



Building M&A Banking Brands That Win

Gina Bleedorn

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THE FINANCIAL BRAND

FORUM

23 AUG, 2023

US banks dash back to dealmaking as their M&A appetite returns

By Lauren Seay and Gaby Villaluz

I. BEGINNING OF A RESURGENCE SETS THE STAGE FOR A MORE ROBUST M&A MARKET IN 2025

2025 Capital Markets Outlook: 3 Trends Fueling a Resurgence

Feb 18, 2025

Goldman Sachs Head Predicts M&A 'Pick-up' in 2025

BY PYMNTS | NOVEMBER 19, 2024



Insight | 10 minute read | January 28, 2025

Cautious optimism for an uptick in financial services M&A activity in 2025 as megadeals return and deal values rise.

2025 BANK M&A SURVEY: PRIMED FOR A REBOUND

23 AUG, 2023

US banks dash back to dealmaking as their M&A appetite returns

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BUSINESS | ECONOMIC OUTLOOK | FINANCIAL SERVICES

Banking M&A Outlook: Top Issues Point to a Rebound

M&A Activity Likely to Pick Up for U.S. Community Banks

Wed 23 Oct, 2024 - 8:58 AM ET

DEEP DIVE

Banking sector girds for M&A uptick in 2025

Bank M&A rebounded in 2024, with six deals over \$1 billion announced. The Fed approved the two largest before the Trump administration took office. But where to go from here?

Published Jan. 31, 2025

Banks could see M&A growth in 2025 with a more favorable regulatory environment

January 28, 2025 | Daniel Danesh

M&A is expected to increase 25% in
the banking industry in 2025.



“The general sentiment in the industry is that M&A is back on the table.”

43%

Say they are very or somewhat likely to buy another bank by the end of 2025, up from 35% in 2024

Top 2 M&A Factors

1. Scale to drive technology and other investments (43%)
2. Geographic expansion (37%)

76%

of FS CEOs who made a significant acquisition in the last three years plan to make one or more acquisitions in the next three years.

Source: PwC's 28th Annual Global CEO Survey, January 2025

“The underlying pressure to drive growth and transformation will create higher levels of M&A and I expect more megadeals”

Source: PwC's 28th Annual Global CEO Survey, January 2025

***Note: The financial services industry still faces uncertainty from geopolitical tensions, margin pressures, and long-term interest rates.**



27

The number of M&A banking deals announced Q1 2025



100%

Of those M&A deals are between FIs from \$1-\$20B assets

As you merge and acquire,

Brand can be an asset or a liability

Growing trust

.....

Or eroding it

Connecting culture

.....

Or dividing it

Driving value

.....

Or undermining it

3 of 4

banking executives believe **brand**
value *critically impacts* **business**
value

M&A

Lessons Learned



Lesson 1



+



\$1B

Valuation in March
2018

\$28T

Valuation in March
2025



\$1B

Valuation in March
2018

\$28T

Valuation in March
2025

Why it succeeded

- Strong Strategic Alignment
- Complementary Strengths
- Clear Brand Strategy



+



\$2.6B

Valuation in 2005

\$2.5B

Valuation in 2025

The eBay logo, featuring the word "eBay" in a multi-colored font (red, blue, yellow, green).

+



RIP

May 5, 2025

\$2.6B

Valuation in 2005

\$2.5B

Valuation in 2025

Why it failed

- Strategic Misalignment
- Clashing Brand Experiences
- Uneven Brand Strategy

M&A Lesson 1

Start (early) with Strategy

1

Start early with Strategy

Considerations:

- What equity does each brand possess?
- Which name/brand should we use?
- Do we need a new name/brand?
- How can we unify brands and cultures?
- How can we ensure employee and customer buy-in?

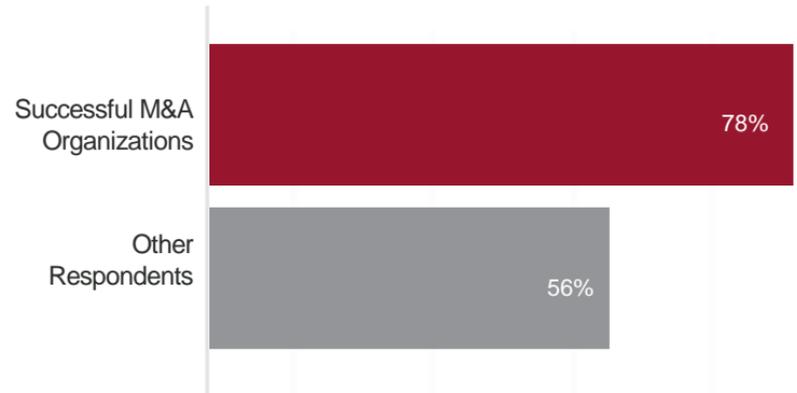
Successful M&As Start Planning Early...

40%

of successful M&A integrations began planning long-term operating models during deal screening

And Spend More on Integration Efforts

Percentage of Total Deal Value Spent on Integrating Organizations



23%

&

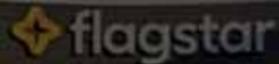
19%

Improvement in
post-M&A
shareholder value
by executing the
right brand strategy
decision

Value-at-risk from
failing to address
brand
appropriately

42%

Greater chances of
M&A success by
executing a strong
brand strategy



M&A Case Study: Starting Early with Strategy

Flagstar

\$100B // 418 branches // Troy, MI & Hicksville, NY

In 2022



New York
Community Bank
Member FDIC



acquires



flagstar

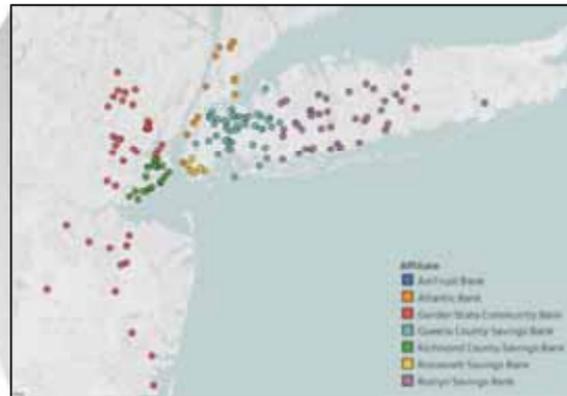
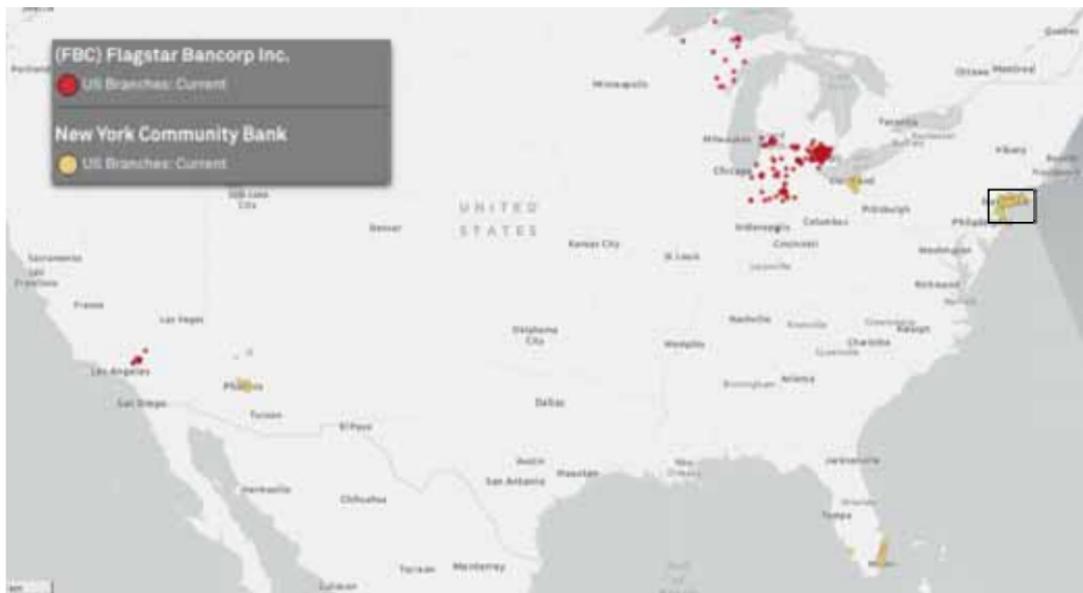


New York
Community Bank
Member FDIC

- 237 branches
- 8 division brands



- 150 branches
- 83 mortgage offices
- 1 brand



Evaluating M&A Brand Options

SCENARIO 1



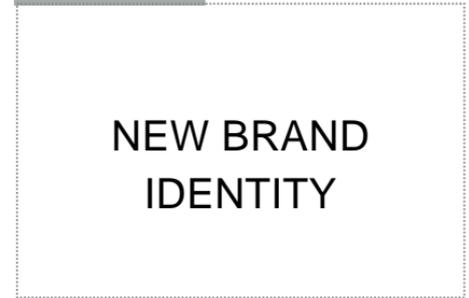
- Customer confusion
- High inefficiencies
- Downplays scale
- Competitive cannibalism

SCENARIO 2



- Ownable, non-limiting name
- Singular brand power
- Scale awareness
- Cost of change

SCENARIO 3



- Scenario 2 benefits
- Enhanced brand power
- Cultural unification
- Cost of full change



flagstar





Let's do the math:



**Credit card
payoff**



Lost in
credit card debt?



Let's do the math:



**Save or
pay off debt?**



You have a little extra
cash, and you've heard
the drumbeat to
save, save, save.



**Let's get this
under control**



Use our **calculator**
to find your way out.

 **flagstar**



But is it smarter to pay
down your debt?
There's a tradeoff.



Let our **calculator**
figure it out.

 **flagstar**



 flagstar



“The merger marked the company’s turning point on its return to consistent profitability. We’re on track to reach full profitability in 2026.”

—Joseph Otting, Chairman, President, CEO Flagstar

M&A Lesson 2

Disney

+

PIXAR

\$7.4B

Valuation in March
2006

\$176B

Valuation in March
2025

Disney

+

PIXAR

\$7.4B

Valuation in March
2006

\$176B

Valuation in March
2025

Why it succeeded

- Shared values
- Preserved & elevated culture
- Shared practices





+

TimeWarner

\$165B

Valuation in March
2006

(-\$99B)

In just one year



+

\$165B

Valuation in March
2006

(-\$99B)

In just one year

TimeWarner

Why it failed

- Clashing culture
- Lack of integration
- Vision misalignment

Lesson 2

Connect Culture

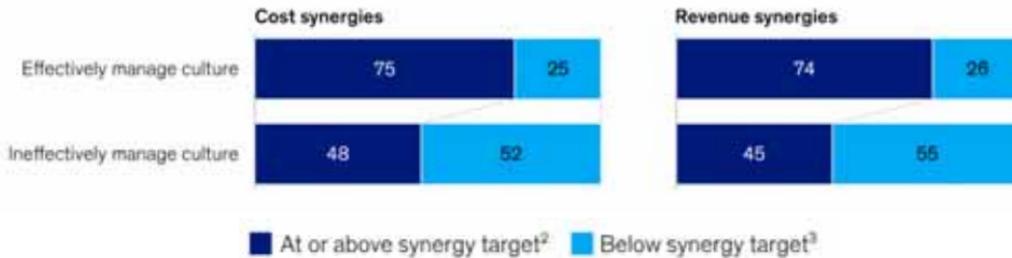
“Culture is the only sustainable competitive advantage that’s completely in the control of the business.”

— Richard Branson

In M&A,

Brand and culture must work
together to shape a cohesive
organization *from the inside out*

McKinsey on Effectively Managing Culture during M&A



¹n = 1,587.

²At target defined as within 10 percent of synergy target; above target defined as greater than or equal to 110 percent of synergy target.

³Below target defined as less than or equal to 90 percent of synergy target.

Source: McKinsey analysis of deal database and OHI databases; 2018 McKinsey Global M&A Capabilities Survey

McKinsey & Company

Over **60%**

More cost &
revenue synergies

1

Connect Cultures

Considerations:

- What are the beliefs and values of each org, and where do they overlap?
- How do the people 'show up' for work at each FI?
- What are barriers to unification?
- How can we ensure advocacy for and embrace of change?

A modern office interior with a circular ceiling featuring a decorative light fixture made of branches. In the background, a sign reads "Celebrate the Difference" with "East Rise" below it. To the right, a sign on a wall says "CREDIT East Rise UNION".

M&A Case Study: Connecting Culture

EastRise Credit Union

\$3B // 22 branches // Burlington, VT





East Rise

CREDIT UNION

BRAND LOGO



BRAND LOGOMARK



BRAND COLORS

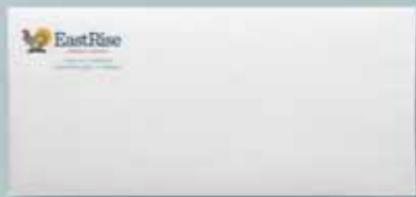




LOCAL PROUD PHOTOGRAPHY

A custom library featuring portraits of our members and team members in their favorite places doing things they love.







OUR TAGLINE

ALL THE

Difference

EastRise
CREDIT UNION





East Rise
CREDIT UNION





East Rise
CREDIT UNION





VSECU

“Birkenstocks”

+



**New England
Federal Credit Union**

“Blazers”

Cultural integration starts with a strong foundation





OUR BRAND VALUES

Create connections

We care deeply about our members, always seek to find solutions that unlock possibilities, and see every interaction as an opportunity to connect, empower others, and create a better future for all.

WE IMPROVE LIVES.



OUR BRAND VALUES

Make impact

We see a better world ahead and act in accordance with our sustainable principles, providing solutions that enable members to create a positive impact in our communities and on the world.

WE MAKE A DIFFERENCE.



OUR BRAND VALUES

Elevate everyone

We believe that when people come together to build a better world, anything is possible. We embrace an inclusive culture that uplifts voices, creates space for growth, and fosters collaboration with an emphasis on each individual's unique set of strengths.

WE LIFT PEOPLE UP.



OUR BRAND VALUES

Deliver better

We believe in better, serve with empathy, honesty, and integrity, and consistently deliver exceptional banking experiences that inspire the trust of our members.

WE GO ABOVE
& BEYOND.

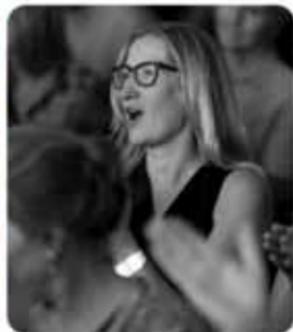


EMPLOYEE LAUNCH EVENT





EMPLOYEE LAUNCH EVENT





EMPLOYEE LAUNCH EVENT



Three Pillars

What EastRise

Acts Like

The way we consistently show up and behave with our members and communities.

What EastRise

Sounds Like

The way we speak with and respond to our members and communities.

What EastRise

Feels Like

The vibe we foster and the experiences we create



What EastRise Acts Like

Exercise 1

Value-led Goal

Action

Pick one goal on how you can:

- A. Create Connections
- B. Deliver Better
- C. Elevate Everyone
- D. Make Impact

Give examples on the actions you can take tomorrow to fulfill the goal.

What EastRise Acts Like *(example)*

Exercise 1

Value-led Goal

Action

My goal is to **elevate everyone** by always creating an inclusive environment, taking the time to personally greet members to ensure they feel seen and valued.

I can fulfill this goal tomorrow...
facilitating deeper conversations with members and making the best possible recommendations that are tailored to their unique situation.



““”



The rebrand has transcended the name and logo to become a reset of our organization, creating unity and setting our teams up for success. It provides critical direction for our North Star growth.

John Dwyer | CEO, EastRise Credit Union

Lesson 3



+

\$58B

Deal value in 2004

\$4T

In December, 2024

JPMorganChase



\$58B

Deal value in 2004

\$4T

In December, 2024

JPMorganChase

Why it succeeded

- Leadership continuity
- Leveraged trust in brand name
- Communicated the WHY

BANK OF AMERICA 

+

\$4B

Deal value in 2008

(-\$52B)

BoA lost due to acquisition



**Countrywide
Financial**

BANK OF AMERICA 

+


**Countrywide
Financial**

\$4B

Deal value in 2008

(-\$52B)

BoA lost due to acquisition

Why it failed

- Reputation damage
- Customer backlash
- Massive erosion of brand trust

Lesson 3

Bridge the Trust Gap

36%

of customers who switched post-merger did so for emotional reasons, the first of which is lack of trust in the acquiring financial institution.



81%

&

55%

Consumers must
TRUST a brand
before transacting

Consumers are more
likely to transact and
engage with brands
that have a strong
story

40%

M&A brands that have
an initially positive
reaction continue to be
perceived as more
trusted a year later

3

Bridge the Trust Gap

Considerations:

- How, can we leverage our equit(ies) and build on it?
- When, and to whom should we communicate change?
- What is our narrative around the merger, and how do we manage it?
- How can we both reassure and ignite interest?

*M&A Case Study: Bridging the Trust
Gap*

BrightBridge Credit Union

\$2.5B // 19 branches // Lawrence, MA



BrightBridge Credit Union

People *first.*

Brand Principles

Our brand principles are our guiding light for all brand expressions - both visual and verbal. Here's how they specifically apply to language.

Direct

Our language and design is simple and straightforward, uncluttered and unfussy, accessible to all.

Dynamic

Our brand is fired up and full of energy. Our expressions are alive with fresh perspectives and unexpected uses of language and design.

Down-to-earth

Our brand expressions are warm, welcoming, and personal - never slick. We center real people and places.



In 2025

MVCU is becoming



BrightBridge
Credit Union

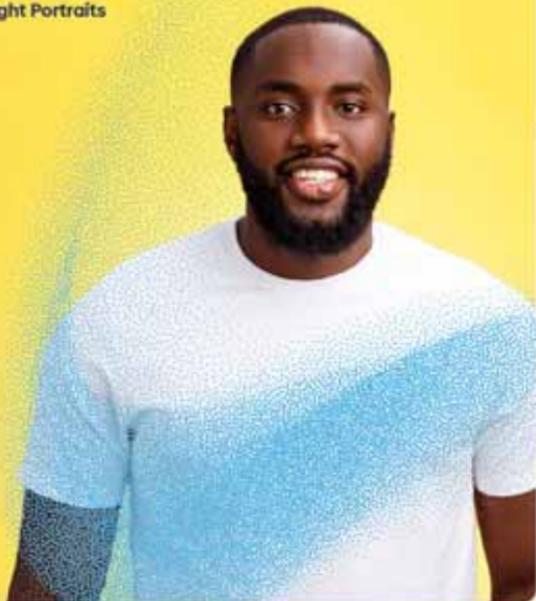
**Subject to regulatory approval*



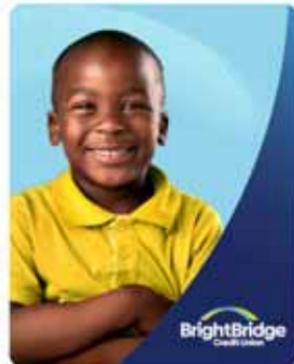
Hi, we're

BrightBridge

Bright Portraits



Share
Optimism



BrightBridge
Credit Union



Hi
I'm John

BrightBridge CEO
and world traveler.


BrightBridge
Credit Union





...the things you want
...the things you want

...the things you want
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...the things you want

Hi

I'm Connor.

Science teacher
and new home owner



...the things you want
...the things you want

BrightBridge.com

BrightBridge
Credit Union

Dream Big.

We'll get you there.

**BrightBridge**
Credit Union

Member FDIC

Share Optimism.

Welcome to a
brighter tomorrow.

**BrightBridge**
Credit Union

Member FDIC





Share
Optimism.

BrightBridge
Credit Union



Share Optimism.



With
sincerity
and
a smile

Hi, we're BrightBridge.
It's nice to meet you.


BrightBridge
Credit Union

“With three brands coming together, I am so thankful that our new brand was received so positively by employees and members. Now we really have a brand we can do something with!”

—John Howard, CEO

“ If everyone and everything
moves forward together,
success takes care of itself.”

—Henry Ford





Playbook for Successful M&A Brands

Start early with Strategy



Connect Culture



Bridge the Trust Gap