

Greetings and hello, and happy New Year to you and yours, thank you for tuning into the 55th episode of the Banking on Digital Growth podcast, where I, James Robert Lay, your digital anthropologist, guide and coach you along your digital growth journey, to help you avoid the biggest pitfalls and mistakes that will keep you from maximizing your future digital growth potential in this new year of 2021.

Today's episode is part of the Inside Digital Growth series, and I'll be answering a question from Marilyn, who is a VP of marketing for a financial brand on the East Coast, as she ask, "What are the top digital marketing and sales trends you see for banks and credit unions in 2021?" Well Marilyn, that is a tremendous question to start the year off with, and I'm excited for all that 2021 has to hold and offer for each and every one of us. But before we look ahead, I'd like to do some business with the past first, because if we don't reflect on where we've been, we won't understand where we are right now, and it will be really impossible for us to know where we need to go next on our journeys of growth.


So let's go back in time one year, to when we started 2020. Who would've ever thought that we would've lived through and experienced what we did over the last really nine to 10 months? Because in review, what a century 2020 was for us all. Every year, I put a theme together to help frame my thinking around the financial brands that are in our Digital Growth Program, and going into 2020 was a theme that I was calling Level Up 2020, and it had a focus on leveling up three things, people, processes, and production.

But 2020 had other plans for us, and 2020 really became a year of what I've been writing about in review, of what I believe was massive discovery that led to massive and transformative growth. We learned so much about what is possible when it comes to making massive transformations in both our thinking as well as our actions. Now, with that said, maybe 2020 was in fact the year that we all leveled up in one way or another, at least that's my hope for you, because what is leveling up all about to begin with in the first place?

Leveling up is about transformation. Transformation is about growing from good to great. It's about being even better than what you were before, and it is my hope for you that as we start 2021 together, you feel you're in an even better place than where you were a year ago, whether that be personally, on your team, at your financial brand, and I want you to continue down that journey of growth. Take a minute to just think back on all the progress that you've made, both personally as well as professionally, over the last 12 months. Think about all the growth, think about where you've come from. Sure, this progress was definitely not without its challenges, but you learned, you adjusted, you adapted.

I know that was the case for me personally, having launched a book in a pandemic without having a formal book tour. I think back when I first started writing Banking on Digital Growth, it was May of 2019, and how excited I was to go on a book tour, having the opportunity to really speak in front of thousands of financial brand leaders around the world, but COVID happened, travel shut down, conferences shut down, and so we adjusted, we pivoted, we adapted, we transformed, and we launched this podcast as a way to transfer our research, our knowledge, and our insights out into the world at scale.

So instead of having an opportunity to educate, empower, and elevate thousands of marketing and sales leaders, like we would have before COVID, thanks to the exponential growth of digital, as well as with the book and the podcast, our knowledge and insights are now helping tens of thousands of marketing, sales, and leadership teams at banks and credit unions around the world. Just the other day, Charlotte



from India, she reached out to me with a private direct message on LinkedIn, thanking me for the insights that she had gained so far from the podcast. In fact, her favorite episode is episode number 51 about humanizing the digital experience, with Jay Palter. I appreciated Charlotte's kind words and her feedback from so many other people like her, because it's people like you, dear listener, that I continue to do what I do, because I want to simplify digital marketing and sales strategies that empower you to generate 10 times more loans and deposits for your financial brand.

But what if 2020 had been just like 2019? Would there have been this podcast? Would I have had the opportunity to help Charlotte in India? These are things that I think about when looking backwards to measure progress. So what about you? What progress did you make in 2020? What growth did you experience in 2020, personally as well as professionally? You see, in addition to this podcast, COVID also forced me to rethink about our own business model, and to really optimize our Digital Growth Program further around training and coaching that's supported by bespoke research and insights for financial brands.

The old model was good. Once again, what is growth? What is transformative growth? It's about growing from good to great, and that's exactly what I'd like to do with you this year, because working together, we can fulfill our larger purpose that we call 1BXBTR, because together, we can continue to transform banking for good, and together we can make the world one billion times better by guiding one billion people beyond their financial stress, towards a bigger, better, and brighter future.

So let's talk about the future. Let's talk about the top trends, the top 12 opportunities that I see for you to maximize your financial brand's digital growth potential in the future, in 2021, and really beyond that. Now, you might be asking, "But James Robert, why do you have 12 trends, why do you see 12 opportunities? Why not 10?" I'm glad you ask. The easy answer would be for me to say, "Well, I'm a contrarian and I'm just simply tired of top 10 lists. In fact, I believe top 10 lists belong to David Letterman."

The deeper answer, though, is that when we go back and study ancient writings, we find the number 12 plays a very important and symbolic meaning in different cultures around the world. And while I don't want to go too far off the beaten path for this podcast, and into a deep anthropological study, the number 12, for example, represents perfection, completeness. It also represents fruitfulness, and even growth in some cultures, and for other cultures, it represents harmony and peace. Even looking at the present moment and thinking about time, we have 12 months of the year, with each day being broken down into two 12-hour periods of time, A.M. and P.M.

Now, let me be very clear. Before I get into the top 12 trends, the top 12 opportunities that I see for your financial brand to capture in 2021, I want to be very clear, you do not have to focus on every single one of these. In fact, it would be an exercise in frustration if you even tried, and I'm willing to bet that some of these trends are going to extend out over the next three to five years, and will become the new normal for both marketing and sales strategies in a post-COVID world. So as you think through these 12 trends, what I want you to do is to just pick and focus on three, because if you can focus on three, what would they be? Because those three will empower you to continue to make progress along your own digital growth journey.

So let's get started with trend number one. Trend number one will be an increased focus on the employee experience, as EX is what I've identified as the third element in what I'm now calling the experience trifecta, as EX or employee experience will have a direct impact on humanizing your financial

brand's digital experience. This has been one of the biggest lessons that I've taken out of 2020 into 2021 and beyond. In fact, I want you to look for employee experience to be just as big, if not bigger than all of the talk and focus that we've heard around CX, or customer experience, over the past three years or so, because your financial brand's CX, your customer experience, or your MX, your member experience, if you're at a credit union, that is delivered through your DX, or your digital experience, will be directly influenced by your employee experience, in a future of really ever-growing changes, exponential changes, that will bring on more confusion, more complexity, thanks to the age of AI that we are in now. Take care of your people so that they can take care of your account holders in this digital world.


Let's move on to trend number two. Trend number two is unlocking the digital growth potential for small business, as small businesses have really been hit the hardest by COVID, and small businesses are the backbone for so many local economies, and these small business owners, they're looking for someone that they can trust to guide them for beyond this COVID crisis. It's not over yet. Yes, the vaccines are rolling out, but I'm willing to predict that we're not going to get all the way through this... [inaudible 00:13:25] I won't even say "Get back to normal," because we won't get back to normal, we won't get back to things like they were before, but we won't really get through this for at least another 12, 18 months, and that puts us into 2022, the middle of 2022. Now, we're going to see progress, but small business, particularly small businesses in the communities that you serve, be the light that shines a path forward, be the rock that they can cling to.

There's such a tremendous amount of opportunity for financial brands to step up, and not just to offer a loan, but to offer so much more support, guidance, and that brings me to trend number three, which is financial coaching, because I see financial coaching becoming a key revenue driver for future digital growth. And this includes coaching for both small business owners, as well as coaching for consumers, both who feel stressed about money, and that stress, it's taking a toll on people's health, their relationships with loved ones, their overall sense of wellbeing, and people are looking for someone that they can trust to guide them beyond their financial stress, towards a bigger, better, brighter future.

People are looking for two things. They're looking for help, they're looking for hope. Hope has to come before they're ready to receive help, hope that they can get out of the place that they're in today. People don't need a better checking account, people need coaching, they need guidance, they need accountability, they need support. I've said it so many times, I'll say it again. People do not have a savings problem, people have spending problems, and those spending problems are rooted in behaviors that go all the way back to childhood, that are shaped by their present reality, by their environments, and I am predicting coaching will become one of the biggest non-interest revenue streams for financial brands over the next five to 10 years, especially if that coaching is further supported through data-driven research and insights.

So, thinking about data-driven research and insights, that brings me to trend number four, which is finding fintech partnerships to bridge capability gaps that create value for account holders, this is the incumbents finding fintech partnerships to bridge capability gaps that create value for account holders. No longer can incumbents, being traditional banks and credit unions, think of fintech as the enemy, the competition, if you will.

Instead, it's time to start thinking about fintech as collaborators, and this is going to require us to let go of scarcity mindsets, and we'll come back to this idea of mindsets here in a moment, but we need to let go of scarcity mindsets that limit our future growth potential, and to do so, we can embrace a mindset of abundance, where we look out at the world and we see more than enough opportunity for us all to



create and capture value together, and here's why. Fintech needs eyeballs and audiences, while incumbent financial brands need best-of-breed digital capabilities. Both fintech and incumbents have what each other want, and what would otherwise require vast amounts of capital to build alone, so the opportunity here is collaboration, and a rising tide raises all ships.

Let's move on to trend number five, in which we'll see financial brand marketing teams finally become and operate like in-house media production teams focused on content production, as well as promotion, because content will be the fuel that drives future growth, really future digital growth, as marketing and sales move beyond the traditional world of branches and broadcast.

And when we think about marketing teams operating more like in-house media teams, they're not going to do it alone. They're going to need to closely align themselves with internal sales teams, with lending teams, with service teams, because it's the lending teams and the service teams that will unlock the content guidance and direction, framed around people's biggest questions and concerns, and this will be done by making a commitment to go all-in, to ask, to listen, and to learn.


And with trend number five in mind, focus around content, we'll see trends number six through 10 take shape, which include, in this specific order, number six, video-driven communication will humanize digital channels and experiences for both sales and marketing teams. See, there's that trend again, sales and marketing teams must work closer together to become, and really unify to become, the growth team. And when we think about video-driven communication, this will require for many an entirely new set of training and operations on both marketing and sales teams' parts.

And that brings me to point number seven, which will be the rise of podcasts that will allow you to literally get inside people's heads, and to transfer knowledge and insights at scale, while creating even more value from your video content efforts. You see, when you think about video content as a way to humanize the digital experience, there's so many different ways you could take that path, but video content can also be used to strip out the audio content of the video, and that audio can then be used to produce podcasts.

What this all leads to is what I'm seeing as trend or opportunity number eight, which is about systematizing and operationalizing content production strategies, and for a specific reason, which is to maximize your organic SEO efforts, as content from both videos and podcast can be stripped and transcribed to power a renewed focus around SEO or search engine optimization, organic search engine optimization, because the efficacy of digital ads will continue to decline over the next two to five years, thanks to the rise in ad blockers and the rise in ad fraud, and with the demise of third-party cookies.

Now we have trend number nine, if we're thinking about content, content being videos, podcast, SEO-optimized articles. Content will be the glue that builds digital communities, and digital communities will complement really any type of financial coaching program development, because communities, digital communities, provide another layer of accountability, while bringing a group of people together, of like-minded people together, all moving forward on a journey to get beyond financial stress.

And that brings me to point number 10, coming back to operationalizing and systematizing content, not just production, but also content promotion, as content will not only be promoted through corporate brand channels, but we'll see the rise of personal brands promoting both corporate content as well as personal content, because I see the personal brand has the potential to really create far more value in



this post-COVID world for one simple reason, people trust people, and it's this idea of the personal brand becoming even more important than the corporate brand, it makes people feel very uncomfortable, and I'm going to be having some guests on over the next few months to... Guests that have built their personal brand while working at a financial brand to create value for the financial brand.

Speaking about trusting people, let's move on to trend number 11, which will be maximizing future growth through digital reputation management, with a focus around three things, ratings, reviews, and referrals. In fact, through some recent studies and pilot programs that we've run for financial brands in the Digital Growth Program, we are finding digital referrals to be one of the fastest-growing and most effective acquisition channels in a post-COVID world, the question's why? Once again, people trust people. People will always trust a referral from their friend or family member far more than they will ever trust your financial brand, no matter how good your marketing is. This is why you must go beyond measuring the vanity metric of NPS or Net Promoter Score, and start to bake digital referrals directly into your marketing, sales, and service operational models.

Finally, let's wrap things up with trend number 12, which is about minding your mindset, because mindset will be the most important strategic asset for financial brands to see through all of the confusion, all of the complexity, that will come from the exponential changes in the age of AI. COVID has just been a preview, and I predict developing your own personal, as well as your team's and your organizational's AQ, along with their digital EQ, it'll be far greater, it will create far greater value than IQ alone over the next three to five years.

You see, AQ, or adaptability quotient, plus EQ, emotional intelligence, when combined provides an exponential multiplier through the power of AI and automation. Let the AI, let the automation take care of the rote and the mundane, repeatable task. We can take a lesson from Four Seasons, where their founder and CEO once noted, "The opportunity is to automate the predictable so you can humanize the exceptional." And both the idea of AQ, adaptability quotient, and EQ, emotional intelligence, they're rooted in a growth mindset that views the future as bigger, better, and brighter than ever before, because the best is yet to come.

So there you have it, my top 12 trends, or the top 12 opportunities for your financial brand to focus on and capture in 2021 and beyond. What's going to be your focus for yourself, for your team, if you had to just pick three? And I want to hear from you. Maybe you have a question like Marilyn had today that you'd like for me to answer for you about a future opportunity, or maybe it's a roadblock that might be standing in your way. If you do, now is the time to text me a question that you've been thinking about and you'd like to get answers to on a future episode. Text me at (415) 579-3004. That's (415) 579-3004, text me your question, and 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.