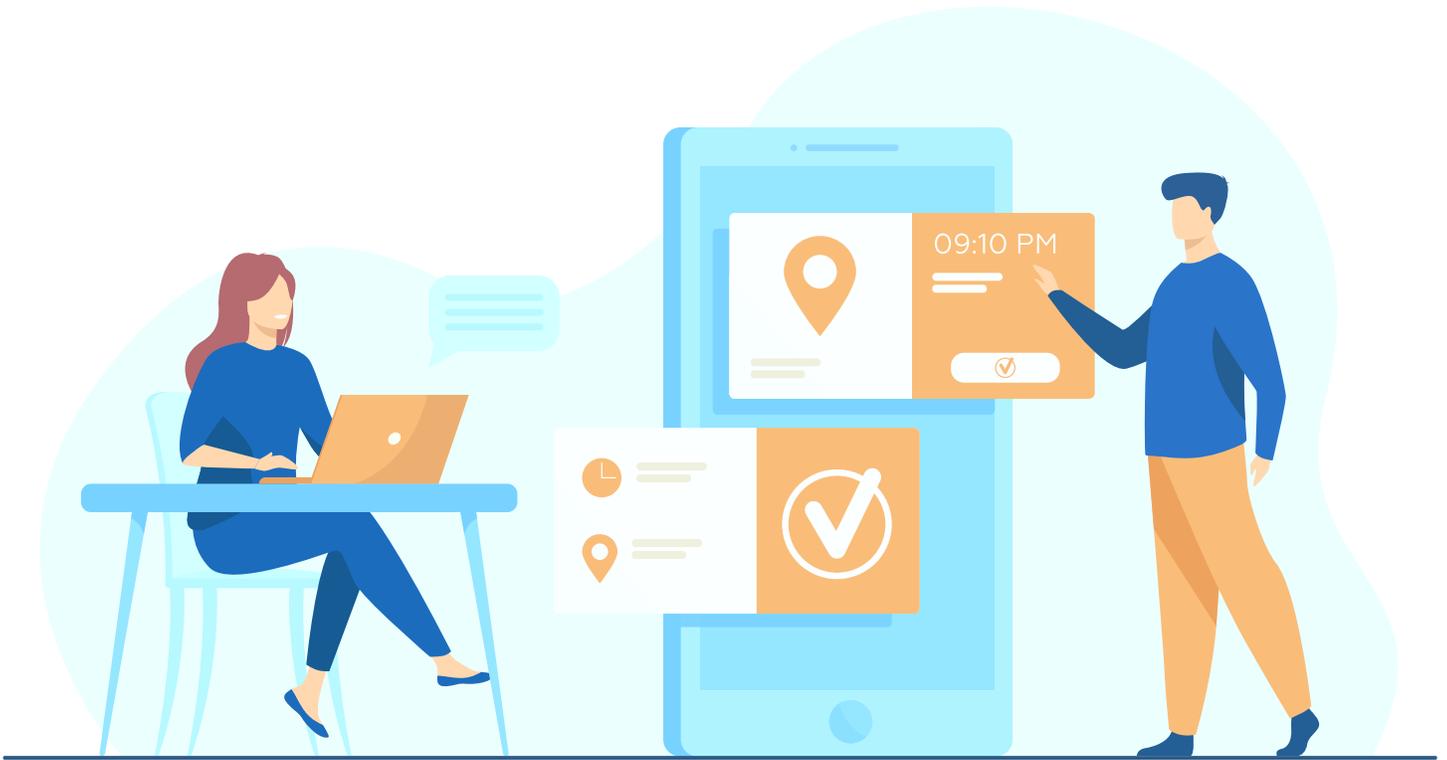




**THE**  
**LARKY**  
lowdown

**ISSUE 4**

**Location-Based Messaging:  
Adoption, Effectiveness and Use  
Cases for Financial Institutions**



## Location-Based Messaging: Adoption, Effectiveness and Use Cases for Financial Institutions

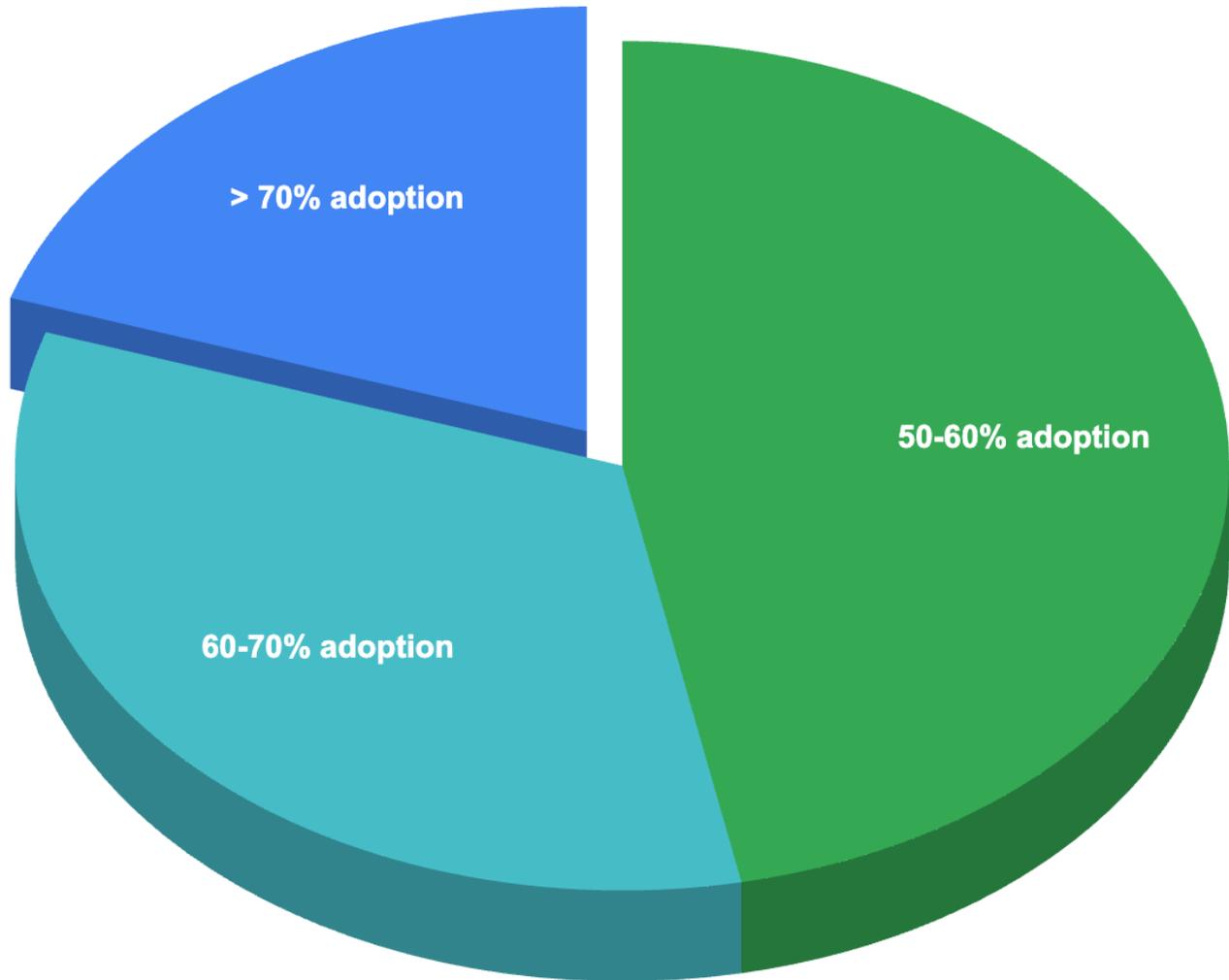
Push notifications, by virtue of their delivery to mobile devices, present a transformative avenue for financial communications. The essence lies in their inherent mobility, reflecting the portable nature of our devices. Beyond mere portability, the capability to align a pertinent offer or message with the recipient's real-world location introduces a compelling dynamic to the messaging strategy of financial institutions. In this edition of the Larky Lowdown, we'll delve into the adoption rates of these location-based notifications, assess their effectiveness in driving engagement, and highlight specific use cases that showcase their potential.



## Adoption of location-based messaging by account holders

When some financial institutions first consider utilizing location-based messaging through their mobile banking applications, they assume that few people would share their location and the reach for these notifications would be limited. But the data from our clients nationwide, ranging in asset size from \$50M to multi-billion dollar institutions, proves otherwise! The lowest level of adoption we see is 50-60% of account holders sharing their location. But more than half our clients get better than that. A third see 60-70% adoption and 20% of our clients see more than 70% of their account holders sharing location.

## Location Adoption of Account Holders by Financial Institution



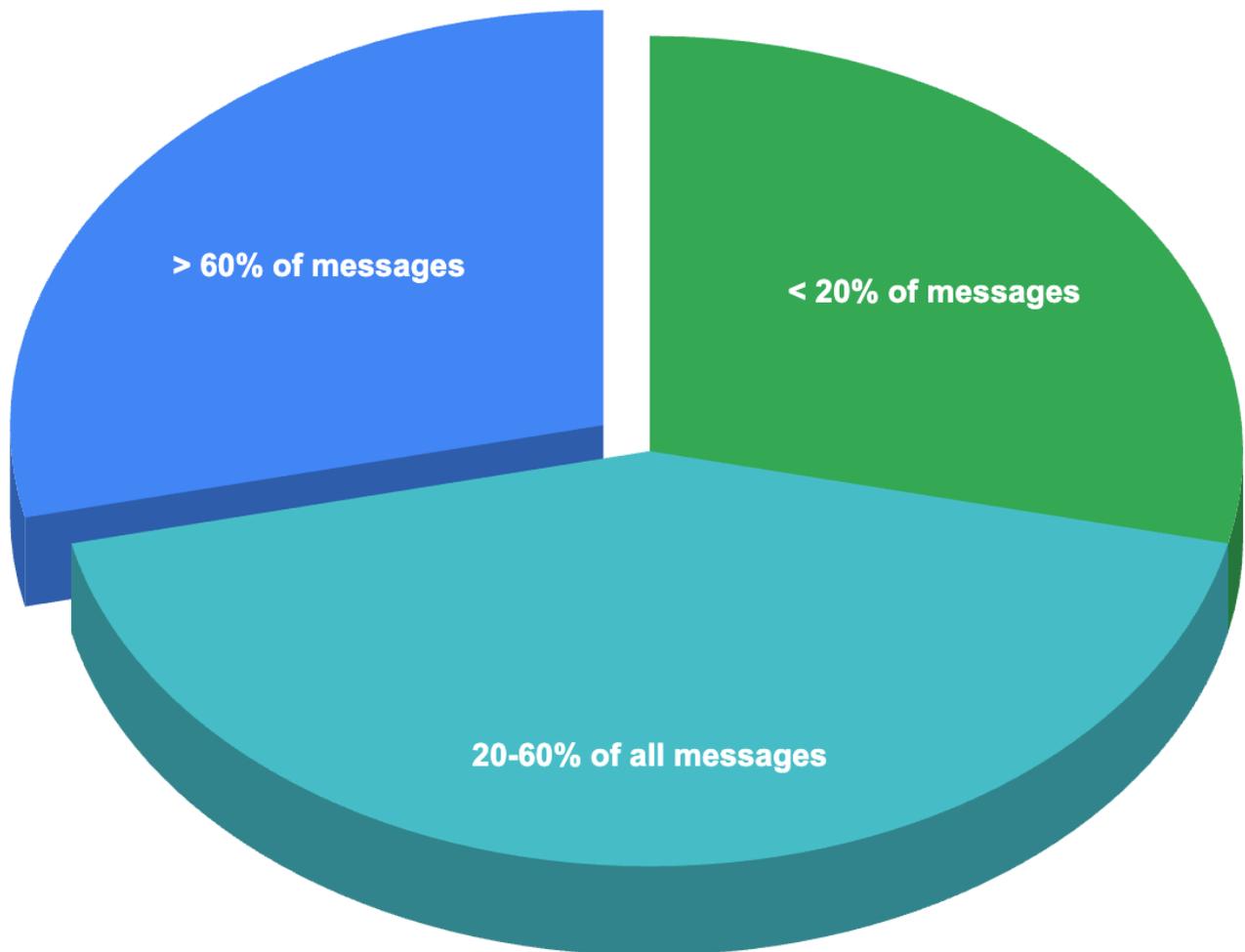
It's clear that people **are** comfortable sharing their location with their mobile banking application in order to receive location-based messaging. And it does make sense when you consider the fact that those same people already **trust** their financial institution with their most private financial details and to protect their financial investments. If the account holder's location information is similarly protected and respected, and they receive relevant and meaningful

notices by sharing it, then adoption will be high. And if the messaging platform contains sufficient controls to ensure push notifications are delivered appropriately, like the Larky nudge® platform does, adoption will remain high over time. What this means is that location-based messaging offers a powerful way to connect with account holders on an ongoing basis with targeted, relevant notifications.

# Adoption of location-based messaging by financial institutions

Messages triggered by location offer an easy way to stay connected with account holders. Our data shows that most financial institutions place a significant focus on incorporating location-based messaging into their overall messaging strategy. All of our clients employ at least some level of location-based messaging. For some clients, it represents the majority of the messaging to their account holders.

**Percent of Location-Based Messages as Component of all Messaging**

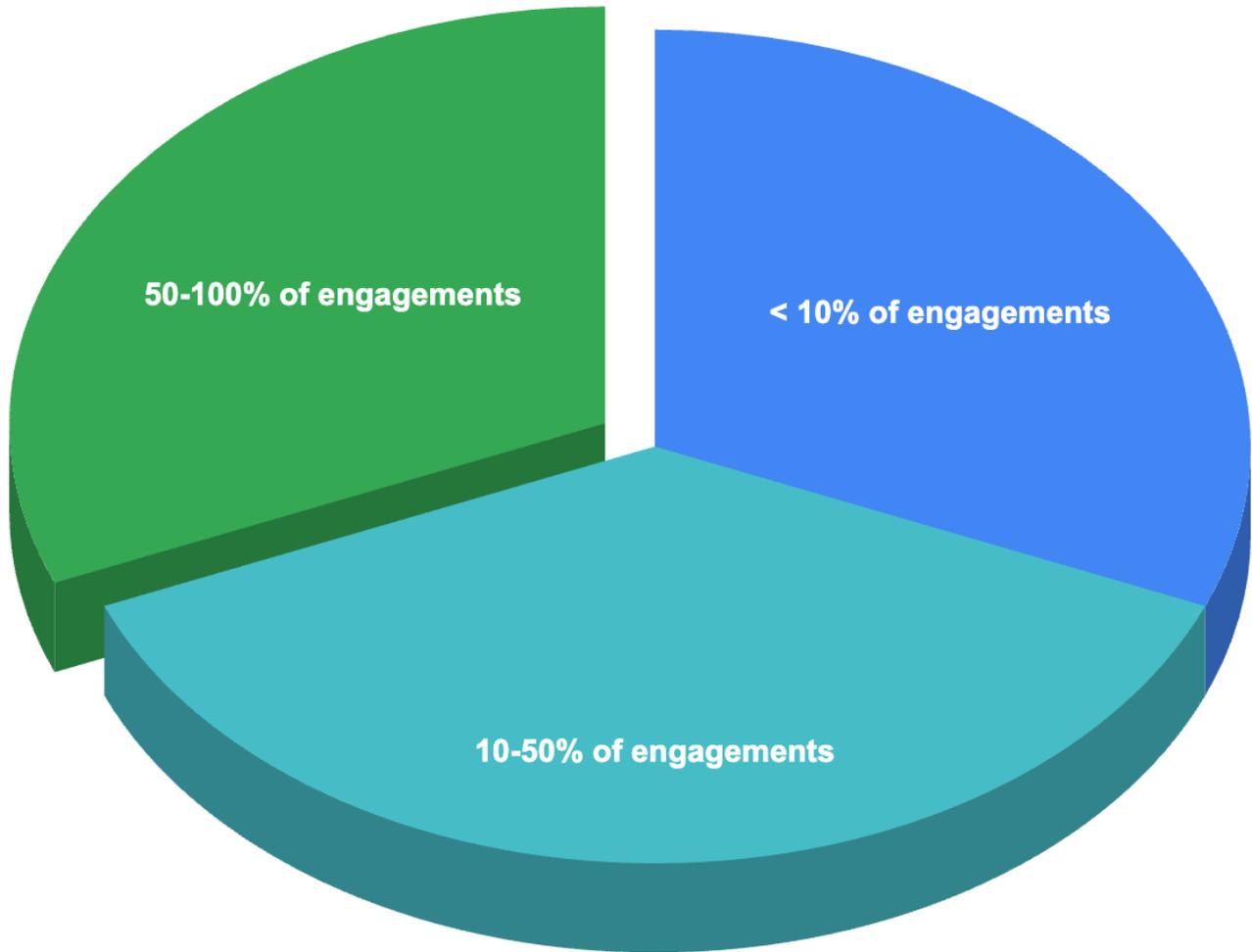




## Location-based messaging drives significant levels of engagement

One of the advantages of location messaging is that it can generate substantial results for financial institutions. Location can add context to notifications, which in turn can enhance messaging engagement, as measured by tapping a notification on a mobile device. And because location-based messages are often set to run over long periods of time, they can accumulate

those engagement results in very meaningful ways. The data shows that for the majority of financial institutions, actual “tap-throughs” to landing pages that come from their location-based messaging account for a significant number of their total engagements. In fact, for nearly a third of the institutions measured, location messaging accounted for more than half of their engagements.



## Contribution of Location-Based Messaging to Total Engagements

It's important to keep in mind that, as highlighted in an earlier edition of the Larky Lowdown, not all messages are designed to be tapped. There is value generated if the message as delivered is sufficient to generate results. Similarly, since exposure to the financial institution's brand helps support long-term account holder retention, that also creates value.

# Example use cases:

## How financial institutions are making the most of the opportunity

### Product Promotions

Many financial institutions target their product messaging based on the account holder's location. A common use case is promoting auto loans at car dealerships.



Have you checked our auto loan rates? 🚗 📄

Buy your next new or used car with a low-interest rate loan! Tap to Apply Now

Engagement rate

14.3%



Shopping for a new vehicle? 🚗

We offer great rates + flexible financing. Apply today!

Engagement rate

13.5%

Some financial institutions target large commercial bank locations to encourage their account holders who visit one to save with them instead.



🏆 High-five to bigger returns.

Open a 15-month certificate with Main Street Savings at 5.00% APY\*. Tap here to learn more →

Engagement rate

17.1%

Another popular geofence target is PayDay loan locations.



🔴 and get a personal loan instead! ⚡

Get the\$\$\$\$ you need quick and at the best rates. Tap to get started now!

Engagement rate

14.4%



Fast 🚀 and easy short-term loans 🏠

As a member you can get the cash💰 you need quick and at the best rates. Tap to get started now! 🙌

Engagement rate

11.8%

## Branch Announcements and Promotions

Financial institutions also geotarget their own branch networks. They use these locations to deliver operational notifications, and to engage their account holders with promotions while in the branch.

\*Operational announcements that include this much detail don't need to be tapped to be helpful. As such, they don't always have higher engagement rates.



### Heads up, we're moving! 📦 🚚 🏠

The last day for branch inside Walmart will be Monday, Jan. 2. Come visit us at our new location at 8815 Lima Road starting Jan. 3! Tap for a list of all our locations.

Engagement rate\*

15.0%



### Attention Novi Branch Members!

This location will be temporarily closed starting June 5th due to surrounding construction.

Engagement rate\*

13.0%



### It's your secret shhhhtash! 🤫 🤔

🤫 We offer a great NEW way to change how you think about saving. 🤔 Tap here for more!

Engagement rate

18.2%

## Community Events

Many financial institutions sponsor local community events and use location-based messaging to alert their account holders ahead of time when they are at or near the location where the event will be taking place.



### Ready for Halloween?! 🎃 🦇 🕸 🕒 📄

We will be at the Corinth/Alcorn County Parks & Recreation Department Trail of Treats on Oct. 25! We hope to see you there!! Tap now!

Engagement rate

18.6%



### Come see us at the Salomon Park Fall Festival Sept 23-24!

We're sponsoring the Salomon Park Fall Festival Sept. 23-24! Come on by and say hi!

Engagement rate

17.6%



## Conclusion

As the data reveals, location-based messaging offers financial institutions a refined tool for connecting with their account holders in contextually relevant ways. The diverse range of use cases showcases the adaptability and significance of this approach in contemporary financial communication. By melding the ubiquity of mobile devices with the precision of geolocation, institutions can craft messaging strategies that are not only timely but also deeply resonant. The future of financial communication will undeniably lean on such innovative integrations, and institutions that harness this now stand to foster stronger, more informed relationships with their clientele.