



## Experiential Marketing For Bankers

by [Steve Brown](#)

Community banks are very active in their communities and small businesses in particular have come to rely on that activity to support their businesses. Community bankers commonly contribute to local causes and organizations, while executives also serve on local boards. These are all important and effective ways to stay connected to a community and build deeper ties.

When it comes to marketing, there is another way of engaging with a community that can provide significant benefits to a community bank's store of good will. Known as "experiential" marketing, it has become a significant tool for community banks. For those who may not be totally familiar with the term, it is also known as "event," "on-ground," "live," "participation," or "direct engagement" marketing. In short, no matter what you call it, this sort of marketing is designed to engage customers and get them to participate more directly in your bank and brand.

According to the Event Marketing Institute, 72% of consumers say they have a positive impression of brands that provide quality events and experiences. Also, 74% say that participating in branded events or experiences makes them more likely to do business with a company. Finally, almost every participant in a quality branded event will create social media content out of it and then share that content with others.

That kind of marketing success is rare through other methods, which is why a bank like Citi participates in about 11,000 events each year.

Another bank heavily involved in this sort of marketing is TD Bank. It has a multi-faceted experiential marketing effort that not only involves events, but also little perks for customers like free pizza. One of its largest most recent campaigns was offering to give 24 customers in 24 different cities \$30,000 each to spend on community projects of their choice. The campaign was run through social media and brought in thousands of submissions. The winners used the money for things like installing handicap-accessible ramps and buying equipment for a local football team. The YouTube video of the campaign drew about 5mm viewers and 5,000 new Facebook likes.

For community banks trying to build stronger relationships and more engaged customers, experiential marketing represents a tool that can pay big dividends. The biggest banks commonly use it and might appear to have an advantage, but we beg to differ. Of course, a giant bank like Citi, for example, can partner with top-tier professional athletes in programs aimed at youth and get a lot of traction in an instant, but that does not mean community banks are left out in the cold here.

Certainly, community banks may not be able to duplicate the level of celebrity marketing available to banks in major metro areas. However, even community banks can play the game on a reduced scale by partnering with local minor league teams or colleges to produce similar experiential campaigns. There are plenty of opportunities to engage in small initiatives like giving away pizza or coffee that cost little but engage customers. When it rains, for instance, your bank might give away umbrellas that carry the bank logo. These are only a few easy but useful ways to interact on an even deeper basis with your community.

For community bankers struggling to connect with millennials, experiential marketing also provides an alternative to traditional advertising. After all, millennials tend to dislike and shun such marketing so an alternative is needed. Citi, for example, has noted that its experiential marketing has helped it connect with hard-to-impress millennials and community banks can too.

Through experiential marketing, community bankers can insert their businesses into the lives of their

customers. Sometimes the experience can be of significant impact and sometimes it can be as simple as a providing a cup of coffee in the morning. No matter what you call it, this sort of marketing helps to create buzz and enhance the connection between your bank and its customers.

# ECONOMY & RATES

## Yesterday

Yields slipped 4bp as weaker stock markets and a decline in the US dollar increased the demand for Treasuries.

Rates As Of: 02/17/2017 01:54PM (PST)

Treasury	Yields	MTD Chg	YTD Chg
3M	0.52	0.00	0.00
6M	0.66	0.00	0.00
1Y	0.80	0.00	0.00
2Y	1.19	0.00	0.00
5Y	1.91	0.00	0.00
10Y	2.42	0.00	0.00
30Y	3.03	0.00	0.00
FF Market	FF Target	Fed Disc	
0.00	0.75	0.00	
Prime	Unemployment	Oil	
3.75	0.00	\$0	

[More Market Rates](#)

## BANK NEWS

### Good News

Bank stock analyst Dick Bove said in an interview that deregulation in the banking industry could push bank stocks even higher and that such action is a "big, big plus" for banks.

### CFPB Bill

Republicans have introduced legislation that would eliminate the Consumer Financial Protection Bureau.

### Mobile Banking

Research by Wells Fargo finds by demographic breakdown, mobile banking usage is as follows: Baby Boomers (19%), Gen X (50%) and Millennials (72%).

### Cardless ATMs

Community bankers should note that JPMorgan is already testing a mobile app option that allows people to just walk up to an ATM and take out cash instead of using a plastic card. Bank of America and Wells Fargo have indicated they also plan to offer this technology in 2017. The technology used is near field communications (NFC), which is the same as the one that allows people to use their phone to pay at the checkout.

### Rate Hikes

JPMorgan predicts the Fed will hike in May (vs. Jun prior) and that they will do 2 moves this year. Meanwhile, Fed Boston President Rosengren projects at least 3 rate hikes this year. Finally, Fed Philadelphia President Harker says the economy is ready for 3 rate hikes this year.

### Profit Boom

Bloomberg reports the 6 largest banks could see profits soar \$12B in aggregate if tax reform is enacted.

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