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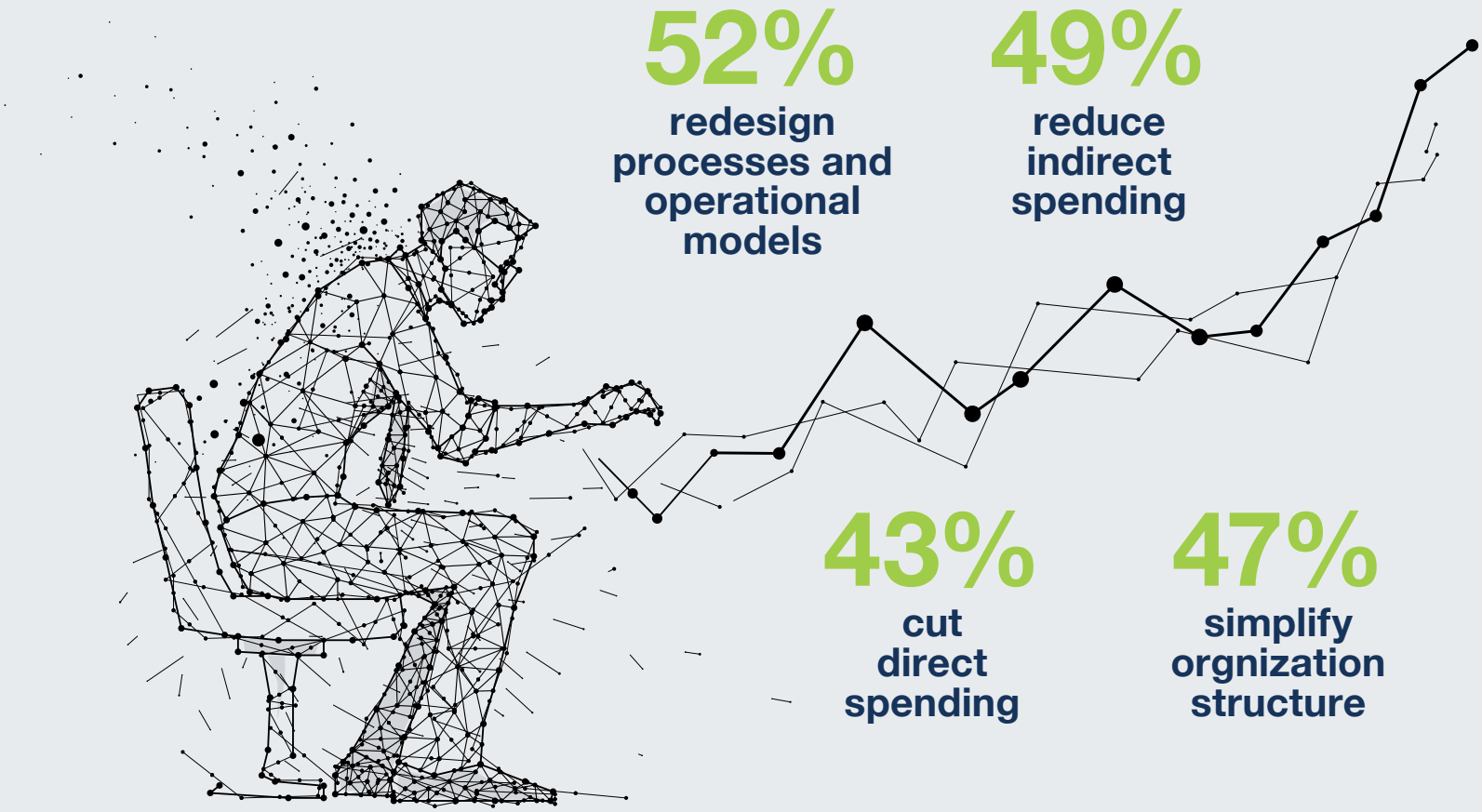
Marketing Cloud Solutions for Banking's Biggest Challenges

According to a BCG survey of 759 global C-suite executives, nearly three-quarters expect macroeconomic uncertainty to be their businesses' key challenge.[1] To deal with this uncertainty, C-suite leaders are focused on improving efficiency and cutting costs by employing four key levers:



Banks and financial institutions usually first turn to marketing to make cost reductions and efficiency improvements. Marketing is often viewed as non-essential to running an organization, or an area that can function with a reduced budget. We know this is not usually the best course of action. Most banks still have lofty growth goals, and reducing marketing spending can make these goals hard to hit.

So the question becomes: with all the market volatility, how does marketing up your bank's defenses against cost-cutting measures?

Marketing helps banks attract new customers, cultivate those relationships, and retain their business over time. Marketers are also able to act fast to help achieve short-term goals. How? By leveraging marketing automation. Bank marketers are using Salesforce Marketing Cloud to ensure every moment in a customer's relationship counts.

Here we share the biggest challenges facing banks today and how Marketing Cloud is the solution.

1."CEO Outlook 2023: Caution, Optimism, and Navigating the Road Ahead", BCG, 2023.

CHALLENGE 1

Trying to grow deposits in a volatile economy

During the pandemic, loans were going crazy because of the low rates. But the economy has shifted, rates are on their way up, and loan growth is on its way down. The pipeline is shrinking, and banks want to grow deposits quickly before a potential recession hits or interest rates rise and impact business.

SOLUTIONS

Use personalized content to engage customers

If you want to grow deposits, the first question to ask is do you have an evergreen cross-sell program in place? If the answer is no, let's start there. For banks in this situation, we see two key concerns: Do they need to have a "next best product" model? And what do they do if they have some programs in place that are not evergreen?

Let's address the first question: Do you need a "next best product" model? The answer is no, this can start very simple. First, creating a simple segmentation algorithm for each product is easy. Let's take a savings account, for example. Usually, you know if the customer has a current savings account or not, and if that same customer has a checking account. If you only have those two data points, you can use that to set up simple savings cross-sell.

If you have some programs in place that are not evergreen, generally, those are not automated, so it takes a lot of work to create those campaigns. These are usually reactive, so you have a longer time to value on your campaigns.

By having an evergreen program, you gain consistent data to measure against and a better understanding of your clients' interests to better personalize current offerings. You also have some upfront work to then help you gain massive productivity gains later on. This also gives you better predictability with your volumes and helps with your sales team's follow-up because you don't always have to communicate about the new campaign when it is always on.

Develop a content strategy based on intent

To drive deposits for both the long term and short term, make sure you have content that covers your deposit funnel so you can better understand your customers and where they are in the funnel.

For example, let's say you are starting a deposit campaign. When thinking about the content, look at current data to help drive where you might want to understand our customers. You can then create content that covers your buying cycle or different types of customers, such as rate shoppers vs. long-term savers.

Now with Marketing Cloud, you can make customers feel that your bank completely understands their needs. Rather than have static web pages with the same offers

for every prospect, your website can show a specific home page image or content based on that customer's past page view history or past services. Email messages can adapt with recommendations based on a customer's latest actions, product purchases, or browsing history.

This data can also be used by your sales teams, so when you're running these journeys, it is critical that you have a strong alignment between marketing and sales. Since Marketing Cloud links to your CRM, once you have a customer at a particular point, your sales team can reach out with an email or phone call. Otherwise, the deposit growth initiatives are happening in silos, and different tactics can cause customer confusion.

Leverage the transactions data gold mine

A huge bonus for financial institutions is that they are sitting on a large amount of robust customer data. Every single transaction, money in and out, and other data indicators can be used to understand better if customers seek to grow deposits.

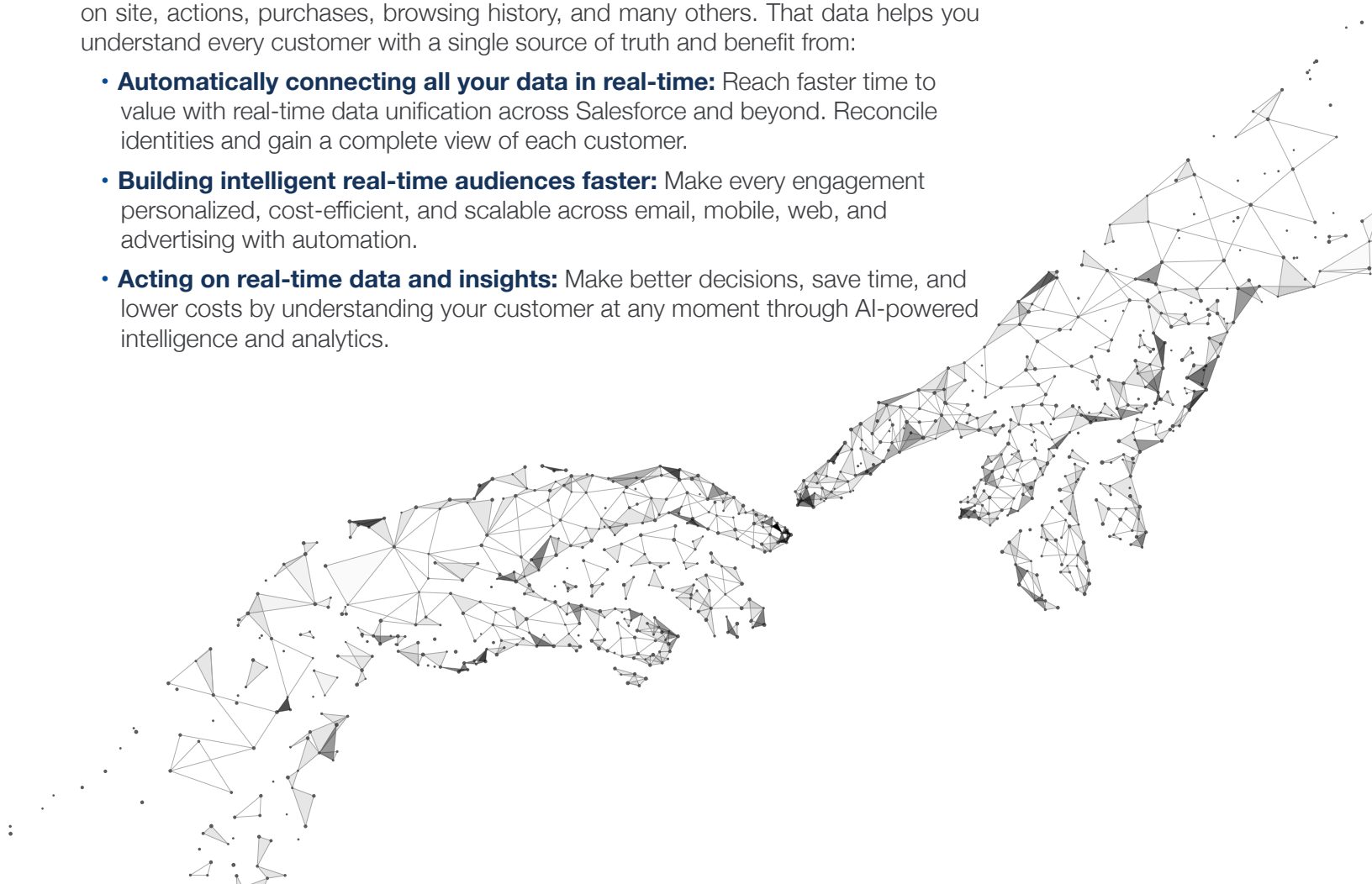
For example, looking at a checking account and seeing a customer has an influx of thousands of dollars in the last three months. They might be a prime target for a savings account because they may want to siphon off some of that cash for savings.

The inverse is also helpful. You may see a customer moving money from your bank to a competing bank. Then it's time to look for ways to develop a better relationship with that customer and retain their business as the primary bank.

Marketing Cloud helps banks look for signs of transactions going in and out and to understand how those signs can be leveraged. Customer data is segmented, and personalized content is served up for that customer's specific needs to deliver them value.

Transactions also come in the form of engagement with your website. Marketing Cloud Personalization collects customer data on several factors, including time spent on site, actions, purchases, browsing history, and many others. That data helps you understand every customer with a single source of truth and benefit from:

- **Automatically connecting all your data in real-time:** Reach faster time to value with real-time data unification across Salesforce and beyond. Reconcile identities and gain a complete view of each customer.
- **Building intelligent real-time audiences faster:** Make every engagement personalized, cost-efficient, and scalable across email, mobile, web, and advertising with automation.
- **Acting on real-time data and insights:** Make better decisions, save time, and lower costs by understanding your customer at any moment through AI-powered intelligence and analytics.



CHALLENGE 2

Loan growth is on a downward path

Demand for loans has slowed down as banks tighten their lending standards in response to a cloudy economic outlook, reduced risk tolerance, deterioration in collateral values, and concerns about liquidity positions.[2] Across all types of loans, from mortgages to auto, banks and lenders are trying to bring value to the customer and make it easy for them to apply for a loan so they can survive and thrive during this era of slower loan growth.

SOLUTIONS

Customize accessible data

The most accessible place to start looking for opportunities to grow loans is with your existing lending customers. Your first step should be finding where things like pay-off requests and maturity dates are for loans, and if this data exists, setting up a process to collect the data using Salesforce CRM and a connected web form.

You can also look for growth in loan balances within your own non-utilized HELOC balances. This can be an easy journey in Marketing Cloud that helps you and your customers take advantage of using open balances before rates go up.

Personalize the homepage

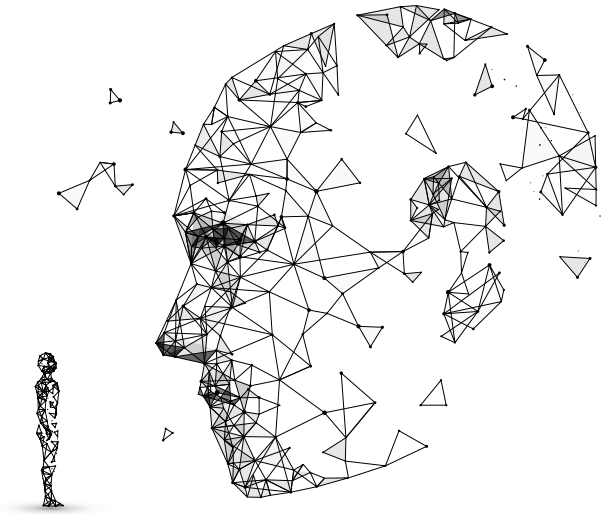
Ninety-one percent[3] of consumers view digital banking as an important factor in choosing where to bank. And where is a consumer most likely to go for digital banking? The bank's homepage!

Banks get thousands of views daily on their homepages as users log into their online banking platforms. The homepage is prime real estate that few banks utilize to their fullest potential. With Marketing Cloud Personalization, you can use online and offline data to personalize your home screen to your individual customer's needs. This can help increase loan click-throughs by making sure customers see the right offer at the right time.

Track loan calculator data

It is estimated that more than 2 million consumers in the U.S. search for financial calculators every single day. Type in 'loan calculator' on your Google search bar, and you'll get millions of search engine results from various banks.

But while many banks have loan calculators on their sites, many are not relying on them to capture and track customer data and using that data to personalize customer interactions. Marketing Cloud Personalization enables banks to understand loan calculator usage better and then react to these engagements by setting up follow-up customer communications with an email, phone call, or relevant content.



2. "US community banks' Q1 2023 loan growth slows amid tighter lending standards", S&P Global, 2023.
3. "Study: Banking Needs, Digital Banking Trends, and Consumer Priorities", The Ascent, 2023.

Gamify your communications

Gamification is a marketing approach where you offer your customers or prospects elements of a competition or an award based on the actions they perform. For banking, gamification could be used to attract new customers, increase customer loyalty, or upsell loan services.

Gamification makes the loan process a bit more fun and engaging for the customer and differentiates the bank from the competition. Using Marketing Cloud, you could provide badges to recognize a loan applicant's achievement or offer redeemable points in return for watching loan education videos.

Gather data for progressive profiling

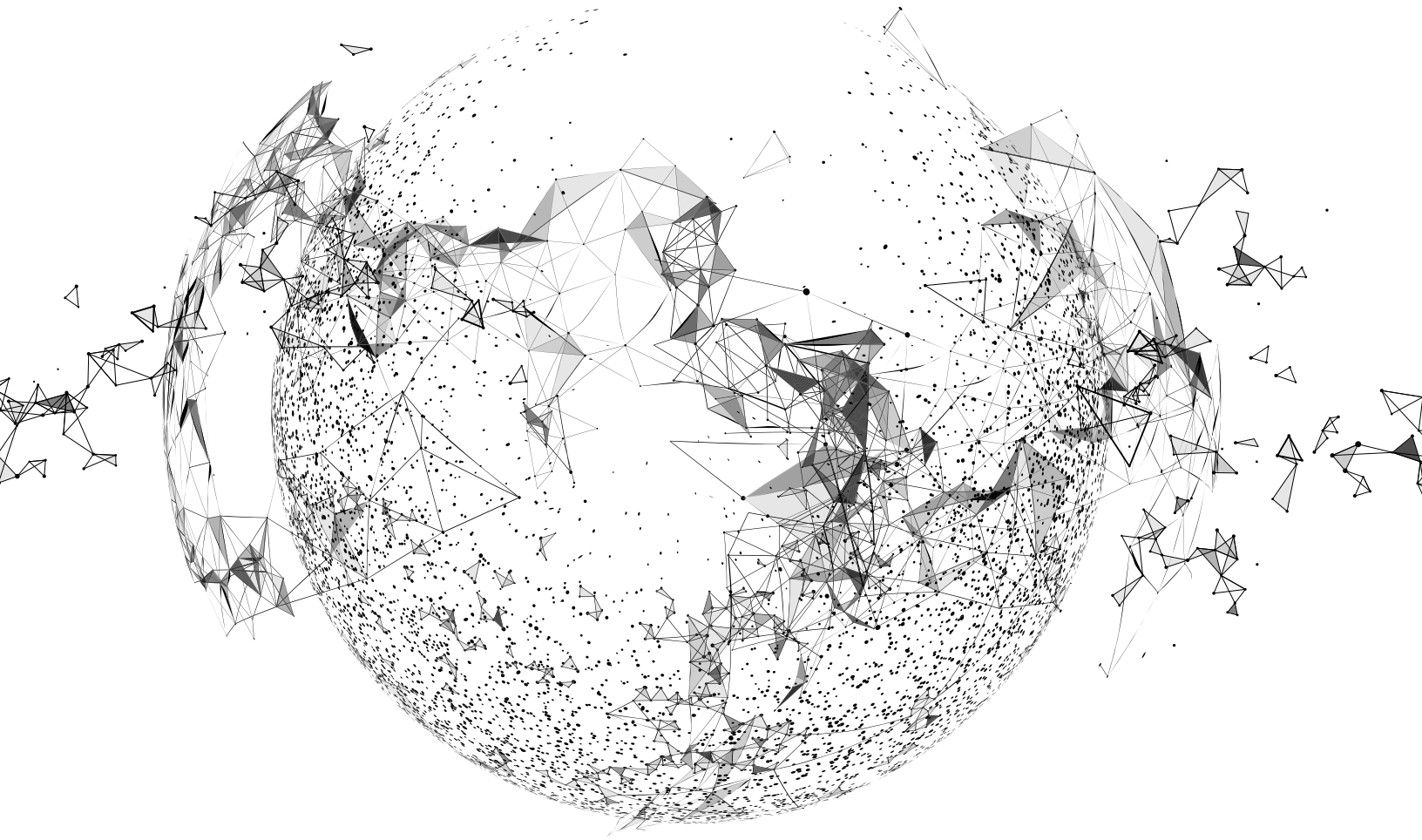
Progressive profiling is the process of gathering data points on an individual and building that data over time. Marketing Cloud makes it easy to use progressive profiling to create conversations about lending with your customers.

For example, you could ask a prospective home loan applicant a few questions about buying a house and incentivize them to answer in exchange for a free cup of coffee. Follow with having the applicant fill out a form to access an eBook about home buying. You will start to build a customer profile with this data that can be used to personalize future interactions while also helping provide value to your customers.

Scale advertising across search, social, and display

Advertising Studio is an add-on to Marketing Cloud that drives advertising across search, display, and social media at scale. This tactic uses a form of progressive profiling and segmentation to align your ad with the right person on the right platform. For example, sending an email to a loan applicant and, when that is not effective, serving up a Facebook ad or a Google display ad.

You can find new customers with lookalikes who behave like your current high-value customers using Salesforce, Facebook lookalike audiences, and Google similar audiences. This targeting may seem a bit "big brotherish," but customers, especially younger ones, know how technology works and have come to expect this approach from marketers.



CHALLENGE 3

Unable to maximize the value of the preference center

On the front end, a preference center is a page or pages where a financial institution collects information about a customer's wants and needs. It lets customers decide the notifications, messages, topics, and channels they'll allow from a company. On the back end, the preference center unifies the customer profiles into one source of truth, so customers don't have multiple preferences across systems. But financial organizations are challenged to build a centralized preference center that doesn't trap data in silos and creates unified customer profiles that drive personalized engagement.

SOLUTIONS

Know your audience

Focus on these three audiences that are heavily invested in preference center data:

Marketing

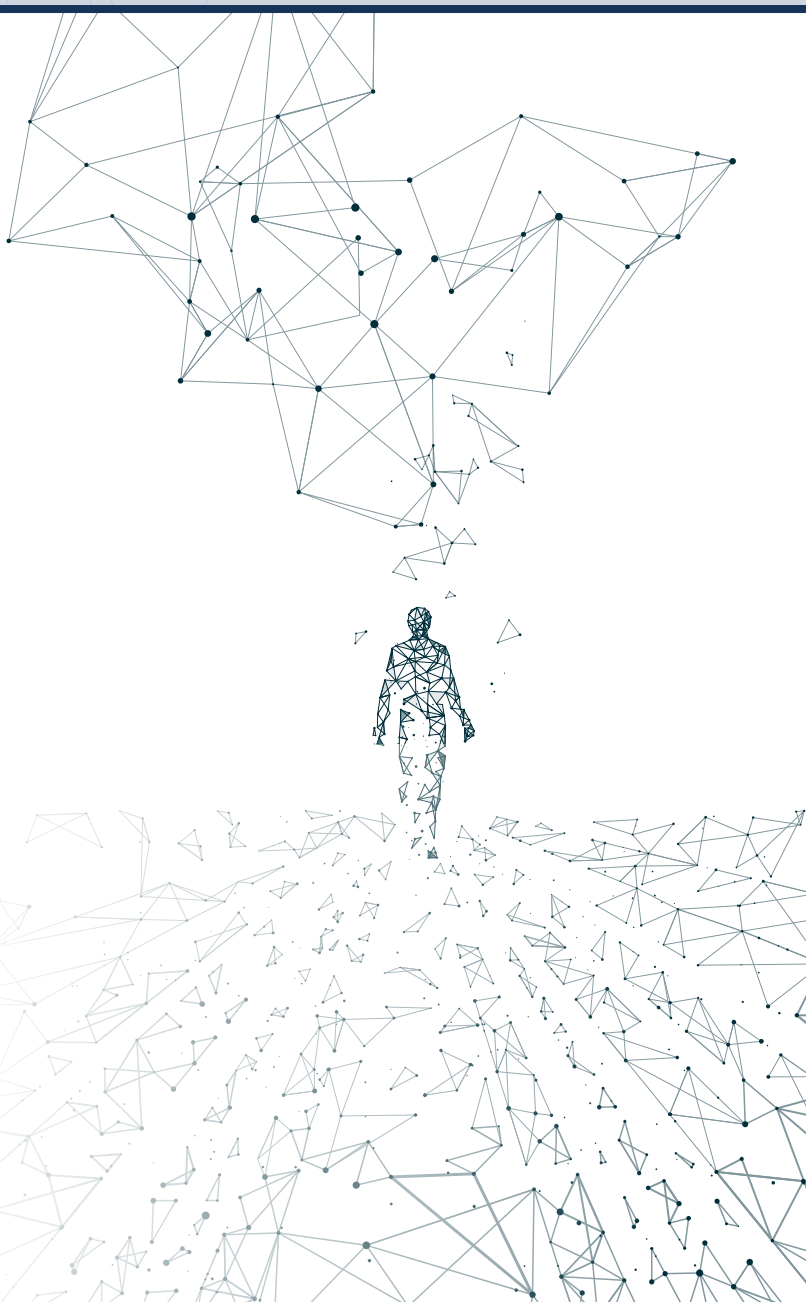
Marketing needs consent for email, mail, phone, SMS, and website, and preferences for products and channels. But consent is often siloed, and preferences don't give much value, such as checking the box for "I don't want promotions." But if a preference center is done right, the marketing team should see an increase in marketing effectiveness, such as more leads, better NPS scores, and a decrease in wasted communications.

Sales

Sales tend to focus on consent for phone and sometimes email, and like marketing, preferences are for products or channels. But the data is often hard to access or incomplete, resulting in upset customers feeling like they are not heard. If issues are addressed, sales will be rewarded with upturns in call effectiveness, sales, and productivity.

Back office

The back office must have consent for email, mail, phone, SMS, and website, along with channel preferences. But the process can be complicated and challenging to train correctly. By using a preference center, organizations can reduce the cost to communicate with customers.



Get the most out of collected data

One of the biggest roadblocks we see with a bank's marketing team is that their data is all over the place in disparate systems. Teams lack the visibility, accessibility, and connectivity they need to quickly and easily automate and scale. And without accessible data, marketing cannot showcase how it aligns with and fulfills the bank's goals and business functions.

Salesforce CRM allows financial organizations to consume, collect, or surface preference and consent data. Marketing Cloud is a crucial enabler for getting the necessary value out of collected data so you can better communicate with your financial customers.

Here are some considerations when developing a preference center:

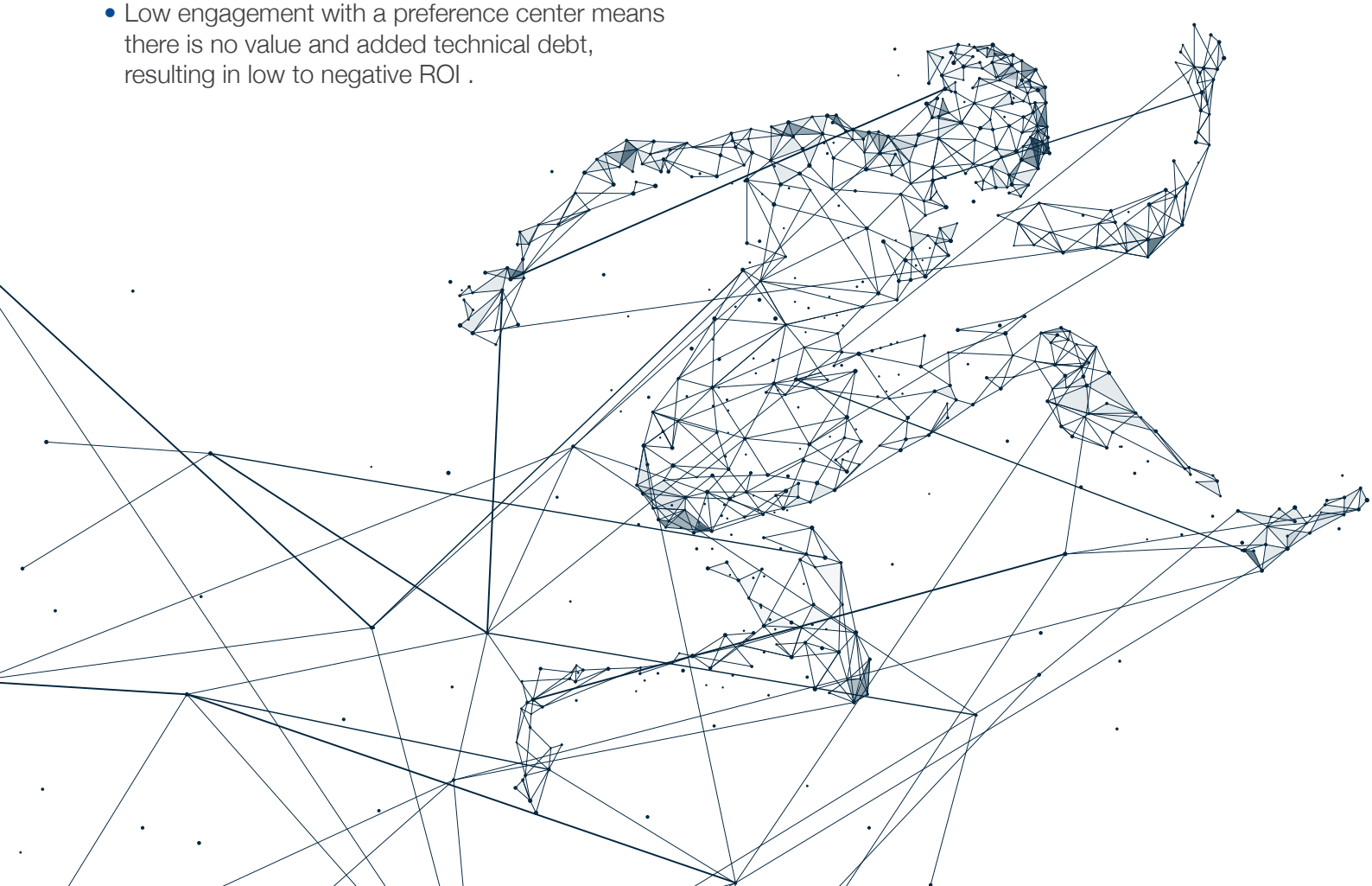
- Watch what you collect or don't collect, as you could step into a fine, negatively impacting your brand and customers' trust.
- Make sure that preference data is not siloed across disparate systems.
- Know the true master source for your data.
- Avoid collecting preferences that have no value to your organization.
- Don't make it difficult for customers or employees to see and use preference data.
- Low engagement with a preference center means there is no value and added technical debt, resulting in low to negative ROI .

Follow a crawl, walk, run strategy

The foundational crawl phase focuses on risk mitigation by using consent management to show you're compliant for the core consent types: email, phone, and privacy opt-out. The centralized data is easy to use and syncs back and forth to the master if needed. The Salesforce CRM is the central point of your marketing email platform and core or enterprise data warehouse (EDW).

In the walk phase, you are working on enhancements with the goal of decreasing communication waste, especially for marketing and the back office. Additional consent data is collected, such as web and SMS, plus some preferences such as preferred channels. Preferences become easier to collect, and you're beginning to see value in using the CRM as the central point with the addition of Marketing Cloud tools such as website, SMS, or online banking platform.

The run phase is where the transformation happens, and you see increases in marketing and call effectiveness, productivity, and customer satisfaction. Data includes preferences such as content and product, and you are capturing preferences based on behavior, such as send times for emails. All the data is in one place in your CRM and can be viewed and edited by customers and employees on multiple platforms.



CHALLENGE 4

Struggling to orchestrate customer journeys

When Gartner asked their clients about the most critical priority facing marketing leaders, the overwhelming answer was customer journey orchestration.[4] But even though customer journeys are a marketing priority, many financial industry marketers don't know how to best use journeys for their marketing initiatives. Journey Builder, part of Salesforce Marketing Cloud, provides a solution that helps marketers deliver cross-channel personalized experiences at every step of the customer lifecycle with campaign management.

SOLUTIONS

Start small

Even though there are considerable benefits to be had with Journey Builder, it is best to start small. Create a couple of steps at a time and build upon them after seeing what kind of value they are delivering. Then you'll know whether it is worth investing the time and money into orchestrating that customer journey.

Listen to your customers

If you're unsure of which customer journey to start with, listen to your customers. Use survey or feedback portals created in Marketing Cloud or Google ratings to help search for customer issues. Then you can design a customer journey tailored to specific problems, such as trouble logging in to a bank's website.

Provide a value exchange

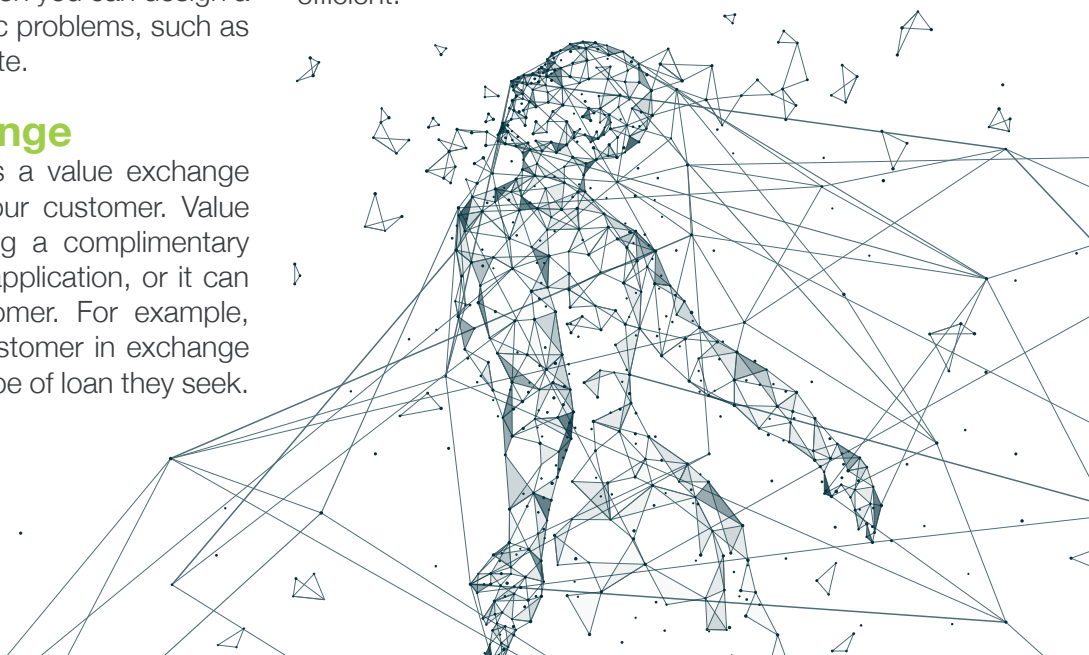
You want to ensure the journey is a value exchange between your organization and your customer. Value can be monetary, such as offering a complimentary breakfast while discussing a loan application, or it can provide convenience to the customer. For example, recommending a loan app to a customer in exchange for sharing information about the type of loan they seek.

Know your goal and what you are measuring

Don't overcomplicate the situation by making your goal too wide, and follow the advice of "if you can't measure it, you shouldn't do it." Ensure accountability with Journey Builder's Goal function – it only lets you pick one goal!

Don't set it and forget it

Although journeys are automated, they still require a lot of support to make sure they're functioning correctly. If you can't get more support resources, build within your structure to ensure the journeys you choose are efficient.



4. "CMO's Must Prioritize Customer Journey Orchestration in 2022", Gartner, 2022.

CHALLENGE 5

Powerless to mitigate bank fraud

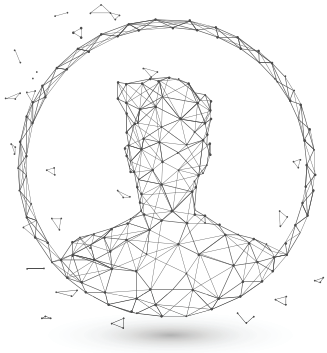
A recent survey by J.D. Power found that one in three U.S. bank customers say they have been victims of financial fraud in the past 12 months.[5] 50% of customers under age 40 experienced fraud during that time, as their increased engagement in electronic transfers made them more likely to trust online requests for payments. Fraud at banks will always exist, but you can take steps to decrease your risks, keep happy customers, and maintain your reputation using Marketing Cloud.

SOLUTIONS

Service your customers to increase loyalty and lower costs to serve

If a customer is the victim of fraud and your bank takes care of them quickly and efficiently to resolve the issue, then you will likely gain customer loyalty and retention as well as lowering your cost to serve. These scenarios are called "moments of value," where you are solving the customer's need in that moment.

But in order to address fraud, you must have a process in place that keeps the customer informed. Create a good customer experience by using Journey Builder to build a personalized journey of the customer's specific fraud issue, such as a fraudulent charge on their credit card. Share consistent communication throughout the journey, including how to file a claim and other actions the customer should take.



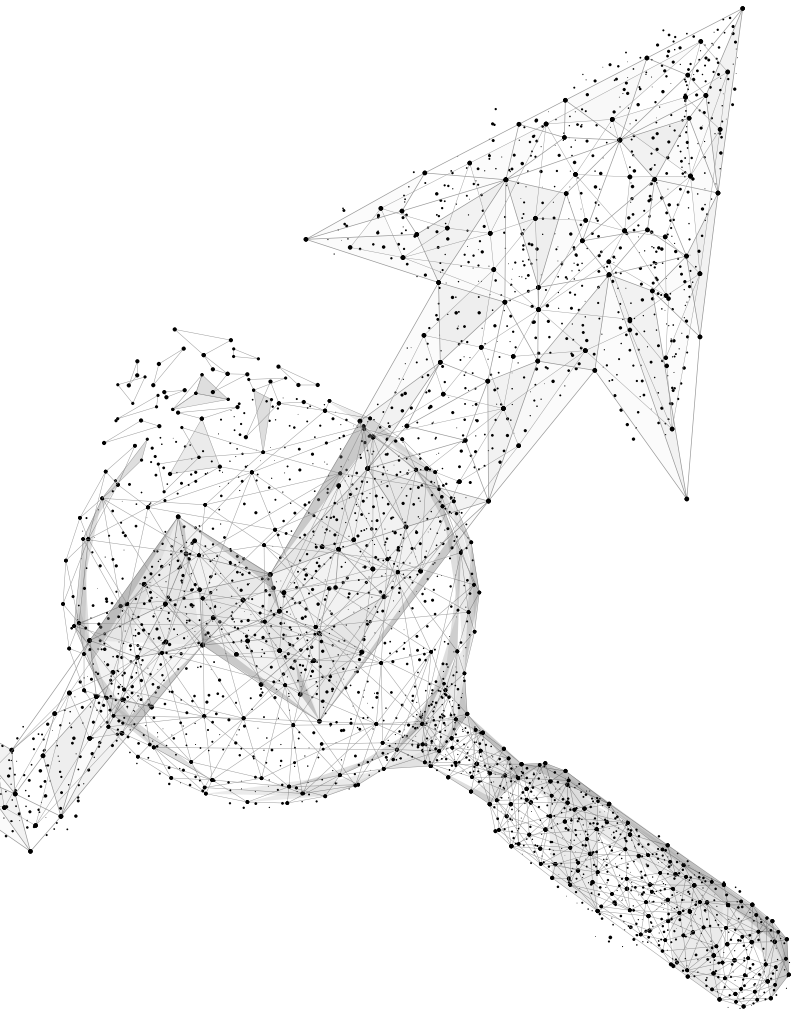
Educate customers to detect and prevent fraud

One of the ways to roadblock fraud from reaching the point that you need to use servicing is to focus on your customers' education on fraud prevention. Educate your customers about the latest trends in fraud, such as fake text messages, and other related items, including:

- Optimizing security settings such as two-factor authentication for passwords
- Setting up alerts for potentially fraudulent transactions or credit score monitoring
- How to turn an ATM or credit card on and off
- How to identify a phishing attempt and what to do if it happens to them

Using the Marketing Cloud suite, you can segment customers and make every engagement personalized, cost-efficient, and scalable across email, mobile, web, and advertising with automation. Build awareness and knowledge among each segment of the products and services your bank provides for fraud prevention. For example, highlighting extra fraud protection coverage for a credit card, or gamifying the process and using badges or points to let your customers know when they have completed their fraud prevention journey.

5."With Bank Customers Still in a Tenuous Financial Position, Fraud Takes Centerstage", J.D. Power, 2023.



Automate tasks to improve internal fraud operations

By automating your marketing tasks with Marketing Cloud, you'll be able to better share information with your bank's customer relationship teams. Data Cloud for Marketing automatically connects all your data with real-time data unification across Salesforce and beyond.

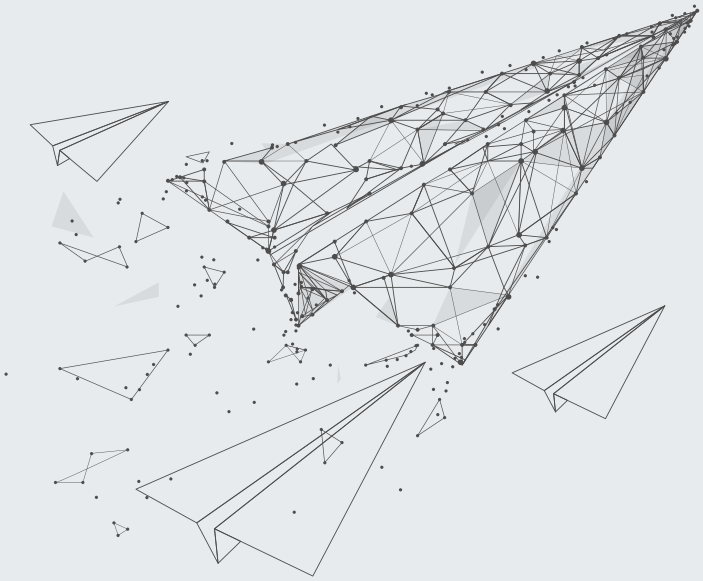
You can immediately act on the data and insights to make better decisions and lower costs related to fraud by understanding your customer with AI-powered intelligence and analytics. You can use these tools to not only set up alerts to customers about potential fraud, but send information internally to your servicing teams to help them detect fraud quicker so a customer never has the issue.

When you do find fraud issues, you want to make sure it is easy for your customer to respond quickly and effectively. Using Marketing Cloud, you can send triggered emails detailing where to start a case for a lost or stolen card. Or you can change your website content to put out a message about where to go if you are having a fraud issue to make it easy for customers to report the fraud. The best retention program you can have is one where you make a tough situation easy for a customer, and if you have the right tools, you can be there at the right time.

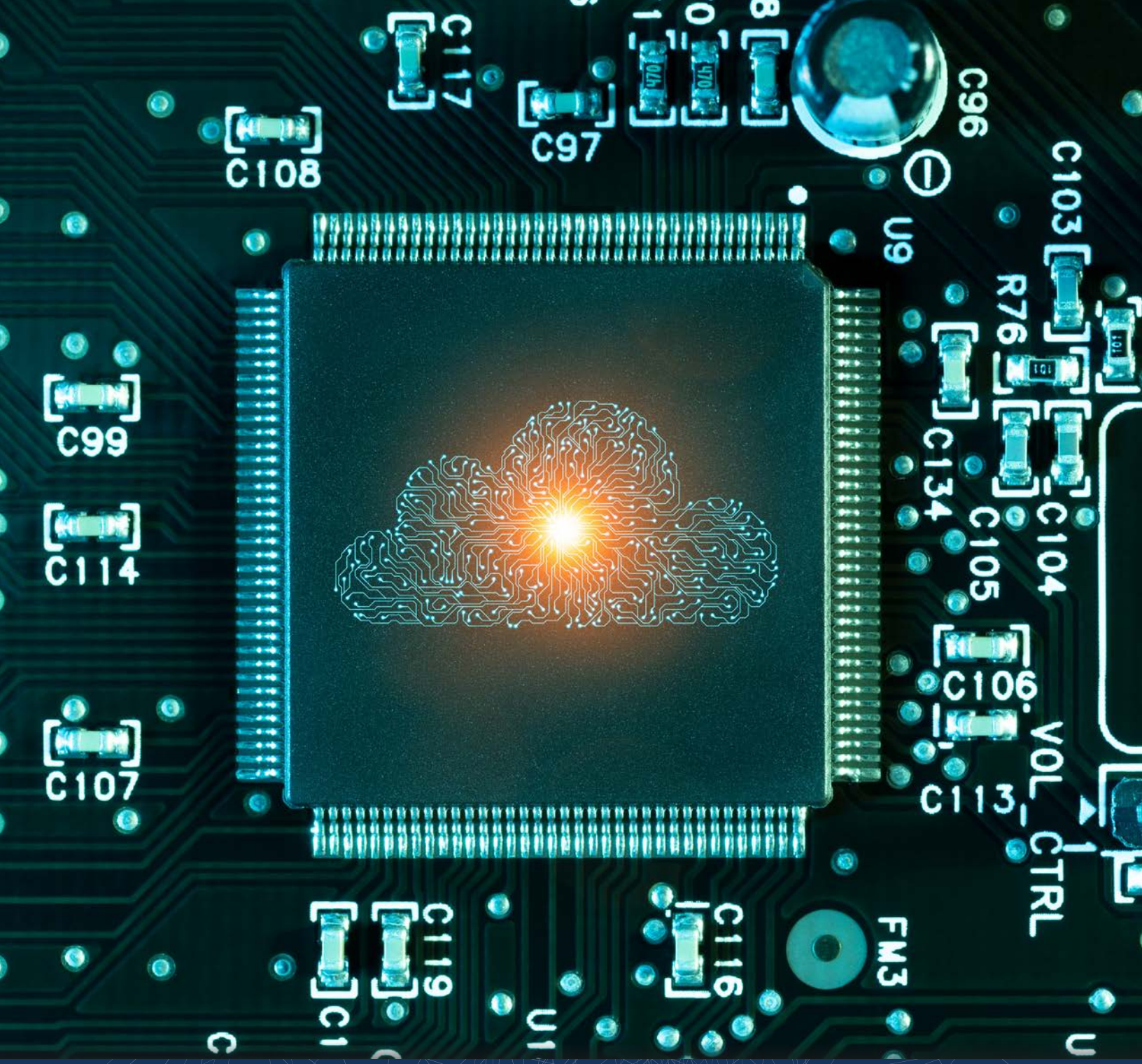
How Silverline helps solve banking's challenges

More than half of C-suite executives plan to invest in innovation to navigate economic uncertainties.[6] They are focusing on technology and their business models to stay competitive and ensure long-term growth. Marketing Cloud accelerates a bank's innovative technology by turning disparate data into insights that boost your bottom line and help you overcome some of your biggest banking challenges.

Our Silverline team has insight acquired through 10+ years in the financial services industry. We tailor Salesforce solutions to meet your bank's needs, whether that's using Marketing Cloud or guiding you through other phases of your Salesforce journey. **Find out how we can help your organization.**



6. "CEO Outlook 2023: Caution, Optimism, and Navigating the Road Ahead", BCG, 2023.



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As part of Mphasis, Silverline creates rewarding experiences for our team, our clients, and the world we live in. We tailor digital transformation solutions to meet your current and future needs. Our team leverages insight acquired through 10+ years in the business and thousands of engagements, along with real-world expertise gained across the Financial Services industry, including: banks and credit unions, mortgage companies, wealth management firms, investment banks, hedge funds, and insurance companies. From strategy and implementation to managed services, we guide clients through every phase of their journey — enabling continuous value with the Salesforce platform. Silverline also offers CalendarAnything, a popular scheduling application on the AppExchange, as well as industry-proven accelerators. To learn more visit: https://silverlinecrm.com/financial-services/