

MASTERING MARKET MOVES

A Buyer's Blueprint For Breakthrough Deposit Acquisition

VERICAST

TODAY'S BANK AND CREDIT UNION MARKETERS confront an array of challenges that complicate the path to acquiring new checking customers while simultaneously managing costs and maximizing efficiency. The drive to lower cost per acquisition (CPA) is more pressing than ever, especially against a backdrop of shrinking marketing budgets tied to slower revenue growth and an increasingly competitive field not just from within, but also from non-financial institutions. Marketers face the immense task of adapting to changing consumer behaviors and preferences across channels, all the while under pressure to prove the effectiveness of their marketing efforts.

Overcoming Hurdles

The difficulty of managing and integrating disparate data sources to inform a cohesive marketing strategy further complicates navigating this treacherous terrain. Compliance and regulatory landscapes, particularly concerning unfair, deceptive, or abusive acts or practices (UDAAP), add another layer of complexity to crafting effective marketing messages that resonate without crossing legal boundaries.

OVER
70%

OF TOP GLOBAL BANKING
EXECUTIVES SAID THEY LACK
THE RESOURCES TO PROCESS
AND ANALYZE DATA

Source: World Retail Banking Report 2022: Incumbent Banks Must Embrace Data-Centric Capabilities To Drive Personalized Customer Experiences," Capgemini, April, 21, 2022

Refining and Differentiating

In the pursuit of customer acquisition, financial institutions find themselves asking, "Who — and what — are we looking for?" Whether the goal is to attract net new households, deepen relationships within existing households through new checking accounts, or expand into new markets, the strategy must be finely tuned, sophisticated, and targeted.

25%

WALLET SHARE OF AN AVERAGE
CUSTOMER WITH A SINGLE INSTITUTION

Source: Statistics, "Customer Attrition & Retention," fi works

Acquiring new customers has become increasingly difficult. Loyalty is hard-won in an environment brimming with choices. Vericast's [2024 Financial Services TrendWatch](#) report reveals that **48% of people are open to switching banks or engaging with multiple financial institutions**. Whether targeting number of new account openings or gathering deposit balances, success hinges on distinguishing one's brand and reputation in a meaningful way, not just competing on interest rates.

Vericast recognizes the complexities involved in making channel spend decisions. It's a challenging task, but we understand the immense importance placed on marketers to legitimize every penny of their spend. This shapes our approach, ensuring that our strategies are not only effective but also accountable, providing the necessary justification for each investment made.



Navigating Disruption and Demand

Fintechs further disrupt the landscape with innovative banking alternatives with particular appeal to the tech-savvy Gen Z and emerging Gen Alpha. The pressure is on for traditional institutions to double down on digital, offering personalized, digital-first experiences without the luxury of infinite resources.

In this challenging environment, the importance of strategic channel orchestration is amplified as institutions navigate a rapidly evolving digital landscape. Traditional marketing channels are continuously reassessed against emerging digital platforms. Vericast's approach goes beyond channel selection — we help clients identify the most effective channels and sequence them to optimize their marketing strategies and maximize impact.



25%

AVERAGE CUSTOMER ATTRITION
RATE AMONG RETAIL FINANCIAL
INSTITUTIONS PER YEAR


Source: Howarth, Josh, "Average Customer Retention By Industry (2024)," Exploding Topics, December 5, 2023

Charting the Course

This guide aims to navigate these challenges, offering financial institution marketers much-needed help with their acquisition efforts. By leveraging data, embracing media mix modeling, and adopting a multichannel approach, institutions can craft strategies that not only lower CPA but also attract quality accounts.

Achieving your acquisition goals starts with a strategic foundation built on **five key components**. These critical elements ensure that your marketing plan is not only robust but also highly targeted and efficient. Central to laying this foundation is facing the truth about your organization's strengths and weaknesses. Recognizing and addressing these realities head-on allows for a more tailored and effective approach. Understanding these aspects of your organization can significantly influence the direction and focus of your acquisition strategies.



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- 01** | IDENTIFYING HIGH-POTENTIAL MARKETS
 - 02** | OPTIMIZING YOUR CHANNEL MIX WITH MEDIA MIX MODELING
 - 03** | MAXIMIZING MARKETING EFFICIENCY: SPEND AND RESULTS OPTIMIZATION
 - 04** | LEVERAGING MULTICHANNEL EXECUTION FOR ENHANCED ENGAGEMENT
 - 05** | NAVIGATING CAMPAIGN PERFORMANCE AND INSIGHTS

01

IDENTIFYING HIGH-POTENTIAL MARKETS

Finding the most lucrative markets for your goals is vital. This involves harnessing market intelligence to identify who your potential customers are and where they are located. A fusion of your own first-party data with third-party data can significantly enrich your insights, offering a more comprehensive view of where your opportunities lie.

Focus on key market attributes such as product and client household penetration, deposit growth rates, consumer mobility, and consumer loyalty to inform where you allocate your marketing investment.

Focusing on the highest opportunity markets — where a branch presence intersects with consumers actively seeking checking products — not only targets a more engaged audience but also significantly enhances your response rates. Our analysis reveals an impressive **22%** average lift in response rates when comparing this focused approach to broader, non-targeted marketing strategies across similar markets.¹



65%
OF CUSTOMERS HAVE
ONLY A SINGLE SERVICE²

Source: 1 | Vericast Market Intelligence Platform aggregated campaign analysis of markets with branch presence, 2023; 2 | Statistics, "Customer Attrition & Retention," fi works

01 IDENTIFYING HIGH-POTENTIAL MARKETS

How Vericast Can Help

Vericast's [Market Intelligence Platform \(MIP\)](#), takes the guesswork out of where to deploy your scarce marketing dollars. By pinpointing the ZIP codes with the greatest potential for checking acquisition, we ensure that your marketing dollars are not just spent, but invested where they can yield the highest returns. Our platform guides you to the markets ripe for growth based on your specific business objectives and provides the quantitative evidence to support those investment decisions.

Data-Driven Optimization With Vericast

Vericast is dedicated to enhancing your acquisition campaign with a complex set of data sources. By weaving together various strands of market intelligence, we create a plan that is not only tailored to your needs but is also set up for success.

Each data point is an important piece of your market strategy, selected and positioned by Vericast to help you acquire not just customers, **but the right customers.**

- Consumer Move Rate Data
- Consumer Online Search Data
- Bureau of Labor Statistics Data
- Financial Institution Marketing Spend Data
- Product Ownership and Balance Market Data
- Financial Institution Market Competition Data
- Spending Habit Data
- Market Deposit Growth Data
- Loyalty Index Data

Most importantly, Vericast does the heavy lifting — and absorbs the costs — of processing this data to provide you with an informed recommendation. This approach ensures that your strategies are not just data-informed but are also rationally designed for effectiveness and efficiency, allowing you to focus on what you do best.

02

OPTIMIZING YOUR CHANNEL MIX WITH MEDIA MIX MODELING

Crafting the perfect marketing campaign is as much science as it is art, especially when it comes to selecting the optimal mix of channels to engage potential customers. Enter Media Mix Modeling (MMM), the data-driven tool that guides marketers through the budgeting fog, directing each dollar where it can have the greatest impact.

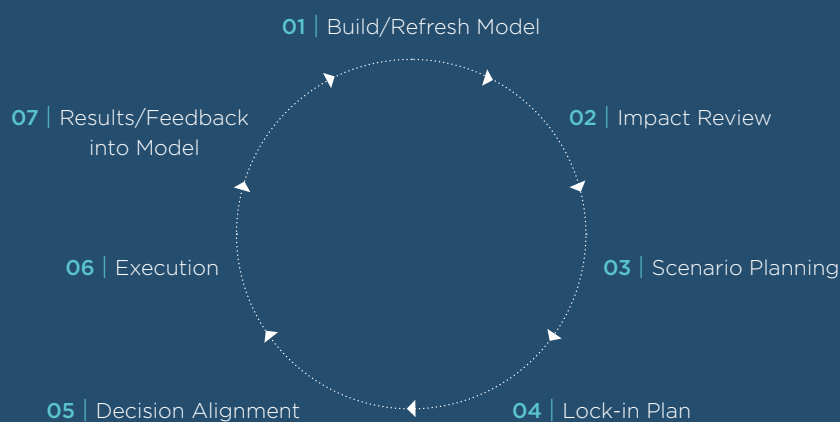
In a field where every penny must be justified, Media Mix Modeling offers more than just suggestions — it brings precision to your planning. Employing regression-based techniques, MMM is the backbone of a strategy that doesn't just spend, it invests in performance. This approach helps in allocating resources not by guesswork or habit, but by predictive analysis that maximizes key performance indicators (KPIs).

The Process

- 01 | Historical spend data + historical response data
- 02 | Model development, macro attributes, business factors
- 03 | Forecasting, iterate from future
- 04 | Lock-in media plan
- 05 | Decide final alignment and agree on deployment strategy
- 06 | Execute media buying plan
- 07 | Results of the execution feedback into the model for the historical, incremental refresh (repeat cycle)

Media Mix Modeling

Focused on optimizing media mix to obtain the most cost efficiency



02 OPTIMIZING YOUR CHANNEL MIX WITH MEDIA MIX MODELING

Advantages

- The strategic allocation of marketing funds across all viable channels, ensuring that each channel's contribution to campaign success is measured and understood.
- The acquisition of insights into the performance potential of new and untested channels.
- The foresight to anticipate and plan for seasonal shifts, aligning spend with expected market behavior.
- The calibration of messaging, fine-tuning the balance between building your brand's identity and pushing specific product offerings.
- Challenging assumptions is at the core of Media Mix Modeling. It's about re-evaluating your traditional channel mix and resisting the pull of new trends without evidence. Instead, MMM helps decipher which channels will be most effective in achieving your acquisition goals.

Want to deepen your understanding of Media Mix Modeling? Discover why marketers like you need it on your side. **Read our blog, “7 Reasons Marketers Need Media Mix Modeling.”**



02

OPTIMIZING YOUR CHANNEL MIX WITH MEDIA MIX MODELING

How Vericast Can Help

Sharpen your marketing edge with Vericast. Media Mix Modeling, a key component of our [Checking Engine](#) solution, leverages data science to optimize your marketing strategy. It ensures an effective blend of data-driven decision-making with targeted outcomes, skillfully combining traditional and digital channels to maximize reach and engagement. Vericast stands out by not only utilizing historically considered brand channels but also meticulously measuring them for direct response. This approach enables us to incorporate both the depth of our financial sector understanding and a vast collection of historical data. The result is a custom-made model designed specifically for checking account acquisition, positioning you not just to follow but to lead market trends.

Decisive Insights for Your Marketing Questions

Vericast has evaluated hundreds of client campaigns and rich historical datasets to answer your most pressing marketing questions. Discover the effectiveness of your current strategy, explore new channels to enhance your mix, and forecast the impact of changes in your investments. Vericast is not just about providing data science-informed marketing moves, we also simplify the complex process of media mix modeling. By creating a specialized industry model tailored for the checking sector, Vericast enables you to invest with both confidence and foresight, ensuring your marketing is as streamlined as it is strategic.



03

MAXIMIZING MARKETING EFFICIENCY: SPEND AND RESULTS OPTIMIZATION

When it comes to the art of getting the absolute most out of your marketing dollars, the approach can be as unique as your financial institution itself. However, there are **five steps you can follow** to ensure you're on the right path to optimization.

01 | SET UNIFIED GOALS

Begin with clear, consensus-driven objectives.

02 | DATA ANALYSIS

Dive deep into your data to understand past performances and future potentials.

03 | SCENARIO PLANNING

Prepare for various market conditions and customer behaviors.

04 | RESULTS MEASUREMENT

Track your campaign's effectiveness against your key performance indicators (KPIs).

05 | CONTINUOUS TESTING

Implement a cycle of testing, learning, and refining your approach.

03 MAXIMIZING MARKETING EFFICIENCY: SPEND AND RESULTS OPTIMIZATION

How Vericast Can Help

At the heart of spending optimization lies the power of performance simulation. Vericast's **FI Performance Simulator**, the advanced control unit of **Checking Engine**, integrates insights from our Market Intelligence Platform with media mix modeling to tailor your spending across channels for maximum impact. It's a strategic ally in positioning your marketing spend with your account growth targets.

With the FI Performance Simulator, you gain a clear view of expected campaign performance, empowering you to make informed decisions about where your marketing budget should be allocated. This tool provides:

- A tailored spend distribution strategy that accounts for market dynamics and product performance.
- A flexible plan that adapts to your budget constraints or account acquisition targets.
- Channel-specific cost-per-account projections to guide investment decisions.
- Channel recommendations calibrated to the needs of checking account acquisition, highlighting the effectiveness of print, display, and CTV/OTT.



Leverage the FI Performance Simulator in our Checking Engine solution to ensure that every dollar you invest is done so intelligently, anticipating market conditions, and optimizing your spend for the greatest return on investment.

04 LEVERAGING MULTICHANNEL EXECUTION FOR ENHANCED ENGAGEMENT

The power of executing a marketing strategy across multiple channels cannot be overstated. Multichannel marketing campaigns, as reported, see an engagement rate of **18.96%**, significantly outperforming the **5.4%** engagement rate of single-channel campaigns. This stark contrast underscores the importance of delivering a seamless user experience across all platforms and touchpoints relevant to the financial buyer's journey.

Accessible & Cost-Effective. The complexity and cost of planning an effective multichannel marketing strategy have historically been barriers to implementation. However, advancements in marketing technology and strategy development have made it more accessible and cost-effective than ever before.

Customers exposed to personalized banking offers across multiple channels are **3X** more likely to accept those offers than customers who only receive offers via a single channel.

Source: "Reshaping retail banking for the next normal," McKinsey & Company, June 11, 2020



A critical factor in the success of a multichannel approach is identifying the optimal media mix to encourage consumers to switch to a new financial institution.

Source: Mikalauskas, Edvardas, "What is omnichannel marketing? Examples, tips & tools," omniscend, April 24, 2023

04 LEVERAGING MULTICHANNEL EXECUTION FOR ENHANCED ENGAGEMENT

Cyber Boost. Incorporating digital advertising into direct mail campaigns, has been shown to result in approximately a **39%** incremental lift in household responders.

Additionally, Vericast's [2024 Financial Services TrendWatch](#) research reveals that a significant portion of consumers are open to marketing offers, with distinct preferences for their favorite channels.

Postcards to Pixels. Direct mail/postcard offers are favored by **44%** of respondents, with **37%** of Gen Z showing a preference for this format. Social media and digital display also play critical roles, especially among younger demographics such as Gen Z and millennials.

Source: Vericast, Client Campaign Benchmark Data, Q4 2023

Influencing Consumers to Switch Requires Multiple Channels

71%

of consumers
are receptive
to marketing
offers

44%

overall prefer
direct mail/
postcard offers

37%

of Gen Z prefer
direct mail/
postcard offers

26%

of Gen Z and

19%

of millennials
prefer social
media

21%

of Gen Z prefer
digital display
advertising

Vericast Awareness to
Action Study, November
2023, n=1,815

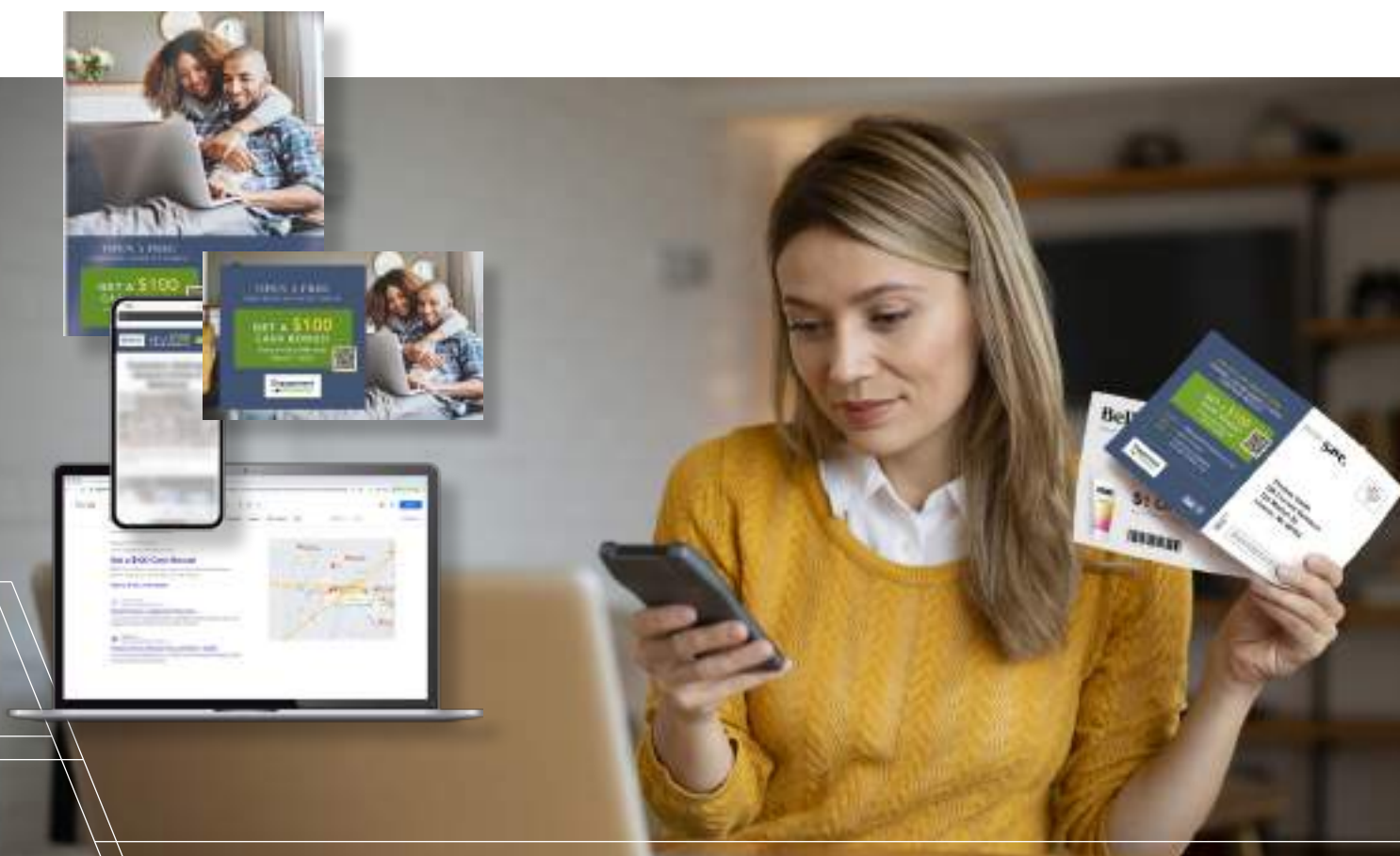
04

LEVERAGING MULTICHANNEL EXECUTION FOR ENHANCED ENGAGEMENT

How Vericast Can Help

Media Execution, a core component of [Checking Engine](#), uses a unique approach that integrates direct mail with digital advertising, harnessing the strengths of both offline and online channels to maximize reach and impact. This blend not only increases the likelihood of engaging potential customers but also significantly boosts the efficiency of marketing spend, ensuring that messages are delivered to those most likely to respond, at the most opportune times.

Leveraging Vericast's distinctive expertise, financial institutions can unlock the full potential of multichannel execution, turning the challenge of reaching diverse audiences into a **strategic advantage that drives engagement and acquisition**.



05

NAVIGATING CAMPAIGN PERFORMANCE AND INSIGHTS

A successful marketing campaign is never a 'set it and forget it' solution. Here are six reasons why continuous measurement is crucial to a campaign:

- 01 | Performance Evaluation:** Assess which strategies are performing and which need refinement.
- 02 | Resource Allocation:** Ensure your budget is directed toward the most effective strategies.
- 03 | ROI Calculation:** Justify your marketing spend by showing how effectively resources are utilized.
- 04 | Optimization:** Use performance metrics to fine-tune campaigns for improved outcomes.
- 05 | Customer Insights:** Delve into engagement data to tailor future marketing initiatives.
- 06 | Adaptation to Changes:** Stay agile and responsive to market dynamics, consumer behaviors, and technological advancements.

\$500

AVERAGE
ACQUISITION
COST OF
A NEW
CUSTOMER

Source: Statistics, "Customer Attrition & Retention," fi works

Key Metrics for Measuring Success

Determining the right KPIs and engagement metrics is vital for judging success. Prioritize those that resonate with your financial and marketing teams. Here are some to consider:

- Cost per Acquisition (CPA)
- Return on Advertising Spend (ROAS)
- Return on Investment (ROI)
- Retention Rate
- Customer Lifetime Value (CLV)

For checking account acquisition, focus on:

- Number of New Customers Acquired
- Household Reach/Response Rate
- Checking Accounts Opened
- Response Rate
- Cost per Checking Account
- Total and Average Checking Account Balances Acquired

05

NAVIGATING CAMPAIGN PERFORMANCE AND INSIGHTS

How Vericast Can Help

A campaign's true value lies in the lessons learned from its execution. Vericast's Campaign Analysis & Insights dashboard, a central feature of [Checking Engine](#), provides monthly scorecards to review media plan performance, giving you critical insights needed to adjust your strategies.

This advanced system carefully tracks and refines your strategy, offering a dual view of success: a monthly scorecard provides immediate visibility into in-flight performance, while a comprehensive campaign dashboard reveals the trajectory of results improving over time.

It's not just about speed; it's about achieving intelligent, sustainable long-term growth.



Data for illustrative purposes only

ENSURING COMPLIANCE IN ACQUISITION CAMPAIGNS

Navigating the complex web of compliance is a critical, yet often daunting, element of acquisition campaigns for financial institutions. With this industry being one of the most regulated in the world, adherence to several federal, state, and even local regulations is not just best practice — it's imperative. A misstep can lead to lawsuits, substantial fines, and long-lasting reputational harm.

Moreover, financial institutions must also contend with the advertising restrictions imposed by various networks, which are designed to prevent the promotion of certain services or the targeting of vulnerable demographics.



How Vericast Can Help

Ensuring compliance is a cornerstone of customer acquisition campaigns. Vericast is your devoted partner in this effort, bringing to the table a team of seasoned compliance experts. Our professionals are not just dedicated to but bound by the responsibility of meticulous compliance management in every campaign.

Understanding the multifaceted nature of regulatory adherence, Vericast goes beyond the basics. We commit significant resources, both internal and external, to navigate the dense landscape of financial regulations. Our investment in compliance is distinct as we consistently set the bar higher than industry standards.

Vericast is dedicated to reinforcing this commitment and dedication, embracing rigorous external audits to ensure our targeting and modeling practices strictly comply with financial institution regulations. Our clients can trust that their campaigns will uphold the highest levels of compliance, protecting them against legal repercussions and safeguarding their reputation.

Your Compliance Zen

To ensure your marketing strategies stand up to these stringent standards, it's crucial to integrate compliance from the outset. For a deeper exploration of compliance's role in acquisition marketing and how to incorporate it as a cornerstone of your strategy, read **"Compliance as a Cornerstone: Exploring Its Effect On Financial Institution Acquisition Marketing Strategies."**

INTRODUCING

Checking Engine From Vericast

We've mentioned Checking Engine throughout this buyer's guide, and now it's time to delve deeper into this game-changing solution. As financial institutions face the ever-growing challenge of new account acquisition, understanding and influencing consumer behavior has never been more crucial. Checking Engine is an industry-first, always-on, end-to-end checking acquisition solution crafted to help financial institutions discover new customers while minimizing cost per acquisition.

This comprehensive solution is designed to navigate the complexities of a top tier checking acquisition strategy, leveraging data intelligence, with a focus on regulatory compliance. Checking Engine offers an end-to-end strategy that tackles the core components of acquisition initiatives, weaving together the **five key steps** outlined in this buyer's guide into an ongoing cycle of enhancement and optimization:




Vericast's Checking Engine, while using the Market Intelligence Platform, elevates campaign response by an average of **22%** in markets with a branch presence, showcasing the potent blend of proprietary technologies and expert insights. Whether it's identifying the most lucrative markets, determining the optimal media mix, or analyzing campaign performance, Checking Engine is your solution for results-driven marketing.

Source: Vericast, Client Campaign Benchmarking Data, Q4 2023.

To learn more about the full capabilities of Checking Engine and how it can revolutionize your account acquisition strategies, visit our **[solution page](#)**.

SELECTING A COMPREHENSIVE ACQUISITION SOLUTION PROVIDER

When seeking to partner with a vendor for your acquisition campaigns, prioritizing a comprehensive solution is crucial. Consider the following essential criteria:



Integrated Approach: Look for a provider offering an all-encompassing solution. You need a partner capable of synchronizing planning, execution, and reporting into a seamless experience. This holistic strategy should simplify the complexity of handling various data sources, multiple media channels, and the intricacies of measurement.

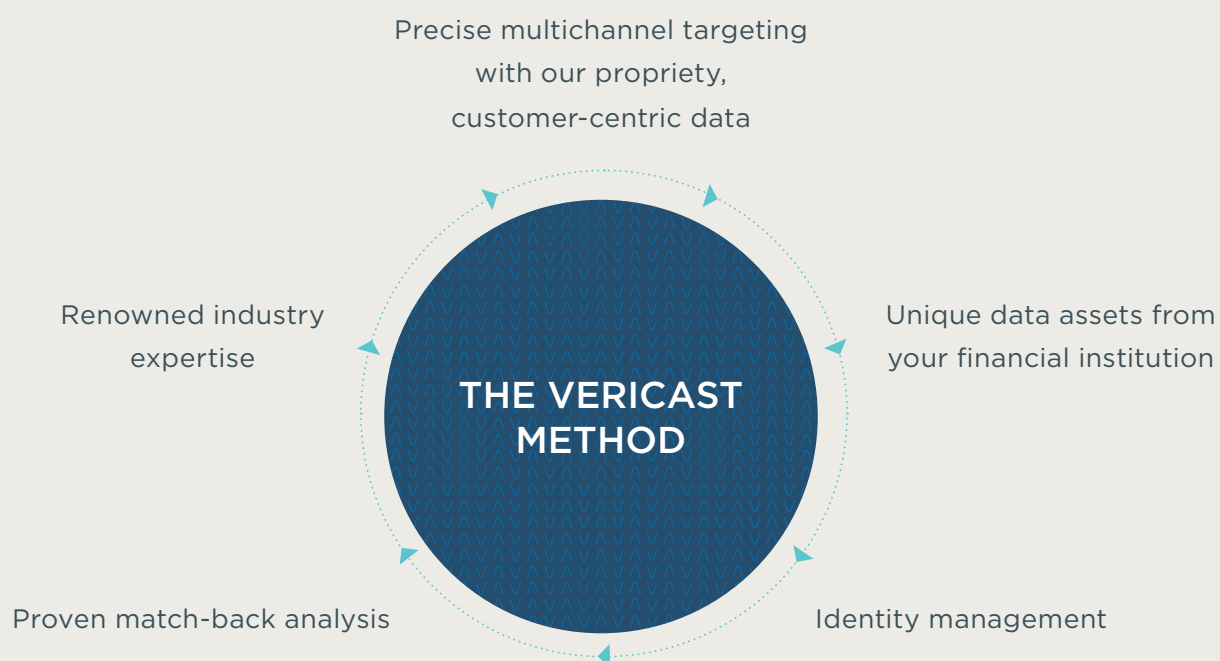
Advanced Reporting: Seek out near real-time, automated, and in-depth reporting capabilities. The best partners not only deliver data but also use campaign insights to enhance future strategies, allowing for ongoing monitoring and optimization of both short- and long-term results.

Proven Expertise: Given the high stakes of deposit acquisition marketing, a vendor with extensive experience in the financial industry and a deep understanding of compliance and regulatory landscapes is crucial. Those with dedicated legal teams are particularly valuable for navigating these waters.

Robust Data Capabilities: The synergy of first-party data with third-party data is a game-changer. Prioritize vendors that can augment your data, bringing additional insights and depth to your campaigns.

ACQUISITION IN ACTION

To illustrate the criteria for a comprehensive solution in action, let's take a closer look at **The Vericast Method**, which exemplifies an integrated approach to acquisition.



Why Vericast

At Vericast, we understand the unique marketing challenges faced by financial institutions today. We are a leading marketing engagement company that leverages analytics to discover opportunities, deepen relationships, inspire action, and drive growth for over 1,100 financial institutions. Our decades of industry experience and broad solutions portfolio help financial institutions reach and serve audiences with precision and scale.

Exceed Your Acquisition Goals With Vericast

In navigating the intricate landscape of deposit acquisition, your financial institution requires a partner not just equipped with data and technology, but one with vast experience and extensive expertise to transform challenges into opportunities. Vericast offers a comprehensive suite of financial solutions designed to address every facet of your acquisition strategy. With Vericast, you gain more than a service provider; you gain a partner dedicated to your growth, ready to help you unlock the full potential of your marketing efforts and secure the quality accounts your institution deserves. Discover how we can help you chart a course to success. **Visit [Vericast.com](https://www.vericast.com) today.**