

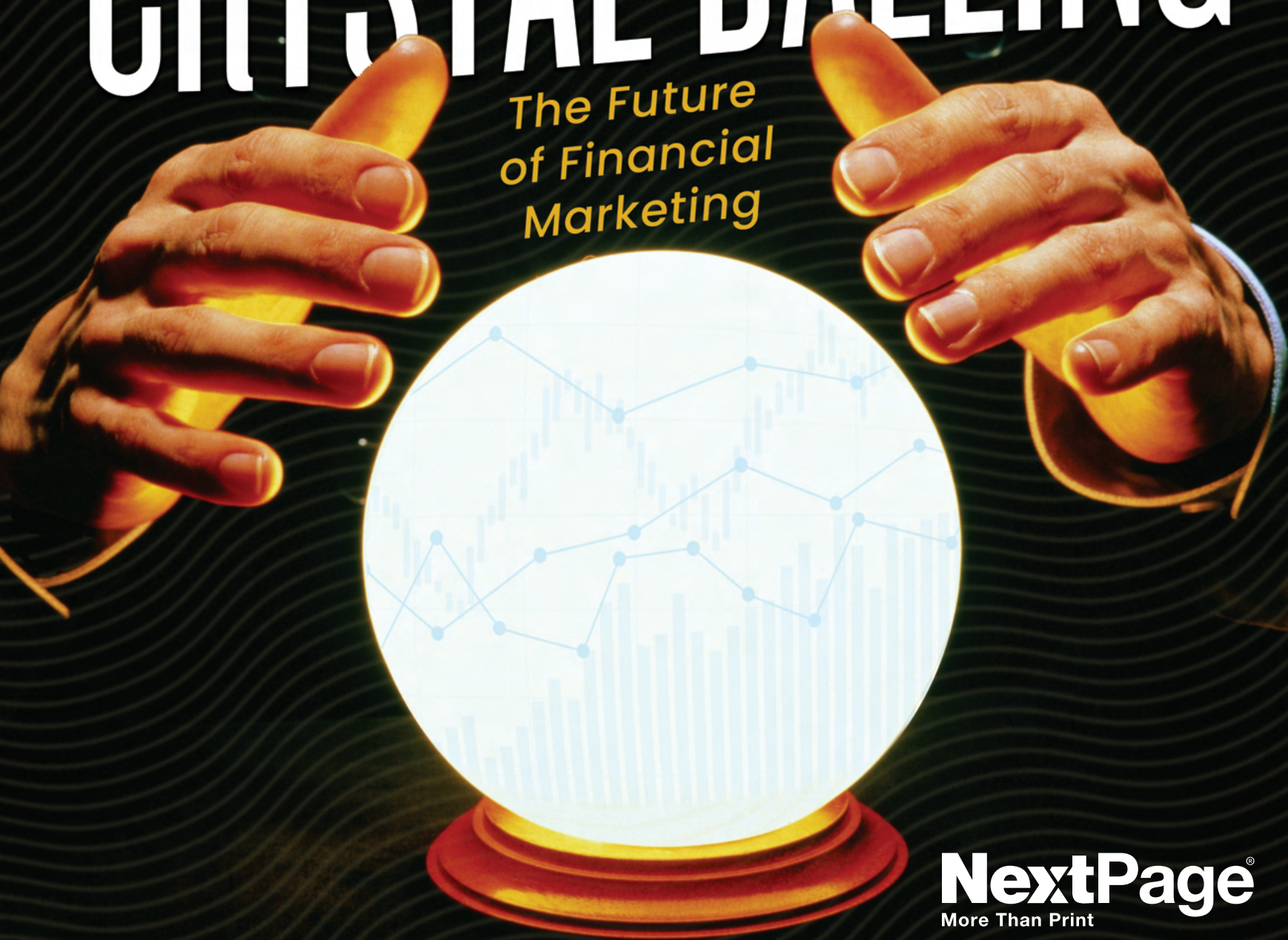
# Elevate

FALL 2023

INSPIRING FINANCIAL MARKETERS

# CRYSTAL BALLING

*The Future  
of Financial  
Marketing*



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More Than Print

IP Targeting • Direct Mail Leads to Business • Banks Needed More than Ever

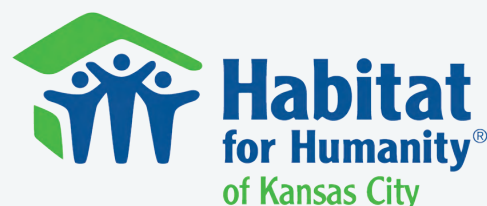
# On Target

IP Targeting is a cutting-edge digital marketing strategy that allows businesses to deliver tailored ads to specific households or businesses using their IP addresses. This precision targeting enhances the relevance of ads, leading to higher engagement and conversion rates.

A testament to its efficacy is the recent case study involving Habitat for Humanity of Kansas City and NextPage, where IP Targeting played a pivotal role in achieving a remarkable 270% lift in their campaign.

## The Challenge

- Surpass 2021 end-of-year appeal campaign benchmark.
- Understand the disparity between high CTR and low conversions.



## Strategic Solutions

- Comprehensive campaign with direct mail & IP Targeting.
- Landing page optimization for better donor experience.
- Donation button relocated to the top of the page.
- Shape-cut envelope for increased awareness.

## Impressive Returns

- Doubled the CTR conversion rate of direct mail.
- IP Targeting tripled the conversion rate.
- Highest grossing appeal campaign to-date.

## Statistics Snapshot

**10,337**

total recipients

**3.4%**

conversion rate v.s.

0.92% industry average

**0.14%**

campaign CTR v.s.

0.07% industry average

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## A NOTE FROM THE PUBLISHER

# Listen Up

In a world dominated by uncertainty, noise, and self-promotion, the role of marketing in defining our companies and connecting with our communities has never been more vital. As we navigate these ambiguous times, it's the great marketers who stand out, not for their ability to shout the loudest, but for their unwavering focus on the people they serve.

The best financial marketers are those who see beyond the macroenvironment, beyond the never-ending drumbeat of information, and connect on a deeper level. They listen. They understand. They serve.

“

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In an era where the bottom line takes center stage, these marketers remind us that our true power lies in our commitment to our communities. They teach us that marketing is not just about selling products; it's about building relationships, fostering trust, and making a genuine difference in the lives of others.

In this issue, we are thrilled to present two features that encapsulate this philosophy:

- > “Crystal Balling – The Future of Financial Marketing” delves into the perspectives of experts in bank marketing, exploring the emerging trends, innovative strategies, and technologies that are shaping our industry's future.
- > “The Power Couple: How Analytics and Direct Mail Unite in a Winning Campaign Strategy for Financial Marketers” unveils the exciting marriage of analytics and direct mail. This union presents a unique opportunity for financial marketers to create personalized campaigns that resonate with customers, enhancing their experience and driving measurable results.

These features are more than just articles; they are a testament to what marketing can achieve when guided by a commitment to service, empathy, and innovation.

The NextPage Elevate magazine is not just committed to delivering insights; we are committed to you. We are listening. We understand the challenges and opportunities you face, and we strive to be a partner in your journey towards excellence.

Enjoy the issue and all the best,



Gina Danner  
CEO  
NextPage

# Elevate

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## About Elevate

**Elevate** Magazine, sponsored by NextPage (<https://gonextpage.com>) is a premier content platform designed for marketing personnel within financial institutions. The magazine, featuring informative and thought-provoking content, aims to highlight common challenges across financial marketing, trend-worthy items, and innovative campaign management tactics. As a thought leader in tactical marketing for the financial industry, NextPage provides invaluable insights through interviews and distribution of content, making Elevate a great source of education and inspiration for C-suite marketing executives. With a focus on community building and creating new marketing ideas, Elevate Magazine and NextPage are at the forefront of driving success in financial marketing.



# CRYSTAL BALLING

It's not about the clutter, until it is. So you will excuse financial institution marketers for continuing to make content marketing the centerpiece of their engagement strategies. From where Bill Wreaks sits, while that strategy seems to overemphasize the obvious, it is the right play, just in a smarter, more calculated manner. As CEO and Chief Analyst for the Gramercy Institute, an industry think-tank focused on the intellectual needs of senior marketers from some of the world's major financial firms, Wreaks has a front row seat to the battle for consumer attention.

## The Future of Financial Marketing

Here's where the uphill part of the battle starts: As financial audiences get further inundated with various forms of content marketing, it becomes more difficult for financial marketers to reach them, let alone connect in meaningful, productive ways. "It's the clutter," Wreaks says. "Investors are human beings. They have a limited attention span, so relevancy will matter more than ever in the years to come."

As for engagements, the road to building customer relationships will run through even more sophisticated content marketing systems. If not, a financial brand's best content might not even reach the right audience.

## COVER STORY

Wreaks believes the key will be in doubling down on branding financial services marketing. While many agree branding plays and always has a prominent role in financial marketing, marketing budgets will start to reflect greater increases in brand marketing in the years to come. "Trust, as it relates to financial marketing, will become more necessary to differentiate serious players from the not-so-serious ones. Net/Net: Reputation, trust and a recognizable financial brand will be necessary to cut through the increasing amounts of clutter."

If Wreaks' prophecy is not clear enough, and you still need to read between the lines, marketing will become more empowered than ever before for financial marketers. As attribution methods continue to improve, who is responsible for what revenue will become more pronounced and less murky. That means marketing will assume the lead role in converting potential clients into real ones. This will come, not in place of, but in significantly greater coordination with sales.

Josh Fleming says that in a time when everyone is highly focused on growing deposits because of the rate environment, competition for cash will only get stiffer when flashier well-branded neo-banks and fintech options take center stage. Fleming, VP and Marketing Director for Bank Iowa, a \$1.9 billion community bank and the second-largest family-owned one in the state, believes financial leaders will need to collaborate more with marketers who understand audience segmentation, predictive analytics and marketing automation to scale their strategies and accelerate a bank's ROI into their positions.



"Banks know a lot about their customers, yet few really know how to best harness that information," Fleming says. "They are increasingly adopting technology that personalizes campaigns to make every offer, benefit or service relevant in a meaningful way. How banks use this technology for good, and not solely for profit, will separate the winners and losers. There is a lot we can do to advance financial wellness on an account-level basis when we are equipped with the data and the automation to make the effort sustainable."

We asked Wreaks and Fleming to look into their crystal balls and provide a rapid-fire snapshot of some of the marketing and branding trends that are set to define the future of the financial marketing landscape:

### Analytics

The trick to more effective content marketing is not simply more content marketing. It is leveraging your insights in a way that serves potential clients in a highly relevant manner. To date, measurement and metrics have been good, but a little short of great. Most of the effective content marketing growth comes from innovation in metrics and optimizations. The ability to learn about existing and potential customers from how they interact with specific financial content will make or break efforts. How well financial firms can optimize customer content insights to dig yet deeper down the funnel to eventual "client-hood" will become the name of the game. (Wreaks)



### Digital Platforms

If the pandemic taught us anything, it's that we'd better be able to reach everyone exclusively online. As wonderful as it is for customers to visit locations and engage with team members, we must be prepared to meet expectations of younger customers who have only known the internet. One of the ways we'll see this live out is in the digital branch. While the concept isn't new, banks will soon invest millions more in technology to replace chained pens with chatbots. While our bank leadership certainly has a growth mindset, that doesn't always mean four walls, a roof and a drive-through lane. (Fleming)

### New Media

Many larger financial firms are adopting policies that encourage marketers to experiment (in controlled ways) with

new media ideas to connect with clients and would-be customers. Financial firms, for example, are plugging in and sponsoring social programs and platforms that are not necessarily financial in nature. Video and podcasts are becoming more prolific. Sight, sound and motion all work together to tell a story in a way written content cannot. That can cut through the social clutter. Financial brands on TikTok? This was unheard of five years ago. (Wreaks)

### Data

We've reached the tipping point of customer apprehension about personal data. Our customers have said they understand we use their data, but they expect it to be on something they value. And they want it safeguarded. One of the campaigns we are developing will deploy customer segmentation and a predictive analytics model that sends a video series called "Bank Flix" to customers most likely to buy their first home in the next six months. The series will not be about mortgage rates or shopping for a lender, but about the challenges of home ownership. We can then follow up with products and rates tailored to customers with the highest engagement. (Fleming)

### Technological Integration

AI is real. A marketer recently told me that if he were a mid-level or junior level content writer in financial services, he'd be concerned about his job. I believe we're on the brink of a period of huge innovative change and development. The demise of the third-party cookie will—and already has—created a flurry of creative and innovative activity centered around data ownership. We'll see significant levels of new ideas

and innovations for financial services firms to capture their own first party data in the near future. (Wreaks)

### Ethics

Financial and identity fraud will continue to challenge bank marketers. Just as technology grows for opportunities, it grows for bad actors. We spend lots of time working with our Compliance and Risk departments to help customers understand how easy it is to be duped. The amount of content produced and energy we spend has doubled in the last few years. (Fleming)

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Banks know a lot about their customers, yet few really know how to best harness that information.

— Josh Fleming, VP  
& Marketing Director, Bank Iowa

I'm impressed with how the financial services marketing industry is policing itself. There is a much improved relationship between marketing and compliance. This relationship was not so rosy, but I believe marketing leadership realizes it needs cooperation from compliance and vice-versa. Data security and privacy are highly sensitive areas financial marketers use as tools of their trade every day. Yet there exists an inherent control over this information and its abuse. There is very little tolerance for error when it comes to ethical violations. Other industries have broader tolerance, so I believe this remains a high bar for financial marketers. (Wreaks) <sup>E</sup>

# THE POWER COUPLE

## How analytics and direct mail deliver a winning combination

In the not-so-distant past, traditional direct mail sometimes was stuck using what financial institution marketers like Carrie Price called “dead lists.” These were basically old contact lists that while accurate once, over time became outdated and no longer matched the current customer landscape. The result, as you would expect, was wasted resources and efforts, as well as messages that went to the wrong people or addresses—ones that more times than not didn’t even exist anymore.

Those were the days, albeit ones that Price, Senior VP | Chief Marketing Officer, First Community Bank, likes to put in the rearview mirror.

Today, for marketers seeking to actually connect with their intended targets, the spotlight is on artificial intelligence (AI) and data analytics, and crafting campaigns that resonate with the audience it is intended to reach. Leading the way is authenticity and value-driven messaging, both of which will become the heartbeat of this transformation.

Financial marketers also are leaning in to strategies like analytics and direct mail—tools that complement each other very well. By using data analytics, financial institutions can segment their customer base effectively, tailoring direct mail campaigns with relevant content and offers. This combination improves the chances of delivering the right message to the right

audience. “The beauty of uniting analytics with direct mail is that it helps us avoid dead ends,” Price says.

“By using real-time data insights, we can make sure our mail gets to the right folks at the right time. No more lost letters or wasted paper.”

Looking ahead, the financial marketing landscape is shaping up for an even more intriguing evolution. Brace yourself for a blend of tech-driven personalization, seamless convenience and a paramount emphasis on trust.

That last item, trust, is of utmost importance. According to the “J.D. Power 2022 U.S. Retail Banking Advice Satisfaction Study,” trust has fallen dramatically, with national and regional banks reporting a 30-point decrease compared to the previous year on a 1,000-point scale. Further adding to the financial institution world’s pain, Forrester’s “U.S. 2022 Banking Customer Experience Index (CX Index™)” rankings

showed customer trust in banks fell for the first time since 2018.

Regaining this trust primarily comes down to building and maintaining meaningful relationships with customers. “No matter the industry, but especially with banking matters, trust is paramount,” Price says. “Ensure your messaging is transparent and easy to understand. Communicate openly about your products, services, and any changes that might affect customers. This is the only way to truly foster meaningful connections with them and set your organization apart in today’s dynamic environment.”

Price says that it is important for financial marketers to remember that while modern convenience and ease of doing business are extremely important, relationships still rule. Customers want to know their banks and their people when dealing with their personal finances, especially if something is to go wrong.



“

Direct mail and analytics go hand-in-hand, so I can't imagine a direct mail campaign happening without analytics.”

— Bruce McMeekin, CEO, BKM Marketing

## ANALYZE THIS

Direct mail works best when integrated with all other marketing and sales activity. Bruce McMeekin likes to think of the relationship in chess terms. With the days of single-channel marketing gone, analytics becomes the Queen of the chess board, while direct mail is the Rook or Bishop that features unique uses other channels cannot emulate.

Look at it like this: Analytics allow financial marketers to reduce costs several ways, including minimizing marketing waste. For example, a mature direct mail program can predict which audiences will respond profitably and which audiences will respond poorly. As a result, marketers will mail fewer pieces, achieve higher response rates and target higher value customers.

Analytics also help streamline processes and optimize resources. This helps reduce the amount of time and money spent on crafting and distributing marketing materials.

“Direct mail and analytics go hand-in-hand, so I can't imagine a direct mail campaign happening without analytics,” says McMeekin, CEO of BKM Marketing. “Successful measurement should always be defined based on their marketing objective and cost to achieve it. It allows them to identify which segments of the population are most likely to be interested in their products or services. This allows them to craft highly personalized messages tailored to individual needs.”

Examples include something like a credit card that appeals to a specific task—from purely saving money (cash back) to luxury travel, and facilitating the path to elite status at hotel chains and airlines. By studying the analytics, marketers can identify which messages are resonating with customers most effectively, helping optimize their campaigns. Analytics also study customer behavior, anything from what channels they prefer to use to purchase or interact. The data

allows financial marketers to tailor communications their clients prefer to receive, i.e., mail, email, online banking messages, phone, text, etc.

McMeekin says it all starts with direct mail. “It is the original springboard for marketing analytics. From the beginning, direct mail's chief benefit was its ability to be accurately measured. By utilizing an analytics-driven approach to direct mail, financial marketers can gain a better understanding of their audiences, create targeted campaigns that meet customer needs and preferences and measure the success of their marketing efforts.”

In a world moving more toward technology-driven strategies, targeting the right people with the right message is critical, especially in a time when consumers are more wary—and savvy—about how they are being engaged. **E**



# To the Rescue

## BANKS NEEDED MORE THAN EVER

Source: KeyBank 2023 Financial Mobility Survey.

**33%** **Financial Savviness**  
33% of Americans feel savvy about their finances in 2023, down from 43% a year ago.

**21%** **Loss of Income**  
21% experienced an uptick in loss of income over the past year, up from 16% in the previous year.

**40%** **Emergency Funds**  
40% feel certain they could come up with \$2,000 for a financial emergency, down from 51% last year.

**85%** **Growth in Financial Awareness**  
85% reported growth in their financial awareness, up from 53% last year.

**55%** **Financial Resilience During COVID-19**  
55% said that financial information made them feel more resilient, followed by digital banking tools (47%) and advice from a financial adviser (36%).

**25%** **Digital Banking Usage**  
25% uptick in consumers using digital banking services compared to the previous year.

**72%** **Comfort with Online Banking**  
72% are comfortable with online banking, and 65% with mobile banking apps.

### Use of Digital Banking Services

⤴ Bill Pay 67% in 2023, up from 61%.

⤴ Checking Credit Scores: 64%, up from 60%.

⤴ Funds Transfers: 62%, up from 56%.



## TAILORED SOLUTIONS

### Marketing Intimacy Is Critical to Financial Services Success

There is a growing emphasis on customer-centric strategies within the financial services industry. The focus on reducing wait times, enhancing the call channel experience, and rapidly responding to customer needs reflects a broader shift towards personalization and responsiveness in financial marketing.



### CUSTOMER WAIT TIMES

Callers to financial services call centers wait 1.3x longer on hold compared to other industries, impacting ROI and customer satisfaction. (Source: Talkdesk)



### TOP PRIORITY IN FINANCIAL SERVICES

Customer experience is ranked as the top priority by 63% of financial services organizations, including attention to inbound phone calls. (Source: Adobe)



### CUSTOMER EXPERIENCE FOCUS

A significant 88% of companies are prioritizing the customer experience in their contact centers, recognizing its critical role in the consumer journey. (Source: Deloitte)



### RESPONDING TO CUSTOMER EXPECTATIONS

An overwhelming 85% of financial services professionals see the urgent need to respond faster to customer expectations to enhance the overall experience. (Source: Bizagi)



# The Pipeline

## Direct Mail Leads to Direct Business

Despite the digital deluge, there has been a surprising resurgence of direct mail in financial marketing, highlighting its potential for higher conversion rates and deeper connections with consumers.

### Direct Mail....


#### Leads to Big Sales and Higher Conversions

- Direct mail's response rate is 4.4%, compared to 0.12% for email.
- In the lending industry, response rates of up to 1.16% lead to more qualified leads.
- Example: 1.16% response from 120,000 people can result in 522 funded loans.

#### Matches Consumer Preferences

- 76% of Americans trust ads received in the mail.
- Cuts through email clutter; average person receives 121 emails per day.
- Four in 10 people enjoy checking physical mail, creating a deeper emotional connection.

### Some key ideas to consider:

- Direct Mail requires an investment over time—remember that in marketing, frequency matters.
  - Choose partners that understand logistics issues including compliance concerns, rules, and regulations.
  - The modern direct mailer can provide accurate marketing data analytics, which makes tracking and reporting more efficient.
  - Your messaging is critical. Being on point with your audience increases response rates and ROI.
  - Empathy and emotional connection drive response.
  - Being consistent across multiple channels is vital.
  - Regular communication using various channels turns prospects into customers.
- 

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# New Movers

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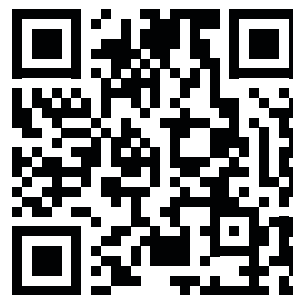
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