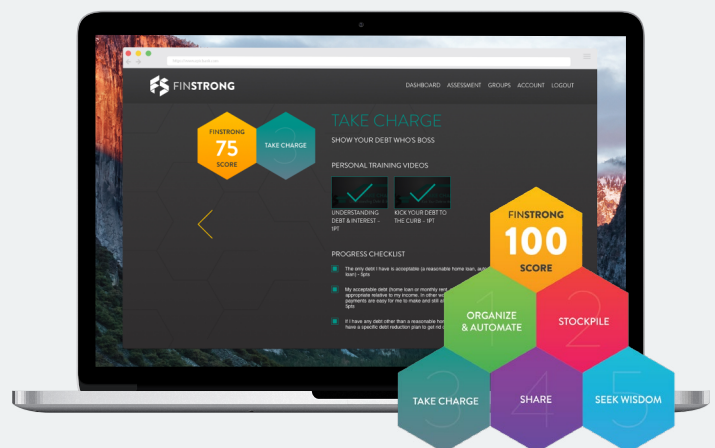
Insight & Target has frequently given MX clients click-through rates of 25% when implementing hyper-personalized offers. One client offered to add users to a drawing for an iPad when they added an external account to DMM, resulting in a 49% click-through rate. This shows how powerful the right message is at the right time.



Insight & Target lets you analyze data and immediately create offers based on that data.

### FinStrong™

FinStrong is a financial wellness course that changes the trajectory of your account holders' lives. Through a series of videos and interactive content, FinStrong lifts users to the next level financially. Best of all, your brand gets all the credit.



FinStrong educates your users about financial wellness.



“At the end of the day we landed with MX because we felt their experience and back-end technology were bar none above other solutions.”

- Howie Wu, VP of Virtual Banking at BECU



# Conclusion

Taken together, MX enables you to collect, enrich, present, and act on data. These four steps are the key to outsmarting today's competition. By staying ahead of the competition, you pay the way for enormous gains for decades to come. After all, the importance of data is not going away. In fact, data will only become more essential as time goes on.

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If you're interested in learning more about MX visit [mx.com](https://mx.com) or contact us at **801.669.5500**. Thanks for reading!

## Works Cited

1. BankDirector.com, "The Profitability of the Average Checking Account"
2. Harvard Business Review, "Bad Data Costs the U.S. \$3 Trillion Per Year"
3. Forrester Research "Justify Investment in Digital Money Management"
4. Cisco "The Next Growth Opportunity for Banks"

**MX**  
mx.com

