



## Google And Business Owners Stride

by [Steve Brown](#) Topics: [business customers](#), [competition](#)

**Summary:** Google recently launched a program for small businesses called Stride. Are they trying to grab your customers?

Scientific American reported on some of the things that people don't know about themselves. For example, the way you view yourself is distorted, but you don't realize it. Also, your motives are often a mystery to you, and you often think you are better at something than you are. As you think about that this morning, we give you something else to think about too.

Companies like Amazon, Square and PayPal have rolled out a variety of merchant services, but the overall effect on community financial institutions is not totally apparent yet.

That may soon change, as a new initiative from Google is building relationships the way local bankers do--engaging small business owners one-on-one.

Last month, Google engineers reached out to Portland businesses on foot, not electronically. They talked directly with entrepreneurs and small business owners and offered up a service called Stride. Stride is a digital forum that allows business owners to share advice, support and recommendations. Interestingly though, the website contains no Google branding.

Google chose to launch solely in Portland due to its high rates of entrepreneurship and community support for small businesses. Despite its reputation for mining data, the engineers say they are only focused on learning what small business owners need and don't need. This approach sounds straight out of a community financial institution's playbook, which is why we surface it today.

Stride is Google's second attempt this year to launch a digital network that focuses on one geographic area. Some speculate this data will allow Google to offer "hyper-local" ads based on real-time situations and current locations. The increased precision and cost savings could be a welcome solution for small business owners and further deepen the relationship between the two. Should Google choose to capitalize on its growing goodwill, some foresee financial products becoming part of the services they provide, so you should know.

Whether Google can manage to turn these hyperlocal experiments into a competitive advantage remains to be seen. In the meantime, now may be a good time to reevaluate some of your institution's efforts to scale up a digital network or provide additional value to your business customers. While Google can enter local markets in many ways, community financial institutions can compete by utilizing the wealth of experience you have.

When looking at a product like Stride, you may wonder if it would be worthwhile to create a similar online service. We think that might not make sense, because after all, Google has billions to spend and you only have thousands perhaps. Creating a digital platform is expensive, talent is scarce and you are up against the best of the best digitally speaking, at least.

One thing you can do quickly though is to perhaps add a section to your website with advice from community leaders. Either way, remember to ask your customers what they want, so things don't get too distorted for your team too quickly.

# ECONOMY & RATES

Rates As Of: 11/25/2019 09:34PM (PST)

Treasury	Yields	MTD Chg	YTD Chg
3M	1.57	0.04	-0.79
6M	1.60	0.05	-0.88
1Y	1.55	0.06	-1.04
2Y	1.60	0.08	-0.89
5Y	1.62	0.10	-0.90
10Y	1.76	0.07	-0.92
30Y	2.20	0.03	-0.81
FF Market	FF Target	Fed Disc	
1.55	1.75	2.25	
SOFR	Prime	Unemp	
1.58	4.75	3.60	

[More Market Rates](#)

## BANK NEWS

### M&A

**1)** United Bank (\$20B, WV) will acquire CresCom Bank (\$4.0B, SC) for \$1.1B in stock (100%) or 2.07x tangible book.

### Digital Preference

An ABA banking customer survey finds: 73% of Americans use digital banking as their primary channel to reach their bank, with 37% doing so online and 36% mobile; 17% through branches; 6% using ATMs; 3% by phone and 1% via mail.

### Biz Clients

Community financial institutions should take note and think about the impact to small business clients related to the large ramp up in flying drones that deliver packages. Firms like Amazon, Uber, UPS and Wing, all have flying drone testing happening right now with full use rollouts coming soon (UPS is the first company to go live with FAA approved delivery). The FAA projects drone sales for commercial purposes will increase 4x from 110k units 2Ys ago to 450k by 2022.

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