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## KeyCorp buys HelloWallet from Morningstar

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By Editorial Staff      Thu, Jul 6, 2017

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KeyCorp has completed its purchase of HelloWallet, the personal finance software platform, from Morningstar, Inc. The service will be offered to businesses that offer their employees [Key@Work](#), the bank's workplace "financial wellness" program.

The deal made sense: KeyCorp had been HelloWallet's largest single biggest customer and the robo-advice platform's largest source of new customers, according to a release issued when the sale was announced on May 31.

The \$134.5 billion bank holding company may be the first bank to move into the financial wellness space, which has been dominated by retirement companies. Financial terms of the transaction were not disclosed. Three dozen HelloWallet employees will join KeyCorp, which is based in Cleveland, Ohio.

Recent research by Cerulli Associates stated that banks "often fail to capitalize on becoming the provider of choice as investor wealth increases," even though they have "the distinct advantage of being among many investors' initial financial services providers."

By offering financial wellness to its business clients, KeyCorp appears to be trying to exploit that advantage in order to compete with non-bank financial services firms.

"The HelloWallet platform provides clients with tools that can help them make more confident financial decisions. The platform provides KeyBank with a deep understanding of each individual client's financial circumstances and goals that drive every interaction with clients," KeyCorp said in a release last week.

The KeyBank-HelloWallet relationship began more than two years ago. Its roots can be traced to an October 2013 survey by KeyBank of more than 1,800 bank clients and others about their financial goals. More than 70% said they were not confident about planning for the future. The results were similar to HelloWallet's proprietary research.

Joining forces, the two firms created a plan to:

- Conduct further research across diverse segments to learn what drives KeyBank clients' financial health and financial confidence, with a focus on evaluating financial outcomes and reported confidence levels.
- Offer KeyBank clients HelloWallet's 3 Minute Financial Plan, a program for delivering quick, unbiased financial insight and guidance, such as how much money to keep on hand for emergencies.
- Use HelloWallet's mobile and web-based applications to provide KeyBank clients with independent financial guidance—including a financial wellness score—and personalized budgeting and spending

tools.

“The decision to sell HelloWallet aligns with both Morningstar’s and KeyBank’s long-term strategy,” said Brock Johnson, who heads up Morningstar’s global retirement and workplace business, in the May 31 release.

Morningstar has significantly enhanced its overall capability set since the acquisition of HelloWallet more than three years ago and we will continue to incorporate many of the financial wellness best practices into our broad-based solutions.

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