

CASE STUDY

Simmons Bank is Blazing a Trail with the Banno Digital ToolkitSM



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– ALEX CARRILES | CHIEF DIGITAL OFFICER AND EXECUTIVE VICE PRESIDENT, SIMMONS BANK

Alex Carriles is Chief Digital Officer and Executive Vice President of Simmons Bank. Throughout his career, he has seen different approaches to adding new capabilities to a bank’s digital systems. In one bank, for example, they built all-new solutions themselves. He’s also seen the complete opposite – buying everything off the shelf.

“Building everything in-house is a ridiculous amount of work,” said Carriles. On the other hand, he found that prebuilt solutions were often not an exact fit for the institution’s needs. They might work for some customers but not others. And, as for the customers, “They don’t care what happens behind the scenes – they just want to see all their accounts together and manage them,” Alex said.

Today, Simmons Bank is satisfying those accountholders by taking a path between the two extremes. That middle ground is open banking. With Jack Henry’s Banno Digital Toolkit, the bank can embed third-party products, easily design and build new features, and achieve integration between applications and the processing core. It enables Simmons to bring various capabilities into a single sign-on digital banking platform using industry-standard programming tools.

The Toolkit is a versatile, modular set of tools that institutions can use to drive innovation. It includes the publicly available API that Banno applications are built on, along with other instruments to help custom-build solutions.

Enhanced Credit Card Management

One issue Simmons Bank wanted to address was its credit card customers needed to use a second banking app to obtain information about their transactions and limits. Because their card program was not from Jack Henry, it was not available on the bank's Banno digital banking app. "That was a big disconnect for customers," said Carriles. "They want to manage their finances in one app."

The first thing Carriles' team set out to do was make it possible to see credit card activity on the Simmons Banno banking app. Using the Toolkit and jXchange™ (a Jack Henry connectivity solution), they created data exchange capabilities between Banno and the third-party credit card service and successfully displayed the card data on Banno's app.

Using the same tools, Simmons then built the ability to pay credit card bills from the Banno app. Not only could customers pay their bills, but those payments could be credited immediately if payment is made from a Simmons checking account. There was no 48-hour waiting period and the customer was "open to buy" immediately after the bill was paid. If, for example, a customer is at their credit limit – they can make a payment on their card bill while standing in line at a grocery checkout, and by the time they get to the payment terminal, the account is already cleared for use.

"It all happens seamlessly for the customer," Carriles said. He added that the bank is getting positive customer feedback on the new capability. "People began using it right away," he said. "It's been extremely successful regarding the volume of card payments."

This ability to make payments that are immediately recognized has an added benefit. It serves as an incentive to create checking accounts. If Simmons Bank credit card customers do not have a checking account, they are motivated to get one when they see there's an option to immediately pay down a credit bill and use the card. Since 2019, Simmons notes a 26% decrease in the number of branches as part of its branch rationalization initiative, which is partially attributed to the fact that accountholders can complete more tasks on their mobile device.

A Mobile Deposit Victory

The bank's next accomplishment involved improvements to mobile deposits. Carriles' team used in-house development, Banno API integration, and some custom code for the achievement. "We now run a scoring algorithm for each customer to determine eligibility for mobile deposit and what their limits should be," Carriles explains. "This information is automatically sent to the iPay mobile deposit app for each customer. We score them every single day."

If a customer does not maintain responsible behavior, the limit is automatically reduced or canceled. If they show a good relationship with the bank, the limits are increased. The holds or credits are applied in real-time.

The result was amazing. Carriles said some customers saw their deposit limits increase by 20 times. "In the first year, we tripled the dollar volume of mobile deposits," he said. "In fact, Simmons has seen a 32% growth in mobile deposit accounts and a 59% increase in mobile deposit dollars from Q3 of 2020 to Q3 of 2021." Rather than increase risk, the enhancement has had the opposite effect.

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INSTITUTION

Simmons Bank

WEBSITEwww.simmonsbank.com**ASSETS**

\$23.2 billion

FOUNDED

1903

“Our mobile deposit losses have dropped basically to zero,” Carriles said. “To increase mobile deposit volume, increase limits, and reduce the losses is the trifecta! We achieved something that seemed almost impossible. It’s really hard to do, and we couldn’t do it without real-time integration.”

A Wide-Open Future

Following these successes, Simmons Bank is in the process of creating more enhancements to benefit accountholders. They are considering new features for business customers and investors. “The Toolkit opens the door for us to do more things,” Carriles explains. “Now we’re looking at other fintech integrations that might be good for customers. We are not concerned about whether we can add more solutions. We know we can. All we need is the Toolkit.”

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The Multiple Ways Simmons Bank Has Used Toolkit

What	How
See credit card activity on the Simmons Banno banking app	Using the Toolkit and jXchange™ (a Jack Henry connectivity solution), they created data exchange capabilities between Banno and the third-party credit card service and successfully displayed the card data on Banno’s app.
Pay credit card bills from the Banno app	Using Toolkit and jXchange™, Simmons built the ability to pay credit card bills from the Banno app.
Make improvements to mobile deposits	Using in-house development, Banno API integration, and some custom code for the achievement.

To learn more about Jack Henry Digital, visit jackhenrydigital.com, or email us at digitalexperience@jackhenry.com.