No Data but not Dated: Why Pre-Digital Bank Marketing Methods Still Work

Excerpted from BAI Banking Strategies, featuring Mark Gibson (508-322-8146)

Faster than you can say “analytics,” bank marketers have gone gaga for data.

And next to all that data, marketers have ... TV. Radio. Outdoor billboards. Newspaper ads? And—gasp!—direct mail, which isn’t even email. Should we shunt these all aside? Sounds tempting, doesn’t it?

“We see trends publicized in the media about digital marketing and personalization and, while they’re important, I feel that they’re overblown,” says Mark Gibson, former Chief Marketing Officer of Rockland Trust and a senior consulting associate for Capital Performance Group. “What’s lost is that a lot of traditional media still has tremendous value.”

Swept up in the fervor over digital, data-oriented marketing, “a lot of our bank clients stop doing things that are working in traditional media,” Gibson says. “They move their marketing money into digital and then see a reduction in effectiveness.”

Digital downsides

Lost in a cacophony of messages, digital media often fails to generate brand awareness, consideration or emotional bonds—or differentiate companies, Gibson argues. “TV, radio, billboards and magazines are generally better able to disrupt brainwaves” and build brands by connecting with consumers emotionally.

So while data can identify needs and make suggestions it can’t convey the sounds and images of, say, a child’s laughter, happy family or shiny new car with quite the same heft.

Newspaper ads and billboards still have value because says Maureen Farrell Burns, a digital marketing expert and partner at Bain & Co., “There’s still a need for banks to create that perceptual awareness. Banking is unique in this way, in that people like to drive by their money. They like to see branches and advertising [for them]. It’s going to be a while before that goes away.”

Change, challenge and balance in traditional marketing

Despite the enduring utility of established marketing methods, their slice of overall budgets has dropped in recent years while digital’s...
3. Start your automation and AI education now.

There is a lot of opportunity in mining content data, and the world of AI and marketing automation is becoming more affordable and convenient for even the smallest of institutions. The key to finding the right partner and effectively using the technology is to clearly define your objectives and goals with content management and tracking. Do not deviate from your specific goals and do not let other, new technology innovations side-track your efforts. Take small steps with new technology and before you know it, you’ll not only be tracking usage, but gleaning valuable insights from the data and turning those insights into better ROI marketing programs.

We are in the midst of a content revolution. We’ve always known content is important to help demonstrate a financial institution’s expertise and value proposition. As we look forward, we see that content will get more personalized and even more valuable in creating deeper customer relationships. Mining content usage enable banks to produce highly personalized and customized communications and offers and consumers and businesses are coming to expect these types of highly customized offers thanks to retailers like Amazon and Zappos. Be it interactive tools, calculators, videos or articles, consumers want and like an interactive experience from their financial institution that not only educates and informs, but is compelling, interesting and even fun in the process.

4. Want some examples?

USAA has based their entire marketing and sales strategy on wrapping content around common life events like buying a car or house.

Commerce Bank in St. Louis redesigned its website around content and articles related to life stages, life events and product needs. This gives users the ability to easily search the site for what they need and how they need it when they arrive at commercebank.com.

Avidia Bank in Hudson, MA uses social media (Twitter and Facebook) as critical channels to share content. In addition, its website is home to a great assortment of calculators and tools to help customers—and prospects—better manage their money.

Ally Bank, and plenty of other online/mobile only institutions, provides a plethora of articles and tools to help customers and prospects budget, save, compare options and get control of their financials.

Content Marketing Fun Facts...

Research shows that companies who create consistent marketing content experience conversion rates that are nearly 6 times higher than their competitors who don’t focus on content marketing.

~ Lyfemarketing.com

84% of people expect brands to provide content that entertains and adds value to their lives. And, 70% of them prefer to learn about products through content, not ads.

~ ShaneBarker.com

No data but not dated (cont’d)

has increased. The Gartner CMO Spend Survey 2018-19 finds that despite concerns about digital advertising’s efficacy, chief marketing officers in North America and the U.K. invest two-thirds of their budgets in paid digital channels, including search advertising.

To build brand awareness, attract new households and cross sell to existing ones, Arvest Bank will continue to balance traditional advertising with efforts to reach audiences “in the digital, search and social media realms,” says Jason Kincy, the bank’s senior vice president and marketing director.

Arvest also uses data to inform direct marketing initiatives for digital and snail-mail channels. “We believe you have to be aggressive in all of these avenues to reach various audiences for different purposes,” Kincy says.

This raises an important point: Any supposed bifurcation between data-driven versus conventional marketing is like pitting fintechs versus brick-and-mortar banks. Used correctly, data can maximize old-school marketing.

As Gibson sums up: “More sophisticated marketers know that it’s really a mosaic of different media that will pull people through the buyer’s journey.”

Announcements

CPG’s Consulting Associate team continues to grow with the addition of Michael Wallach, Charlotte Anderson and Terri Boswell.

Mike Wallach is a Senior Consulting Associate with 30 years of digital, direct and analytic marketing experience, primarily in Financial Services, with additional experience in Retail and Healthcare markets.

Charlotte Anderson, Consulting Associate, has 30 years of expertise in bank operational management; establishing collaboration across siloed areas to improve efficiency and achieve organizational objectives.

Terri Boswell, Consulting Associate, is an experienced marketer, researcher, and analyst. She’s built marketing plans for both Wells Fargo and Ameriprise, and has expertise in the wealth/brokerage business.

Recent Articles and Speeches

10 Minutes With... Mary Beth Sullivan


Competing to Win in Retail Banking Today, presented by Mary Beth Sullivan, and Driving Customer Engagement of Emerging Prime Segments, presented by Mark Gibson, Feb. 5, 2019, Deluxe Exchange 2019.

Upcoming Speaking Events

Virginia Bankers Association’s VBAConnect Conference, March 11-13 in Williamsburg, VA. Kevin Halsey to present Driving Success in a Challenging Retail Banking Environment.

American Banker/SourceMedia Retail Banking 2019: Growth Strategies, March 26-28 in Austin, TX. Mary Beth Sullivan, Mark Gibson and Mike Wallach to lead Learning Lab #4: Drive Higher Growth Rates with Analytics!