

Four Strategic Bank Marketing Pillars For Profit-Minded CEOs

Editor's Note: This is the third article of a three-part series; parts one and two appeared in the previous issues of *Banking New England*.

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BY SCOTT MCCLYMONDS

This is the third and final article in a series describing how the four pillars of strategic marketing can dramatically boost your bank's profits and brand.

In this article we will emphasize the final two pillars, which are Referrals and Leadership. Like the other two pillars, creating systems leading to excellence in these categories will add rocket fuel to your profitability.

Referral Strategy

Everyone wants customer referrals, but most believe they come randomly instead of through a systematic approach. Our existing loyal customers will readily, effectively and inexpensively do our marketing if we let them, and a referral system lets that occur.

When my wife and I owned a small business we tried various marketing tactics, including radio, magazines, direct mail and newsletters. Most were expensive, and none generated the results we needed. Eventually we developed a referral strategy where our customers would regularly provide warm qualified leads.

Here's what we did:

- Surveyed our customer population to determine satisfaction levels and willingness to make referrals.
- Met monthly with each customer to determine additional needs and ask for three referrals.
- Built a daily routine for our director to meet with one predetermined customer.

This system yielded many new customers, and along with our website and digital newsletter became our primary source of marketing. It was cheap and effective – and it's very easy to duplicate at your bank.

Referral Automation System

While the system was fairly simple, it still required tracking tools. Implementing a similar system at your bank requires an automated system that reminds employees who to contact and when.

To create a simple system like this, begin with your most profitable customers. Make it worthwhile for them to bring their friends, family members and centers of influence to your bank. Use social media, local sports events, theaters, dinner gatherings and mastermind groups to create high value communities where they can grow their networks and expand their horizons.

Analyzing your results will determine which customers provided the most referrals and which produced the least. Next you can test tactics like limiting your referral strategy to customer types that refer the most to you, and reducing or eliminating the referral attempts you make with customer types who generate the least referrals.

While this takes discipline and focus, implementing a systematic referral strategy along with analytics and automation and a strong brand promise will transform your bank.

Leadership

Of the four strategic marketing pillars, leadership is the most underestimated component of financial services marketing. You won't hear about it in business schools, and even the best banks hire for technical skill and functional knowledge rather than leadership capabilities.

Most of the time, leadership is the missing link that hampers break out marketing success. Even the best systems, strategies and talent will never overcome a leader's inability to lead the marketing function or recognize the critical nature it plays in their bank's success.

As John Maxwell says, "Everything rises and falls on leadership." Whether you are a CEO, retail director, CMO or vice president of sales, it is up to you to open your mind and dive into the new world of marketing, particularly the strategic concepts I have discussed in this series.

No one expects you to understand all the technical details of the systems, or the quantitative techniques used to analyze and interpret the data. You don't need to be a marketing expert.

However, you must embrace what Peter Drucker said about marketing being one of the two main functions of a business. If you don't emphasize these concepts your bank will be average at best, and out of business at worst. Your bank needs you to be a champion for its strategic marketing cause. If you don't prioritize it, why will anyone else who's title isn't CMO or vice president of marketing? To be a success you must play a strong leadership role in each of the following:

- Acquiring a top-level understanding of what the four pillars can do for you.
- Development, implementation and continuous communication of your brand promise.
- Formation of strategy as a result of the stories

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told by analytics.

- Creation of a referral strategy.
- Hiring internal or external strategic marketing experts;
- Rallying your team around new insights, processes and procedures.

As leaders, we are all extraordinarily busy. You know how quickly your calendar fills up. However, leaders like you and me ignore the strategic side of marketing to our great detriment. The people actually doing the marketing need our strong direction and support, and our careful attention enables them and our banks to thrive.

Conclusion

In this series we have discussed the importance of strategic marketing, and in particular the need to focus on the four pillars of brand promise, automation and analytics, referrals and leadership.

These aren't the four or seven Ps of marketing that you learned in your marketing classes, but building them into your bank will set you apart and give you a distinct competitive advantage because they are so powerful.

The importance of these four pillars is simple to understand, but

they can be hard to implement. They are interdependent in that:

- Successful execution of marketing analytics and automation depends on a strong brand promise;
- A strong referral system is dependent on analytics and automation;
- Implementing the brand promise is dependent on sound analytics, automation and referrals;
- The entire system is dependent on strong, open-minded leadership.

As a leader, you don't have to have all the skills, expertise or technical know-how of a professional marketer. However, you do need commit to active participation in the process, get the help of big picture strategic experts who can make this entire process part of your bank's DNA and engage your team in the changes you are making.

So, what's your next step? Are you ready to step up to the challenge and provide the vital strategic marketing leadership that will dramatically boost your profitability, improve employee performance, and powerfully differentiate your brand?

I guarantee that if you bring the four strategic marketing pillars to life in your bank, you will see your profitability and market share soar. [BNE](#)