

Banks' view of the marketing function hasn't kept up with how fast it's evolving

Article

The trend: It's becoming integral to banks' operations, but the way the success of marketing is measured and evaluated at banks still lags behind the continuing expansion of its remit

and responsibilities.

That's one takeaway from the results of an American Bankers Association [survey](#) reported within the ABA Journal. Here's a look at its other findings.

Banks acknowledge the importance of marketing. Since the demand for a great digital experience and competition from neobanks and Big Tech have changed banking, marketing has played a big part in making banks more customer-obsessed. That's turned it into a key growth engine for banks, which is reflected in their organizational structures.

- 93% of the ABA survey's respondents report to a c-level executive or vice president.
- 60% report directly to the CEO.
- 52% attend meetings alongside other functions reporting to the CEO.

Marketing's responsibility for growing the business keeps expanding. Marketing teams are becoming more data savvy to maximize marketing's effectiveness, and they're also learning to track and anticipate consumers' ever-evolving digital habits. That's adding to marketing's responsibilities beyond the more traditional functions of advertising, branding, and communications.

- As might be expected, 95% of survey respondents cover social media management.
- 76% are responsible for digital channel management, including websites and/or online account opening.
- 51% handle marketing technology management (CRM, the Marketing Customer Information File, and/or marketing automation)
- **48% oversee data and analytics**—a trend also seen in other industries as customer data and insights drives more intelligent and personalized marketing, typically through digital channels.
- **47% own the customer experience**, a sign that marketing's role in representing the “voice of the customer” is increasingly being formalized.

But many banks still see marketing as an expense to be managed, rather than a revenue-generating activity. Marketers have always been on the hook to quantify the ROI of marketing, but at many banks, the metrics used to track its performance remain a work in progress. They don't yet reflect marketing's expanding remit in the digital era. When respondents were asked how marketing's success was determined:

- 57% said it was the completion of tactics and activities.
- 14% said expenses needed to come in under budget.
- **Just 13% of respondents are tracked on meeting growth objectives.**

Answers to a question about functions residing within marketing suggested **many banks lag behind their counterparts within other industries in recognizing the interdependence of marketing and sales in growing revenue.**

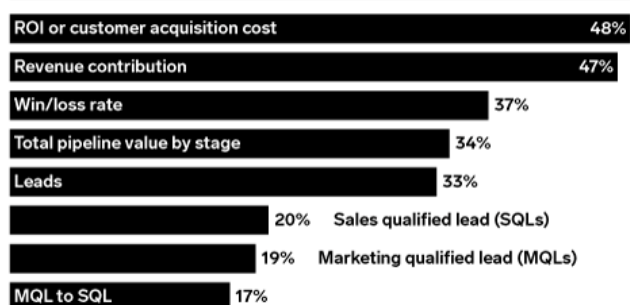
- Only 25% named product management as a marketing function, and the same percentage named internal business line collaboration.
- And only 24% named sales enablement.
- **Just 28% said revenue generation was part of marketing’s role.**

Where’s the disconnect? Outside of banking, it’s becoming more common for marketing and sales to collaborate closely, or to be combined within the “Growth Department,” ABA Journal said.

- That’s because **the first step in sales often happens on a company’s website.** A prospect’s online search takes them to the bank’s website. Once they’re there, they may download some information or fill out a form—or they may not.
- That very normal behavior explains why **marketing is playing a larger role in lead generation and revenue growth in other industries.**

Metrics Used by B2B Marketers in North America to Measure Campaign Success, Jan 2023

% of respondents



Source: Ascend2, “The 2023 State of Pipeline Generation” commissioned by Revsure, March 8, 2023

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