Best Practices for Marketing to Banks

Building a Leadership Position in a Digital World

A William Mills Agency Whitepaper

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Building a Leadership Position in a Digital World

7 Best Practices for Marketing to Banks

The financial services industry is a unique market and requires a strategy for creating a leadership position if you are to be successful in selling to financial institutions. Marketing to financial institutions is not a one size fits all approach. Today's landscape consists of large financial institutions, regional and community banks and credit unions. There are different tactics for selling into these markets, but there are also common best practices. While traditional marketing methods of developing sales materials, advertising, maintaining

a strong website, attending industry events and conducting informative webinars are important, to compete in today's Fintech marketplace you must execute additional tactics that put your company in a leadership position.

Today's technological advances such as mobile banking, remote deposit capture, and automatic bill pay, enable customers to perform banking needs 24/7 without the help from a bank employee. All these solutions must operate together in an integrated fashion with the core-banking platform. These advancements have led to new ways of doing business in a more efficient manner for financial institutions. While these changes have been a positive advancement, they also create new problems that revolve around technology and IT needs. Since financial institution executives are risk-averse by nature, it makes it even harder for them to take a leap of faith on new technology solutions, even if they will make their life easier in the long run.

Today's digital world has changed the way decision makers inside financial institutions evaluate products and services. Buyers research potential solutions long before engaging providers, and more and more of that research is conducted online.

"Our audience, as with most audiences, has moved to reading most industry information in a digital format as opposed to more traditional formats," said Jennifer Werner, chief marketing officer of EFT Source. "This shift has changed our approach in trying to reach customers and prospects."

Buyers are making a short list of vendors before contacting any vendors. In fact, according to research conducted by the CEB Marketing Leadership Council, on average, customers are nearly 60 percent of the way through the purchase decision-making process before even engaging a sales representative. Financial institutions want more information, insight and market validation before making a purchasing decision.

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Jacquie Scheider
VP Corporate Marketing
ProfitStars

The initial research phase includes visiting vendor websites to browse general educational content. According to Demand Gen Report’s *2013 B2B Buyer Behavior Survey*, nearly two thirds, or 64 percent of respondents, said a vendor’s content had a significant impact on their buying decision. According to the survey, 34 percent of respondents strongly agreed that the winning vendors provided a better mix of content to guide them through each stage of the research and decision-making process, indicating that diverse and useful online content can significantly influence the success of a deal.

In today’s environment of increased Internet usage, content marketing, social media, and marketing automation, marketing tactics are changing although there is no single tactic that consistently guarantees success. These changes have forced Fintech organizations to change their marketing and the way they target potential customers. Brandon Dyce, Communications Director at CSI, believes marketing has become far more relational than ever before. “Social media has changed the way people interact with and discuss brands. Given this shift, brands have to be more present and approachable and content has to be more readily available. Buyers want value-added information. It’s these factors that are driving the need, and the ability, to change how we target our customers.”

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Today’s marketing strategy must be multi-faceted, tightly integrated and implemented consistently over time. Marketing departments often have few resources to implement everything outlined in a comprehensive plan, which makes it necessary for tactics and messages to be tightly integrated and for costs and results closely tracked.

“One of our biggest challenges today is ensuring we are sending the right message to the right person at the right time,” said Jacquie Scheider, vice president, corporate marketing at ProfitStars. “This idea sounds simple enough; however, ensuring our lead generation and execution, as well as our messages and strategies, are in line is imperative for this to happen. Having the ability to track, share, and collaborate around information about customers and prospects helps strengthen and foster the relationship and ensures our marketing efforts are in-line with needs and expectations. Implementing a strategic approach to execute this strategy will ultimately increase revenue, generate growth and streamline team efficiency.”

The financial services industry is a growing market, and now is the time for Fintech organizations to evaluate their approach to marketing. While there are fewer financial institutions today, 13,644 banks and credit unions in the U.S., according to the FDIC and Credit Union National Association’s September 2013 data, strength is starting to return to the financial services industry after the housing and mortgage problems of the previous few years. With a light on the horizon, there is evidence that some of the deferred technology plans of the past few years will come to fruition in 2014. According to Celent, North American IT spending growth is rising at a solid clip and is expected to be 4.5 percent higher in 2014. Growth will be consistent and climb slightly in 2015, as IT spending by North American banks reaches $62.2 billion, an increase of 4.6 percent. These figures are encouraging, with 2014 building on the IT growth experienced in 2013, making the market more attractive than ever.

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Establish a Unique Market Position

1 Establishing a unique market position for your company and building a value proposition around competitive differentiation is the first step in marketing to financial institutions. You need to establish and clearly communicate what makes you unique, more valuable, and use this messaging to help make you more visible in the market. In today's competitive environment you have to be unique to be successful in the marketplace. Defining a unique selling proposition will dramatically improve the positioning and marketability of your company and products by clearly setting you apart from your competition and helping persuade bankers to make a purchasing decision. Proper branding and messaging must be applied in every tactical marketing effort you use and helps you to build a lasting reputation. The ultimate goal of your brand marketing efforts is to have people say, "Oh, yes I've heard of you. You're the company who..." and then respond by requesting more information or purchasing.

According to Dyce, "One of the biggest challenges we face today is competing for customer attention. To be successful, you have to cut through the clutter and find ways to make your messages stand out. Adding to that challenge is the shear rate at which information is released. You only have a brief opportunity to make the connection with your audience, so your messages have to be targeted, succinct and eye-catching."

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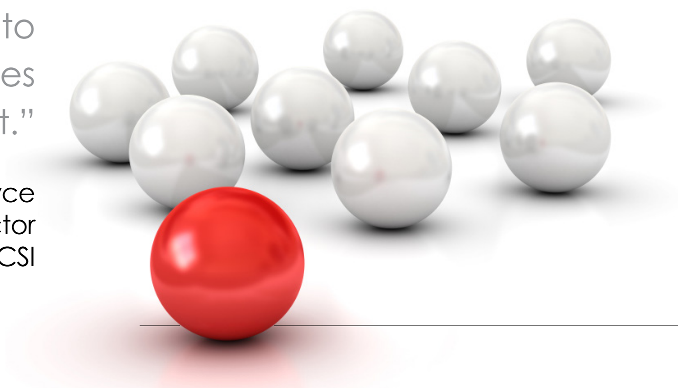

Use Public Relations as a Foundation

2 In an increasingly crowded, challenging and competitive marketplace, Fintech organizations must find ways to differentiate themselves; tell a compelling story; and position themselves as thought leaders. Organizations introducing new products or services to the financial sector must educate the industry on the advantages of implementing their solution or service, which can be challenging due to the conservative nature of financial services executives.

According to Werner, marketing needs have changed in the last five years. "We have put a lot more focus on digital marketing and public relations. We are able to easily track the success and reach of a PR program in a cost efficient manner as well as control our message."

Developing and executing effective public relations efforts is an economical and necessary means to building awareness and credibility for your organization. An effective program builds company awareness with potential customers, media, analysts and the industry as a whole, provides third party validation of your organization's capabilities and generates content that can be reused as sales and marketing collateral.

For more information on how to create a balanced public relations program, please download the free white paper, "Create a Balanced PR Program."

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Develop Comprehensive Content Marketing Program

3 The single largest advance in marketing over the past five years has been the emergence of inbound or content marketing. Content marketing is creating and distributing relevant and valuable content across digital channels to attract, acquire, and engage a clearly defined and understood target audience with the objective of driving profitable customer action (Content Marketing Institute). This is important because it presents organizations with unique opportunities to educate potential customers while also engaging them interactively. Rather than promoting products or services, organizations should deliver information that makes a customer more intelligent about their business issues and potential solutions incorporating your key capabilities. The essence of content strategy is the belief that if an organization delivers consistent, ongoing valuable information to customers, they ultimately are rewarded with their business and loyalty.

Consumers and businesses alike are turning to the Internet and social media resources to research products and services, making it imperative that organizations have a highly visible online presence.

According to Debbie Wood, general manager, marketing and industry research at Jack Henry & Associates, the importance of their website and online presence has changed through the years as well as the content provided in this marketing vehicle. "The website has become far more informational and conversational, pointed to solutions rather than products. Constantly changing and updating content has become critical. The call to action is especially important in everything we do. I have no idea how organizations succeed without a comprehensive website in today's environment."

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In addition to websites, social media is also becoming an important vehicle for Fintech organizations. CSI uses social media to help get their messages out to customers and prospects. "We use Facebook posts, LinkedIn groups and Twitter to augment our campaigns and make them more three-dimensional," said Dyce. "We are also leveraging social media from a thought-leadership perspective. The ability to share content, ask for feedback and participate in relevant conversations helps us better understand the real issues influencing our industry and participate in shaping the conversation."

Content marketing best practices will enable you to convert your website, blog and social media vehicles into a successful marketing platform and ensure appropriate content of interest to customers is available. A successful content marketing strategy uses search engine optimization (SEO), blogs and social media marketing to raise online visibility.

For more information see, "[Content Marketing: The Smart Way to Grab Attention](#)," in the December 2013 issue of *ABA Bank Marketing*.

Invest in Marketing Automation Solutions

"The most important marketing tactic or strategy we use today is effective lead generation and lead nurturing,"

Jennifer Werner
Chief Marketing Officer
EFT Source

4 The more efficiently an organization can manage its marketing functions, especially digital tactics, the more successful it will become. Therefore, it is vital that organizations invest in marketing automation solutions. A well-integrated marketing automation solution can help unify the core functions of content marketing, public relations and lead generation, helping a Fintech organization earn better returns on its marketing investments. This process requires sophisticated technology to help monitor and manage the process.

Today's content marketing automation software manages the presentation and distribution of your information over digital channels as well as the collection of who is accessing it. These platforms, available from vendors such as HubSpot, Marketo and Oracle, include solutions that allow you to manage blogging and social media, SEO, website content and landing pages, email, lead nurturing and management, as well as marketing analytics. With content marketing best practices and supporting marketing automation software, you are able to convert your website into a marketing platform that delivers visitors, leads and new customers.

To find out who is interested in the content on your website, the marketing automation software requests visitors register to download it. Those contacts can then be passed on to your business development team or included in lead nurturing communications until they are ready to purchase.

"The most important marketing tactic or strategy we use today is effective lead generation and lead nurturing," said Werner.

Build and Maintain Industry Partnerships

5 Regardless of the products or services that you offer, building and maintaining relationships and partnerships is critical to an organization's success, especially with software providers that your solutions integrate with. Ensuring your solutions work with the core banking providers such as FIS, Fiserv, Jack Henry & Associates, CSI and D+H (through its recent acquisition of Harland) is only half of the value. Together these organizations own about 96 percent of the market share, and opening the door to their clients is equally important.

Financial institutions offer a large number of products and solutions and all must be so tightly integrated with the core offering that there is no noticeable difference to consumers when it comes to moving data back and forth. Financial institutions need to know that vendors' software platforms integrate and communicate with their existing systems.

One way to solidify such partnerships is by attending the user conferences of the core providers. These events offer the opportunity to meet with prospective clients, network, and discuss industry trends and challenges with peers and to investigate the business and banking solutions provided by the core vendors and their partners. Many industry executives view these

Build and Maintain Industry Partnerships

The Association for Financial Technology is just one example where you can find like-minded companies looking to create relationships,

conferences as strategically more important than the mainstream financial industry conferences.

While the large industry events are important for many reasons, having a more targeted environment can prove to be especially beneficial. For example, the Jack Henry Banking Educational Conference and Technology Showcase provides attendees with the opportunity to network with executives from more than 100 of Jack Henry Banking's complementary products and service providers. Establishing these strong relationships can really give you an edge when it comes to building your reputation, attracting new customers and establishing industry presence.

There are many forums for engaging with your peers within the industry. The Association for Financial Technology (i.e. AFT, www.aftwb.com), a group of Fintech providers, is just one example where you can find like-minded companies looking to create relationships within the industry.

Building relationships with top industry publishers is also very important. Publishers determine the direction of the publication and the type of content that make up the publication. Partnering with key publishers offers Fintech organizations opportunities to leverage the resources of the publications to reach their targeted audience. Utilizing publishers' subscription lists and working with them on co-branded direct marketing programs, participating in sponsorship events and white paper placement opportunities, helps to build and sustain brand awareness over time.

Build Relationships with Analysts and Consultants

6 Analyst and consultant relations is another key component to any financial industry marketing plan and has proven to be just as important as media relations. Many Fintech companies are now investing as much in their relationships with analyst and consultant firms such as CEB Tower Group, Celent, Javelin Strategy & Research, IDC Financial Insights and Aite Group as they are on media programs. These firms typically engage with an organization's top-level management, experts and the end-user community to learn an organization's strategy, products and services, which is especially important for new organizations entering the financial services market. This detailed information helps them write comprehensive reports about the marketplace, providing the financial services industry with information that is used when making decisions on products and services. Since analysts and consultants are in a position to influence potential clients, they can be an organization's strongest advocate within their target market and have a major impact on their customers' buying decisions.

> Effective analyst and consultant relations greatly increase the visibility and reputation of your company.

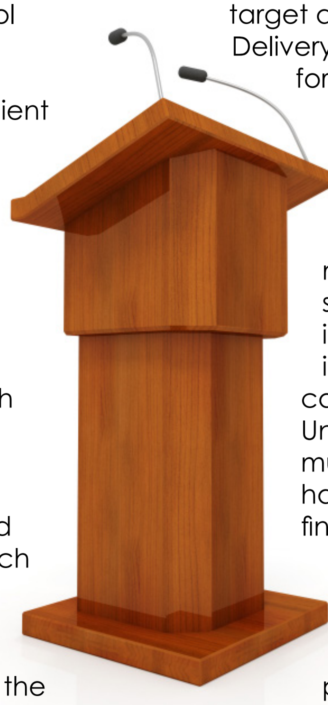
Analysts and consultants develop a more in-depth knowledge of what organizations actually do, how their solutions and products impact the industry and how they compare to competitors, making them ideal sources for media to use for research and expertise. Media use this research to highlight new trends, expanding businesses and the winners and losers in Fintech technology solutions.

Being included in an industry report and being on the radar of various industry analysts and consultants will get your organization in front of financial institutions looking to invest in new technology and media seeking the latest technology trends. Effective analyst and consultant relations greatly increase the visibility and reputation of your company.

Be Visible – Participate in Speaking Engagements and In-Person Events

Speakers are perceived as industry experts, which ultimately enhances their organization's reputation and elevates visibility.

7 Communicate directly with prospective clients through speaking engagements and in-person events. Speaking at industry conferences and events is a valuable tool in establishing industry presence. Speaking engagements are efficient because they give organizations a chance to make contact with multiple prospects all at once and educate the public as well as provide organizations an opportunity to reach out to existing clients by inviting them to hear the presentation. Speakers are perceived as industry experts, which ultimately enhances their organization's reputation and elevates visibility within the given market.



Executives at Fintech organizations should consider submitting speaking requests for opportunities to present at specific industry conferences and events that align with their target audiences, such as BAI Retail Delivery, ABA National Conference for Community Bankers, key user conferences and state and regional events, to name a few.

To make presentations more meaningful to skeptical bankers, consider including a current customer in the presentation who can speak on your behalf. Unproven products and too much hype from vendors have made those in the financial industry skeptical of companies pushing new products. Bankers and journalists want to hear from a banker using your product or solution that your claims are worth their time and consideration.

Summary

Your organization needs to continually adapt and adjust its marketing behaviors to increase sales and marketing performance and create a sustainable competitive advantage. "The mobilization and digitalization of our world and the way in which we interact as consumers has created the need for us to market in a similar fashion," said Wood.

Marketing has become far more relational than ever before and to be effective, marketing efforts have to be more personal in nature. Organizations that are able to establish a relationship and create a conversation with employees of all levels within financial institutions are seeing more success than organizations that are strictly trying to sell their products or services.

Marketing channels such as social media have changed the way people interact with and discuss technology vendors and brands, making it necessary for organizations to be more present and approachable, content to be timely, educational and readily available and messages to be targeted to the correct audiences to optimize engagement.

In addition, there are now technologies and solutions that provide organizations with vast amounts of analytics that can be used to constantly monitor and improve future campaigns. Using this information can greatly help ensure marketing efforts, messages and investments are worthwhile and produce optimal returns.

While the financial services industry can be a challenge to engage, it is imperative that marketing and selling techniques move beyond the basics and adapt to changing market dynamics to reach this industry. Implementing a strategy that establishes your company as a market leader can prove to be a make or break proposition.

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Jerry Goldstein is senior vice president of the William Mills Agency, a provider of financial public relations and marketing services. For more information, visit the company's website at www.williammills.com.

About William Mills Agency

William Mills Agency is the nation's largest independent public relations and marketing firm to the financial services industry. Founded in 1977, the Atlanta-based company has established its reputation in the industry through the successful execution of media relations, marketing services and crisis communications campaigns for hundreds of companies ranging in size from entrepreneurial start-ups to large, publicly traded corporations throughout North America, Europe and India.

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