FEATURE

The Top 10 Marketing Mistakes *Costing You Deposits*

Banks and credit unions often face challenges in reaching their deposit and account acquisition goals due to a combination of outdated strategies and missed opportunities.

Read on to find out about some timely shortcomings that could be limiting acquisition success...

1 Insufficient Use of First-Party Data & Predictive Analytics

- Many financial institutions rely on broad demographic targeting rather than leveraging transactional data, behavioral insights, and predictive modeling to identify high-propensity prospects.
- With third-party cookies being phased out, banks that are not actively building first-party data strategies will struggle to personalize outreach effectively.

2 Failing to Hyper-Target High-Intent Consumers

- Traditional mass-marketing approaches waste ad spend on broad audiences rather than focusing on data-driven segmentation that pinpoints those most likely to respond.
- **Example:** Instead of targeting "young professionals" generically, institutions should focus on those who recently changed jobs (via payroll deposits), received large tax refunds, or show behaviors linked to switching banks.

3 Inadequate Digital Ad Optimization

- Many institutions still lack real-time ad optimization, meaning their campaigns run on set budgets without dynamically shifting spend toward top-performing channels and audiences.
- **Example:** Without proper A/B testing and machine learning-driven bid adjustments, banks waste money on underperforming keywords or placements.

4 Poorly Executed Financial Education & Content Marketing

- Consumers are increasingly looking for guidance on high-yield savings, inflation-proof investing, and digital banking security, yet many institutions fail to provide timely and useful content.
- **Example:** Many banks still push generic "Open an Account Today" ads instead of addressing how savings rates compare to inflation, helping prospects understand the value of switching now.

5 Ignoring Gen Z & Younger Millennials' Preferences

- Younger consumers favor instant, mobile-first solutions, yet many banks lack frictionless digital onboarding and assume traditional branches remain a top priority.
- **Example:** Banks that fail to offer early direct deposit, seamless fintech integrations (e.g., budgeting apps), or crypto-friendly savings options are losing ground to neobanks and fintech disruptors.

6 Overlooking Personalized Deposit Growth Strategies

- Financial institutions often run one-size-fits-all promotions instead of tailoring offers based on customer lifecycle data.
- **Example:** A long-time customer with a high balance should receive personalized higher-rate savings incentives, while a first-time account holder might need an automated savings match offer to increase engagement.

7 Neglecting Relationship-Based Marketing in a High-Churn Environment

- With increased competition from fintechs and online-only banks, customers now expect more personalized communication and engagement from their financial institutions.
- **Example:** Instead of generic emails, banks should use AI-driven engagement strategies that trigger follow-ups based on recent transactions or financial milestones (e.g., wedding, new home, inheritance).

8 Slow Response to Interest Rate Sensitivity & Inflation Concerns

- As consumers seek the best returns in a higher interest rate environment, banks that are slow to adjust deposit rates, offer flexible savings solutions, or promote high-yield accounts risk losing deposits.
- **Example:** Many institutions still offer outdated marketing for low-rate savings products, while neobanks attract customers with liquidity-based bonuses and flexible withdrawal terms.

9 Inconsistent or Weak Messaging on Security & Fraud Protection

- With fraud and cybersecurity risks rising, consumers prioritize financial safety—yet many banks fail to incorporate fraud prevention education and security messaging into their acquisition campaigns.
- **Example:** Marketing campaigns that fail to highlight advanced fraud detection, AI-driven alerts, or FDIC/NCUA protections miss an opportunity to differentiate.

10 Rigid Account Opening Processes That Cause Drop-Off

- Long application processes and lack of digital identity verification create friction, leading to high abandonment rates.
- **Example:** Banks requiring manual document uploads instead of leveraging biometric authentication or instant ID verification see higher drop-off.