

## TECHNOLOGICALLY SPEAKING

by [Steve Brown](#)

In case you missed it, there is an updated technology out there that might make us all think we are hearing voices. Created as a "cylinder of sound," the technology uses beams of focused ultrasound waves targeted at people as they cross through one "cylinder of sound" (i.e. area) and into the next one. The concept is similar to walking into and out of the light of a series of focused spotlights.

We bring this to your attention because it is just starting to roll out in banks and with all technology advances; we try to keep you in the loop before they become widespread.

In short, the technology allows a bank to specifically broadcast narration that only one customer at a time can hear and only as long as they are within the projected sound area. As customers move around the lobby or stand in front of video screens, narrators invite them to ask tellers for information on the new checking package being featured in the video.

If you are still confused about exactly what we mean, recall the last museum you visited. Similar devices were probably installed above each artifact, telling you what you are looking at and describing it in detail. Meanwhile, others that had not yet reached your artifact heard nothing. Unless someone stands within the same cylinder of sound, they will hear nothing. The technology is pretty nifty, we hear speakers are only half an inch thick and that prices have fallen to as low as \$600. Not bad for a targeted sales pitch on a specific product.

Another relatively new technology that large banks are using (and sort of shifts into the Orwellian realm of Big Brother) comes from the robotics field and ties in nicely to queuing theory. This technology uses cameras installed all over the branch to monitor customer movement. These are not security cameras, but rather are designed to track customer movements from the moment someone comes in through the door, wanders around the lobby, conducts their business and then heads back out the door.

Collected data is processed to determine the best place to place brochures, video screens, what kind of ads customers will watch, how long each video should run, how many people eat cookies and much more. The goal of all of this data collection is not only to increase profits, but to capture more customers, better target scarce resources and make the branch visit as pleasant as possible for the customer. At a minimum, banks using this technology report increased efficiencies.

Finally, some bankers are experimenting with wireless devices for branch personnel. These devices allow employees to get out from behind their desks and wander straight out to visit customers. Carrying what appears to be a cross between the Hertz car drop off device and an iPhone, bank employees can be seen as more helpful. In so doing, they can greet and guide customers all over the branch without missing a beat. The technology can help bankers get more productivity from employees, improve customer response and create more of a personal feel for customers (something customers say they really appreciate in a bank).

It may still be too early for your bank to go on a shopping spree and buy any of these new technology options, but hopefully it is nice to know where things seem to be going over the longer-run.

# BANK NEWS

## **Rules**

The FDIC has issued a rule requiring banks with over \$2B in deposits and assets totaling \$20B (and those with 250k or > account holders) to improve technology used to track customer records. The FDIC is requiring these banks to have the ability to easily identify insured deposits from uninsured, while providing for timely payouts in the event of bank failure.

## **Premiums**

On Friday, Shelia Bair said the FDIC will raise premiums it charges to banks holding brokered deposits, citing the seizure of IndyMac as a driving factor.

## **Debit Cards**

The higher the income, the more likely a bank customer is to have a debit card, according to a new study.

## **Security Confidence**

A new survey finds 92% of U.S. consumers consider their personal data insufficiently protected by banks, the government and retailers. Other analysis finds computer virus threats have decreased 11% from last year, while internal breaches have climbed 40% in the past 2Ys.

## **Credit Cards**

Consumers under the subprime category account for a growing proportion of new credit card applications. The number of consumers with a FICO 660 and below applying for credit cards has increased by nearly a third from last year. Inversely, those with scores above 660 applying have decreased by 16%.

## **Small Business Stress**

A new study finds small business credit card borrowing is 250% higher now than it was at the same time last year. Experts say these businesses are having a difficult time making ends meet given the extreme economic environment. Interestingly, nearly 44% of small businesses use credit cards for financing, the most of any single source.

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