



Trends in Financial Services Marketing

Insights from over 500 Marketers Worldwide



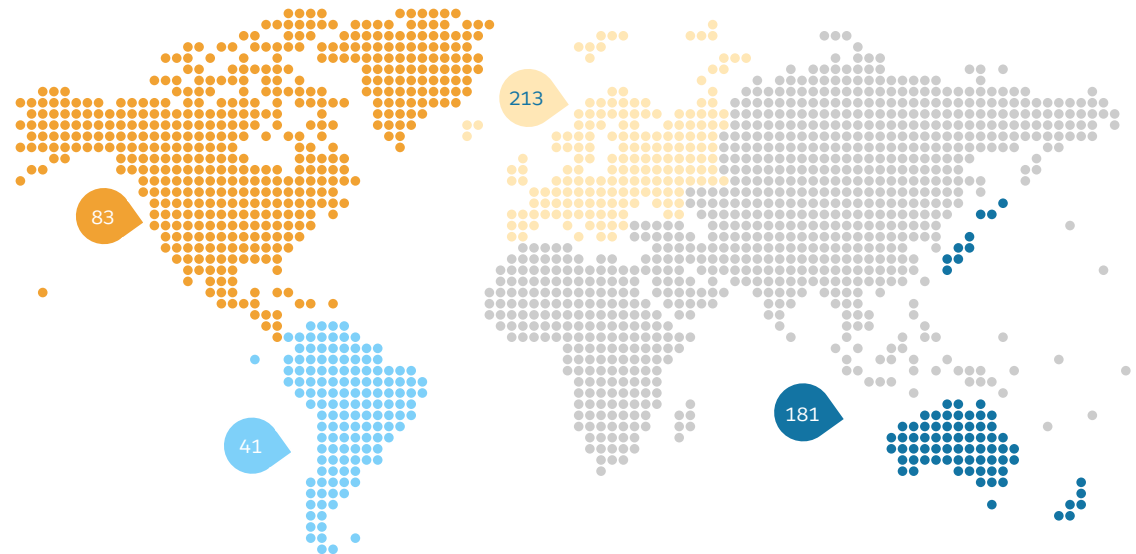
About This Report

Salesforce Research surveyed over 500 financial services marketing leaders worldwide to discover how:

- Cross-functional dynamics are shifting to satisfy customer and business demands
- Data is transforming how marketers operate
- Personalization is becoming more refined at the crossroads of intelligence and trust
- New standards of engagement are inspiring and challenging marketers

Data in this report is a subset of findings from the fifth edition of the “State of Marketing” study conducted August 13 through September 23, 2018, that generated 518 responses from full-time financial services marketing leaders – those holding a manager or higher leadership role. Survey respondents are from North America, Latin America, Europe, and Asia Pacific. All respondents are third-party panelists (not limited to Salesforce customers). For further survey demographics, see page 15.

Due to rounding, not all percentage totals in this report equal 100%. All comparison calculations are made from total numbers (not rounded numbers).

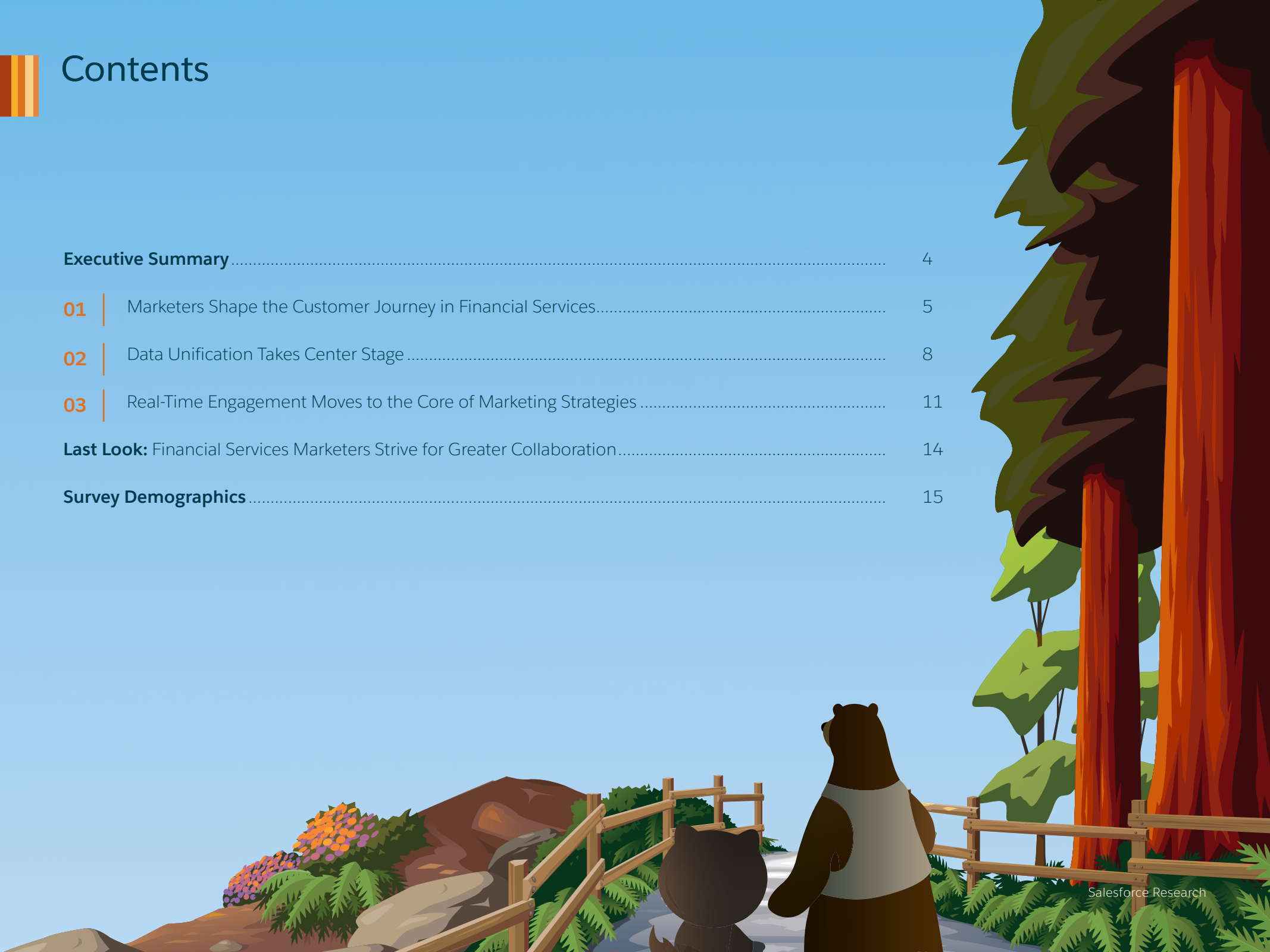


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Customers' expectations of companies have steadily risen as technology upends traditional engagement standards, thereby raising the bar for marketers to foster highly relevant journeys. Financial services is no exception. With more data and channels at their disposal, financial services marketers must expand beyond their historical purview to connect with customers where and when they want.

Here's an overview of how financial services marketers are adapting to this new reality.

01 | Marketers Shape the Customer Journey in Financial Services

(See page 5)

As financial services marketers deepen their understanding of customer demands, behaviors, and financial goals, they are in a unique position to lead customer experience initiatives across the business. However, a growing number of customer touchpoints, coupled with unprecedented access to information, make such efforts easier said than done. Yet financial services marketers are up to the challenge. **Eighty-seven percent of financial services marketers say adopting or refining customer journey strategies is a priority.**

02 | Data Unification Takes Center Stage

(See page 8)

Marketers are leveraging more and more data sources to deliver the personalized engagement that customers demand. However, financial services marketers find it challenging to manage all these disparate data sources. While data management platforms (DMPs) are a popular way to unite all of these datasets, no dominant solution has emerged. **The median number of data sources used by financial services marketers is forecasted to grow by 80% from 2017 to 2019.**

03 | Real-Time Engagement Moves to the Core of Marketing Strategies

(See page 11)

Real-time omni-channel engagement is becoming a North Star for financial services marketers to meet the lofty brand expectations of their customers. Yet financial services marketers struggle to create a cohesive, unduplicated customer engagement experience. Financial services marketers are gradually transitioning to a dynamic approach, and AI is helping enhance their customer engagement capabilities. **Eighty-seven percent of financial services marketers with AI say it has led to marketing ROI.**

01 Marketers Shape the Customer Journey in Financial Services

Today's customers won't settle for one-size-fits-all engagement, and they expect highly relevant experiences. **In fact, 76% of customers expect companies to understand their needs and expectations.*** This means that marketing's historical tactics of "spray and pray" messages are no longer sufficient, and financial services marketers are turning to a new slate of strategies to engage individual customers.

Financial services marketers' top three priorities provide a glimpse of their new missions. First and foremost, they are focused on engaging with customers at their exact moment of need in real time. Second, they strive to identify and invest in the tactics and channels that provide the best returns. Third, they are embracing customer journey strategies that consider the individual's entire relationship with a company – before, during, and after a sale.

87% of financial services marketers say adopting or refining customer journey strategies is a priority.**

Financial Services Marketing Priorities Reflect Elevated Customer Expectations

Top Priorities of Financial Services Marketers

- 1 Engaging with customers in real time
- 2 Optimizing the marketing mix for best return
- 3 Adopting or refining a customer journey strategy
- 4 Unifying customer data sources
- 5 Modernizing tools and technologies

*"State of the Connected Customer," Salesforce Research, June 2018.

** High or moderate priority.

01 Marketers Shape the Customer Journey in Financial Services

Marketers' expanded purview means that traditional metrics no longer paint a complete picture of performance. While revenue growth and customer acquisition rates remain among the most-tracked marketing metrics, they are being joined by success measures that take into account the broader customer journey.

Sales effectiveness is now the second-most-tracked financial services marketing metric, reflecting the importance of sales and marketing alignment in an era in which customers see one company – not separate departments. Customer retention, which has historically been viewed as the responsibility of sales and service teams, now ranks among financial services marketers' top signs of success.

Customer retention is now tracked more frequently in financial services than customer acquisition, a testament to the comparative value of healthy customer relationships.

Financial Services Marketers Turn to Expanded Success Metrics

Top Metrics Tracked by Financial Services Marketers



Base = Financial services marketers who track the given metric.

01 Marketers Shape the Customer Journey in Financial Services

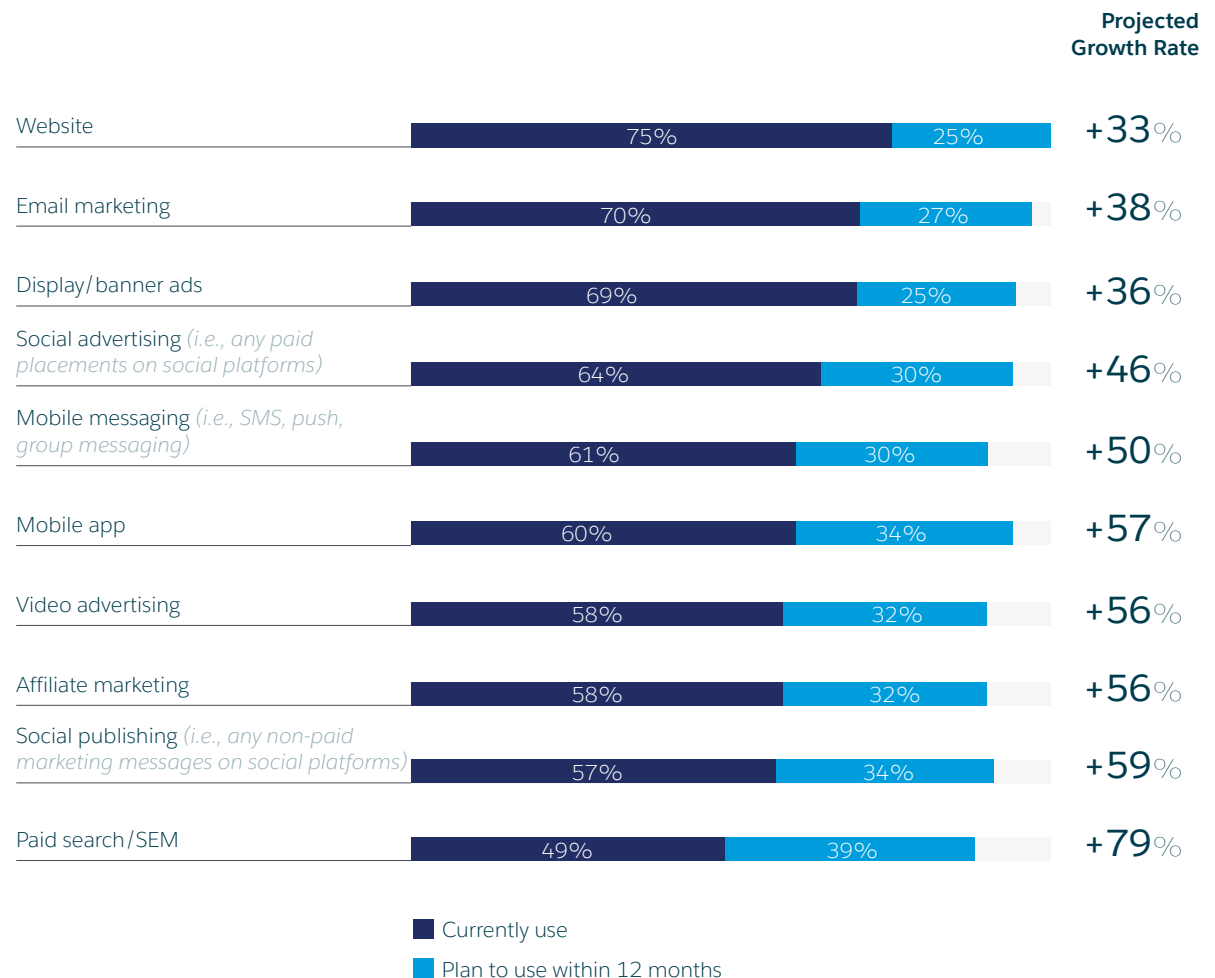
Meeting the expectations of today's investors, depositors, and policyholders, means not only understanding their unique financial goals and life events, but also engaging them when and where they prefer. This is no easy task, given that the average customer uses 10 different channels to communicate with companies.*

Financial services marketers are turning to an increasing number of channels – including social and mobile – to meet customers on their terms. While tried-and-true channels like email, display, and social advertising are poised to see near-universal adoption in the near future, emerging channels such as mobile apps and video advertising are also set for extraordinary growth.

The average financial services marketer uses 8 channels, and plans to use 13 within 12 months.

Marketers Turn to an Expanding Roster of Channels

Financial Services Marketers Who Use or Plan to Use the Following Channels



02 Data Unification Takes Center Stage

Marketers are using more and more data to create the highly personalized experiences customers expect. **In fact, the median number of data sources used by financial services marketers is forecasted to grow by 80% from 2017 to 2019.**

87% of financial services marketers say analyzing and applying customer data has led to marketing ROI.*

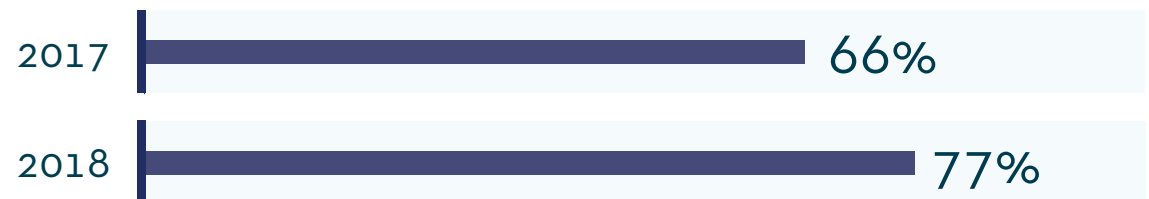
Marketers are increasingly looking outside of their company's four walls to paint truly cohesive pictures of their customers' needs. The use of second-party data – that which is shared between consenting parties like brands and publishers to extend audiences and refine growth targeting – has grown by 16% among financial services marketers over the past year. **Eighty-three percent of financial services marketers using second-party data say it has led to marketing ROI.***

Financial Services Marketers Turn to More and More Data

Median Number of Data Sources Used by Financial Services Marketing Organizations



Financial Services Marketing Organizations Using Second-Party Data



*Major or moderate ROI.

Given the proliferation of sources, it's little surprise that unifying customer data ranks among financial services marketers' top priorities. Progress on this front remains elusive, however.

47% of financial services marketers have a completely unified view of customer data sources.

Half of financial services marketers say the ability to solve for unique identities – by uniting all known and unknown customer data – is a critical marketing technology requirement. Yet no dominant solution has emerged to unite all of these data sources to provide a complete view of each customer's behaviors and expectations.

Data management platforms (DMPs) are particularly popular among financial services marketers, who give them a top ranking. Marketers across all industries rank DMPs fourth among customer identity solutions.

DMPs Are the Preferred Customer Identity Solution for Financial Services Marketers

Most Common Technologies Used by Financial Services Marketers for Customer Identity Purposes



Note: Respondents were only shown a technology if they reported using the indicated technology. The base includes all respondents.

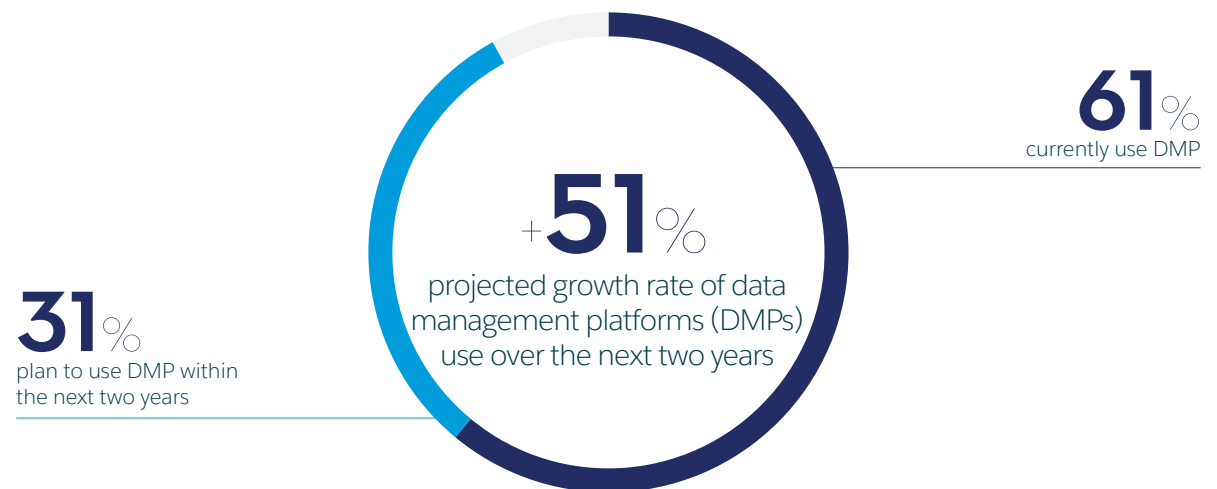
02 Data Unification Takes Center Stage

The popularity of DMPs for data unification purposes in financial services reflects a broader expansion of the technology beyond its traditional use case of media buying and optimization.

Financial services marketers with DMPs are also employing the technology in other ways. Marketing analytics and creative testing and optimization, for example, rank as the most popular ways DMPs are used in the industry.

DMP Adoption and Use Cases Are Surging Within Financial Services

Use of Data Management Platforms (DMPs) Among Financial Services Marketers



Financial Services Marketers That Use DMPs in the Following Ways*



* Data represents responses of financial services marketers at organizations that use a DMP.

03 Real-Time Engagement Moves to the Core of Marketing Strategies

Smartphones have ushered in a “culture of immediacy,” and the spread of live messaging platforms, chatbots, and dynamically-generated ads are taking it to a new level. In fact, **66% of customers now expect instant, on-demand engagement.***

Real-time omni-channel engagement is becoming a North Star for marketers to meet the lofty brand expectations of their customers, and more than half of financial services teams have adopted such tactics. As technology advances, what constitutes “real time” has graduated beyond short response time SLAs on social media. It now extends to all financial services customer touchpoints. Customer-specific push messages can be sent via mobile apps based on location or banking behavior, for example. Additionally, brokers or planners can message based on their clients’ financial goals, inspiring discussion.

Real-time engagement is not a one-way street, however, and now entails two-way conversational dialogues between companies and prospects. Fewer than half (47%) of financial services marketers have reached this level of sophistication.

In-the-Moment Engagement Gains Traction



* “State of the Connected Customer,” Salesforce Research, June 2018.

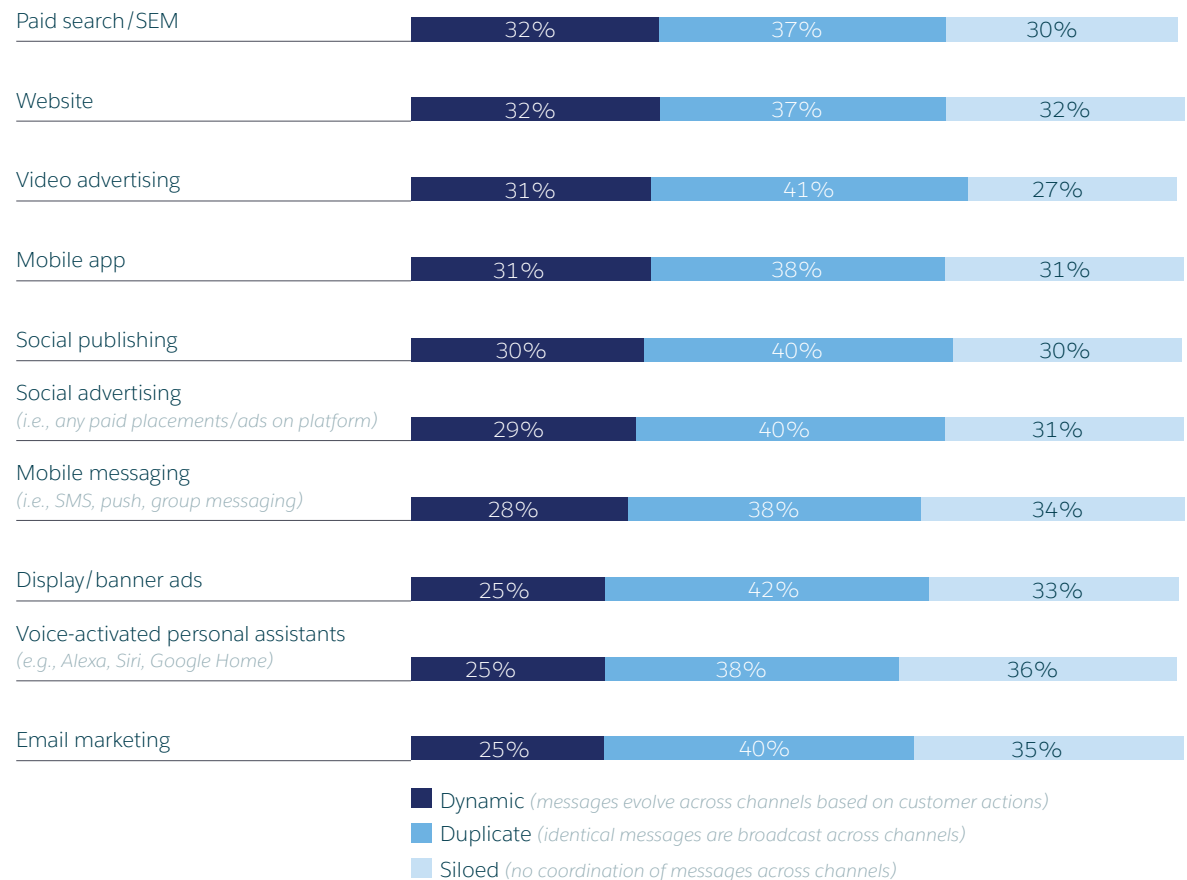
03 Real-Time Engagement Moves to the Core of Marketing Strategies

A key component of real-time engagement, particularly in the context of channel proliferation, is the ability for customers to move across channels without losing context. In other words, dynamic customer-brand conversations – in which messages evolve across channels based on customer actions – are the gold standard. On average, between one-quarter to one-third of financial services marketers report such dynamic coordination across their various customer channels, with paid search, websites, and video advertising leading the charge.

Duplicate channel coordination – in which identical messages are broadcast across channels, is more common in the industry. Still, roughly one-third of financial services marketers are stuck with siloed channels with no coordination whatsoever.

Financial Services Marketing Remains Mostly Siloed or Duplicated Across Channels

Financial Services Marketers Who Describe Their Cross-Channel Coordination as Follows



Base: Financial services marketers using indicated channel.

03 Real-Time Engagement Moves to the Core of Marketing Strategies

Financial services marketers are increasingly turning to AI to help them bring their customer engagement capabilities up to par.

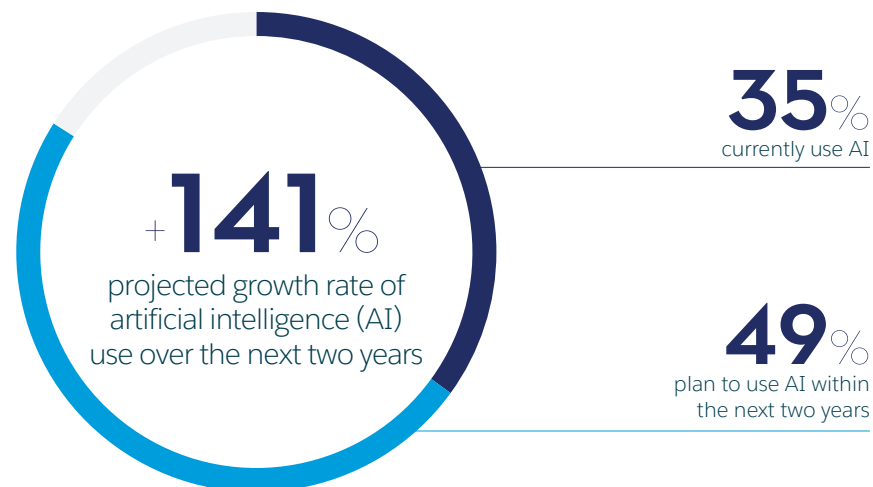
While current usage of AI lags behind other tools and technologies available to financial services marketing organizations,* this is an area of growth, with nearly half of financial services marketers (49%) planning to use it within the next 18 months.

This trajectory is not surprising given that the majority of financial services marketers with AI say it has generated ROI.

87% of financial services marketers with AI say it has led to marketing ROI**

Financial Services Marketers Say AI Boosts Personalization and ROI

Use of AI Among Financial Services Marketers



Top AI Use Cases by Financial Services Marketers



*35% of financial services marketers currently use AI. Current usage of all marketing tools and technologies measured, on average, is 58%.

** Major or moderate ROI. Base: Financial services marketers using AI.

Base: Financial services marketers who use AI.

Financial Services Marketers Strive for Greater Collaboration

Today's customers see one company – not different departments. They expect a unified front across each interaction, regardless of whether its with a customer service rep, salesperson, or marketing communication.

Customer service, sales, and marketing teams are locking arms within financial services organizations to foster truly cohesive customer journeys, but opportunities to strengthen these working relationships remain.

Opportunity Exists to Unify Goals, Execution, and Measurement Within Financial Services Organizations

Financial Services Marketers That Say the Following About Their Relationships With Sales and Service



SALES TEAMS

48%

share common goals and metrics with sales teams

49%

execute jointly with sales on account-based marketing (ABM) programs



SERVICE TEAMS

54%

collaborate with service to manage and respond to social inquiries and issues

47%

share common goals and metrics with service teams

37%

suppress marketing when a customer has an open service case

SUBINDUSTRY

Banking.....	40%
Insurance	25%
Capital markets.....	17%
Wealth management	10%
Other financial services professions.....	9%

COMPANY SIZE

Small (21–100 employees).....	15%
Medium (101–3,500 employees)	65%
Enterprise (3,501+ employees)	20%

COMPANY TYPE

Business-to-business (B2B)	27%
Business-to-consumer (B2C)	38%
Business-to-business-to-consumer (B2B2C)	36%

COUNTRY

United States.....	11%
France	10%
Japan	9%
Australia/New Zealand	8%
Hong Kong.....	8%
Netherlands.....	8%
Germany	7%
United Kingdom/Ireland.....	7%
Canada	6%
Singapore.....	6%
Brazil.....	5%
India	5%
Belgium	4%
Nordics	4%
Mexico	3%

REGION

North America	16%
Europe	41%
Asia Pacific	35%
Latin America	8%

DEPARTMENT

Executive management.....	30%
Marketing.....	70%

ROLE WITHIN MARKETING

CEO, owner, or equivalent.....	30%
CMO.....	14%
VP of marketing	18%
Director, manager, or equivalent.....	38%

GENERATION

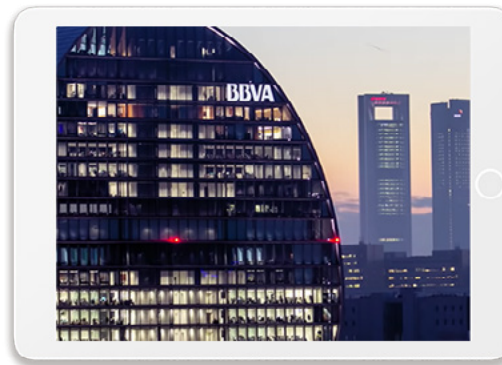
Baby boomers/Traditionalists (born before 1965)	5%
Gen Xers (born 1965–1980)	46%
Millennials/Gen Zers (born 1981–1999)	49%

Related Resources



Learn more about creating 1-to-1 customer journeys.

LEARN MORE



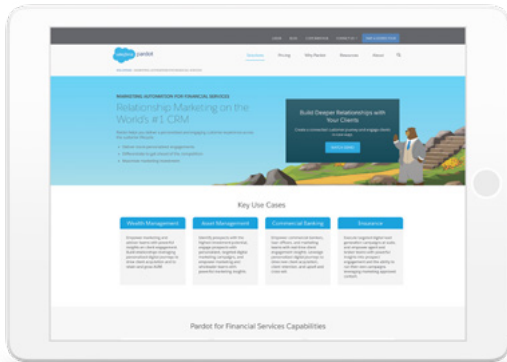
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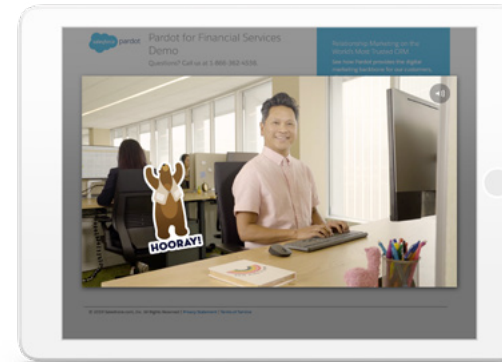
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