



# Automating Marketing



WHILE RESOURCES MAY BE A CHALLENGE, THE OPPORTUNITIES POSED BY THIS TECHNOLOGY ABOUND.

BY STEPHANIE SCHWENN SEBRING

Automation is on the tip of every marketer's tongue—or at least it should be. Many credit unions have made a commendable start on automating their marketing campaigns for the digital sphere. But soon, automation will be obligatory across the board, as customers demand the right message at the right time.

"It is possible to deliver messages in multiple channels, but only if you have an impeccable strategy—and rock-star talent to execute your campaigns," says Michelle Spellerberg, VP/marketing and digital strategy for \$10 billion Alliant Credit Union ([alliantcreditunion.org](http://alliantcreditunion.org)), Chicago. "For most marketers, it's simply not feasible to keep pace with continually aggregating demands without automation."

In 2017, for example, Alliant CU sent 9.6 million emails to prospects and members—an impossible feat without automation, stresses Spellerberg.

Consider Starbucks. "They're doing a great job with marketing automation, using a personalization engine that can produce 400,000 variants of customized emails," says Spellerberg. "They make sure they know their customers and send the most relevant

communication possible. It all comes down to the automation, data and how you use it."

While no credit union is Starbucks, marketing automation allows the capture and aggregation of data so that you can focus on the full communications journey, she continues. "Rather than talking about campaigns, we must, as credit unions, start talking about delivering experiences along the member journey. It's not about delivering the same message in each channel; it's delivering personalized, data-driven messages."

Not sure where to start? Take it slowly. Consider using automation for evergreen communications, such as member onboarding.

This is how Chris Punke, marketing and communications director for \$500 million Community Choice Credit Union ([comchoicecu.org](http://comchoicecu.org)), Johnston, Iowa, is approaching his CU's use of this technology. As his team implements new software in the fourth quarter of 2018, Punke sees three chief scenarios where automation will immediately help his CU:

**1. Onboarding to indirect vehicle loan borrowers.** "We have strong dealer relationships



in our area and finance many vehicles through them. But it's difficult to transition those single-loan borrowers into participating members. Software that ties directly into our core processing system will allow us to automate the process and provide a simple way for these members to learn how we can help with their financial needs. Whether it's through additional loan products, excellent deposit rates or direct deposit into a free checking account, there are multiple messages we can communicate over time. Pulling lists and sending messages is just too time-consuming to do manually."

**2. Cross-selling to existing members.** "We do a great job communicating what makes us unique, but without automation, it's difficult to deliver the message in a timely fashion. Consequently, we might miss out on a member's next big purchase, such as a car, which consumers tend to purchase every 36 months. With automation, we'll be able to watch dates, transactions and other key triggers to relay messages—without a large staff."

**3. Tracking results.** "We'll be able to monitor which messages convert into loans, deposits or new accounts. Whether by email or direct mail, we'll know instantly when an offer has converted as well as the return on marketing spend."

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— Chris Punke

selling), he notes, it is easy to spend too much time on the feel-good aspects of marketing, like brand promotion (passive selling). Implementing automation tools can help CUs avoid falling into that trap.

Kilmer also stresses that content—either the lack of development strategy or a lack of content altogether—is something to consider. For example, "If you have a limited branch presence, your content has to serve you. ... When content is relevant, strategic and ready to present *at the right time*, its presence can help you to replace the visible brick and mortar."

You can try automating without good content, but the result will likely be annoying to members, he adds—frequent communication but with weak messages not designed for the digital-first consumer.

"Most credit unions believe they have pretty good content (that's arguable), but without the right delivery, they're struggling." (See Kilmer's blog post on the subject at [tinyurl.com/0118gbmessage](http://tinyurl.com/0118gbmessage).)

## CHALLENGES AND OPPORTUNITIES

Because automation can require a shift in philosophy, understanding your CU's needs is a big first step. "Data is still the biggest challenge," says Michael Browning, CEO for Onovative ([onovative.com](http://onovative.com)), a communication software provider for banks and CUs based in Louisville, Ky. "Data is spread across multiple systems, and many credit unions struggle to unify it. On the flip side, data offers a remarkable opportunity. No other industry can learn so much about their customers through their data, to see what customers are doing daily, like financial services."

Talent is another challenge. "Every industry is battling for the same analytical talent for their marketing departments," adds Sam Kilmer, senior director for Cornerstone Advisors ([crnrstone.com](http://crnrstone.com)), a national consulting firm based in Scottsdale, Ariz., and CUES' strategic partner for technology and risk management. "It's imperative that credit unions attract and retain individuals who can manage and implement automation, both at the strategic and tactical levels; it's a skill set every industry is seeking."

Many CU marketing departments are already understaffed and may not be equipped to manage automation, says Kilmer. Investment is needed in both the tools and talent.

But as marketing continues to morph alongside sales and service, automation can help bridge the gap. "These areas used to be compartmentalized, but with automation and data analytics, they're becoming less different," explains Kilmer. "Today's strong CMOs are not only highly proficient in analytics but also understand the power of using data to develop an outreach sensibility, where business leaders have the processes they need and can naturally 'pull' the marketing automation along in the cycle instead of a data or marketing leader at HQ constantly on a 'push.'"

Without a strategic focus on outreach or lead generation (active

## FINDING THE RIGHT TOOL

Do you want marketing automation to improve team efficiency or the member experience? The software you choose depends on your answer. "If you want complex integrations that are highly dependent on internal data and push communications into authenticated channels, such as online and mobile banking, you may need a more robust tool," suggests Spellerberg. "However, if you want to ease the burden on your marketing team, you may want a tool that is easy to use with functionality around search engine optimization."

Robust solutions with diverse tools include platforms like Oracle ([oracle.com/marketingcloud](http://oracle.com/marketingcloud)), Adobe ([adobe.com/marketing-cloud](http://adobe.com/marketing-cloud)) or IBM ([tinyurl.com/watsonmarketing](http://tinyurl.com/watsonmarketing)). CUs seeking simpler solutions might consider Marketo ([marketo.com](http://marketo.com)) or HubSpot ([hubspot.com](http://hubspot.com)).

But Browning advises that CUs look closely before choosing non-specific industry software. "You should see value early and try not to integrate something too complex—a system that you have a hard time getting value from without extraordinary commitments from both a financial and integration perspective. Credit unions and banks are very different from other industries, with more regulatory restrictions," he says.

"They're also different in their breadth of a captive audience," Browning adds, comparing Google Analytics data from a typical website to that of a CU. "In my experience, no industry has as many repeat visits to their websites—the ratio of prospects versus customers is extraordinarily unique. ... Users visit the homepage repeatedly for online banking, bill pay, etc. This presents a rare opportunity to provide compelling messages to current members."

The landscape is ever-changing; the best thing to do it to try, test and learn, adds Spellerberg. She recommends finding a tool that integrates easily into your ecosystem and does what you need



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## Marketing Automation *Mistakes to Avoid*

Automation can significantly increase marketing efficiency and reach, but don't go on auto pilot when deciding when and how to implement this technology. Here are some common pitfalls:

**Using automation to market products members don't need.** Michael Browning, CEO at Onovative ([onovative.com](http://onovative.com)), Louisville, Ky., explains his company's Lens Approach: "It focuses on creating engaged relationships by determining the products your members *need*, not the ones you necessarily want them to have." The key is to build trust in your member's current lens—either transactional, savings or lending—before moving on; typically, your next best product offer will be in the same lens.

Many CUs, for example, encourage indirect auto loan members to use more services by promoting a checking account, says Browning. "They probably have a checking account and aren't that interested in a new one. But if they've closed a loan with you, chances are much greater they need additional sources of credit. ... Why not try to cross-sell other financing opportunities to continue to build the relationship? Develop the relationship before you go after products in a different lens. Data can help you to drive these decisions and move a single-service household to a flourishing member."

**Not using automation to market to your largest captive audience.** Build a plan into your selling cycle to regularly communicate with existing members, Browning advises. Don't be afraid of sending the right offer, on occasion, to the entire membership.

**Trying to do too much.** "Many marketing teams try to 'boil the ocean' with marketing automation tools at the onset," says Michelle Spellerberg, VP/marketing and digital strategy for \$10 billion Alliant Credit Union ([alliantcreditunion.org](http://alliantcreditunion.org)), Chicago. Instead, consider the number of interactions with an individual and prioritize content. For example, is an auto loan cross-sell communication currently more important than a debit card usage communication? Data from transactions, the customer journey and so much more can trigger communications, but marketing teams must narrow this list and decide where they will get the highest return on investment for their efforts.

**Not performing quality assurance.** With multiple variables in digital messaging, Spellerberg stresses that quality assurance must be built into the day-to-day functions of marketing automation to ensure the right people are receiving the right message with appropriate rates, disclosures, etc.

Sam Kilmer, senior director for Cornerstone Advisors ([crnrstone.com](http://crnrstone.com)), Scottsdale, Ariz., CUES' strategic partner for technology and risk management, adds that you should always test at least a small sample of messages and ask if the combination of content and audience passes the "smell test": "Don't just sample check loan preapproval offer letters with an eye towards managing credit risk. Instead, sample check all kinds of messages with an eye towards managing reputational risk."

**Using bad data.** Automation requires good data to start with, says Spellerberg, and the data should go beyond your customer relationship management and core banking systems to include data from such sources as web analytics, product application systems and advertising tools. If you are trying to acquire new members, you also need clean data about your prospects, not just current members.

**Setting and forgetting it.** Just because you've automated a campaign or your marketing processes doesn't mean you can forget about it, continues Spellerberg. You must also set up check-in processes to see if campaigns or communications are performing well or need tweaking.

**Committing to a long-term contract before seeing results.** Use the product first and see what results you get, says Browning; don't sign a long-term (i.e. three- to five-year) contract without identifying results or outcomes.

without too many extras. Many companies sell their services in modules. If you want a tool for marketing automation, for instance, but also want to do programmatic advertising, you may need to purchase multiple modules that integrate.

If your CU can't fashion a business model based on marketing automation right now—due to resource allocation, a lack of tools or resistance to a philosophical shift in how you approach business—anticipate where you want to be in five years, advises Kilmer. Determine where your members come from today and use forecasting models to project how that's evolving, whether

through digital, branch or referrals.

As you review your forecasting data, consider how you must allocate resources to achieve that growth. With strategic planning and by embracing new technology, your CU can realign its marketing approach and be ready for the challenges ahead. ↗

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