

# Varo's marketing chief: 'We can acquire customers from both traditional banks and neobanks'

Article

When Insider Intelligence talked with **Carolyn Feinstein, Varo Bank's chief marketing, growth, and design officer**, she plotted Varo's growth trajectory for us along the marketing funnel. That classic model depicts a customer's journey through all the stages of intimacy with a brand. The funnel starts with simple awareness of the brand and ends with advocacy— if customers like it enough, they promote the brand to others.

“Like many companies at our life stage, we've concentrated our marketing investment at the bottom of the marketing funnel,” Feinstein told us, “to tune and optimize our acquisition engine and engagement capability.” Only earlier this year did Varo start to advertise, she said and “tell our brand story at the top of the marketing funnel.”

Feinstein also spoke with us about how the chief marketing officer role at neobanks more closely resembles the Silicon Valley model than a traditional bank's, and why she thinks Varo is uniquely positioned in the neobank-versus-traditional-bank competitive landscape.

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

### **Insider Intelligence (II): How does the CMO role at neobanks differ from other industries?**

**Carolyn Feinstein (CF):** Several viable models are in play in Silicon Valley, and that's what you're probably seeing in the neobanks. I'd imagine that there's not a fintech-specific organizational model right now.

What's interesting about tech marketing—and I'll put fintech in that bucket—is that, unlike many other businesses, these companies go through their life stages in 18-month, super-fast flywheels. The organizational construct and people that are ideal at one life stage might not be ideal at the next. It's why you see people moving so rapidly through these companies compared with other industries.

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

**CF:** Varo has a unique competitive advantage as an all-digital bank with a bank charter. That gives us the opportunity to acquire consumers both from traditional banks and from neobanks.

We're a few years behind in aggressive brand-building and advertising. Like many companies at our life stage, we've concentrated our marketing investment at the bottom of the marketing funnel to tune and optimize our acquisition engine and engagement capability.

In January, we started to advertise and tell our brand story at the top of the marketing funnel. Our challenge is that we're currently at a single digit on aided awareness. Over 90% of the people we want to talk to still don't have a deep awareness and understanding of Varo. That's also an opportunity, leaving us a lot of headroom for entering the cultural conversation.

[Read the full Q&A with Carolyn Feinstein 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."](#)

## US Neobank Account Holders, by Company, 2021-2025

millions

	2021	2022	2023	2024	2025
Chime	13.1	15.4	17.8	20.3	22.7
Current	4.0	5.2	6.3	7.3	8.4
Aspiration	3.0	3.8	4.6	5.5	6.4
Varo	2.7	3.5	4.4	5.4	6.4
Other	2.5	3.2	3.8	4.4	5.1
<b>Total</b>	<b>20.2</b>	<b>24.9</b>	<b>29.5</b>	<b>34.3</b>	<b>39.1</b>

*Note: individuals who hold at least one account at an independent, digitally native, digital-only bank that has either a banking license or operates on a licensed bank's platform (such as Chime or Varo in the US, Monzo in the UK, and Koho in Canada); account holders are not mutually exclusive; there is overlap between groups*

*Source: Insider Intelligence, May 2021*

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