

# Current's marketing VP: 'Traditional banks have made it easy to pick off customers'

Article

Digital trust is the confidence that consumers place in their banks' digital channels. For neobank chief marketing officers, the first step of building trust for relative market

newcomers is raising brand awareness. To that end, neobanks like **Current** emphasize how they're distinct from large banks in their ad campaigns. Current, for instance, has run campaigns in New York with the tagline, "What do you think we are, a bank?"

Insider Intelligence talked with Adam Hadi, vice president of marketing at Current, about how marketing a neobank differs from promoting a traditional bank, how high retention among banking customers can be a "double-edged sword," and how being digital-only was one of Current's advantages during the pandemic.

*The following has been edited for brevity and clarity.*

## **II: What marketing challenges did you face last year, and how did those affect your priorities?**

**AH:** Our challenges weren't so much pandemic-related. The pandemic actually highlighted a lot of our benefits as a digital-only bank. During the lockdown, there wasn't much need for bank branches, in-person banking, and all of the things associated with traditional banks.

As a challenger that's just been in the banking space for a few years, building trust is a huge challenge. Legacy brands like **Wells Fargo**, **Citibank**, and **Chase** have been around for a long time, some of them for 120 years or more. They have a terrible reputation, but there's a sense of security that comes with banking with them. A new brand like us that's just come into the space and is asking a customer who's living from paycheck to paycheck to trust their next paycheck with us—that's a big ask, and it requires a high level of trust. Gaining that trust is a challenge we're always trying to overcome.

## **II: Fifty percent of your customers give you first-time bank account orders. Was that a customer segment that you specifically targeted, or did it happen organically?**

**AH:** That's intentional. Banking is a very high-retention product. You've probably had your bank longer than you've had your iPhone, right? It's also good for us to acquire customers when we're their "first date" account. And we have an advantage with younger generations.

But that high retention in banking is a little bit of a double-edged sword. It also means that you have a high bar to clear to get somebody to switch, and it's costly.

On the flip side, though, traditional banks have made it easy to pick off all the customers who don't fit their business model. Customers we're picking off from Bank of America and Wells Fargo are those they're actively shedding. They're charging those customers what we call "nuisance fees." So that sets us up pretty well, too.

[Read the full Q&A with Adam Hadi here.](#) For a deeper dive into thoughts from the chief marketing officers at 10 of the most innovative banks, credit unions, and neobanks in the US and Canada, read [“The Banking CMO Report: 10 Leaders on Priorities, Challenges, and Opportunities.”](#)

**How High-Trust and Low-Trust US Digital Banking Users Perceive and Interact with Their Bank, March 2021**

% of respondents

	High-trust	Low-trust
Satisfied with my bank	80.6%	59.3%
Use mobile banking (via smartphone) at least once a week	53.8%	37.8%
Payment card (debit or credit) used most often is issued by this bank	49.3%	37.8%
Have direct deposit set up at the bank	42.7%	33.0%
Use online banking (via PC) at least once a week	39.6%	26.7%
Would open my next account or product with this bank	38.8%	21.3%
Have multiple accounts with the bank	37.1%	28.3%
Other	1.0%	2.0%
None of the above	1.3%	4.2%

*Note: n=2,412; respondents to the online survey are digital banking users at the top 10 US banks; respondents were sourced from a third-party sampler provider to resemble US demographics on the criteria of gender, age, and income*  
 Source: eMarketer, Mar 2021

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