

James Robert Lay:

Greetings and hello. I am James Robert Lay and welcome to the ninth episode of the Banking on Digital Growth podcast. Today's episode is part of the by the book series where I share insights from my book, Banking on Digital Growth, the strategic marketing manifesto to transform financial brands.

James Robert Lay:

So in episode number six, we explored the financial stress that so many people are feeling as we enter into the fourth industrial revolution, or what is also known as the age of AI. And this stress has only been further amplified because of the COVID-19 crisis. Today, I want to unlock one of the biggest secrets I share in the book. Fair warning, this secret might offend some of you because I know for a fact that it has offended other financial brand marketing sales and leadership teams over the years.

James Robert Lay:

There are two primary themes or concepts that I share continuously throughout the book, which is digital empathy and the digital consumer journey. Every single one of us is on a journey. And I talked about one of these journeys that you can guide people along in episode number seven. Speaking of journeys, narrative, story, is central to the human existence. And in this post COVID-19 world, I know there are a lot of financial brand marketing sales and leadership teams that are doing a lot of good. They think that they are the heroes for their account holders, the people, the businesses, in the communities that they serve. Their hearts and minds are in the right place. There's a problem. They are wrong with this type of thinking.

James Robert Lay:


Financial brands are not the hero. You are not the hero. Consumers that are stressed, they're frustrated, they're overwhelmed about their financial situation, they are not looking for a hero. Here's why. Consumers, and this is the secret, consumers are the hero. And what consumers are really looking for is a helpful guide they can trust. A helpful guide they can trust to help them break free from the circle of chaos that I discussed in episode number seven. A helpful guide they can trust that can lead them beyond the financial stress that's taking a massive toll on their health, their relationships, and their overall sense of wellbeing that I discussed in episode six. They want to move beyond that. They want to guide to lead them towards a bigger, better, brighter future.

James Robert Lay:

I want you to go back, once again, to your ninth grade literature class. My teacher was Mrs. Bungo. And then we also studied this in 10th grade with Ms. Spradley. I never thought that what I learned then would have such a profound impact on my life and my thinking, as I hope it will for you as well. Think back to narrative, to story. There can only be two types of heroes. There are only two types of heroes in a story, in a narrative. First, we have the primary hero, the protagonist, but on the opposite end of the spectrum, we have the antihero, the antagonist. And when we, as financial brands, through our marketing and sales communication, try to position ourselves as the heroes and the stories that we tell, we're causing massive amounts of damage in the minds of consumers. Causing massive amounts of damage in the minds of consumers because they view themselves as the hero in their own story.

James Robert Lay:

You see, when you put the consumer and their hero journey at the heart of all of your thinking, at the heart of all of your doing, when you take an empathetic approach to marketing and sales, it is truly transformative. Not only just for your financial brand, it is also transformative for the people, the businesses, the account holders, that you're guiding along their own journeys. And in today's digital



world, it is these soft skills of empathy and emotional intelligence that constitute a real competitive advantage for financial brands. And you need that advantage now more than ever. As more and more financial brands, more FinTechs, enter the marketplace whose business models have been built specifically around a digital and mobile first growth strategy, it is these neobanks, these digital lenders, that are transforming the entire industry.

James Robert Lay:

Here's the thing. It'll be interesting to see how many of these FinTech players make it over the next 18 to 24 months because of capital. I predict they'll probably be a lot of mergers and maybe even some acquisitions by traditional financial brands. The thing is is before COVID-19, these FinTechs were starting to chip away at the market share, take market share from traditional banks and credit unions. It's almost like death by a thousand cuts, which we'll talk about in future podcast episodes. But on the flip side of the equation, how many legacy financial brands will be with us over the next five to 10 years as they continue to struggle, to transform the business model beyond the physical world, beyond branches, beyond broadcast?

James Robert Lay:

I wrote Banking on Digital Growth because you are part of a financial brand marketing, sales or leadership team that wants to be one of the winners in this new digital economy, in this fourth industrial revolution, in the age of AI. I want to see you and your financial brand continue to grow loans, continue to grow deposits, and continue to help people and businesses within the communities that you serve. And although you've, most likely, have already made efforts to move forward and make progress along your own digital growth journey, perhaps you haven't seen the results you've hoped for just yet. The question is why not?

James Robert Lay:

Once again, I'm willing to predict, and this just comes from our continuous studies and diagnostics that we conduct for financial brands, I'm willing to predict that up to this point, you've most likely have only dabbled in digital. You've done everything that you know how to do. You built the ADA mobile responsive website, but it is still just a glorified online brochure. Yes, you've sent out email marketing campaigns, but they're not as targeted or as personalized as you know they could be. You've run digital ads, but you question the effectiveness of them because you're having a hard time quantifying conversions. And then you've most likely have posted, and more recently have posted, a lot of content on social media, but you're questioning is it really worth the time? You feel stuck and you don't know why. You want to find a better path forward. You see the writing on the wall. You're smart. You see the changes in technology, the changes in consumer behavior, the new consumers behaviors that are being shaped and formed now because of COVID. And you see the competition and how they're continuously evolving at a much faster pace and taking market share. All of this, all of this change, has been just further amplified because of the COVID-19 crisis.

James Robert Lay:

There's something preventing your marketing sales and leadership teams from realizing your digital growth potential, from maximizing it. Most likely, there are legacy systems, legacy thinking, that was already put in place long before you got to where you are today. And it is these exact legacy systems, these mental models, that threaten to hold you back. There are also some hidden forces as well that are working against you.



James Robert Lay:

Having now worked with over 520 different financial brands and their marketing teams, I've seen how they can get trapped in, what I call, the circle of chaos as they try to navigate their way through the intricate environmental changes happening around technology and the three CS of, now really, the consumer, the competition and COVID. It's easy to feel confused, frustrated and overwhelmed as digital continues to transform the world at an exponential pace. Working to maximize your financial brands digital growth can sometimes feel like an impossible feat, but when you examine the circle of chaos just a little bit more closely, you see the condition of the overwhelm, of the confusion, of the frustration, of the chaos, of the conflict is really being solidified. Progress is being prevented by, what I call, the wall of fear.

James Robert Lay:

Financial brands are held back by four distinct fears that keep them from fully committing to their digital growth journey. Now, these fears are sometimes spoken openly, and that's in a very positive environment, that's in a very positive culture, but more often than not, they have been whispered to me in confidence. They are this. Number one, the fear of the unknown, which is manifested as, "I know digital is important for us, but what should we do next? I'm confused with everything that's going on. It's happening way too fast." I get it. I get the exponential factor of digital, but that brings us to point number two.

James Robert Lay:

It's the fear of change or, "Why do we need to change now? We have been successful up to this point." Change is scary. Change is hard. I get it. We as human beings strive to seek solace in the known, in the comfort, but comfortability, if we're not careful, leads to complacency, which can be deadly.

James Robert Lay:


Point number three, the fear of failure, which in reality is, "What happens if we try this and fail? What will they think of me? I'm already at the end of my career. I don't want to mess things up." Or, "We've already tried this, but we have failed and we just don't have the courage to do it again." I'm very empathetic to the fear of failure. Truth be told, personally speaking, it's something that I have to be very aware of myself.

James Robert Lay:

And then finally, point number four, the fear of success, which is very real, as some have shared with me wondering aloud, "What happens if this actually works? Can we even support this new type of growth?" Which this fear of success is almost directly tied into the fear of failure because success in someone's mind could inevitably bring change or bring failure.

James Robert Lay:

So as we wrap up this episode of the by the book series, I want you to ask yourself three key questions. Number one, do you feel like you might be stuck in a circle of chaos, feeling a little confused, frustrated and overwhelmed about digital growth? And look, maybe it's not you. Maybe it's someone else on your team, a peer, a colleague, an executive team leader, a board of director. Number two, how might the four fears, change, failure, the unknown, success, might be holding you back from maximizing your financial brands future growth potential? And then question number three. What's your plan? What is your plan to move forward with courage and confidence to generate 10 times more loans and deposits? There's that phrase again. 10 times. 10 times more loans, 10 times more deposits, but why 10 times? I'm



going to answer that question and more on the next episode of the by the book series on the Banking on Digital Growth podcast. Until next time, be well, do good and wash your hands.