

Where social media fits into four small and midsize financial institutions' marketing mixes

Article

The trend: Marketers at four different financial institutions told The Financial Brand what kinds of media buys they're making, where they're cutting back spending—or thinking of cutting back—and **how they're making the most of their marketing budgets.**

- Their high-level overviews back up **the recent ABA study finding that [a social media presence](#) has become a must-have for banks and credit unions of all sizes.**
- It also echoes the study's finding that **95% of US financial institutions maintain an active presence on Facebook.**

[Navy Federal Credit Union](#), based in Vienna, Virginia, with \$156.6 billion in assets under management.

Differentiation: Its specialized customer base consists of active-duty military service people, veterans, and their families. It promotes financial wellness as well as deposit products, auto loans, credit cards, and mortgage solutions.

Largest share of budget: Primarily video across digital and broadcast channels, with a mix that includes performance-based marketing and paid social media.

Social media activities: Meta-owned channels like Facebook and Instagram perform well for the credit union.

- It also uses YouTube for its financial education efforts—it's posted 340 videos on [its channel](#).
- Its communities are also active on Twitter/X and LinkedIn.

[Fvc Bank](#), based in Fairfax, Virginia, with \$2.4 billion in assets under management.

Differentiation: It's focused on enhancing the customer experience, partly through tech investments.

- A digital origination system for small and midsize business (SMB) banking, Lightning Lending, can prefill sections of forms with customer data.
- And the bank uses AI to offer automated spreadsheets, aggregated data, scored applications, and document packages.
- It also plans to offer SMBs the ability to forecast cash flows across accounts and perform competitive benchmarking.

Largest share of budget: Radio works best in the Washington, D.C. and Baltimore metropolitan markets during work-week commuting drive time. It produced a series of short commercial spots featuring the banks' customers and the bank's CEO and chairman. These ads send its prospects online to search.

- The bank also dedicates a portion of the budget to exploring and trying out new channels.
- It's moving away from cold-calling, which it feels is intrusive and not conducive to building relationships. And its traditional print advertising has given way to digital advertising.

Social media activities: The bank uses Facebook and LinkedIn, and says it's managed to increase engagement by 40% over the past year, posting three to four times weekly.

- Post topics include the bank's community engagements, highlights of individual bank employee achievements, customer testimonials, new products and services.

State Bank of Southern Utah, based in Cedar City, Utah, with \$1.2 billion in assets under management.

Differentiation: It's emphasizing customer relationships and community ties, rather than doing straightforward product promotions.

Largest share of budget: A rebranding necessitated new promotional material and signage. Its logo will also appear on promotional swag, like hats and shirts.

- On the opposite end, it has cut its radio advertising budget in half and reallocated spending toward video production for social media.

Social media activities: YouTube, Instagram, and Facebook are the platforms where it's most active. Each of the bank's branches owns a Facebook page.

- A post that reaches 500 or more people is successful. The branch that gets the greatest engagement from a post gets a monthly award. Branches share their learnings about posts that get good engagement.
- It makes culture posts about employees and community posts about its community activities and things happening in the community.
- It's also posting videos on TikTok, with the goal of "creating fun"—for example, what it's like to travel through the tube at the driveup teller. The posts are also repurposed on Instagram's

Reels, and Facebook posts are also shared on Instagram.

Credit Union of Southern California, based in Anaheim, California, with \$2.6 billion in assets under management.

Differentiation: It promotes its community ties. This year, it's been prioritizing deposits over loans because of high interest rates.

Largest share of budget: Programmatic digital display marketing has helped the firm with attracting deposits. Ad respondents are directed to its landing page to apply for products or memberships.

- For current members, the credit union uses internal venues like email and digital banking.
- For nonmembers, it uses digital display and social media for prospects within a five-mile radius.

Social media activities: Facebook best matches its demographic. This year, it set a goal of hitting 20,000 followers. Next year, it plans to expand its efforts to TikTok and Instagram.

- Most-engaged-with posts contain community content, such as those about donations to local charities.

Our take: All financial institutions offer similar products, edging them close to commodity status. For differentiation and to lay out a customer value proposition, their marketing campaigns usually seek to humanize them, putting forward the faces of employees and customers or rooting the financial institution within a very particular community. The informality and interactiveness of social media, as well as its post-sharing mechanisms, make it ideally suited for these purposes.

US Facebook, Twitter and YouTube Ad Spending, by Industry, H1 2023

% of total

	Facebook	Twitter	YouTube
Retail	25.8%	19.8%	11.9%
Consumer packaged goods	20.0%	13.3%	26.9%
Health & wellness	17.6%	7.3%	10.9%
Media	10.7%	32.4%	5.6%
Financial services	8.1%	11.8%	17.4%
Travel & tourism	6.7%	4.3%	9.3%
Auto	3.9%	0.5%	8.8%
Telecom	3.7%	3.1%	6.2%
Computers & consumer electronics	3.5%	7.6%	3.0%

Source: Sensor Tower; Insider Intelligence calculations, June 21, 2023

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