

4 personal finance technology trends for 2012

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If you're one of the holdouts still paying bills with checks, tracking your accounts with pen and paper or clipping coupons from the newspaper, 2012 could be the year you take the digital plunge.

A host of budding personal finance services and applications are poised to go mainstream in the new year, and together, they will likely have a big impact on the way Americans bank, shop, and track their finances. Some of the services are web-based, but many take advantage of the proliferation of smartphones, which are now carried by one-third of U.S. adults — with more likely to join that crowd in the next few days after receiving the gadgets as holiday gifts.

Whether online or mobile, here are some personal finance technologies to watch in 2012:

— Mobile money

The September launch of Google Wallet was just one high-profile move toward the use of smartphones for payments, replacing credit or debit cards. The technology allows users to wave their phones in front of payment terminals and have transactions deducted from linked bank accounts or credit cards. Expect more options for electronic payments from mobile service providers and card networks next year, and wider adoption of the terminals by retailers, mass transit systems and more.

Another innovation that is already being heavily promoted is person-to-person payments. American Express Co., MasterCard Inc., Visa Inc. and PayPal all offer ways for their customers to send and receive money using links to various accounts and cards. As the TV commercials depict, if this technology takes off there will be no more fumbling for cash when it's time to split the check at a restaurant, and sending money across town or across borders will be easier, faster and less expensive.

— Non-bank money management

Mint.com, the popular personal finance site, was only the beginning. A raft of new money management tools are now available that can help users keep track of bills, investments and other aspects of their financial lives.

Among the standouts is Manilla.com, which not only pulls together household bills and financial accounts, but also helps users keep track of details like travel rewards points and magazine subscriptions. The service provides reminders for when bills are due and has features that make it easy to pay bills or set up auto payments. Since the company's goal is to help its customers eliminate paper clutter, there's

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even a way to store electronic account statements. And it has a smartphone app for accessing all these functions on the go.

Other non-bank options include Pageonce, an app that automatically tracks bills and enables users to make payments on their phone; savvymoney.com, a site that offers debt-management help; and Betterment.com, a site designed to simplify investing.

— Targeted deals

The combination of geo-location technology that can track your movements when you're carrying your smartphone, and QR codes, those weird squares appearing more and more often in advertising, is enabling companies to offer personalized discounts and on-the-spot deals to customers willing to opt into their programs.

Mall shoppers have already started getting texts and emails designed to lure them into certain stores, and the technology can also be used to encourage customers to enter contests, demonstrate new apps or products and even contact customer service.

— Social commerce

Javelin Strategy & Research, a financial services research firm, is using this term to identify the trend toward the combination of commerce and social networking on sites like Facebook, LinkedIn and Twitter.

While these sites are moving toward making it easier to shop without navigating toward a link, that's just one step toward social commerce.

The concept of financial social networking is also being expanded by companies like Weemba.com, whose site allows individuals to search for a loan by posting nontraditional details like a description of the need for the money — debt consolidation, a mortgage refinance, or a kitchen makeover complete with the designer's plans, for instance. The details posted add depth to the usual credit score and financial information that banks and other funders may review, and the site opens the lending request to a wider audience.

Other examples of the use or concept of social networking include Kickstarter.com, where creative types can seek funding for their artistic endeavors and those willing to provide seed money can choose to provide all or part of the needed funds to get the project off the ground.

Saveup.com is a game aimed at helping individuals pay down debt and build savings, and Bundle.com uses data tracking and spending information to produce lists of popular restaurants and stores in selected cities, helping users find the right spot at the right price.

Banks are also experimenting with ways to make use of social networking to interact with customers, with some success. Even Bank of America Corp., a

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recurring target for gripes large and small about the financial system this year, has nearly 365,000 "likes" on its official Facebook page, which it uses for efforts like supporting community causes and advertising opportunities like its Student Leader program, which offers paid internships to high schoolers who work at charitable organizations.

Customers can expect more on these fronts from startups and big financial institutions in the next 12 months.

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