

# *Love the Ones You're With*

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*6 Marketing Automation  
Campaigns for Your Current  
Banking Customers*

# Introduction: Why Current Customers?

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You have likely heard some of the figures floating around comparing the worth of existing customers to that of new customers. They are impressive enough that they bear repeating.

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Increasing retention rates by just 5% can increase profits by 25-95% <sup>1</sup>.

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The chance of converting an existing customer is 60-70%, but only 5-20% for new customers <sup>4</sup>.

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It is 6 to 7 times more expensive to attain a new customer than it is to keep an existing one <sup>2</sup>.

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A 2% increase in customer retention has the same effect as decreasing costs by 10% <sup>5</sup>.

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Return on investment for new customers takes more than a year while return on investment in an upsell takes only a quarter <sup>3</sup>.

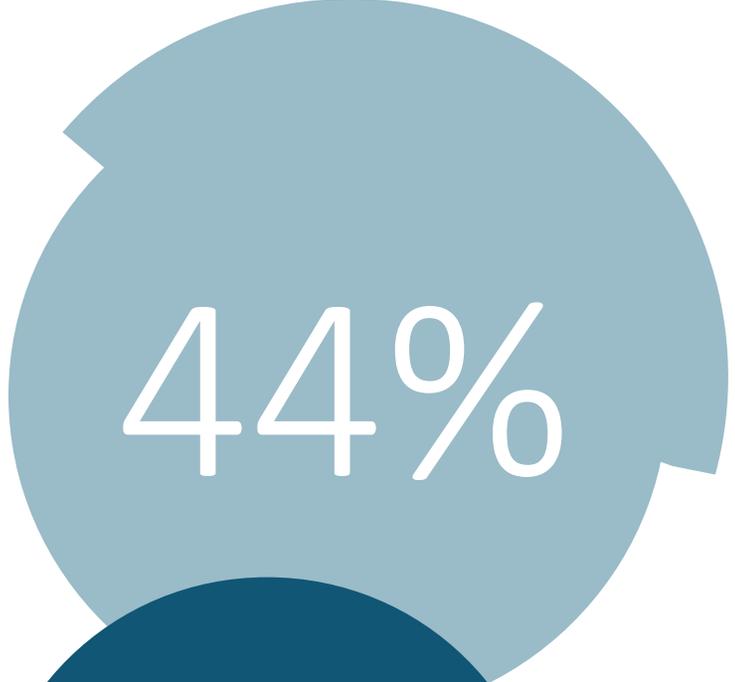
# Introduction: Why Current Customers?

Given all of these statistics, it seems like a no-brainer to invest highly in customer retention. This is not, however, what most companies are doing.

In fact, 44 % of companies have a greater focus on customer acquisition than they do on retention. Only 18% of companies have a greater focus on retention than acquisition <sup>6</sup>.

Many are in the habit of measuring marketing and sales success by lead creation and conversion, which makes new customers seem more attractive than current customers.

It's time to change the way you're marketing to your current clientele.



44%



18%

OK, But How?

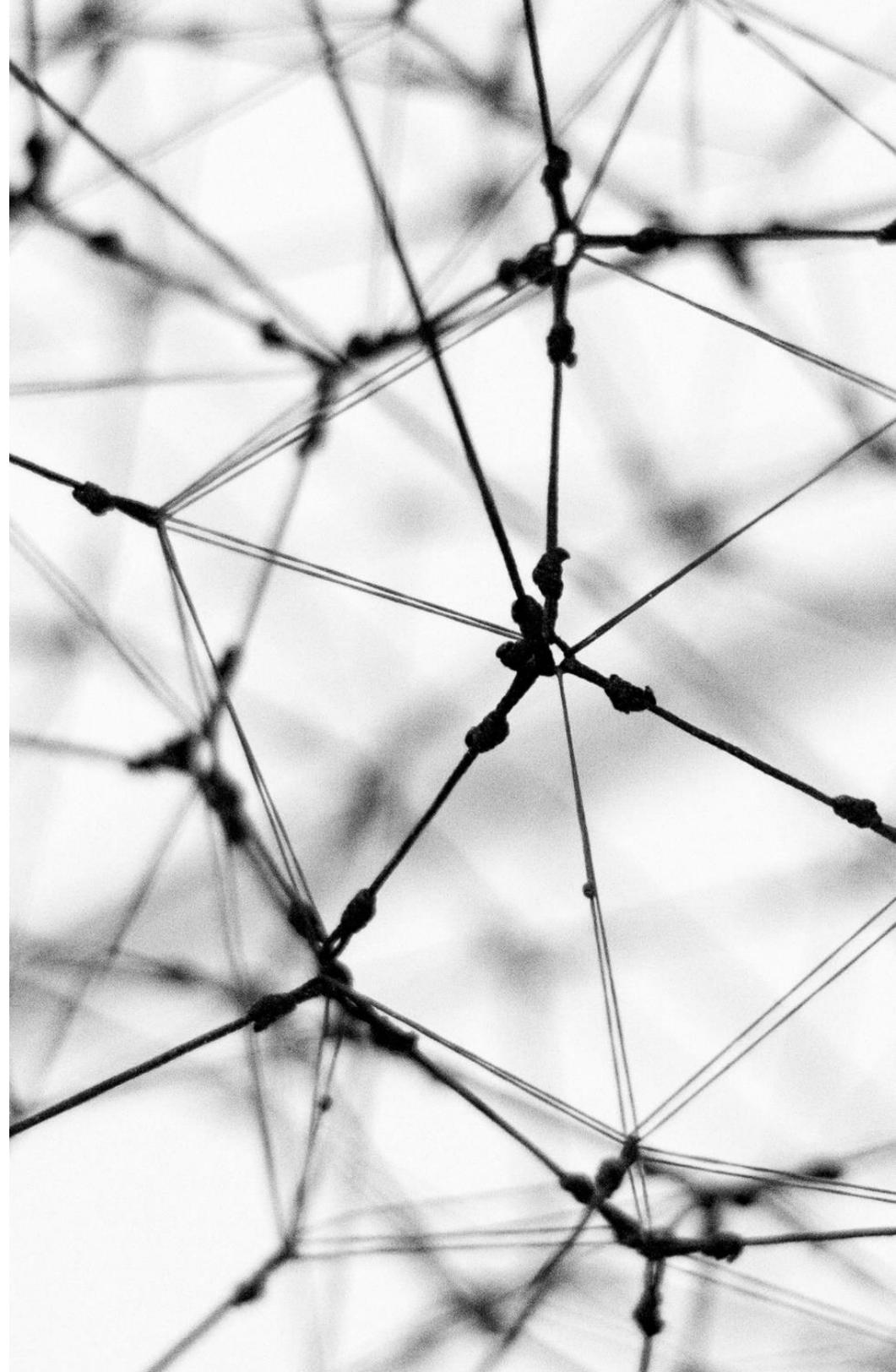
The good news: chances are you have all of the tools you need to effectively market to your existing customers.

Marketing automation campaigns that you are using to land new leads can be tweaked to serve your current clients.

You simply need to shift how you are thinking about them.

You can't think about people becoming your customer, making their purchase, and being done.

Focus on the entire lifecycle of your customers, and it can truly be a cycle.





Current customers need to be nurtured and engaged just as new leads do. When you do, they will continue to purchase your services and reenter the cycle. It's not just about selling, however.

You can provide your current customers with a lot more than your products, and they, in turn, will provide you with insights, feedback, and potentially become your brand advocates.

This e-book will outline what strategies you should deploy for an effective marketing automation campaign for your current customers. Since you are likely already familiar with marketing automation campaigns for new leads, many of the strategies will sound familiar.

The difference lies in the details: leveraging your strategies to their full potential with your loyal customers.

# Onboarding

Goal: Seamless and Positive Customer Experience

# Onboarding

What is an onboarded customer? Is a customer yours as soon as they sign up for a program or product?

This way of thinking is likely why the first-year rate of attrition for the top 100 banking institutions is between 24 and 40% <sup>7</sup>.

Successful onboarding is not a moment, it's a process.

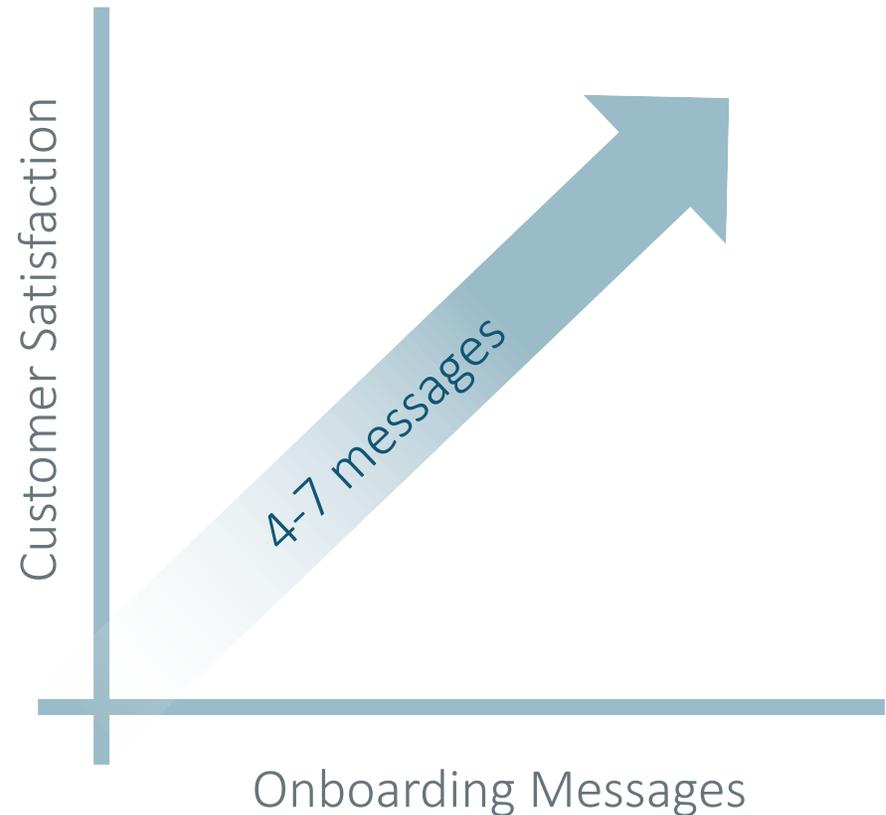
It's your first chance to engage your client, and it's going to leave a lasting impression, whether positive or negative.



# Onboarding

It's been a common misconception held by financial institutions that new customers do not want to get a lot of messages.

If your messages are personalized and targeted, however, studies have shown that customer satisfaction increased as customers were messaged up to four times, and this increased satisfaction remained steady with up to seven contacts within the first 90 days.



# Onboarding

You likely won't be using all of these onboarding strategies, but choosing a subset to match the needs of your customers and the character of your institution will set you on a path toward a successful onboarding program.

- **Welcome Email**—It's crucial that your customers feel welcome right away and get an idea of what their next steps will be.
- **Expectations** —What's next for your customer? What do they need to do as they begin their customer journey with you? Let them know where they are in the onboarding process, even on specific tasks. As you let them know what to expect, remember to use baby steps. Break up processes into small chunks and make them as simple as possible.
- **Milestones**—Encourage your customers as they complete milestones or important steps in the onboarding process.
- **No Activity Email**—Has your client signed up and then gone quiet? Offer to help them jump back in. What do they need from you?
- **Highlighting**—Highlight important elements, programs, workflows, etc. that will be helpful to your customer.
- **Surveys and Follow-ups**—You've been our customer for two months...how are we doing? What could we improve upon? What else do you need?
- **Resources**—Here are some guides, websites, lists, etc. that may be of help to you.

## *Consider Curtis,*

*a busy 28-year-old who just received his MBA and is travelling constantly for his new job.*

*Curtis has applied for a credit card and opted into SMS communication.*

*Upon his approval, he is automatically sent an email and text to share his credit card agreement and disclosures.*

*Curtis sees the agreement before takeoff but doesn't have quite enough time to confirm.*

*A day later, Curtis receives another SMS message letting him know he still needs to complete the activation. He follows the link included in the text and completes the process. Curtis receives a confirmation message, letting him know the card is ready to use.*

*The next day, he makes a purchase with his card and the transaction goes through.*

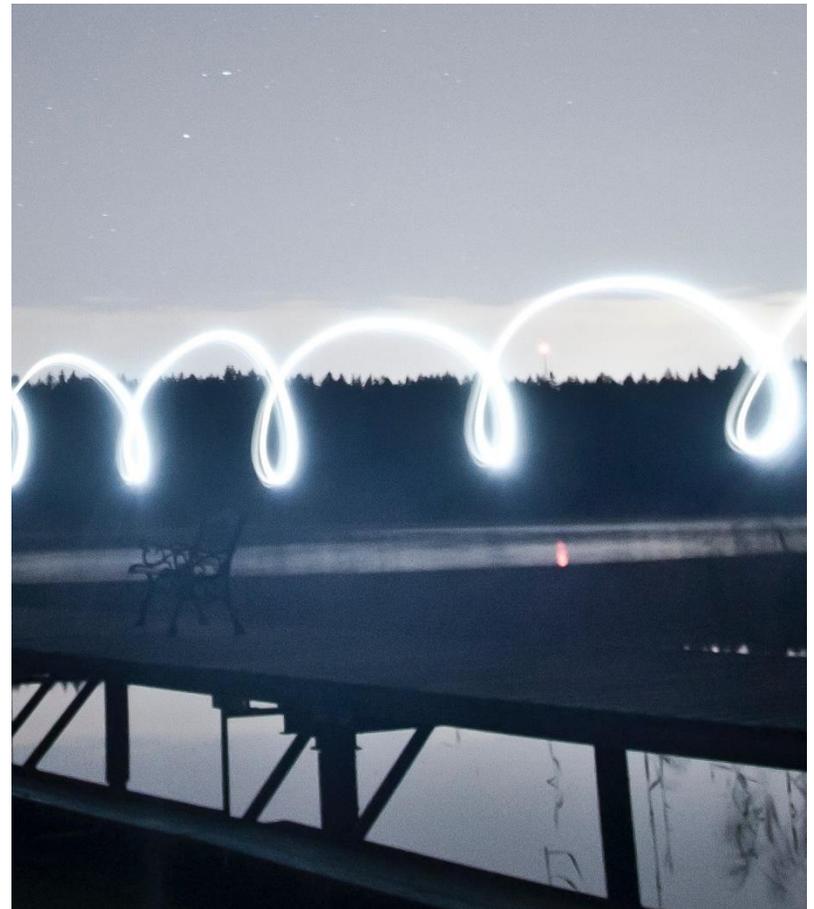
*Even though Curtis is always on the move, his first interactions with his lender have been positive.*

# Onboarding

Many of the strategies of an effective marketing automation campaign for your financial institution overlap with each other.

Providing resources can be an important step in your onboarding process, while it's also critical as a longer-term drip campaign strategy.

Similarly, surveys and follow-ups can be a component of onboarding as well as a stand-alone strategy that is used throughout a customer's journey in order to gain valuable feedback.



# Drip Engagement Campaigns

Goal: Education

# Drip Engagement Campaigns

Drip campaigns can be used in onboarding and they can be used to nurture leads, but that's not what is meant by "drip engagement campaign."

To foster true customer engagement and loyalty, you can't constantly be selling. What else can you provide your client? What else would a particular customer be interested in?

These are your customers. You know their engagement history and behavior, and this information can be used in your marketing automation platform to determine content specifically suited to them.



# Drip Engagement Campaigns



Remember, you're not selling your products or asking for feedback.

There is no other goal than engaging and educating your customer with relevant information.

Since this section recommends some of the same activities as the previous section – such as sharing suggested resources – it might be useful to differentiate the two sections a little more.

What are the non-onboarding circumstances for using this?

# Drip Engagement Campaigns

Content for your drip engagement campaign may include:

- Suggested resources
- Case studies
- Media
- Blogs
- Newsletters



# Cross-selling and Upselling

Goal: Continuing the Customer Sales Cycle

# Drip Engagement Campaigns

One of the problems regarding cross-selling and upselling has been the idea that it falls under the purview of the sales team, and that marketing is not involved. This is not the case.

A Deloitte survey revealed that **only 19% of retail bank customers** had three or more products, in addition to their checking account, with their primary bank. However, 49% have three or more products with other financial institutions. In addition, **75% of customers owned credit cards**, but **only 33%** had one issued from their primary bank.

Marketing, specifically automated marketing, is critical to determining when a customer is ready for the upsell.

What does this mean? It means that banks are missing opportunities for cross-selling and upselling to their customers.



Cross-selling and upselling your institution's other offerings is what keeps the customer cycling through their journey with you.

A customer's level of engagement or activity on your site can trigger recommendations for new and complementary offers.

The timing of these offers is critical. As stated previously, you don't want to constantly be selling. In fact, much of engaging your customer through your automated marketing campaign does not have to do with selling them anything.

That is why it is so critical that when you do approach them with an offer, you know you are doing so at an opportune time.

# Surveys and Follow-ups

Goal: Gather Valuable Information

Even if a customer purchases or uses only one of your products, they still present you with a great deal of value.

When you're chasing new leads, you often create personas to serve as model customers. They represent the categories of people you are targeting in your sales campaigns.

Existing customers are basically your personas come to life! Use this to your advantage.

How accurate were your personas at reflecting your true customers? How should you tweak them to improve your marketing and sales the next time around?

Now you don't need to guess what your customers want from you. You can simply ask them. Surveys and follow-up questions are a great way for your customers to engage with your institution and feel heard and valued. It's also a major opportunity for you to gather critical information.



## BUSINESSCHART



Who is your audience and what are the benefits of doing business with you

## INTERACTIVEUSER

**1,505**

NEWUSERSREGISTRATION



## SPACEUSAGE(750MB)

Marketing strategy's goal is to increase sales and achieve the advantage over other competitors. It includes short term and long term activities of marketing that has to do with the analysis of a company's situation and contribute to its objectives. The objective will be based on how you gain sales by acquiring and keeping customers.

A marketing strategy helps convey effective messages with the right twist of marketing approaches that will maximize your sales outcome and marketing activities.

In addition, questions and surveys can better allow you to segment your customers and get a deeper understanding of what the various groups need and want.

Marketing automation campaigns can allow you to collect information from your customers at specific points in time.

Did someone just download one of your resources? Find out if it was helpful and whether they got what they were searching for.

Did someone just complete his or her first year with your organization? Find out what they think and what else they need from you.

Institutions spend huge amounts of money on persona creation and focus groups. By getting feedback from your loyal, engaged customers, you can hone your targeted personas and get valuable feedback without the big expense.

# Customer Advocacy

Goal: Identify and Cultivate Company Cheerleaders

# Customer Advocacy

Who downloaded every resource provided in your drip campaign?

Who does your lead scoring point to as being the most engaged?

Which of your customers give you glowing feedback?

Which customers have you been successful with in your cross-selling and upselling campaigns?

All of the strategies that should be part of your marketing automation campaign help inform you of which customers are your brand advocates.

Nurturing your brand advocates raises your Net Promoter Score<sup>®</sup>. This measurement is determined based on a single question, “How likely is it you would recommend us to a friend?” Customers are broken up into three groups—promoters, passives, and detractors. If you ask your promoters why they love your brand, you can quickly learn what customer experience strengths you can build on.

# Customer Advocacy

Why are brand advocates so important? Consumers trust other consumers more than they trust brands or companies. It's why we sort our Amazon searches by highest customer review and pick out our restaurants on Yelp. Brand advocates can be extremely effective and, in turn, are of great value.



Empower and motivate your brand advocates to share positive information about your company. Provide them with content they can easily share on social media. Give advocates the opportunity to review content first. You may even choose to officially invite these top tier advocates to join a referral program.

# Banks and Customer Retention

In a recent Bain & Company study, it was found that,

**60-80%** of self-described  
“satisfied customers”

do not go back to do subsequent business with  
the company that they were satisfied with.

In banks specifically, a recent Gallup poll  
reported that 66% of the most engaged  
customers felt the communications they  
received were “general in nature” and  
not personalized. A whopping

**53%** of households

reported that the offers they received  
were for products that they already owned.



These statistics tell us two very important things.

First of all, it's not enough anymore just to have a quality product. Having satisfied customers doesn't cut it. Customers need to be engaged with you, your company, and your products.

The second thing this tells us is that many banks aren't doing such a great job at customer engagement. According to another Gallup poll, retail banking customers who are "fully engaged" bring in 37% more revenue annually to their primary bank than do actively disengaged customers. Engagement is key.

# Conclusion

# Conclusion

Engaging your bank customers is critical today in order to increase revenue and lower attrition rates.

The value of your current customers far outweighs that of new customers.

Nobody is saying to ignore new leads, of course, but as much if not more of your resources should go toward engaging your current clientele.



# Conclusion

The same marketing automation campaigns you use for prospective customers can easily be implemented for your current client population.

Benchmark attrition rates for credit unions stand at about 13%, while for banks they are 21%.

Leverage your marketing automation campaign strategies with current clients in order to maximize customer engagement and create loyal brand advocates.

