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The Bank Marketer's Guide to

# Life Event Marketing



# It's time to make your bank marketing **more relevant.**



## **A new future in banking is here.**

Gone are the days of monolithic banking entities enjoying fail-safe market domination and small institutions savoring their reliable piece of the community pie. As financial institutions fight to attract and retain deposits, expand digital banking technologies, and remove friction from the customer journey, a level-set with reality is required.

Today, the battle for customers amidst a rapidly growing field of competitors means everything's at play. Allegiance is not guaranteed, and neither is revenue. A fundamental strategic shift is required, one that focuses squarely on consumer need.

## **Relevancy requires synchronizing financial services with life events.**

Enter trigger marketing, a proven strategy that uses data and technology to connect financial institutions with consumers and businesses at key moments. When banks offer meaningful products and services to consumers during important milestone events, a true value creation opportunity is born.

In this white paper, we'll review the five most important life events for banks to monitor and act upon, the corresponding products they may be in the market for, and the top data factors required for true behavioral marketing success.

It's time for banks to elevate their marketing game by launching timely conversations with consumers during their most significant life events. Because when the consumer connects your solutions with their needs, bank revenue, value, and profits follow.



# What is life event marketing?

Trigger or life event marketing is automated marketing initiated by an action taken by a customer or prospect. Traditionally, a triggering event for banks and credit unions could be a consumer doing something that is directionally actionable to engagement, such as clicking on a link, opening an email, or putting a product in a digital cart. However, a trigger event can also be related to a life event, such as selling a small business or getting married. It's this latter type of context-related behavioral life event that can have a massive impact on purchasing behaviors.

Life event marketing isn't new, but as technology and innovation continue to accelerate, differentiation is required to compete. Financial institutions must connect with consumers and businesses at precise moments, with products and services that meet real needs.

## Life events are a powerful trigger in banking

Milestone life events are significant drivers for consumers to seek new financial services and service providers, and therefore they're a great opportunity for banks and credit unions to proactively initiate helpful, meaningful conversations that are relevant to a customer or prospect's current stage or situation.

There are five major life events that financial institutions can use to identify consumers who are not only eligible for, but actively seeking, specific financial products.

# The **5 life events** financial institutions can bank on

The following five life events are the top triggers that can push consumers to engage more deeply with their current financial institutions, or switch institutions altogether.

By leveraging these events, banks can drive portfolio growth and market share by serving consumers with a high level of personalization and relevancy, wrapping the institution's offerings around the consumer's reality.

## Getting the **Green Light**

Life event marketing is not a tough C-suite sell because it's quantifiable, yielding metrics that can be tracked against KPIs and used to assess ROI. Even better, this strategy is market agnostic, offering reliable value whether conditions are stable or volatile.



# 1

## Filing for a new business

New business clients can bend the curve when it comes to portfolio growth, making them an attractive segment for financial institutions.

The average new business maintains a checking balance that ranges from \$10,000-\$20,000 and is five times more likely than a more mature business to engage with direct response bank marketing.<sup>1</sup>

With five million new business applications filed in the past 12 months<sup>2</sup>, the post-COVID spike of startups may have softened, but it continues to set records, exceeding pre-pandemic levels.

### Key Products & Services:

- » Business checking
- » Merchant services
- » Business credit card services
- » Consumer banking relationship



<sup>1</sup>Deluxe analytics

<sup>2</sup>Census Bureau

# 2

## Getting married

When two people decide to merge households, they may also choose to merge finances.

There are approximately two million marriages every year<sup>3</sup>, and the average cost of a wedding in the United States in 2022 was \$30,000<sup>4</sup>.

This makes newlyweds a prime market for banking services.

**14%** of newly married couples open an unsecured personal loan, compared to less than 1-2% of the general population

### Key Products & Services:

- » Checking accounts
- » Life insurance



<sup>3</sup> CDC/NCHS National Vital Statistics System

<sup>4</sup> <https://www.theknot.com/content/average-wedding-cost>

# 3

## Moving

Despite rising interest rates, Americans continue to be on the move. Whether they're relocating for a new job, new lifestyle, new climate, or simply a new address, 10% of households move each year.<sup>6</sup>

**More importantly, this group is two times more likely to change primary banks than non-movers.<sup>5</sup> This presents a real opportunity for banks and credit unions — with access to timely data — to get a leg up on incumbent and legacy financial institutions.**

It's a lucrative segment: new movers are more likely than any other life event group to open a new credit card and apply for an auto loan.<sup>6</sup>

### Key Products & Services:

- » Checking accounts
- » Credit cards
- » Auto loans



<sup>5</sup> Census Bureau/American Community Survey

<sup>6</sup> Deluxe analytics

## 4

# Having a baby

Babies are small, but they can have a **sizeable impact** on a family's budget.

Approximately 3.6 million babies are born each year in the U.S., representing a significant purchase period for households<sup>7</sup>.

There's nothing like starting or growing a family to prompt parents to re-evaluate their current economic means and needs, along with steps they should take to plan for their financial future.

## Key Products & Services:

- » Life insurance
- » Investments



<sup>7</sup> CDC/NCHS National Vital Statistics System



# 5

## Selling a business

There are currently 24 million U.S. millionaires — more than any other country — and that number is growing.<sup>8</sup> A great deal of this wealth comes from business ownership.

The vast majority of small to midsize businesses are owned by individuals over the age of 50, and more than two-thirds of those businesses will have to be transitioned over the next 10 years.<sup>9</sup>

That transition of ownership — which can create a significant wealth event for a household — gives banks an opportunity to come alongside these newly wealthy individuals to help them manage, protect, and grow their financial resources.

### Key Products & Services:

- » Private banking
- » Investments
- » High yield deposits



<sup>8</sup> Credit Suisse Global Wealth Report

<sup>9</sup> Exit Planning Institute

# Beyond the fabulous 5

Initiating conversations with consumers at key milestone events can extend beyond the five “power” triggers.

Financial institutions can compete at a whole new level by prioritizing products and services to meet consumers' personal and professional needs over time. When properly done, addressing imminent life events and transitions can present significant opportunities for banks to attract new customers and solidify relationships with existing ones.

**Life events to track and monitor that may trigger a change in purchasing behaviors:**



## **BUSINESS** LIFE EVENTS

- » New management
- » New ownership
- » New partner
- » New location
- » New licensee
- » Businesses seeking credit



## **CONSUMER** LIFE EVENTS

- » Pre-movers
- » Newly engaged
- » Newly single
- » Change in household composition
- » Material changes in wealth
- » Home loan application
- » Auto loan application
- » Credit card application
- » Unsecured credit application
- » New graduate

# Two secrets to life event marketing success

Trigger marketing excellence requires continuously monitoring data signals and rapidly deploying automated, turnkey campaigns. To meet customers at the right time, with the right message, financial institutions need access to high-quality data — and they need it fast.

There are two primary requirements for trigger data that moves the marketing needle:

## DID YOU KNOW?

Deluxe is a leading provider of multi-sourced life event data in the industry.

# 1

## Sourcing

Accruing and synthesizing data on a massive scale is necessary to get a complete view of the market around key trigger events. To drive adequate coverage, it is vital to track data from many providers because people show life event intent in different ways.

# 2

## Speed

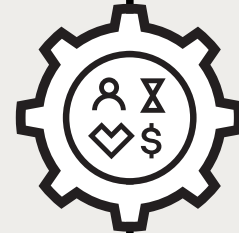
With trigger marketing, the buying window is short, and the space is competitive. Responsiveness declines quickly after a life event, which means financial institutions need to access and deploy data rapidly.

# Sourcing Matters

Deluxe delivers

2 MILLION

consumer life events each week



**4X** more life events

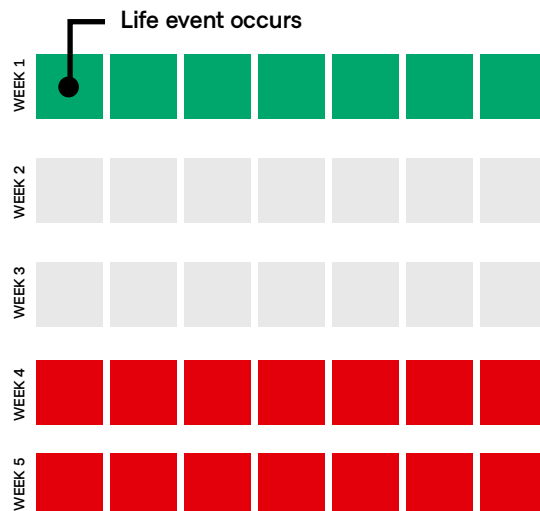
**3X** more new movers

**7X** more pre-movers

compared to next largest competitor

# Timing Matters

When banks get in front of a consumer during the week of their life event, the full benefit of responsiveness is available. However, response drops quickly in the weeks thereafter.



Full benefit of response the week of a life event

**33%**  
drop in response rate 1-2 weeks later

**40%**  
drop in response rate 3-4 weeks later

# Seamless marketing experiences

## powered by Deluxe

Event-based marketing is only as good as the data and technology that drive it. Deluxe recently rolled out its Deluxe Data Discovery (D3) platform to improve its data handling capabilities and ingestion process, as well as accelerating the speed Deluxe can deliver targeted lead lists to its customers.

This proprietary, cloud-based solution stack is built to aggregate hundreds of feeds of data every day and integrate them into an actionable, single feed that is available to our customers seamlessly.

### DID YOU KNOW?

Every quarter, 1-5 data sources are thoroughly vetted and considered as options to be added to the D3 data ecosystem.

## D3's deep data lakes



**128 million households**  
with over 1,000 attributes

- » Demographic and interests/hobbies
- » Mortgage and homeowner data
- » Wealth attributes such as net assets and investable assets
- » Spending behaviors and buying preferences
- » Marketing engagement channel preferences
- » Prescreen Tri-bureau credit data
- » In-the-market inquiries (life events and credit shopping)



**25 million businesses**  
with over 800 attributes

- » Firmographic information
- » Business owner information
- » Business credit data and overall health of the business
- » Commercial real estate
- » UCC filings
- » SBA and PPP loans
- » New business formations
- » Businesses actively seeking credit

# Pull the trigger on automated campaigns

Accessing quality, timely life event data is only half the battle. It's what you do with the data that will drive real business impact.

Taking advantage of the relatively small window of opportunity surrounding important life events requires an "always-on" marketing approach which deploys highly personalized marketing immediately after a trigger occurs.

## Get a jump on the competition

In partnership with Deluxe, banks can deploy an omni-channel trigger campaign across direct response channels with speed and precision. Deluxe can equip banks with some of the deepest and broadest data lakes available, identifying opportunities first and executing fast, so institutions can get in front of customers before their primary competitors can.

## Typical Deluxe campaign timeline

Trigger file  
built and  
released

DAY 0 >

Direct mail deployed  
with on-demand  
technologies

DAY 1 >

Digital audience  
activated and pushed  
to destinations

DAY 3 >

First class direct mail  
lands in consumer's  
mailbox

DAY 5-6 >

# In Conclusion

Consumers and businesses put out a variety of unique signals throughout the course of their relationship with a business. Banks that want to build long lasting, profitable relationships with their customers need to listen to these signals and be ready to react quickly with solutions that meet their customers unique needs.

Additionally, trigger marketing is a great strategy for financial institutions that are looking to acquire new customers. Banks can identify key targets, demographics, or regions you want to grow in and watch for consumers (or businesses) who indicate a need for your products.

Trigger marketing places your bank at the crossroads of consumer expectation and smart, targeted marketing. Consumers want highly personalized experiences, products that solve a problem they are experiencing, and zero friction.

Flooding consumers with geo-based batch marketing campaigns is no longer a viable option.

**To forge strong and rewarding relationships, banks need to accompany customers through their most important life moments. Milestone events like launching a new business, buying a house, and retiring are powerful turning points that prompt people to reconsider who they choose to work with — and trust — for their financial service needs.**



## Customers context is king!

Embracing a behavioral marketing approach that identifies and quickly responds to key life and credit triggers is a proven strategy for driving customer acquisition, growth, and retention. As an added benefit, life event marketing is effective regardless of market conditions, making it an attractive strategy through periods of volatility and stability alike.

Of course, the success of any trigger marketing strategy rests squarely on the data. That's where Deluxe can help. Deluxe synthesizes the most comprehensively sourced data in the industry, stitching together hundreds of data feeds in real time.

Banks that partner with Deluxe can receive actionable data sets which form the foundation of targeted campaigns, customer profiles and personas, segments, and more. For more information about life event marketing or Deluxe's multi-sourced data platform and full-service campaign solutions, contact us today.



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of people who change banks experience a significant life event prior to making the switch.<sup>10</sup>





## About Deluxe

Deluxe, a Trusted Payments and Data Company, champions business so communities thrive. Our solutions help businesses pay, get paid, and grow. For more than 100 years, Deluxe customers have relied on our solutions and platforms at all stages of their lifecycle, from start-up to maturity.

Our powerful scale supports millions of small businesses, thousands of vital financial institutions and hundreds of the world's largest consumer brands, while processing approximately \$3 trillion in annual payment volume. Our reach, scale and distribution channels position Deluxe to be our customers' most trusted business partner.

To learn how we can help your business, visit us at [www.deluxe.com](http://www.deluxe.com).

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is right for you

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