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# On The Mark

Helping **mark** organizations for success

On the Mark Strategies | March 2016

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## People Don't Choose a Bank Because of an Ad

Remember the days when one ad would send consumers flying into your branches ready to open an account? We don't, either, because it doesn't work that way. If anything, getting consumers' attention is harder than it used to be because advertising is everywhere – online, offline, on our devices, on the side of the road, on grocery store receipts and even on gas pumps. That old rule of seven, which suggests consumers have to be exposed to a marketing message at least seven times before taking action, has easily increased to 777 exposures if not more.

Does that mean you shouldn't advertise? Absolutely not. Even the most recognizable brands in the world advertise because they want to remain top-of-mind. Coca-Cola wants to be the first brand consumers think of when they get thirsty. But Coca-Cola doesn't put all of its worth in one ad, and it relies on more than marketing to grow and succeed.

Here are some tips to help you succeed with your marketing strategy.

**Understand why people switch financial institutions.** Most studies point to life circumstances as the primary reason consumers switch financial institutions – marriage, divorce, new job, etc. The one they choose is either convenient, has been recommended by friends or family or is a financial institution with which they already have a relationship. That's according to a [study](#) conducted recently by Bank Clarity, which also indicates that nearly 80% of consumers are unlikely to switch at all.

**Spend more time focusing on existing customers or members.** Consumers have to know you, trust you and actually need what you are selling before they respond to your marketing efforts. Every financial institution has a captive audience of people who already fit that description – existing customers or members. How much time and money do you actually spend marketing to them versus new consumers? [MarketMetrics.com](#) says selling to existing customers is 50% easier than selling to new ones. Existing clients convert at 60-70% compared to new prospects at 5-20%. Engage those people at every touch point.

**Diversify your marketing strategy.** Align your marketing strategy with your organization's annual goals and take advantage of all marketing channels available – even some overlooked options like ATM screens or receipts and personalized ads

via online banking. Focus on promoting your brand to consumers who don't know you. Show the human side of your financial institution and help them understand what's in it for them.

Most consumers need a compelling reason to switch financial institutions. Give them as many reasons as possible to choose yours.

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### Watch our YouTube Channel for Tips and Tricks

For brief tips on various issues pertaining to financial institutions, like strategic planning, marketing, vision statements, effective board meetings and more, watch our [YouTube channel](#). We also have video testimonials from clients. For more information about how we can help your financial institution, contact Mark at [mark@markarnold.com](mailto:mark@markarnold.com) or (214) 538-4147.

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## The Right Way to Engage With Negative Consumers on Social Media

Social media – the place where consumers turn when they want to complain about your financial institution (or any business for that matter). It sure feels that way sometimes, doesn't it? It used to be when someone had a problem with a business, they would go there in person or contact the customer service department and actually communicate with a person who could resolve the issue. These days, a certain percentage of consumers bypass that logic completely and vent on social media as if the Facebook gods are going to wiggle their noses and make it right. The way your financial institution responds impacts the way consumers perceive your brand.

I have four words of advice. Do better than Yelp. The online company's image took a hit recently when not [one](#), but [two](#) employees took to social media to complain about their employer. It wasn't the complaints that made Yelp look bad. It was Yelp's [responses](#) – especially to the employee who claimed she was fired for missing work because her boyfriend was clinging to life in intensive care. It's quite possible the company violated privacy laws by publishing personal details about her absences and job warnings. It also tarnished Yelp's image by using poor judgment and showing zero empathy for her personal situation.

I offer [this example](#) from America's Best Contacts and Glasses for the right way to defuse a negative consumer on social media. The eyewear company does three things right here. First, it apologizes and shows empathy from a real employee. Second, it openly offers to put consumers in touch with a member of its management team to fix the problem. Third, it takes the conversation offline by sending personal contact information to the consumer's Yelp inbox and asking the consumer to contact him or her directly. In [one instance](#), a customer actually writes a second review praising them for fixing the problem.

Just because consumers like reading other people's dirty laundry doesn't mean you should entertain them with it. Show them you are trying to fix it and move offline. Your company's image depends on it.

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## Blog Posts

### [Strategic Planning: Over-plan and Under-Execute](#)

Banks and credit unions invest (or at least they should invest) a great deal of resources into strategic planning. Going to a special venue. Feeding participants. Taking key executives away from their daily duties. Even hiring a facilitator. While that is all well and good, an insight from a recent book I'm reading hit me between the eyes. In *The Revenue Growth Habit*, author Alex Goldfayn said, "you know that the key to growing your business is to underplan and overexecute." [read more](#)

### [Best Answer: What Makes Your Bank or Credit Union Different?](#)

Often when working with bank or credit union partners on projects like branding or strategic planning, we ask a relatively simple survey question: what makes your bank/credit union different? While the answers can come from all directions, more often than not, responses such as "service," "people," or "community" are among the more popular. While there is nothing inherently wrong with these answers, pretty much every single one of your competitors can say exactly the same thing. The goal of the question is to challenge participants to dig deeper into the cultural DNA of their financial institution to help find key distinction points, as opposed to their competition. [read more](#)

### [How to Coach Your Employees With Questions](#)

As an executive, manager or supervisor you are supposed to have all the answers. After all, that is why you get paid the big bucks: to solve problems. And most of the problems you deal with are typically people problems. If there are people challenges in your organization, then as the leader you are the answer.

But what if it's the questions that you actually need? [read more](#)

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