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James Robert Lay:

Greetings and hello, I am James Robert Lay, and welcome to the 76 episode of the Banking on Digital Growth podcast. Today's episode is part of the Exponential Insight series, and I'm excited to welcome Hunter Young to the show. Hunter is a former banker bringing marketing clarity to financial services in FinTech through the work that he's doing, and really the good work that he's doing at HIFI along with the insights he's sharing through the financial experience, podcasts that he hosts. Welcome to the show Hunter.

Hunter Young:

James Robert. It's great to be here. Good to be number 76. And thanks for having me.

James Robert Lay:

Man, I'm so excited for you with everything that you have just going on in your role, in your realm right now. A lot of good things that have come out recently, I'm seeing falling, and it's been great to get to know you too over the past year. I think when I think back on COVID all the amazing relationships that I think probably would not have been formed if we had been doing this in the old way. And so it's just neat to look at all of the positive things that have come out of this. What about you? What's good for you right now, personally or professionally?

Hunter Young:

Yeah, quite a few things. I mean this year has shaken out all kinds of stuff for a lot of people. And so for me, I mean, personally, I rediscovered a bunch of old passions that I resurrected, one of those being music and guitar and retaught myself a lot of those things, training for a half marathon, reading a bunch of books that I wanted to get a chance to read. I'm a big history buff. And so, just rediscovering a lot of that stuff. I feel like it's made me a better leader in my company. It's made me a better husband, a better father, all these things. It's just a better person all around.

James Robert Lay:

That idea, we hear a lot about like COVID is it's resetting a lot of things, but I like your perspective. It's almost rediscovering who we were, but then also through that reflection and through that rediscovery it's who we can continue to be and who we can even become. So you talked about on the music front, I have to ask, being, I would say a former musician with four kids, there's just not a lot of time on that. And my last real job was playing in a punk rock band before starting this. So what's the music front. Like what genre are we talking about here?

Hunter Young:

Oh man, my tastes are eclectic. I will say that. So I literally range everything and I love different decades, but I range from big band jazz all the way to modern day reggae and everything in between. And, and honestly, I can't say my experimentation has led to anything really I'm willing to put out into the world yet, but I've covered a lot of musical ground throughout this period.

James Robert Lay:

Man, that's so much fun and it is, I think music is something, it brings us together. It's a universal language and I'm like you, I got a wide repertoire what I like and how that inspires even the work I think that I'm doing today. And to that point, not only is there music, but there's running. Training for a half marathon. Having run multiple halves and a couple of fulls, I have to ask, how is that going?

Hunter Young:

Well, as you know, getting started is the hardest part and I'm gaining momentum, but truthfully, one of the things that's most exciting about being a runner is getting to that event and being surrounded by people and all that energy of that day and finishing a race and COVID has obviously prevented that type of experience for me. So I've really kind of had to motivate myself in different ways. And obviously, when it's winter time, I've got a treadmill in the house and it's a battle of will, but I'm getting there. And I can't wait to actually run with people and kind of feel that feeling again.

James Robert Lay:

Well, we're kindred spirits in that sense because I have felt that lack of community, that running community, and there was a lot of parallels between running a marathon and digital growth in maximizing an institution's digital growth potential. It's, it's not a sprint and it's more, probably, mindset than anything. And you can train, but it does require community. It's very hard to run this alone and you've been running alongside some institutions over the years. And how did we get to this point today for you personally? Let's just go back briefly and let's catch everyone up to speed because you have a lot of insight and perspective to share. If we could go back on that personal journey, what have been some of those key insights that you've gained that are really probably more relevant now than ever before?

Hunter Young:

Yeah, look, I'm very fortunate that I've had accidental journeys, like many people, but they've all converged in a really nice way. I didn't plan to be a banker. I became a banker from the agency world and got heavily involved in both a big bank as well as then became a marketing leader, the CMO of a community bank. And so, I got to see the brokenness. I got to see the cultural challenges. I got to see the transformation challenges and the strategic challenges and get a full feel for the technical makeup and the disparate data and all these things we talk about, you talk about them all the time. And so, that was just a fantastic experience that led me to ultimately pursue my ultimate passion, which was start my own company and, and help from the outside back in. And we're doing that now at HIFI.

James Robert Lay:

And you've got a lot of, I think there's the key word, it's empathy. It's because you have seen the other side, if you can look back on the other side of the table, you mentioned culture, what are some of those big lessons that we could transfer to the dear listener through just your own experience and what you've seen both on the other side and even working with just different institutions, guiding them through this post-COVID experience.

Hunter Young:

Yeah. I mean, a lot of times, and I was the young guy in the meeting when I was the marketing leader at the bank, and they would often default to me as, "Oh, the young guy knows digital. Let's give him the digital banking project and give him the internet project and this project." And that's fine. But what I often said to them was giving the internet project to the young guy, culturally, is maybe not the right way to go. And we kind of just assume certain things based on loose demographics and stereotypes and typecast and as a data-driven person that I am, I've learned over the years, that it is incorrect to just to

assume. That is one of the most true things in the entire world, and that applies to culture more than anything.

Hunter Young:

So I think banks have, for a long time, struggled with defining what that means. I don't think there's a good definition around culture. Is culture our latest product and solution? Do we get it from some software? Do we build a culture because we have a CRM that "enhances" things? It's a very, very difficult thing to define. And I know I've experienced that, both in my role inside a bank, as well as kind of talking to people from the outside as well.

James Robert Lay:

It's interesting to hear you talk about everyone defines culture differently, just like everyone defines this perspective of digital growth differently. And what drives those definitions has been the experiences that got us to this point to where even culturally, I had to come up with a definition. And I just pulled this up culture is the result of alignment around a shared purpose, further unified by common values that spreads throughout all departments in the organization, resulting in either a positive or a negative emotion for both internal and external stakeholders.

Hunter Young:

Yeah. And so the thing about that definition, and I think we don't elevate these statements to that level, to what you just read. We dilute things by falling back on safe words, things like, "We want to be the best in the community. We want to deliver great financial solutions." Those kinds of things, which if you look up 75, 85, 95% of bank statements now around culture and mission, you're going to see some semblance of maybe five to 10 of those words. And it actually kind of dilutes the response and the feeling that you're trying to create.

James Robert Lay:

I like those safe words. And I would look at them and we see this, we see this with the diagnostic work that we do. You know, "We have great rates." And the question is framed like this, "Why should I open an account or apply for a loan at your financial brand?" And it's an open-ended question. It's something that someone can type in. And when you put these into a word cloud, things bubble up. "We have great rates. We have amazing service. We have history. It's our people."

James Robert Lay:

But I think when you start leaning into the emotion and you can begin to communicate that internally and externally and elevate that conversation, that's where the real magic happens of attracting like-minds. What holds financial brands back from leaning into maybe some of those difficult conversations? And why do they result of falling back on those safe words that you and I both know?

Hunter Young:

Look, I'll be honest. I have grappled with this for a long time as to why banks, operationally, can't connect the emotion of money in decisions around money back to how they talk about their own business. And it's almost like, yes, there's some fear there, but again, people, families, the business owners, they're just not thinking about money in the way banks, credit unions, even some FinTechs, although FinTechs are doing a little bit better at connecting with emotion, from what I've seen lately. But a lot of the incumbents, they're just not talking about money, the way we do in our homes and our businesses.

James Robert Lay:

There's a great article from the Atlantic coming back to April 19th, 2016, and the title of this is called The Cost of Financial Isolation and the subhead is When People Don't Talk About Their Money Troubles, Their Troubles Get Worse. And I find that historically, FAs, financial advisors, CFPs, certified financial planners, naturally are able to have more of these conversations than a traditional financial brand. But that's where I look at the opportunities. Let's lean into this emotion and maybe even lean into the pain, poke on that pain, see where it hurts a little bit because as a financial brand, as a community bank, as a credit union, as a regional, even as a FinTech, we offer the solutions and the cures to these people's pains. But if we're not even addressing them, are we missing something in this larger narrative that we tell whether that be digitally or culturally?

Hunter Young:

Yeah, I think it's a good question. And really, when you talk about solution, think about what falls under that today. It is, we lean on advice and this partnership style of solution, which we can debate all day whether we live up to that in a lot of our communities and a lot of these branches settings and banking center settings, we can argue that.

Hunter Young:

Then the other side of solutions is product. So what does product mean? A lot of people have looked at product lately as front-end more pretty digital experience. And that's kind of been the narrative the last five to 10 years. Finally, starting to see a shift where people are saying, "All right, let's go a level deeper. Let's actually think about what people are craving in terms of more productive use of their money." We're in a rough savings rate environment, but we're still leaning on the fact that because we're in that environment, you should bank local because we care about the community and we're local. And so I'm not seeing enough, especially on the incumbent side, the community banks and credit unions side, not seeing enough yet, and want to see more of that deeper, harder work around product and unlocking some of those more innovative money amplifiers that we need today.

James Robert Lay:

Yeah. I like that perspective of a money amplifier. Looking out at the landscape and just the experiences that you've had on both sides of the table, what might be some of the biggest roadblocks that stands in a financial brands away when it comes to moving forward, making progress on their digital growth journey. And I think really maximizing the potential that's available for them to just capture? What are some of those roadblocks that they need to be aware of?

Hunter Young:

Yeah. So, I typically break these kinds of things into three areas. You have the technology product roadblocks, and I put technology and product together purposefully because they often go hand in hand nowadays. And you have marketing roadblocks, and then you have the investment roadblock as kind of a third area. So if you go to technology and product, you've got the emergence of all these next gen FinTechs. And there's kind of a new emergence of tension between FinTech and financial services, which I think is healthy and you've got some, maybe a push for deeper thinking beyond just make the experience of logging in and what you see when you log in a little bit better. Deeper push to re to really think harder about contextual finance. And then you've got also on technology and product front. A lot of this evolution of niche offerings, people are talking about more niches to specific audiences.

Hunter Young:

And what I tell a lot of folks is I think that's fantastic thinking. Like I love the idea of focus. I love the idea of, of giving someone under-banked or un-banked and/or just not with a proper solution in the marketplace, a better solution. However, creativity is going to be your greatest limiter there. So as creative as you can be, that is what's going to be your biggest opportunity when you start doing that. So that's technology and product.

Hunter Young:

Marketing front I look at as rethinking reactive campaign style thoughts, you know, that's a kind of a classic timeless issue in the financial world. We still have to move away from campaign style thinking and not everybody needs a HELOC in the spring FYI, I didn't know if you know that

James Robert Lay:

I'm going to stop you. It's the old adage of catch a falling rate in the Fall and then Spring into savings or Spring into home improvement or whatever it might be. It's playing on what is the old tongue in cheek. And I like what you're saying, it's not campaign. It doesn't need to be campaign based.

James Robert Lay:

What are the opportunities, if we're going to move away from that mindset, where do we go?

Hunter Young:

Yeah. So on the marketing front, I tell people, and it's a tough pill to swallow, but it takes three to five years to truly transform that area of your bank. And so I want you to think about that, because think also about the average tenure of a marketing director or movement of the marketing position, there's a lot of churn. Oftentimes, it's like, you have enough time to do a website redesign and then you're gone. And onto the next thing. So it takes three to five years to transform things like becoming more installing marketing automation program, setting up lead nurturing programs, building a truly responsive, segmented onboarding program. Those kinds of things take a lot of time, a lot of testing and learning and optimizing. And you have to give yourself and respect the amount of time it takes.

James Robert Lay:

You know, I'm right there with you on that three to five-year horizon line. There are small wins and like low-hanging fruit that we can grab. And that puts some wind in the sail. But whenever I hear three to five years, I'm going to step back. I'm going to be on the other side of the table now. Man, Hunter, you've just given me a gut punch. Like it's 2021, three to five years puts us at 2024, 2026. Is there even any hope? Like why should we even go down this path if it's three to five years? Because you just Mike Tyson-ed, me man. You just KO-ed me.

Hunter Young:

Yeah. It hurts. And it's in direct conflict, what I just said is in direct conflict with all the noise today about, "Well COVID, enhance speed, flexibility. You got to go, you got to move, You got to keep it going. 90 days to do this, 120 days to do this. Spend it up, get it done." All those things are true. You can, to your point, achieve meaningful milestones along the way that are actually leading to growth. But I am talking about the word, if you want to use the word transformation in your organization, you better respect the amount of time it takes to transform.

James Robert Lay:

And I think you and I, just in this conversation, are onto something because 60 to 80% of transformation projects fail at a macro level. And that's vertical independent. It doesn't matter what vertical. How much of that is because unrealistic expectations are being set? And it's not from an angle of harm. It's, they're setting these expectations because they just don't have the knowledge and the awareness of what that future could even look like yet alone, what it's even going to take to get to this new reality.

Hunter Young:

Yeah. I think a lot about vision. I used to kind of laugh at that term. I was like, "Oh yeah, Steve Jobs, he's a visionary. This guy's a visionary. This woman is a great visionary CEO." And I thought, what is it that gives someone good vision? What is it that makes someone see out five years, but not just see out, then see all the pieces and parts that lead up to that and kind of win along the way? And I don't see enough of that. I don't see enough of that at the top of banks and credit unions. I don't see enough real thoughtful planning about how the year moves from one year to another.

Hunter Young:

I don't see... Let's take 2020 off the table. Let's go back in 2019 when things were normal plans, strategic planning, 140 projects on a spreadsheet trying to tick through all these roadmap style projects. I hate to say this, but that's probably what it's going to go back to for a lot of people. It's going to be some more of that post-COVID when things are "more normal." And I don't want it to be. I don't want it to be that way. I want people to really think hard about what's next and what it takes to get there.

James Robert Lay:

Why the lack of vision? Because I agree with you and I want to hear from you of what has got us into this place to begin with? To where we're not vision casting, we're not looking out three to five years to what the future could be. Why are we so heads down focus on the present moment?

Hunter Young:

Yeah, I mean, part of it goes into my third big roadblock, which is around our investment mindset and actually the structure of how we think about acquisition retention and all these kinds of things. Like literally, how do we spend money to get customers? So this year you've heard a lot of maybe older financial institutions look at Chime and say, "Well, I want some of that." Or they look at Step and say, "Well, why can't we be that?" And the reality is when you show them, here's what Chime spent on marketing, here's kind of what a traditional software company might look at in terms of marketing to revenue ratios. When you start having that conversation. Shut down, completely shut down. And I get it. And I understand why because they are fundamentally different business models, fundamentally different economic models. And that again is a enormous cultural, strategic mindset challenge for people.

James Robert Lay:

That's a great point. You know, I mean, even it was JP Morgan Chase I think, they spent \$2.5 billion just on marketing alone in 2019 if my memory serves correct of that year. And that's greater than the vast majority of assets that's here state-side. So when we're looking at some of these roadblocks, what might be some of the greatest opportunities to flip this around, that a financial brand could either create something new, could capture something that's available that they're not doing, or the third C that I think about capitalize on meaning it's a strength that they have today that they could double down on and do even more of?

Hunter Young:

Yeah. And your last one is exactly right. That is the solution. Your flexibility, your local-ness, your nimbleness has always been a strength. It always will be. So lean into it, keep using it. Don't get scared by reading the latest article that comes out about Chime or how much money JP Morgan Chase spent. Don't be fearful of that, lean into your strength.

Hunter Young:

And so, there's actually countless examples of this today. I just had a conversation on my podcast with a bank who ultimately, had one little insight from a small data research project that they did, discovered a commercial real estate pain point in their marketplace, had a kind of conversation with their customers, discovered additional technology opportunity pain points, built a solution around it, a payment solution, essentially for kind of HOA and those kinds of areas, and it boomed. It boomed to the point where they spun out the technology company into something else.

James Robert Lay:

I know exactly who you're talking about. They're doing great work. I mean, amazing, fantastic work, but it comes back to the points that you made before. It's all about niche and being focused. And I think really having the courage to commit, lean into that, and follow through and not get pulled off, not get distracted, not fall back on the past.

Hunter Young:

And don't get me wrong. I have incredible empathy and full understanding of how hard that is to do. How hard it is to commit. And I get it. Trust me. I would hate to be a CEO sitting there trying to make that choice in a moment relative to all the other things that I'm already balancing. I get it.

James Robert Lay:

So let me ask you because that idea of commitment, it is a scary one, and we can really dive into the conversation on the four fears, the fear of the unknown, the fear of change, the fear of failure and the fear of success. How might pilot programs experimenting, testing, even possibly failing, but transforming the conversation of failure, not as a bad thing, but it's a learning opportunity of either these are the things that we're just not going to do, or these lessons that we've learned, we can apply it into the next iteration and do it even that much better? How might pilot programs experimentation play into this larger narrative of moving towards this three to five-year horizon line?

Hunter Young:

Yeah. Sometimes abject failure is one of the greatest gifts ever. And the reason for that is because it actually prevents the slow trickle, the thousand cuts style that we often see in financial institutions and in other businesses. But the willingness to try the willingness... Let's say you go and define a niche and get a few hundred customers. And the model just doesn't work out and it's a failure, but within that experiment, you discovered three other pain points and potentially three other avenues that you had not yet considered. Is it a failure? I don't think so.

James Robert Lay:

And that then unlocks new opportunities to come back to create capture further capitalize on that you didn't have the contextual awareness that they were even there in the first place. Like, for example, you might've gone down this path, this niche market segment, and your knowledge that you had at that point said, "Here's the ideal market. Here's the target that we're going to go after." But once you bring



this to bear in the marketplace, then you have more knowledge saying, "Well, now we can pivot." And I think it's the idea of pivot and maybe giving the permission to pivot.

Hunter Young:

Absolutely.

James Robert Lay:

Because that's a very different idea in financial services, because it's like once a decision is made, we just keep going forward. When you look at technology and FinTech, pivots are kind of a natural cultural operating model, it's much easier to pivot based upon new insights, new data that we can learn from.

Hunter Young:

Yeah. And I do hope, and I think I've heard some, we're talking at the highest level leaders, begin to use a little bit more of that in their vernacular and that's progress. That's big time progress and it's by-product of this past year. And so, there is a lot of hope that if, everyone always says it comes from the top, but the top is actually talking like that at some financial institutions. And that is one of my positive, hopeful things to look forward to.

James Robert Lay:

And I like this idea of hope, because right now I think so many leaders are just, they're looking for hope in the darkness that has come from COVID. I think it's just so much coming on so fast, so hard that it's like, "Let's distill this down. What are the few things that we can focus on that could create the greatest value," versus coming back to your point, that 140 checklist action item. That's where some overwhelm comes from. But the only way to reduce complexity is through a journey of simplicity. So you've identified a couple of roadblocks, what might be the one or two, maybe three things that we should just begin to focus on at the leadership level so that we're not getting distracted by all of the noise and the chaos?

Hunter Young:

Yeah. Well, let's start with the fact that if you are spending a tremendous amount of money to send someone to a broken experience, stop spending that money, just stop it. I don't care what agency told you to do it. And this is coming from an agency person who would love to have your money and all these things. And I'm telling you, I would tell you to stop it because that doesn't help anybody at all. So stop sending people to broken places. That's number one. And that's as simple as I can say it and I realize there's a lot underneath that, but I can't say it any clearer than that. So I could just end the podcast on that and just say, "Stop sending people to broken places and paying for it." But there are a couple other things too.

Hunter Young:

So I do think that you need to take not just a harder look at your data, but take a harder look at whoever you identified as your best customer. You may have done market research over the years and kind of said, "This is our best customer." Take a harder look at and, and redefine what that is for yourself. And then see if around the peripherals of that, there is a next best customer for you and see if you can carve out opportunities for that group. That's a marketing tactic as old as time. And it still works by the way, don't stop doing that.



Hunter Young:

And then the last thing I would say with all the data and automation and AI and all these things that everyone's floating around and buying and acquiring tools, install checks and balances. Install checks and balances against those things, human checks and balances against those things to make sure that you actually aren't making something you thought was more personal, impersonal.

James Robert Lay:

It's interesting. You talk about this idea of automation and AI and humanizing that whole experience. There was an institution that I've been teaching and advising. They talked about how they brought in an automated phone system, and that's created more complexity for the client experience, the customer experience, because typically when someone was calling, it was because they were already frustrated and they just wanted to talk to someone. They didn't want to have to go through this, this phone tree and these loops and hoops. And so I love that idea of checks and balances and if I could frame that up, it would be VOC. Voice of the customer.

James Robert Lay:

Have an internal advocate who plays the devil's advocate of like, "Hey, I'm going to fight back because I'm fighting for the customer." and really being that empathetic ear internally to bring the external perspective inside. Hunter, this has been such a fantastic conversation. Thank you so much for all the knowledge, the wisdom that you've shared today. If someone wants to continue this conversation with you, Hunter, what's the best way for them to reach out and say hello?

Hunter Young:

You can always shoot me an email at [Hunter@HIFlagency.com](mailto:Hunter@HIFlagency.com). You can find me on LinkedIn, pretty active there, and certainly go to [HIFlagency.com](http://HIFlagency.com) to check out our agency too.

James Robert Lay:

And also check out the podcast as well. Where can someone find the podcast and continue to learn from you?

Hunter Young:

Yes. Thank you for the plug. You can actually go to [financialexperiencepodcast.com](http://financialexperiencepodcast.com) and all our episodes are on that website.

James Robert Lay:

Find it, subscribe to it, listen to it, learn from it. Once again, Hunter, thank you again for joining me on another episode of Banking on Digital Growth.

Hunter Young:

Thanks, James Robert, it was great talking to you, man. Good work.

James Robert Lay:

As always. And until next time be well, do good and wash your hands.