



Data As Your Foundation

Is Your Team's 2022 Strategy Strong Enough?

By Marla Pieton, VP of Marketing for Segmint, Inc.

Statistics show the banking sector generates unparalleled quantities of data. The amount of data generated each second in the financial industry will grow 700% in 2021.²

Relying on data as the foundation of an institution's ecosystem is no longer optional - it's a must. Banks and credit unions have a wealth of insights within their account holder data, but must improve how data is put into action. Now more than ever, institutions must focus on leveraging data to drive strategic decisions that can impact acquisition, share of wallet, loyalty and growth.

Celent research states that **"Data is the lifeblood of a modern institution, yet traditional silos and rigid application structures can make integration a challenge."**³

Managing all this data and the accelerated speed at which it flows into the ecosystem can cripple an organization. Starting with clean, usable and categorized data that can empower an institution with insights is the first step.

Only 10% of banks and credit unions use data and AI frequently to drive marketing.¹

What are you waiting for?

The relevant insights that live deep in transaction and payment data should be the basis for activating a data-driven strategy that can be used beyond marketing in a variety of ways to build customer relationships, improve communications, provide a better user experience, and innovate products and services.

As your FI is starting to execute on strategies prepared for 2022, understand that these five elements are critical for financial institutions to remain competitive.

Reach out for a **free consultation!**

www.segmint.com/contact

segmint®

©Segmint, Inc. All Rights Reserved 2022

The New Customer Experience

80% of CEOs believe they deliver a superior experience, while only 8% of customers agree with that, according to Bain & Company research.⁴

As financial institutions continue to focus on digital transformation and using their rich data as the foundation, a key driver across all operations to remain competitive and grow revenue is providing unparalleled, humanized customer service.

A customer's perception of how your institution treats them is the reality of their experience. The pandemic has dramatically impacted the way many organizations do business and consumers expect this shift, now more than ever, to be focused on personalization and relevance.

The expected interactions with consumers demand continually proving to them you fully understand their unique financial journey, and the digital tools that make banking easy and convenient will be readily available to them.

If your FI is not using insights to deliver relevant messaging and create the products and services that your account holders are looking for, then you're going to be left in the dust by your competitors.

The experience gap, which is the negative difference between customers' expectations and the experience they get from a digital financial service,⁴ needs to be closed. **75% of customers say positive banking experiences influence their purchasing decisions.**⁵

Each customer engagement represents an opportunity to expand and deepen the brand connection. The shift in customer behavior is real - when organizations have deep understanding and use data insights to drive customer conversations, they can take action that is relevant and meaningful.



Reach out for a **free consultation!**

www.segmint.com/contact

segmint®

©Segmint, Inc. All Rights Reserved 2022

Mining Competitive Intelligence

What happens when the industry you operate in is in transition and you no longer know exactly who you're competing against?

What happens when change is occurring so rapidly that new market entrants are encroaching on your territory faster than you can react? Worst of all...what happens if you can't see it coming? If you're in the banking industry, you're likely aware that these forces are taking shape all around you. The real question is what are you doing about it?

Neobanks, "big tech," and fintechs such as **Square**, **Chime** and **PayPal** are helping erode the banking industry. With each new entrant or product, bank brands are being disintermediated from the consumer. Here are just a few examples of the shifting dynamics in the banking industry that have the potential to leave banks and credit unions behind:

- **Chime**, now the number 1 neobank in the US,⁶ currently has 20.2M account holders, and is expected to grow to nearly 25M by 2022. By the end of 2025, close to 40 million US adults will hold accounts at digital-only banks.
- Niche financial institutions are popping up at an alarming rate, offering community to groups of people aligned to a specific purpose or mission. Examples include Greenwood Bank, Majority, and Laurel Road.
- In 2023, more than \$1 trillion will transact via mobile P2P apps.⁷
- **Google**, **Amazon** and **Wal-Mart** are all closer to being FIs than ever before.

According to our internal data, comparing year-over-year payment volumes from April 2020 to April 2021, **Venmo** grew 69%, the **Cash App by Square** grew 80%, and **Apple Cash** grew by 42%. At the same time, **Zelle**, a bank P2P app, grew just 5%; all transactions that could have instead originated from within a financial institution.



Transaction data is one of the most valuable sources of information that an FI possesses, and used properly, it can drive most strategic business decisions throughout the institution. This rich transaction data can be mined into a lightweight and nimble data set that can guide the institution to a deeper level of understanding behavior and spend patterns, including who your competition is and how they are connected to your customers. An FI can use this knowledge to develop strategies to steal share of wallet, which in turn feeds opportunities for product engagement, financial wellness and account holder satisfaction.

Understanding where money is leaving your institution puts you at an incredible advantage. Deep within this data is where the seeds of relevancy live. Understanding these competitive interactions opens the door for FI's to focus on limiting churn, make strategic decisions around product innovation, and maintain strong customer relationships that match consumer expectations. Staying relevant means staying top of mind.

Reach out for a **free consultation!**

www.segmint.com/contact

segmint®

©Segmint, Inc. All Rights Reserved 2022



Reduce Churn

Managing attrition is not a new paradigm for the financial industry. Consumer banking behavioral shifts to fintech disruptors and neobanks, exacerbated by the pandemic, have brought heightened concerns about relationship value and a greater need for solutions to stem attrition. The importance of retention, and having a modern-day approach to battling attrition, is directly tied to the bottom line for a financial institution. Profitability is directly tied to lifetime value — **the longer your relationship with a consumer, the better chance the consumer will become profitable.**⁸

Research shows that by employing artificial intelligence (AI) powered predictive analytics, and arming relationship managers with data-driven insights and enablers, financial institutions can reduce total attrition by 20% to 30%—a result that would nearly double most banks' average revenue growth.⁹

Is your FI doing everything possible to battle attrition?

Segmint's Attrition Model through consumer behavior modeling, identifies individuals at high-risk of leaving an institution in the near future. Simply put, transaction data is the key. Through patented AI-driven analysis of every transaction, Segmint assigns Key Lifestyle Indicators® to customers' describing spend patterns, held-away payment activity, banking behaviors, and product mix.

Changes in activity can be indicators of customers at high-risk of leaving an institution in the near future. The model uses better data (your customer's data) produced multiple times throughout the day, continuously optimized and integrated, resulting in the ability to manage attrition throughout the financial institution. ***Slam the door on attrition for good.***

Reach out for a **free consultation!**

www.segmint.com/contact

segmint®

©Segmint, Inc. All Rights Reserved 2022

Market Where Your Customers Are

The financial services industry spent \$9.4B on programmatic display advertising in 2020¹⁰.

The competition is advertising on the internet shouldn't you?

The pandemic has forced many consumers to change how they bank,¹¹ forcing a significant number of branches to close. Without a physical location to visit, many consumers shifted to online banking,¹¹ and won't be coming back. Seventy-five percent of people using digital banking channels for the first time indicate that they will continue to use them when things return to "normal."¹²

As a result of the shift to digital banking channels, the US financial services industry spend on digital advertising continues to rise. **It is projected by 2023 that 62.2% of all U.S. ad spending will be invested on the Internet - a 658% increase since 2007.**¹³ Financial institutions need to advertise where their customers spend most of their time - online. And they need to do it now.



Account holders' everyday purchase transaction data is key to understanding the unique financial behaviors of each of them along with their engagement with the competition. When looking for a solution to reach out and engage with your existing account holders, don't be satisfied unless the solution allows you to use your full universe of account holder data for targeting ads, provides closed-loop reporting of product conversion and keeps your account holders' privacy secure. Your FI has the data - use it - to deliver messages to interact with account holders where they are spending their time, and living their lives...on the Internet.

In order to stay relevant, an FI's marketing strategy must include online advertising and focus on the following goals:

STAY TOP OF MIND

In financial marketing, it is vital to apply the marketing principle that it takes as many as thirteen touchpoints for a consumer to internalize and/or act upon a call-to-action. Financial institution marketers should strongly consider elevating the Internet to a primary media channel, layered on top of the overall marketing mix. Given that consumers spend just shy of seven hours a day on the Internet¹⁴ and research is their top motivator, the odds of reaching and connecting with account holders is significantly high.

STEAL SHARE OF WALLET

Part of your FI's marketing strategy must include bank consumer modeling, targeting account holders online with personalized marketing messages and product awareness, followed by take-away campaigns to steal share of wallet from your competition. Influencing even one product away from your competition can increase the stickiness of your financial institution's account holders. If your financial institution is not engaging with your account holders, then there's a good chance that competitors are engaging to steal YOUR FI's share of wallet.

TARGETING EFFICIENCY

Account holders' everyday purchase transaction data, combined with Segmint's Key Lifestyle Indicators (KLIs), describe the unique financial behaviors of each of them along with their engagement with the competition. Combine this data with Intent KLIs to deliver messages to a highly targeted audience set with greater efficiency, leading to a faster, more successful campaign ROI.

Reach out for a **free consultation!**

www.segmint.com/contact

segmint®

©Segmint, Inc. All Rights Reserved 2022

Email Channel Delivery

By 2023, email users are expected to reach 4.3 billion, over half the world's population.¹⁵ With various media and social channels surfacing as a way to reach current and prospective customers, email remains the workhorse of digital marketing. Its impact as a significant channel used by marketers will continue to rise, with the future of email marketing being fully intertwined with artificial intelligence and machine learning using high-quality specific data.¹⁶



When marketers are preparing to execute consumer-focused campaigns, data is often siloed and multiple resources are required. Gaining access to a simplistic turnkey approach can be transformational for FIs and solve for many of these challenges.

Using data with email automation for digital use cases can accelerate revenue generation for both current customers and acquisition campaigns.

A seamless, on-demand management tool featuring quick campaign building can execute targeted campaigns for digital onboarding, drip campaigns, cross sell, financial wellness, retention, share of wallet and competitive win-back.

The unification of deep transaction data insights and analytics impacting these use cases delivers the highest level of targeting efficiency and relevant messaging.

A powerful integrated delivery channel that leverages a financial institution's enriched transaction data, combined with the measurement of success through end-to-end attribution reporting results closes the time gap, delivering a conversion-rich form of digital marketing.

[Click here](#) to request more information about Segment's dominant, game-changing partnership with Constant Contact.

Reach out for a **free consultation!**

www.segment.com/contact

segment[®]

©Segment, Inc. All Rights Reserved 2022

Taking Action

Data-driven strategies are no longer optional for financial institutions, with customer transaction data holding a wealth of valuable insights that can help an FI improve its bottom line. If FIs want to remain relevant and competitive in 2022 and beyond, they need to kick up the speed into high gear, and transform their internal ecosystem to use its data holistically and intelligently.

Empower your institution to have a competitive edge, tighten the grip on reducing churn, focus on the demanding customer experience, targeting efficiently online where your customers and prospects are spending their time, and be a digital marketing leader with turnkey email channel delivery.

The data is at your fingertips. Use it.

Request a Demo



Resources

[*Financial Brand Banking Transformed* podcast on “Using Data to Drive Growth in Banking”](#)
[Segmint Blog](#)

- 1 <https://thefinancialbrand.com/119312/financial-marketers-data-arms-race-ai-maturity-trends/>
- 2 <https://www.sigmacomputing.com/blog/top-20-big-data-statistics/>
- 3 Celent Report: Technology Modernization and the Role of the Ecosystem by Bob Meara and Stephen Greer, June 11, 2021
- 4 <https://www.finextra.com/blogposting/20337/improving-customer-experience-in-banking-is-useless-if-these-7-blind-spots-exist>
- 5 <https://www.pwc.com/us/en/zz-test/assets/pwc-consumer-intelligence-series-customer-experience.pdf>
- 6 <https://www.emarketer.com/content/chime-no-1-neobank-us?ecid=NL1001>
- 7 <https://www.emarketer.com/content/breaking-down-mobile-p2p-payments-biggest-players>
- 8 <https://thefinancialbrand.com/68371/banking-customer-acquisition-attribution-growth-strategy>
- 9 <https://www.bcg.com/en-us/publications/2017/financial-institutions-marketing-sales-how-banks-close-back-door-attribution>
- 10 <https://www.emarketer.com/content/us-financial-services-digital-ad-spending-2020>
- 11 <https://www.emarketer.com/content/pandemic-causes-financial-services-advertisers-emphasize-online-banking>
- 12 <https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/the-covid-19-recovery-will-be-digital-a-plan-for-the-first-90-days>
- 13 Ad Age Marketing Fact Pack 2021
- 14 <https://www.forbes.com/sites/johnkoetsier/2020/09/26/global-online-content-consumption-doubled-in-2020/?sh=5a686cc02fde>
- 15 <https://www.oberlo.com/blog/email-marketing-statistics>
- 16 <https://www.fiworx.com/banking/marketing/email-marketing-best-practices>

[Visit **Segmint.com** to schedule a consultation,](#)
[or for more information.](#)

segmint®

©Segmint, Inc. All Rights Reserved 2022