

A Lightning Round on Valley Bank: Four Questions in Three Minutes

Article

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Stuart Cook is the chief digital product officer at New Jersey-based [Valley Bank](#), a regional bank that's a subsidiary of Valley National Bancorp. The 95-year-old bank holds

approximately \$50 billion in assets and has more than 200 locations throughout New York, New Jersey, Florida and Alabama.

Insider Intelligence recently engaged Cook in a lightning round of questions about how Valley is managing its digital evolution and the drivers behind its growth, including banking as a service and its recent specialization in cannabis banking.

The following has been edited for clarity and brevity.

Insider Intelligence (II): What digital engagement trends do you think will have the largest impact on banking?

Stuart Cook (SC): For me, it's the shift from focusing on customer *retention* to focusing on customer *attention*.

What's also fascinating is the **shift from homogenized commodity products to customized, personalized products**. I really think that's a big challenge and it's going to have a large impact on banking.

II: How will Valley Bank evolve to take advantage of those trends?

SC: We've focused on **building out our digital capabilities to manage the life cycle of our customers**. That means being able to provide the right products and services at the right time and to drive the right level of customer attention.

We've also been developing **banking as a service (BaaS) capabilities for the niche banking segments that we're in**. We're really excited about that as an opportunity, too.

II: Is your primary audience for Valley Bank different from your traditional Valley Bank customer profile? How so?

SC: Starting with during the pandemic, we've seen a **big shift around digital adoption from our retail customers**. That's given us cause to think about the opportunity to combine our digital and physical propositions to create a unique relationship-banking proposition.

We've been a traditional commercial real estate bank, but we're also beginning to develop exciting large opportunities around niche banking segments. **Cannabis banking is one example. We're one of the largest nationally chartered banks currently serving that segment.**

II: With very low entry barriers to launch digital banks, and potential future disruptors like super apps, how do you think banks will adjust?

SC: For me, it's really about cultural transformation. A lot of regional banks are thinking about digital transformation and clearly, we need to address legacy technology in banking. But really the opportunity is to change the ways that we work, the ways that we fund that work, and speed to market. And **that largely is more about a cultural transformation than it is about a new IT architecture.**