



From high yields to security shields, 10 marketing focal points for 2018

By Geoff Williams

Standing out is tough in this age of information overload. Enter smart bank marketing based on these powerful themes.

“Banking,” says [Drew Sandholm](#), the marketing director with Quontic Bank in New York City, “is incredibly competitive.” Let us count the ways: “There are a whopping 5,715 federally insured banks in the United States. The question in 2018, perhaps now more ever before, is how do banks stand out?”

Indeed. And in fact, those 5,715 banks don’t just compete against each other anymore. For customer experience, consumers compare Bank A to the ease of

ordering a box of Twinkies on Amazon. For Bank B, it’s their cautious pace versus the formidable zip of FinTech disruptors. And insofar as rising above the noise floor, Bank C is up against a 24-7 news cycle, zillions of YouTube channels and endless video streaming: more content than at any point in human history.

Yet smart financial institutions can stand out—and consumers want them to, because they need what

banks have to offer. So what’s worth spreading the word about? Here we present ten key products, services and features banks will market in 2018.

1. We’re more digital than they are.

“Digital, digital, digital; in 2018, we’ll see banks focus on digital banking, products and services—and use digital advertising to drive business,” Sandholm predicts. “In 2018, we will see banks focus more on digital banking: online banking, mobile banking apps and adding features and conveniences to both.” Branch banking isn’t going anywhere, Sandholm stresses. But marketing campaigns will largely focus on the type of banking consumers do with their fingers, not their feet.

2. Your high yield = our high promotion.

It’s expected the Federal Reserve [will increase interest rates in 2018](#). As that happens, banks will promote high-yield savings accounts with more zest than in years past, as climbing rates make customers take notice. The first banks to get the high yield message out are bound to win business.

3. We’re no haven for hackers.

During the 1920s and 30s, when gangsters robbed banks mercilessly, [Kansas bankers actually met in Fort Riley for target practice](#) because state police didn’t exist. [They spread the word to the public](#) via newspapers and placards that read “The Crawford County Bankers Association is LOOKING FOR TROUBLE.” It turned out to be great PR. Fast forward to 2018, when banks face a much different enemy that doesn’t wield a gun: high-tech hackers. Expect banks to promote their security efforts, as financial institutions pitch themselves as your best and safest defense.

Frank Sanchez, founder and CEO of [Finxact.com](#), a company that specializes in core-as-a-service banking technology, says that 2017’s Equifax debacle will help fuel a lot of marketing on security and authentication in the coming year. “Banks have a competitive advantage and that is trust, so 2018 will be the year for bank leadership in this area,” he says. “We will see banks exploring new methods for authentication, removing personal information and passwords to make financial services more secure, remove friction, and diminish the impact of breaches.” (He makes a longer-term and far-reaching prediction for the years beyond 2018: “We’ll also see more discussion around eliminating social security numbers as a key identifier.”)

4. More chat about chatbots and real-time AI.

Aside from fraud protection and risk management, “The agenda for AI in 2018 will be real-time decision-making,” Sanchez says. Banks will tout their latest innovations with chatbots, software programs that interact with consumers visiting a website or contacting a call center. And if financial institutions have anything to say about it, their chatbots will take on new levels of sophistication and interaction—creating a marketing edge in the process. How far can this go? Sanchez envisions chatbots responding “with empathetic dialogue.” This begs the slogan: “Our bankers care ... and so do our ‘bots.”

5. Incredibly cautious with cryptocurrency.

Cryptocurrency will be big in 2018 and banks won’t be able to ignore it. Then again, the fabulously outspoken JPMorgan Chase president/CEO [Jamie Dimon called bitcoin investors “stupid” in October](#). In terms of a more tempered approach, [other big banks have made](#)

[it clear they aren't impressed with cryptocurrency.](#)

Thus expect some financial institutions to market themselves as the grownup in the room, where consumers can go for sound financial advice that avoids any dancing on a bitcoin bubble. No matter how high bitcoin flies, the bottom line is that futures in cryptocurrency could be very dangerous.

6. Touting more financial tools.

As financial websites such as [Mint.com](#) and [Credit Karma](#) offer more services and become more bank-like, banks in turn will create all-purpose financial websites. Sandholm says that Quontic Bank will launch a feature on its app that will scan and sort a consumer's receipts: "You can monitor where you spend your money and track purchases, apply for rebates and have all of the data for taxes."

7. Hey, dude: Banking with us is cool.

For those harboring the stereotype of Worthington Bigbucks sitting behind his huge oak desk, listen up: You must escape. Literally. Last summer, [Servus Credit Union](#) in Alberta, Canada, [brought an "escape room" to a dozen or so events such as community festivals.](#) The room featured a "boring" bank branch where consumers were given ten minutes to escape by solving puzzles related to finances. Never before has a boring bank been so exciting.

8. Generation Z gets A-plus treatment.

Make no mistake: Marketing will gear up toward Generation Z in 2018. Even with all the attention paid to millennials, some banks are already zeroing in on those born between 1998 and 2016. Now while Gen Z's toddlers still associate "bank" with "piggy," its oldest members will turn 20 and open more bank

accounts, apply for more credit cards and even consider investment options. Members of Gen Z have been described as "[millennials on steroids](#)," and are even more digitally savvy than their forebears. Given how dexterous and deft they are with smartphones, Gen Zs could well see some banks marketing to them in their teens—via mobile, of course.

9. Special attention to social issues.

Millennials say in survey after survey that impact investing matters to them. In 2016, the global investing forum [Tonic](#) and [Bank of the West](#) co-conducted in-depth interviews with millennials on six continents. Here's what they found: 79 percent described themselves as impact investors seeking both financial and social impact returns. [First Green Bank](#), headquartered in Orlando and around since 2009, champions its environmental mission proudly. And Eastern Bank, based out of Boston, [earlier this year got a lot of attention with its ads promoting gay rights and immigrants.](#)

10. Some banks will continue to talk a good game.

Don't call this a trend or strategy so much as a reality that needs to change. Much of the talk surrounding service, peerless products and customer experience—especially customer experience—will amount to lip service and nothing more. Yet those who can walk such talk will harness the most powerful marketing force of all. It's another type of talk and marketing mavens know it well: word of mouth.

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