

# PERKS, POTHOLES AND PITFALLS MARKETING IN TODAY'S DIGITAL AGE

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# / Presenters



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Vice President,  
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**Vericast**

15+ years of digital marketing and advertising experience

Leads the omnichannel finance partnerships team at Vericast

**FOCUSED ON:**

- Developing effective marketing programs for financial institutions
- Multichannel marketing of deposits or loans



**Lisa Nicholas**  
Vice President,  
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**Vericast**

30+ years of experience in the banking and tech industries.

Develops strategy for the financial services segment at Vericast.

**FOCUSED ON:**

- Developing programs for marketing, sales, lending
- Leveraging technology and data for an omnichannel strategy.

# / Agenda

- 01 Data-driven Personalization Is Revolutionizing Digital Marketing Engagement
- 02 Cookies Are Off the Menu. Now What?
- 03 Top Compliance Challenges: Bandwidth, Regulatory Change, and Comprehensive Oversight
- 04 Q&A

## / Webinar Theme

In this ever-changing digital age, there are indeed perks, potholes, and pitfalls that we all have to manage...

...but our mission throughout this webinar is to inspire you to not ***just*** “check the boxes” in our response to change.





A man with glasses is looking at a smartphone. The background is a blurred city street. A diagonal line separates the dark blue background on the left from the white background on the right.

# 01

**VERICAST**

DATA-DRIVEN  
PERSONALIZATION  
IS REVOLUTIONIZING DIGITAL  
MARKETING ENGAGEMENT

>> What Steps Can  
We Take to Capitalize  
on this Opportunity

## / Check Box Warning #1



- > MYTH: A personalized authenticated experience is enough to make my customers or members feel like I am there for them



- > TRUTH: It is not enough. You have to address to each and every customer's needs and behaviors, and be there for them before and after each transaction

**HOW MANY FINANCIAL  
INSTITUTIONS**  
consider their brand to be  
a personal experience,  
*and not a service?*



The unfortunate  
reality: **not many**

## / The Unfortunate Reality: *Not Many*

The overwhelming majority of financial institutions  
are missing out on the huge upside of **data-driven personalization**

40%

of respondents do not use  
consumer data and analytics  
to enable personalized  
offerings and interactions

34%

use name and address  
information only

9%

report personalizing offers  
as a best practice

Source: Vericast 2022 Financial Services TrendWatch



/ One of the most powerful tools for **financial institutions** to close the gaps between the results they want and the results they get is **consumer insight**.



# / Personalize Experiences Can Reinforce Long-standing Loyalty



## 4 WAYS TO...

**Reduce Attrition, Grow Revenue, Build Brand Equity and Improve Satisfaction**

**1 Personalize your communications**

72% of consumers only engage with personalized messaging<sup>1</sup>

**2 Provide white-glove service to mission-critical customers**

Proactive communications delivered at the right time, with the right offer can increase revenue 30% or more<sup>2</sup>

**3 Deliver a consistent brand experience**

Customers trust banks that deliver consistent customer journeys 30% more than those that don't<sup>3</sup>

**4 Deliver excellent and accessible customer service, both on- and offline**

81% of consumers prefer live interaction when they want answers to urgent and complex issues<sup>4</sup>

SOURCES: 1| "Privacy & Personalization: Consumers share how to win them over without crossing the line." SmarterHQ, 2| Agarwal, Rohit; Jacobson, Raelyn; Kline, Paul; and Obeid, Maurice, "The future of customer experience: Personalized, white-glove service for all," June 22, 2020, McKinsey & Company, 3| Pulido, Alfonso; Stone, Dorian; Strevel, John, "The three Cs of customer satisfaction: Consistency, consistency, consistency," March 1, 2014, McKinsey & Company, 4| Conkle, Brennie, "The Future of Digital Banking Is About Great Conversations," August 1, 2017, The Financial Brand

# / Personalization Strengthens Relationships and Brand Awareness

71%

of consumers feel  
frustrated when a shopping  
experience is impersonal<sup>1</sup>

90%

of U.S. consumers  
find marketing  
personalization very  
or somewhat appealing<sup>2</sup>



<sup>1</sup> "The 2017 State of Personalization Report," segment

<sup>2</sup> Guttman, A., "Marketing personalization - statistics & facts," Statista, March 12, 2021



02

**FUNDAMENTAL SHIFT:**

**COOKIES ARE OFF THE MENU.**

**NOW WHAT?**

**>>** It's time to cook up  
a new strategy


# / Cookies are off the menu. Now what?

New online privacy rules create a fundamental shift, and are as much a victory for consumers as they are a **challenge for marketers**.

“The biggest problem is that marketers’ jobs will get exponentially harder as marketing data will become even more fragmented and siloed.”

James Robert Lay, Digital Growth Institute

Source: Vericast 2022 Financial Services TrendWatch



FEWER THAN 1/3 OF FINANCIAL INSTITUTIONS ARE READY FOR A COOKIE-LESS TARGETING STRATEGY, WITH ONLY 28% REPORTING THEY HAVE A PLAN TO ADDRESS IT



## / Cookies are off the menu. Now what?

**BUT** *better transparency, more integrity  
and more control* are GREAT things.



## / Box Check Warning #2



- > MYTH: We have time to find a replacement for cookies that will enable us to continue our current status-quo approach



- > TRUTH: We should celebrate the dissolution of the cookie ecosystem, and embrace a new paradigm of digital marketing that focuses on quality branding

## / Cookies are off the menu. Now what?

### 4 Key Considerations

- 1 This will create more consumer trust
- 2 Don't replace cookies with another form of cookies – focus on multiple qualifiers, especially 1p Data
- 3 Audience Identification will improve in quality – driving better results
- 4 Don't overthink your “hyper” targeting strategy

## / Cookies are off the menu. Now what?

# We Recommend

- > **Embracing the new paradigm** – it's good for everyone
- > **Having a strategy** for collecting and deploying clean data – your 1P data is king
- > **Vetting ad partners and vendors** for their identity resolution solutions

# 03

**VERICAST**

TOP COMPLIANCE CHALLENGES:

**BANDWIDTH, REGULATORY**

**CHANGE, AND COMPREHENSIVE**

**OVERSIGHT**



# / Top Compliance Challenges:

## Bandwidth, Regulatory Change, and Comprehensive Oversight

**89%** of respondents rate these as their top marketing compliance challenges

The burden and temptation to rush can lead to monetary and reputational risk

Allow enough time to have compliance review and ask questions

Source: "Infographic: Consumer Complaint Trends for the Mortgage Industry," Performline.com

## / Box Check Warning #3



- > MYTH: We need to check the boxes on our CRA and fair lending strategy so we are in compliance with industry regulations



- > TRUTH: We must actually strive to service all members of our community and customer pools in earnest, which will create an environment where everyone benefits

## / Top Compliance Challenges:

Bandwidth, Regulatory Change, and Comprehensive Oversight

**Regulators are focused on consumer protection.**

Fair lending has continued to top the list as consumer complaints are at an all-time high.

Top compliance violations  
in 2021 occurred on:

**83%**  
Web

**52%**  
Phone

**25%**  
Social Media

Source: "Infographic: Consumer Complaint Trends for the Mortgage Industry," Performline.com

# / Top Compliance Challenges:

## Bandwidth, Regulatory Change, and Comprehensive Oversight

**6 RISK FACTORS** to consider when developing a marketing strategy:

- 1) Do you have advertising patterns that favor more desirable customers?
- 2) Are you only serving non-minority areas?
- 3) Are your marketing vendors serving only one racial or ethnic group in the market?
- 4) Are you excluding geographical areas that have significantly higher minority percentages?
- 5) Is your proportion of applicants significantly lower than the total population of the market area?
- 6) Can you quickly show consumer complaints regarding advertising / marketing?

# / The Reward for Marketers In CRA & Fair Lending

**Have a Strategy: Visibility Is Key and Active Tracking Is Critical**

**A balanced audience.** Leverage data audience insight to document how many customers/prospects you are reaching through your advertising — don't just check a regulatory box. *Bonus points if you can show proportion by channel.*

**Proactively identifying and assist urgent communities.** Serving low-to-moderate income communities is more urgent now than ever. It is an opportunity for marketers to help underserved communities thrive.

**Educate LMI communities.** Highlight ways your financial institution can help.





## / Webcast Takeaways

- > Data-driven Personalization Is a Paradigm Shift
- > It's Time to Build a Data Strategy That Works
- > Compliance Is Your Institution's Chance to Shine

The text "Thank You" is centered in the middle of the image. It is written in a large, white, sans-serif font. The background is a low-angle shot of a modern glass skyscraper with a grid-like pattern of windows, creating a sense of height and architectural complexity.

Thank You



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# Questions