



THE
LARKY
lowdown

ISSUE 2:

Beyond Account Alerts: Using
Push Drives High Engagement



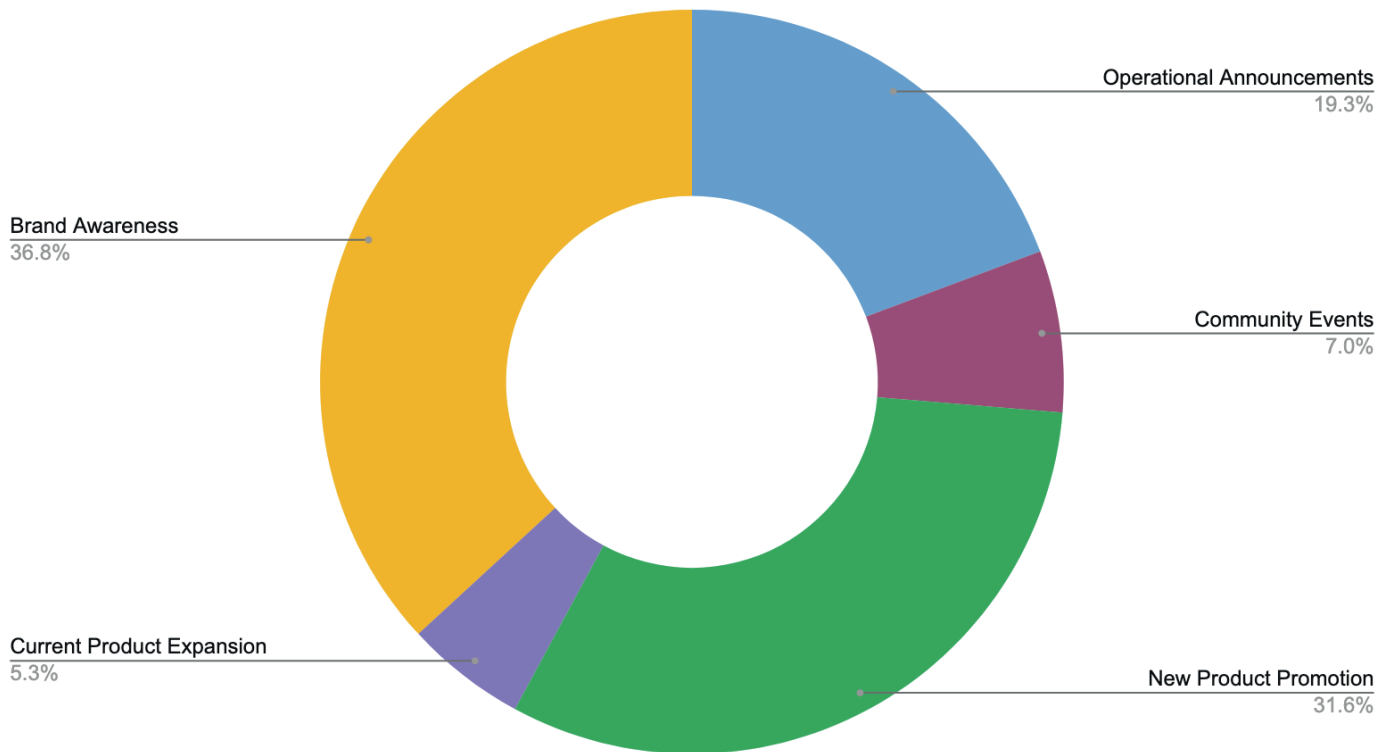
Introduction

In this edition, we will break down the categories of push notification messaging types we see financial institutions use most commonly as well as some analysis of why certain message types may seem to be more effective than others. The analysis also touches on the fact that how success is measured depends on the type of the message in the first place. Our goal in this report is to increase awareness of the different types of push messaging categories and, most importantly, show the efficacy of push as an engagement mechanism that might not otherwise be attained with traditional communication channels (e.g., email, website visits, banner ads, etc.).

In general we see five broad categories of push notifications being used by financial institutions:

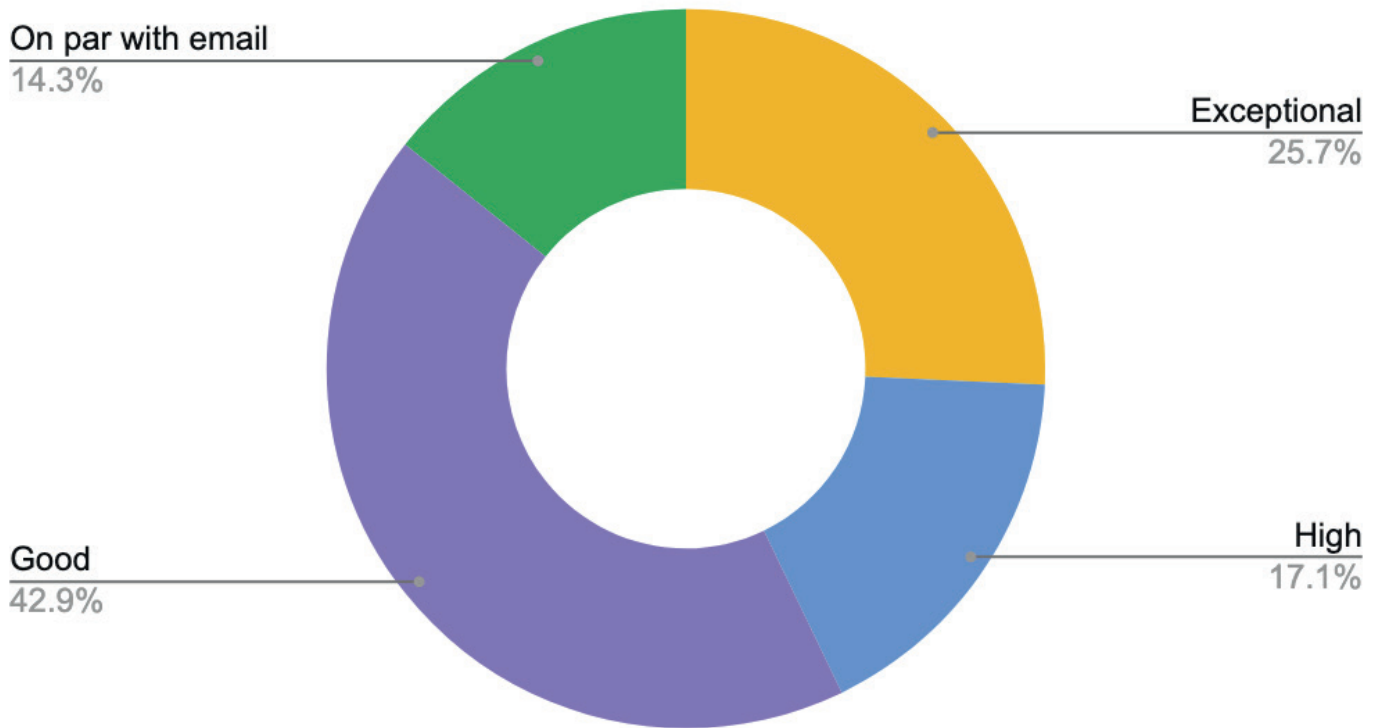
- **New Product Promotion:** Getting account holders to adopt products they don't already have (e.g., getting account holders to sign up for a new loan).
- **Current Product Expansion:** Increasing usage of a product that may be under utilized by account holders (e.g., increasing existing debit card usage).
- **Brand Awareness:** Keeping the financial institution top of mind with its account holders through general announcements and promotion of special events (e.g., financial wellness programs, driving traffic to a specific branch for a special giveaway).
- **Community Events:** Promoting specific events in the community of account holders (e.g., holiday food drive sponsored by the FI). Also goes along with brand awareness, as these messages often mention events the financial institution may be sponsoring.
- **Operational Announcements:** Notifications and alerts related to the operation of the FI (e.g., special branch hours or closings due to holidays and other events). This category also includes critical fraud and security alerts.

Most Popular Push Notification Message Categories



Category Analysis

New Product Promotion Performance



Exceptional

Tap rate 20% and above

High

10-20%

Good

3-10%

On par with email:

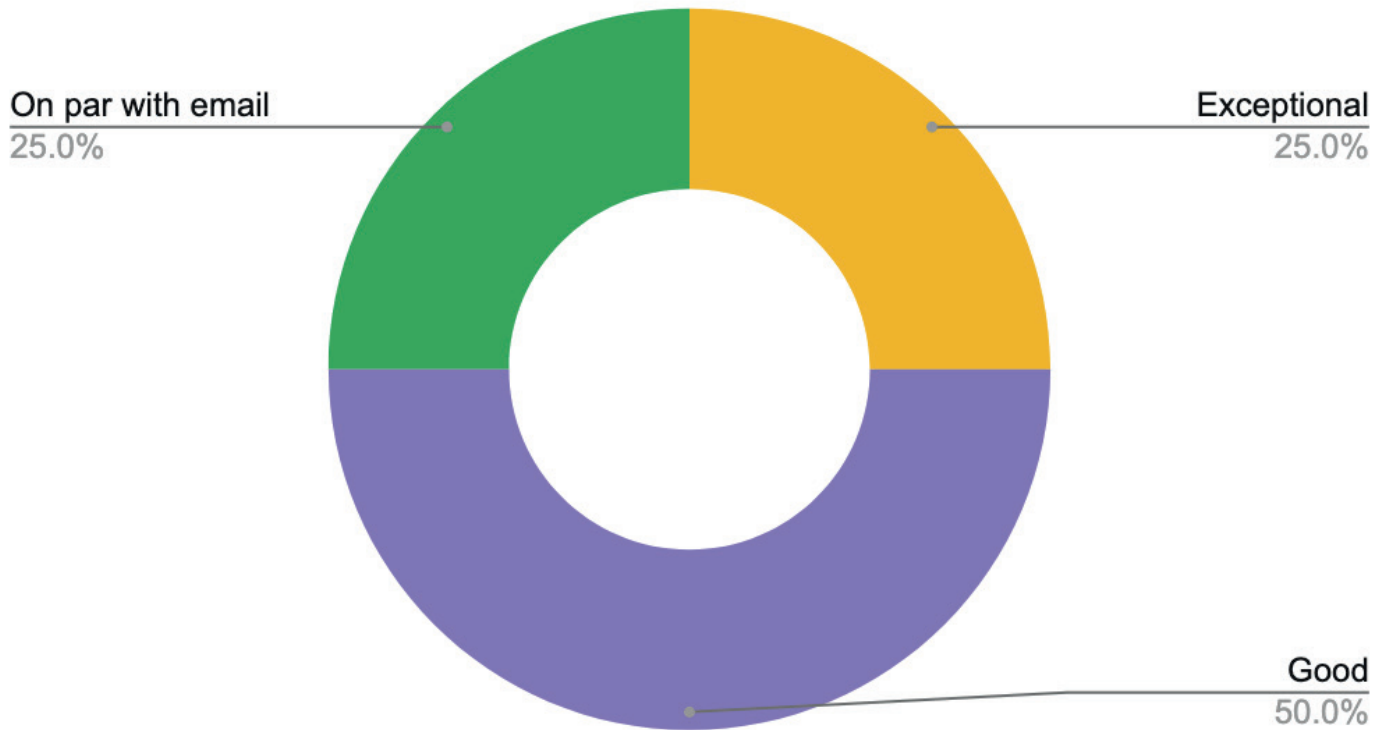
Up to 3%

Analysis

New product promotions are often targeted at specific segments of account holders and have strong call to action statements resulting in their very high tap-through rates. The financial institutions we analyzed typically used this category to promote loans, credit and debit card offers and other products. Because of the high tap rates we observe, these FI's drove hundreds of interested customers to their sites and grew their revenue as a result.

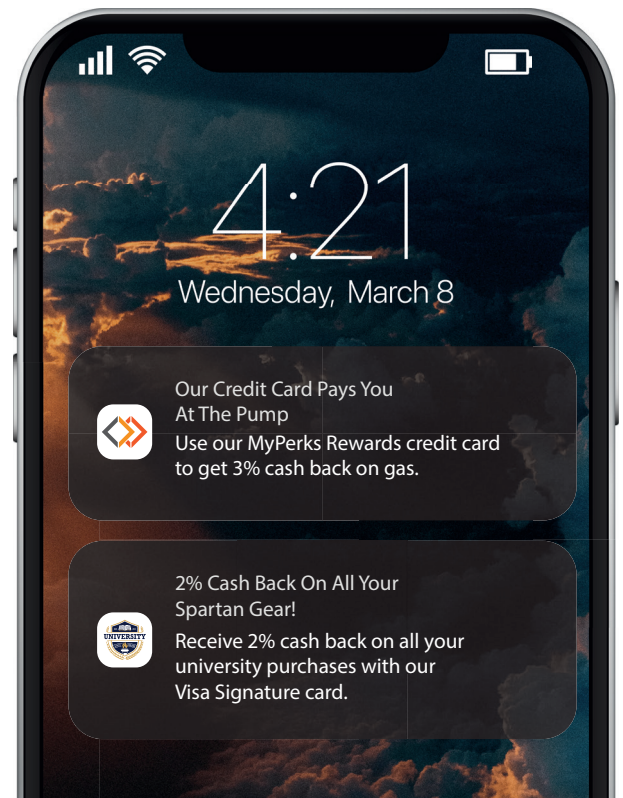


Current Product Expansion Message Performance

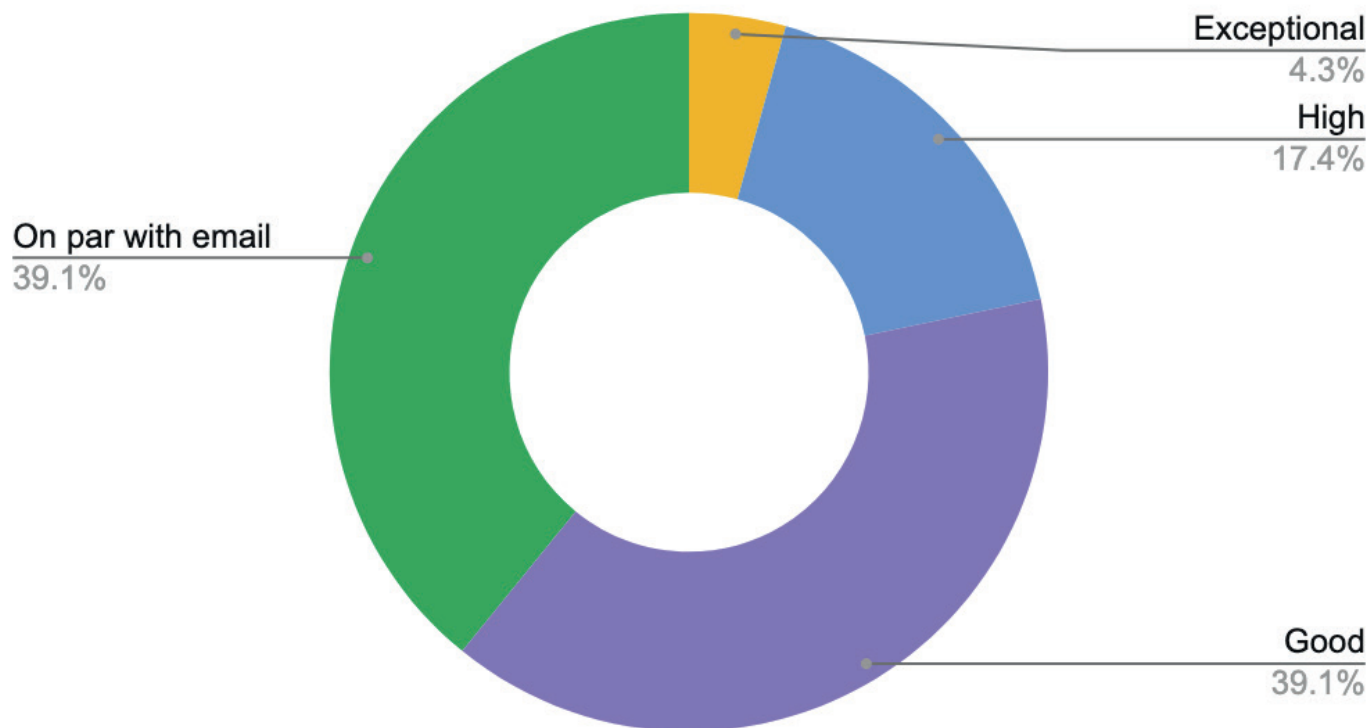


Analysis

Messages encouraging account holders to use their existing products more often are sometimes presented as simple reminders of the product benefits, without the need for a specific call to action (which would result in a higher tap rate).

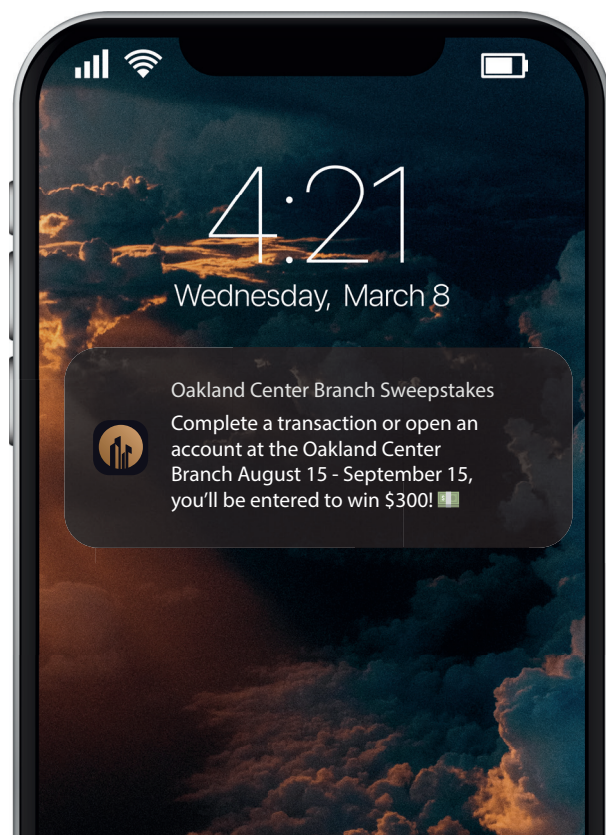


Brand Awareness Message Performance

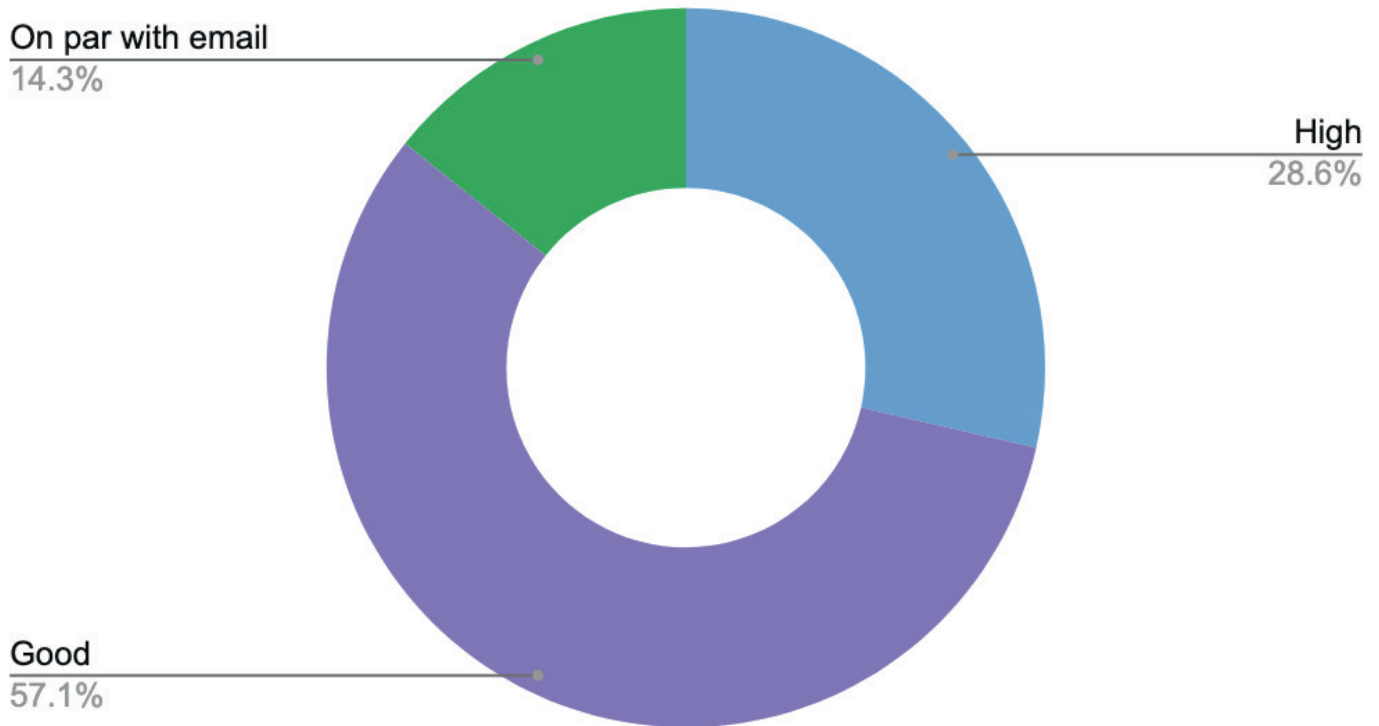


Analysis

By their very nature, these types of messages are often aimed at keeping the financial institution top of mind for the account holder. While some do have a call to action, others do not. The value in these types of messages is really derived from the impression itself, not necessarily a hard ROI calculation based on tap-through and conversion rates.

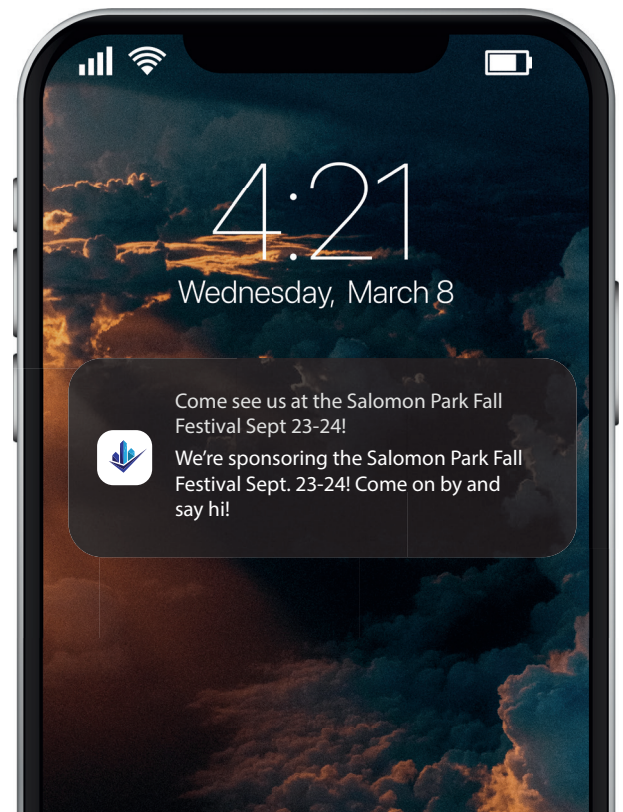


Community Events Message Performance

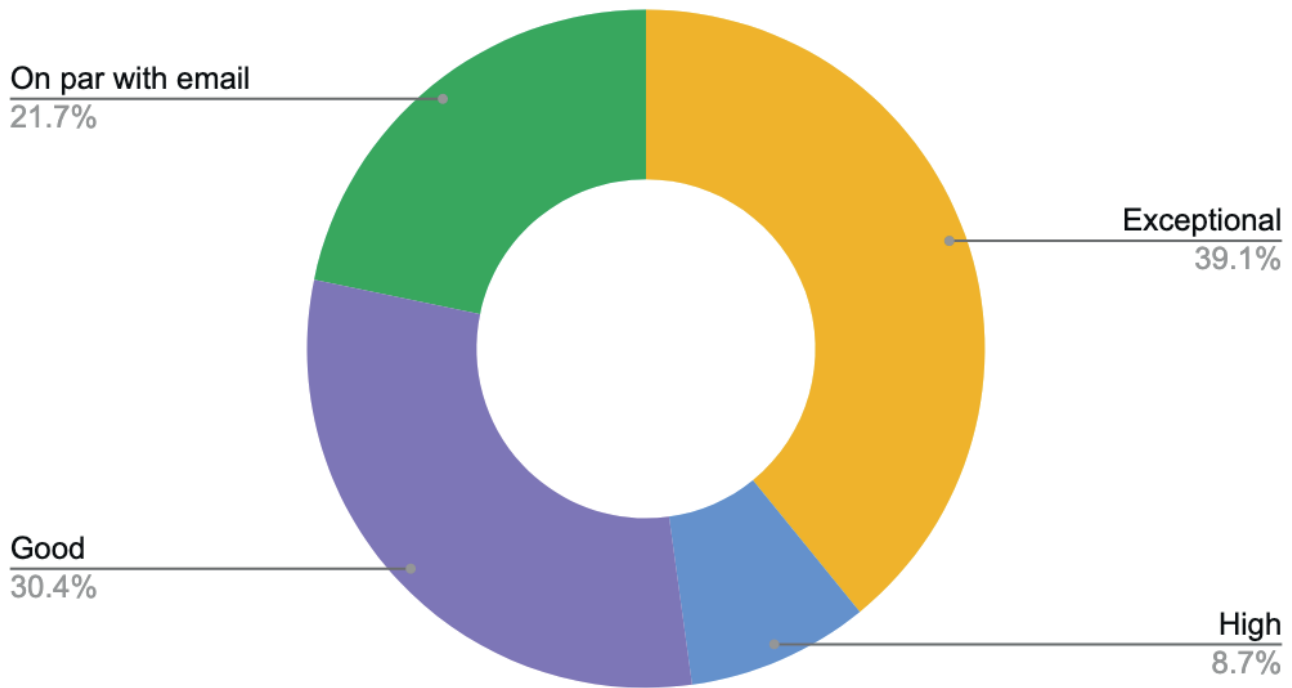


Analysis

Messaging for community events are commonly delivered to the full account holder population. They serve the dual purpose of promoting the event itself, as well as helping build and maintain brand awareness. Given the wide distribution and commonly narrow interest level for the event itself, it's not uncommon to see lower overall tap through rates for these types of messages. But similar to the more specific Brand Awareness messages, the actual value is in the account holder recognizing the fact that their financial institution plays a role in their community.

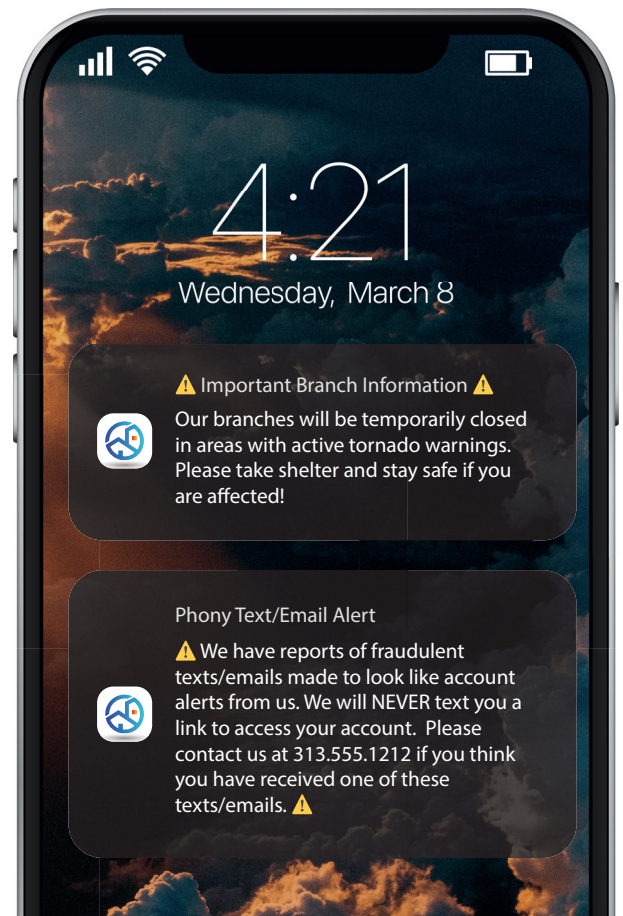


Operational Announcements Message Performance



Analysis

These types of messages often do fall into two categories: Alerts where the notification itself is sufficient and there is no further call to action, and messages that encourage the recipient to tap for further details. This is reflected in the message performance when measured by tap-through rates – about half of the messages sent have a moderate tap-through rate while the other half often see a very high engagement rate when measured the same way.





Conclusion

Overall, we see that messaging across all categories results in net positives for financial institutions. Whether it's top-line revenue growth with new and existing product promotions, keeping account holders informed of important operational news, or just staying top of mind with customers through brand awareness and community event announcements, utilizing push notifications as a channel for communication works – and works well!