

James Robert Lay:

Justin asked, "We've been talking about data at our bank and keep talking about data in marketing, but we've really not done anything with the data because we have so much of it. Is there a way that you can help de-mystify data for us?" Well, that's a great question, Justin. And one that I'll answer on today's episode of Banking on Digital Growth.

Speaker 2:

You're listening to Banking on Digital Growth with James Robert Lay, a podcast that empowers financial brand marketing, sales, and leadership teams to maximize their digital growth potential by generating 10 times more loans and deposits. Today's episode is part of the inside digital growth series where James Roberts shares answers to some of the biggest digital marketing and sales questions he gets from the digital growth community. Have a question you want to get answers to on a future episode? Visit www.goaskjr.com to submit your question today. Now let's go inside Digital Growth.

James Robert Lay:

Greetings and hello. Thank you for tuning into the Silver Jubilee, the quadrant centennial or the 25th episode of the Banking on Digital Growth podcast, where I, James Robert Lay, your digital anthropologist, continue to commit to simplify the biggest digital marketing and sales strategies that empower you and your financial brand to generate 10 times more loans and deposits.

James Robert Lay:

Today's episode is part of the inside digital growth series, where I'll be answering a question from Justin, who's a marketing director for a bank in South Dakota. Justin asked, "We've been talking about data at our bank and we keep talking about data in marketing, but we've not really done anything with that data because we just simply have so much of it. Is there a way that you can help demystify data for us?"

James Robert Lay:

Thanks for the great question, Justin. And when it comes to data, I like to break data down into a few different parts. First and foremost, data is what drives the dashboard in the digital growth engine, which the digital growth engine is made up of four key gears.

James Robert Lay:

The first key gear is targeted emails and targeted ads. And the goal of this gear is to increase traffic to your website. The second gear is just that, it is a website, but it's not a glorified online brochure like so many financial brands still have today.

James Robert Lay:

The second gear is a website that sells and the goal of this gear is to generate leads from the traffic that is being driven to the website. The third gear is a marketing automation platform because as traffic is driven to your website by the first gear, the second gear, being the website that sells, with the goal of that being to generate leads.

James Robert Lay:

The third gear, marketing automation, can begin to capture and nurture those leads over a period of time with content.

James Robert Lay:

And finally, the fourth gear in the digital growth engine is sells and service enablement, which is designed to convert those leads into loans and deposits, and then ultimately expand those relationships and opportunities over time.

James Robert Lay:

So those are the four gears of the digital growth engine. but like any engine, whether that be a car or an airplane, you need something to power it. It's a fuel source. And content is the fuel of the digital growth engine, which turns each one of those four gears and moves someone through the different stages of the consumer buying journey. Remember, people need to know you before they can like you, like you before they can trust you, trust you before they can love you, and at that point, their trust has reached a peak, a pinnacle, to where they can click the apply button for a loan or to open up a new account and then love you enough to tell the world how great you are.

James Robert Lay:

So, when we look at content being the fuel of the digital growth engine, powering those four gears, we also need to look at the dashboard to give us perspective and insight into how our engine is performing. And this is where data and analytics comes into play. And the role of the dashboard is within the digital growth engine is to take raw data, the ones and the zeros, and to turn it into analytics, which helps you to visualize the data. And from there, you can use the visualized data to gain insights, which empower you to make decisions upon what you need to do more of next, or what you need to stop doing all together. And this is why when we talk about data and looking at data from the perspective of a dashboard, it's like the dashboard of a plane. Data is going to tell you, not even data, it's the insights that come from the data, which are powered by the analytics. It's going to tell us whether the plane is ascending or descending. It's going to tell us whether or not we're gaining altitude, what we need to do to course correct.

James Robert Lay:

And one of the ways that we look at this specifically when it comes to building a website that sells is through data coming from heat maps and click maps, scroll maps. That's the big data, which we're going to talk more about big data here in a moment, but that provides us context into how our website is being used at the mass aggregate and what we can do to make it even better for those visiting our website. Thinking a little bit further about demystifying data. I want to look at this through the empathetic lens of consumer behavior and consumer behavior, for that matter, is at the math level, at the aggregate level, at the big data level, consumer behavior is data and that informs and can help us optimize the banker's strategy circle, which is one of the key strategic thinking models that I share in my book, Banking on Digital Growth.

James Robert Lay:

Data is what we use to apply the thinking in the first step of the circle, which comes back to the concept that I introduced with the digital growth engine. BANCER is an acronym B-A-N-C-E-R. And the B of BANCER is a N C E R is where we can use data to build an audience to increase website traffic through those targeted emails, through those targeted ads, and on an upcoming podcast, someone else has asked me a question about my thoughts on digital ads. And in fact, my answer is one that combines the insights of emails and ads together. So when we look at data, this is a primary example of the opportunities that we have as financial brands, because of all of the data that we do have access to and how we can connect that data back to a specific email address.

James Robert Lay:

And what access to data do we have? Well, for example, it's consumer transactions. That might be some primary data that we have, or it might be secondary data a third party owns and then we license or lease to cross reference their data with our data to gain even greater insights and tie all of that back to an email address. Some more on that on an upcoming podcast episode, because I really want to keep this focus on demystifying and simplifying data around a couple of different areas of opportunity.

James Robert Lay:

One being the digital growth engine as a dashboard, analytics, how we can use those data and analytics to optimize our website that sells. Another, as we just talked about, using data to ads, to target emails. And really our primary data, tying that back to an email address. And then cross-referencing that with secondary data. Once again, coming back to the email addresses that we have for our account holders. And then we did talk about, and I've already mentioned, big data.

James Robert Lay:

Now we can split data out into two main primary categories. We have big data, and then we have the other little known type of data that I'm finding more and more helping to create some awareness around, which is thick data. And a lot of the conversation up to this point in financial services, in banking, has been around big data. But that is also where the complexity is also rooted. It's in the big data.

James Robert Lay:

And the opportunity that I see, specifically through the lens of marketing and sells for banks and credit unions, is to simplify and de-mystify the big data through thick data. I want to be very clear here because one is not better than the other. And when we use both hand in hand together, the big data and the thick data, that creates a multiplier effect. Let's come back to the example that I shared about website analytics, the big data, the heat maps, the click maps, the scroll maps. And this is something that we typically gain outside of what we would traditionally see in Google analytics. There are other technology platforms to give us insight into this type of activity, into this type of big data.

James Robert Lay:

On the flip side, that thick data isn't necessarily the click maps, the heat maps, the scroll maps, it's the quantitative data of how people are using the website, or more importantly, why people are using the website the way they are. And the way that we get this qualitative thick data is through digital secret shopping study. So let's compare and contrast these two.

James Robert Lay:

Big data is collected from a large data sets, both internally and externally, about a group of consumers, or about consumers at the macro level. In other words, big data informs you about what people do by describing their trends and patterns at scale. This is helpful, but what we're only getting here is just one part of the data story. Because we're looking at the what people do. In fact, if all we look at is just the big data, we're missing an important part of the narrative, which is the why. Why do people do what they do? And here is where the thick data comes into play. Once again, thinking of in this context, in this example, thick data coming through the digital secret shopping studies. Thick data is what humanizes the big data and what we're looking at with thick data, it's the qualitative information collected from a smaller subset of individuals to better understand two things:

James Robert Lay:

Number one, their emotions, and number two, their motivations. Both of which, emotions and motivations, drive their thinking, drive their behavior, drive their choices. Thick data doesn't necessarily have as large of a data pool or a data set as big data. But the insights that we gain through the thick data can be even more revealing because the thick data, once again, uncovers the why. It provides insight into why people do what they do, why people feel the way they feel. And that's why. When we were looking at this example through big data for a website that sells being heat maps, click maps, and scroll maps. And on the alternative side, we have the thick data, the qualitative data, coming from the digital secret shopping studies to understand why people do what they do when shopping for a financial product. But more importantly, why are they feeling the way they feel about the experience that they're having on your website? And really benchmarking that against your competitors.

Speaker 2:

Technology has transformed our world and digital has changed the way consumers shop for and buy financial services forever. Now consumers make purchase decisions long before they walk into a branch, if they walk into a branch at all. But your financial brand still wants to grow loans and deposits. We get it. Digital growth can feel confusing, frustrating, and overwhelming for any financial brand marketing and sales leader. But it doesn't have to. Because James Robert wrote the book that guides you every step of the way along your digital growth journey. Visit www.digitalgrowth.com to get a preview of his best-selling book, *Banking on Digital Growth*. Or order a copy right now for you and your team from Amazon. Inside, you'll find a strategic marketing manifesto that was written to transform financial brands, and it is packed full of practical and proven insights you can start using today to confidently generate 10 times more loans and deposits. Now back to the show.

James Robert Lay:

Let's continue this conversation and look at another way to practically apply thick data with consumer personas. And also getting into the mind of consumers with consumer personas because consumer personas are a strategic tool that provides insight into a financial brand's ideal account holders. Consumer personas go beyond the traditional demographic data. Thinking for example, age, sex, income, with more personalized psychographic insights that are much easier to emotionally and empathetically connect with. Empathy. Empathy in this digital world that we're living in is a strategic competitive advantage. Digital empathy is a strategic competitive advantage. As according to *Psychology Today*, quote, "Empathy is the ability to understand and share the feelings of another." Now empathy is similar, but it is different from sympathy, which can mean sharing a certain feeling with someone, having the same feelings they do, or having compassion for someone's feeling. Empathy can involve sympathy, but it doesn't always have to be the case.

James Robert Lay:

Once again, empathy is the ability to understand and share the feelings of another. And when it comes to empathy, neuroscience studies are finding that empathy can be taught. That is a tremendous opportunity when we're thinking about digital growth. You see, the neural networks in our brains are wired to interact with the neural networks of others around us in order that we both perceive and understand emotions to differentiate them from our own. This is exactly what makes it possible for us to live with each other without having to be in a constant state of conflict or chaos, of fighting and feeling like we're being taken advantage of each other. Now one could argue, in fact, that as we have grown more accustomed to digital communication, to digital channels, both personally and professionally, this has divided us even more so. Because we have a gap, we have a physical gap, we have a physical separation and a lot of that has been amplified in part to COVID.

James Robert Lay:

Our levels of empathy and understanding have rapidly dropped because we lack the physical connection and the ability to connect and read the emotional signals of others. This is a big reason I've spoken on previous podcasts about the need for financial brands to commit more and more to using video as a key part of digital communication. On the flip side, we're seeing a rapid increase in narcissistic tendencies, which studies have in fact pinpointed back to communication channels like social media. It's like our fallen human behavior has been hacked.

James Robert Lay:

Now I want to pivot this perspective to the good, to the positive. And the good news to all of this, coming back to the idea that empathy can be taught. Digital empathy can be taught. Let's look at what's going on outside of the banking industry and zoom into the medical space, into medical training. Which the reason I want to do this is because medical training is very similar to that of digital, of data, of analytics training, as both are highly analytical and objective and they're not very personal with the studies of both healthcare and data.

James Robert Lay:

And through healthcare training, through data and analytics training, through digital training, we can actually diminish empathy. Think about it. When a doctor is dealing with the patient and they're seeing hundreds of thousands of patients each year, just like we as financial brands, we're dealing with account holders, those account holders inevitably just become another account number. And that's the challenge. But here's the opportunity.

James Robert Lay:

When it comes to healthcare training, which is related very closely to the financial services, as a person's financial wellbeing is very closely connected to both their physical and mental wellbeing, a physician's or a doctor's increased empathy also increases patient satisfaction and ultimately improves that person's life beyond just the treatment plan. Thinking about empathy through the lens of marketing and sells within banking. Empathy is the antithesis of narcissism and consumer personas allow us to begin to put ourselves in the shoes of our consumers. As the old saying goes, before you can truly understand someone, you must walk a mile in their shoes. That is how empathy is built. We, as marketing teams, as sales teams, as leadership teams at banks and credit unions, we need to remember that people wake up and say, "I need a car." They don't say, "I need a car loan." They wake up and say, "I need a home for my family." They don't wake up and say, "I need a mortgage."

James Robert Lay:

People do not buy your products, what people buy or shortcuts to solve their problems. Let me be very clear here. Consumer persona development. This has been a big area of focus and study over the past couple of years with the financial brands that we've been guiding and advising. Consumer persona development should not be a long and drawn out exercise. Consumer personas should not take you weeks yet alone months to get persona work done. And if this is the case, it's often because marketing and sales teams are making things unnecessarily complicated. I read an article recently from David C. Baker, and he shared a perspective around the subject of the challenges complicating personas. And he shared this. He said, "The more specific you get in imagining your buyer persona beyond the core description, the more you lose sight of things that matter, and the more likely you are to get lost in the weeds instead of efficiently marketing your firm or your financial brand." Now, when I look at consumer personas, my ideal recommendation is typically three or four, no more than five personas.

James Robert Lay:

There have been some cases where we have diagnosed different financial brands and they've had 15, 20, the most I've ever seen is 72 different personas. And that is one reason that digital growth, digital marketing, digital sales can feel so overwhelming because 72 personas at the average community institution is impossible to execute against.

James Robert Lay:

So, like everything we do here at the Digital Growth Institute, I want to simplify consumer personas and tie in the role that data plays to help define them. In fact, consumer personas can be boiled down to four simple questions. So, to begin defining and documenting consumer personas at your financial brand, and maybe you've already done this, but this is a way that if you've done this to just go back and review the work you've done and see maybe how you could do it even better to make life easier, to make life more simple for your marketing and sales teams.

James Robert Lay:

And the way you start doing this is by remembering the simple acronym as you commit to go all in, ALL being the acronym, A-L-L. You're going to Ask, you're going to Listen, you're going to Learn. And that's it. This is how you collect the thick data for your consumer personas. So what are you going to ask? What are you going to listen? What are you going to learn about? Here are the four key questions to ask people within your ideal market segments, which your ideal market segments can in fact, be informed by the big data you have on your account holders.

James Robert Lay:

Four questions. What are their questions and what are their concerns? And if you want to summarize all this, what's keeping them up at night? On the flip side of that equation, we can ask two other questions. What are their hopes and what are their dreams? Or to summarize this, what do they want to achieve with their bigger, better, brighter future? And what you're doing in this simple exercise, by going all in, by asking, by listening, by learning, you're collecting thick data and you can use this thick data to inform other areas of your digital marketing and your digital growth strategy, primarily around the production of content, because the production of your content can now come back and connect with these persona's biggest questions and concerns, their pain points. And then you can offer them a solution, a cure, a prescription, to solve those pain points, to solve those problems and get them to they're bigger, better, brighter, future. Their hopes, their dreams.

James Robert Lay:

So, let's come back to Justin's question and wrap this up. Once again, Justin asked, "We've been talking about data at our bank and keep talking about data in marketing, but I've not really done anything with the data because we just have so much of it. Is there a way to de-mystify data?"

James Robert Lay:

I want to end with this thought. To have impact and create value, data needs stories and stories need people. Stories need personas. Because without stories, without the narrative behind the persona, without, to use another, the thick data, you have no emotional context into the why. Into why people think the way they do and more importantly, why people feel the way they feel. Look, it is hard to connect emotionally with the big data. With the ones and the zeros. With the demographic data pulled out of the big data, because that's just numbers. It's just ones. It's just zeros.

James Robert Lay:

However, when you put together the other personas and you use digital secret shopping, [inaudible 00:26:22] you collect the thick data, you're focusing and learning and understanding people's questions and concerns on one side of the equation and their hopes, their dreams, the future they want to create on the other side. And through that study of thick data, you get a much more clear picture into the people's hearts and minds within the communities that you serve.

James Robert Lay:

As always, if you have a question like Justin, I want to hear from you because I want to help you. Just go to www.goaskjr.com. Submit your question and I'll answer it for you on a future podcast episode. And remember the only bad question is the question that goes unasked. Until next time be well, do good, and wash your hands.

Speaker 2:

Thank you for listening to another episode of Banking on Digital Growth with James Robert Lay, like what you hear, tell a friend about the podcast and leave us a review on Apple Podcasts, Google Podcasts, or Spotify and subscribe while you're there. To get even more practical improvement insights, visit www.digitalgrowth.com to grab a preview of James Robert's best-selling book Banking on Digital Growth. Or order a copy right now for you and your team from Amazon. Inside you'll find a strategic marketing and sales blueprint framed around 12 key areas of focus that empower you to confidently generate 10 times more loans and deposits. Until next time be well and do good.