

Tyler asks, "Marketing sees the value of digital, but our sales culture is so heavily entrenched around our branches. How can we begin to bridge the gap between marketing and sales teams?" That's a great question, Tyler, and one that I look forward to answering for you on today's episode of Banking on Digital Growth.

Greetings and hello. Thank you for tuning into the 43rd episode of the Banking on Digital Growth Podcast, where I, James Robert Lay, your digital anthropologist, continue to coach and guide you along your digital growth journey by providing clarity to help you avoid the biggest pitfalls and mistakes that will prevent you from maximizing your future digital growth potential. Today's episode is part of the Inside Digital Growth series. I'll be answering a question from Tyler who is a marketing director for a bank in the Midwest. Once again, Tyler asks, "Marketing sees the value of digital, but our sales culture is so heavily entrenched around branches. How can we begin to bridge the gap between marketing and sales teams?"

Thank you very much for the great question, Tyler. It's an important question because we're seeing a troubling trend through our digital growth diagnostic studies that were guiding financial brands through even post-COVID. In fact, this troubling trend is a hard truth for a lot of marketers to accept. This hard truth is not a secret because I hear complaints from marketing teams as they lament over this fact. Put bluntly, many financial brand CEOs simply do not trust financial brand marketers and marketing teams. This finding is not just isolated to our primary research. In fact, a study that was conducted by the Fournaise Marketing Group, they found that four out of five CEOs don't trust marketers. However, on the flip side, the Fournaise Marketing Group also found that 91% of CEOs trust CIOs and CFOs because, according to the study, both CIOs and CFOs are 100% ROI focused.

Now, I am very understanding and empathetic to the fact that historically speaking, financial marketers have been cornered into being viewed as one of two things internally, either number one, marketing teams are viewed as glorified in-house Kinko's or on-demand print centers where they're there to serve the last minute demands and needs of others who are in search of some type of promotion that they have to get out tomorrow into the marketplace to start driving more loans and deposits. Or number two, and really even worse, marketing teams feel that they're viewed by others as just simply kids that play with paint and crayons and that's been a direct quote that I've heard at multiple institutions statements.

Statements like these are the reason that I continue our mission to simplify digital marketing and sales strategies to ultimately empower financial brands to generate 10 times more loans and deposits, to help them grow from good to great, to elevate them beyond promoting commoditized products. Really most importantly, to guide people in the communities that your financial brand serves beyond their financial stress towards a bigger, better brighter future. Just like I'm empathetic to marketing teams, I also have a lot of empathy and understanding for CEOs that feel they have a lack of trust in marketing. In fact, this lack of trust is very understandable because it's been nearly impossible for legacy marketing systems to demonstrate any measurable value marketing creates on the bottom line.

It's because marketing can't prove their value, marketing teams are viewed by CEOs and along with CFOs as cost centers. But this thinking must transform. It is a strategic imperative for CEOs and CFOs to view marketing as a growth center in a post-COVID world. Because marketing, thanks in part to digital technology and digital distribution channels, it is destined to become a growth center, a profit center that delivers quantifiable bottom line value. Predictions that we made three, four, five years ago, they are now becoming reality post COVID. While slowly happening in the banking space, one of these predictions we're starting to see come true when we're looking at other verticals is CMOs, chief

marketing officers are transforming and shifting their role into an even more strategic one as they become what is known as the chief growth officer.

You might be wondering where idea of another C-suite title came from. It's like the soup du jour because it feels like there's a new C-suite title popping up every other week. I'm going to come back and address that because all of this is rooted in getting representation from marketing at the leadership level for financial brands, because historically speaking, there's been a lack of representation from marketing at the C-suite, at the executive team level for many banks and credit unions. This shows one of two things. One, there's a lack of respect for the marketing role to begin with in the first place. Number two, that lack of respect, I believe, is really more deeply rooted in a lack of understanding in the value that marketing creates, can create, will create for a financial brand beyond printing swag and brochures for branches and placing promotions and ads in the newspapers and billboards and TV and radio.

In the past, all strategic planning might've been centralized around the CEO. However, we know that with legacy org structures falling away and crumbling because they're no longer applicable in today's rapidly changing post-COVID world, CEOs are really looking to other C-level team members for strategic support, for guidance, for direction, and marketing must be included in these discussions around the future growth of a financial brand. But we continue to find that's just not the case for many banks and credit unions. Even looking at some outside research, Steven McConnell, who is in the recruiting industry, he shared a similar perspective when he wrote, "For CFOs, gone are the days of number crunching to get ahead. The majority of CEOs want CFOs that are true company strategists, and the same is true for CMOs." That's why following our digital diagnostic studies, we often help bank and credit unions restructure their marketing teams, their marketing org chart around new roles, like the chief growth officer.

But then that restructure often leads to a bigger conversation at the macro level for the org chart structure of the organization as a whole. The best way to think about this transformation is to transform and flip the entire org chart upside down. Now, I want you to stay with me because this recommendation often makes board of directors, executives, and leadership teams feel a little bit uncomfortable at first, because historically, they've sat at the top of the proverbial pyramid. However, and this is the opportunity, when we transform and flip the org chart, not only does the board of directors, the executive team, the leadership team, they don't sit at the bottom.

What they're doing is they're actually supporting the rest of the organization. Then when we flip this org chart, execs, board, leadership team sitting at the bottom, supporting the rest of the organization, it provides an opportunity to add two other key stakeholders to the top of the inverted pyramid that are often missing from traditional org charts. One of these key stakeholders is the community a financial brand serves because the community is made up of potential account holders. Then number two, it's the account holders themselves, which are supported by marketing sales and service teams.

Alignment around marketing sales and service brings us back to the CMO. As traditionally, a CMO was to have created value through soft subject matter like branding. But let's be honest. It's very hard to measure the impact of real meaningful bottom line outcomes when all you're reporting is vanity metrics like reach, shares, likes, clicks, views, et cetera. As Thomas Barta, who's the coauthor of *The 12 Powers of a Marketing Leader*, Thomas Barta shared, "As long as marketers continue to position themselves as experts in advertising, brand positioning, millennials and the latest digital fads instead of being growth drivers, we'll see more CMO positions disappear." Now, in fact, according to marketingproinc.com, the average CMO only lasts 18 months at an organization.

Perhaps the reason for this short tenure can be further found with insights shared coming back to the Fournaise Group who in their study reported that 71% of marketers measure their effectiveness with KPIs or key performance indicators that include visits, views, opens, clicks, likes, those vanity metrics that I just mentioned, and to make matters worse, 86% of marketers mistake engagement for conversion. So the big question is, is what should marketers be measuring and reporting then? Well, I'm going to simplify this. CEOs, let's just focus on four quantifiable bottom line metrics important to CEOs to CFOs. Number one, we have leads. Number two, we have leads that turn into loans. Number three, we have leads that turn into deposits. Then number four, we have leads that turn into new accounts, which turn into loans, which turn into deposits.

So we have leads, we have loans, we have deposits, we have new accounts. But who is responsible for assisting marketing to achieve these goals and increase in leads and increase in loans and increase in deposits and increase in new accounts? It's the fragmented departmental structures that exist today in many financial brands that create a challenge because preexisting responsibilities and duties in the past, those are the things that we must let go of. When we look at the old world of growth being rooted around broadcast marketing and branch sells. I want to keep things focused for today's conversation. Let's just look at two revenue generating functions at a financial brand. We have marketing and we have sales. Now we could add a third element to this with service coming back to my inverted pyramid. But I want to focus specifically right now around marketing and sales.

In its most simplistic form, marketing has two roles, control the brand and the experience across all channels and to generate leads. As leads come in through different channels, sales must take ownership of those leads to do two things. Number one, nurture those leads, and then number two, convert those leads. This is where the opportunity coming back to this idea of a chief growth officer comes back into play because it is the chief growth officer that has the ability to provide strategic guidance and direction to create quantifiable bottom line value creation that is centered around the digital consumer journey. Working across the entire organization, the chief growth officer can help to alleviate some of these historical legacy preconceived notions around marketing and sales to transform that thinking, to transform those mindsets, to break down internal silos and to ultimately align marketing and sales teams and even service teams that are then further supported by ops and IT.

Just as important, the chief growth officer is the single individual appointed to oversee the transition of leads from marketing to that of sales. Once again, marketing control the brand message, control the experience, control communication and generate leads. Two primary objectives of marketing. Sales, nurture leads, convert leads. This is why when we look at this idea of not just the chief growth officer, but of really building a whole new team, what we would call the growth team or the digital growth team, there has to be a service line agreement between marketing and sales. Now, the job description of a chief growth officer doesn't just stop at breaking down internal barriers and improving internal processes and systems that ultimately make a positive external experience. The chief growth officer provides focus. They provide clarity on continually addressing the questions, the concerns, along with the hopes and dreams for the people their financial brand serves.

I want to take that thinking even further, a chief growth officer also leads the strategic initiative to elevate their financial brand beyond positioning around and promoting commoditized products, great rates, the amazing services, if you will, that every other financial brand promotes. They do so with all of their thinking framed around the digital consumer journey. So as we wrap up, I'd like to come back to Tyler's question, as he asked, "Marketing sees the value of digital, but our sales culture is so heavily

entrenched around our branches. How can we begin to bridge the gap between marketing and sales teams?"

In summary, the opportunity here is to elevate marketing's strategic status within the organization. That has to happen first. We do so by moving marketing beyond being viewed and feeling like they're just an overworked in-house Kinko's, or worst, kids that just play with paint and crayons. Marketing must hold themselves accountable and to higher standards to be more than just a cost center, but become the profit and growth centers that they're destined to be. With digital marketing, along with digital sales, both for banks and credit unions, marketers can help CEOs and CFOs know that every dollar that they invest in marketing comes back and creates two, three, four, five, 10 extra dollars. This is exactly where a chief growth officer comes in to help move these strategic initiatives forward.

Put simply, a growth officer is focused on one thing. It's the future growth of the financial brand. This is done by unifying marketing and sales around a common purpose, a topic and a subject that I spent around four or five episodes discussing. I want to be very clear here. The chief growth officer is not meant to replace the marketing function as a whole, but instead achieve and maximize a financial brand's future growth potential through the focus on additional strategies, which includes marketing and sales alignment to become the growth team and going beyond that of traditional advertising, regardless of that traditional advertising is offline or online. This is another topic that I spoke about in depth in episode number 31 where I unpack some of the digital ad industry's dirty little secrets that no one wants to talk about.

The chief growth officer is focused on the future, working alongside the CEO, the CFO, the CLO, the COO. As you continue to move along your own digital growth journey, focus on the future. I'm here to help and guide you along the way. Because if you have a question like Tyler, I want to hear from you because I want to help you grow from good to great as you maximize your own future digital growth potential. Go to www.goaskjr.com. Submit your question there and I will answer it for you on a future podcast episode. Remember, the only bad question is the question that goes unasked. Until next time and as always, be well, do good and wash your hands.