# One Message, Every Channel

## Fixing the Data Problem Behind Personalization

naehas

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THE FINANCIAL BRAND

# Why Most Customer Data Platforms Fail Banks — and What to Look for Instead

Banks and credit unions are eager to raise their personalization and real-time engagement game but must increasingly reckon with the need for a customer data platform (CDP).

Financial institutions are turning to CDPs because their data is typically spread across many touchpoints and repositories. CDPs are architected as a layer in the tech stack that sits below such touchpoints — specifically designed to unify their data, resolving identities and providing a single real-time profile that's accessible to all marketing and experience management applications.

Until recently, many institutions questioned whether they needed a dedicated CDP at all. Enterprise data warehouses and CRMs were expected to be good enough for segmentation and campaign management. But rising consumer expectations for state- and status-aware experiences, which know accurately and in real time who you are and what you've already done, have forced their hands.

Their pain points are numerous. Fulfillment and decisioning still depend on fragile, uniquely-programmed code tied to individual offers and subset marketing data marts that are slow to propagate changes. Analysts may end up maintaining operational code they were never hired to build. "Shadow IT" takes hold as teams create unvetted pipelines without proper monitoring or failover, raising security, availability, and compliance risks. Risk and compliance teams, meanwhile, lack reliable audit trails.

Unfortunately for institutions looking to address these challenges, most CDPs — built for traditional retail enterprises — don't translate cleanly to the complex, highly regulated world of financial information. To close the gaps, banks and credit unions must be deliberate in how they adopt this technology, choosing architectures that run in real time and building in governance and compliance from the start.

A new white paper by Naehas, a vertical SaaS company purpose-built for financial institutions to deliver personalized products and offers with speed and compliance, outlined four core design principles that can determine the success or failure of an implementation.

CORE DESIGN PRINCIPLE ONE

## Transactional Integrity and Auditability

One of the most acute pain points for banks is the fragility of their current fulfillment and decisioning processes. Offers and eligibility rules often run on ad-hoc SQL scripts tied to individual

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> **Luis Landivar** Head of Solutions Consulting at **Naehas**

campaigns, refreshed by data marts that slow down customer activity. When a product or rate changes, teams scramble to trace dependencies, rewrite logic, and check disclosures, with little assurance that downstream systems will update correctly. Compliance reviews add more delays.

In an interview with The Financial Brand, Luis Landivar, Head of Solutions Consulting at Naehas, said: "If a regulator comes along in a year and says — out of the 200,000 customers you showed a particular offer, what was the version and what were the disclosures? — the system should be able to go back in time and show exactly what was presented and why."

To avoid those pitfalls, transactional integrity and auditability should be intentionally designed into a CDP, Landivar said. It should enforce per-customer and per-account ordering, process each event exactly once, and support "rollback and replay" when an upstream feed changes. Access to "policy-at-read" data (the specific terms in effect at the time a customer saw an offer) is critical. At the same time, the system should ensure that only governed data is presented at the moment it decides what offer and terms to present, so every eligibility check and offer presentation is "correct by construction" and defensible to regulators.

With such guarantees, banks and credit unions can change products or rates without breaking fulfillment logic, and compliance teams can trace an offer from trigger to delivery to fulfillment in a matter of hours, not weeks.

**CORE DESIGN PRINCIPLE TWO**

## Financial-Grade Semantic/Relationship-Aware Data Model

Another major pain point for banks is how poorly most CDPs handle the relationships and lineage across financial products and offers. Most systems reduce everything to a flat customer profile with appended attributes. That works for retail but breaks down when a single account holder can belong to multiple households, hold several accounts, and interact with products that each carry distinct rates, features, and regulatory disclosures. When product or disclosure details change, there's no reliable way to trace which offers are affected, what content needs updating, or how to prove what was shown to a customer at any point in time.

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"What you're looking for is a relationship-aware data model that brings it all together and reflects the interrelationships," Landivar said.

A financial-grade semantic data model solves this. Instead of a flat table, it organizes data as a unified object graph: offers, products, disclosures, content blocks, journeys, fulfillment events, and household/party identities are each separate, versioned objects with explicit relationships and lineage.

This makes it possible to safely push a product change through every connected offer and disclosure, keep marketing content synchronized, and show regulators the complete chain from product to offer to fulfillment. It enables accurate eligibility checks in real time because the system understands not just "who" the customer is, but how their accounts and relationships tie into products and compliance rules.

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"Don't let the customer go through the whole flow only to find out two days later they don't qualify," Landivar said. "And yes, it might be in the disclosures, but who reads those?"

CORE DESIGN PRINCIPLE THREE

## Composable, Warehouse-Native Architecture

A persistent problem for banks are the duplicative datasets and linkages created when marketing platforms require their own data copies to execute campaigns. Traditional CDPs often pull huge volumes of customer and transactional data out of governed stores into separate engines, creating multiple copies to maintain and sync. This drives up infrastructure cost and introduces risk: every copy must be secured, monitored, and kept compliant. Over time, banks end up with brittle pipelines, overlapping integrations, and "shadow IT" working behind the scenes to keep data fresh and usable.

Even worse, this architecture can have the net effect of throttling marketing innovation, Landivar said. But a composable, warehouse-native architecture would remove those bottlenecks. Decisioning is kept close to governed data through secure sharing or peering with platforms such as Snowflake or Databricks. This model is often described as "bringing decisions to data, not data to decisions," Landivar said.

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Every offer, product, and disclosure, and every step in the journey, is linked to fulfillment events and versioned for audit. This reduces manual reconciliation, speeds regulatory response, and enables marketing to refine offers based on actual fulfillment results rather than incomplete or outdated data.

CORE DESIGN PRINCIPLE FOUR

## Closed-Loop Offer Fulfillment

A final pain point for banks, according to Landivar, is the disconnect between offer design and fulfillment. Traditional CDPs often stop at audience segmentation or message triggering. Once an offer is accepted, fulfillment systems take over with little visibility back to marketing. This gap leads to slow reconciliation, manual exception handling, and difficulty proving that what was promised was actually delivered.

A closed-loop offer fulfillment model solves this by unifying the entire lifecycle on one governed platform: design → decide → deliver → accept → fulfill → reconcile → learn. Every offer, product, and disclosure, and every step in the journey, is linked to fulfillment events and versioned for audit. This reduces manual reconciliation, speeds regulatory response, and enables marketing to refine offers based on actual fulfillment results rather than incomplete or outdated data.

## Platforms and Potentials

For banks and credit unions considering deployment of a CDP, the big takeaway may be for them to treat it as much as a core banking initiative as a martech initiative.

Whether from the Federal Reserve, the OCC, or the CFPB, increasingly complex data-control standards continue to highlight how tightly compliance and customer experience are now linked. In fact, the issues and practices that regulators govern — like model risk management, third-party data, and privacy — sit at the leading edge of marketing innovation. And they directly correspond with the still-evolving go-to-market table stakes of open banking, real-time offers, and fast approvals.

Timeliness and speed. Consistency of customer records. Trust. Agility. Each of these qualities epitomizes excellence in both marketing and compliance. For banks and credit unions, by all means embrace the toolsets of retailing's most sophisticated marketers — but remember that success depends on making sure your platforms can handle everything a rapidly changing industry demands.

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# The Omnichannel Gap Is Growing Faster Than Banks Can Close It

## Executive Summary

- Banks continue to struggle with fragmented data and inconsistent messaging across channels, fueling customer frustration and regulatory risk.
- AI engines and influencer content amplify inconsistencies when institutions cannot control or align the information feeding those channels.
- Leaders are shifting from chasing omnichannel sameness to delivering context-driven interactions that rely on unified data and continuous oversight.

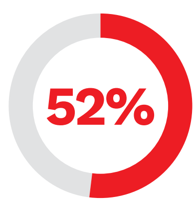
Maintaining a consistent message across every customer touchpoint has long been a hurdle for banks and credit unions as customers interact with them across branches, call centers, websites, apps and emerging areas like generative AI and influencer content.

The term “omnichannel” entered the industry lexicon over the past decade, describing how customers hop between touchpoints and how banks strive to maintain consistency of message across them. Banks still struggle to get this right — and the challenge is growing as gen AI and influencer content play a bigger role in how customers get information about products and services.

In Talkdesk’s 2024 CX in Banking Survey, when asked about the leading causes of customer frustration in support interactions:

**80%** of respondents cited “disjointed experiences moving across channels

**63.5%** pointed to difficulty accessing information or support




Meanwhile, a Capgemini study from that year found that **52% of customers were frustrated by “ambiguous communications”** from their banking institutions.

Experts say the problem comes down to bank’s internal data: if the underlying information lives in fragmented systems, the output could be inconsistent. And if internal policies and reviews aren’t catching noncompliant content, that amplifies the risks. To keep the message coherent, financial institutions need clear data governance, consistent oversight of what gen AI engines are saying about their products, and

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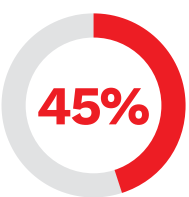
> **Nikhil Lele** Consulting Banking and Capital Markets Partner and Leader at **EY Americas**

clear processes for reviewing what partners and influencers say on their behalf.

"Never has there been a moment more important than now, where banks have to get truly a handle on their foundational data, and then being able to capitalize on unlocking the potential of what really is a significant sea of proprietary data that lives still in many silos," says Nikhil Lele, EY Americas' consulting banking and capital markets partner and leader. Banks also need to continuously oversee influencer scripts and app copy updates for regulatory compliance and message accuracy, adds Nick Chiapetti, vice president of fintech partnerships and marketingmarketing and partnerships at FinWise Bank.

## Leaving Money On the Table




Inconsistent messaging creates confusion and adds regulatory risk. If the goal is personalized interaction and recommendations, mismatched messages can drive customers away: **nearly half of customers would switch banks for a more personalized experience**, according to a 2024 Persado survey.

The problem is banks still haven't lived up to omnichannel expectations, analysts say.

"The main challenge they are still struggling to tackle is the fact that the data is fragmented within the bank," says Nicolas Miachon, product director for digital engagement at banking technology firm SBS.

The result: communications that may not be tailored to the customer's situation, such as asking them to open a type of account they already have, he says. Disconnected, fragmented data systems prevent banks from seeing all of the information relevant to the customer and making tailored recommendations.

Inconsistent messages also can erode customer trust and damage the brand, says Jackie Wylie, head of marketing at Middesk.

While the original definition of omnichannel was just about ' being in all the channels,' over the past five years, the conversation has shifted toward alignment and engagement, she adds.

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"There was a period of time where the advice [on omnichannel] was just to go live," she says. "Now I think there's more of a conversation around coherence and consistency, because inconsistent experiences actually erode trust and can damage the brand."

While banks may aim to centralize customer data, that's often not feasible given the fragmentation of legacy systems. In those cases, they need tools that can pull information from different sources and make it usable, allowing them to deliver more unified and personalized messages and experiences, Miachon says.

## New Channels

Originally based on the hackneyed financial marketing phrase "meeting the customer where they are," the concept of omnichannel is now under pressure as new touchpoints make it harder for brands to maintain a consistent voice.

> With these platforms becoming a default source for information for many consumers, institutions need better ways to monitor how their content is presented to maintain uniformity of voice, accuracy and compliance.

As The Financial Brand recently reported, banks are prioritizing generative engine optimization as visibility on AI platforms becomes critical to product discovery. With these platforms becoming a default source for information for many consumers, institutions need better ways to monitor how their content is presented to maintain uniformity of voice, accuracy and compliance.

Gen AI platforms "have become trusted advisors for customers, but they only reflect the data they've been fed," says Dennis Gada, executive vice president and global head of banking and financial services at Infosys. "If the bank's own content is fragmented, AI will echo these inconsistencies."

One possible solution, according to Chiapetti, is to regularly review gen AI search outputs and compare them to the institution's own website to monitor for discrepancies.

> We should, as banks and fintechs and financial institutions, be scraping our own websites for consistency across the board. People won't update a certain section, then they'll have a product offering in another area, and the president will do an open letter or a blog — and if those don't match, [inconsistencies] are going to be picked up.
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Beyond generative AI search, content from influencers — brand advocates who offer information about products and services — is also becoming a key channel for how customers evaluate financial offerings. The challenge for banks and fintechs is ensuring consistent, compliant communication that doesn't misrepresent product offerings.

“Omnichannel, when it came out, was more all about enabling access, and sameness was the mantra.” Now, however, it’s about “being super contextual about meeting customers with the kind of mindset they’re in,” with AI acting as a type of connector that smooths over gaps between channels.

**Sairam Rangachari** Chief Product Officer at **Temenos**

“We don’t believe in giving scripts to influencers — it takes away from the pizzazz,” says Jessica Johnson, co-founder and president of consultancy Rosy Finch Method & Company and former senior director of marketing and customer acquisition at First Republic Bank.

She adds, “We 100 percent believe in the authenticity of the influencer, but there should be a series of checks and balances... We always recommend you work with a third party that manages influencers. They’re going to have built-in controls, and they’re going to make sure that your message is hit and that they’re in compliance as well.”

**COUNTERPOINT:**

## If AI Performs the Handoffs Between Channels, Is Omnichannel Still a Debate?

Others say omnichannel hasn’t failed — but the goalposts have changed.

Sairam Rangachari, chief product officer at Temenos, says the industry’s original idea of omnichannel was about “sameness,” or replicating the same experience and messaging across branches, call centers, mobile apps and websites. That’s been overtaken by events, notably AI, he argues.

“Omnichannel, when it came out, was more all about enabling access, and sameness was the mantra,” he says. Now, however, it’s about “being super contextual about meeting customers with the kind of mindset they’re in,” with AI acting as a type of connector that smooths over gaps between channels. Of course, AI can only manage these handoffs if it can pull the right customer data at the right time.

In practice, this means tailoring each channel to what customers expect to do there: quick, routine tasks like checking balances or sending payments on mobile, and more complex actions like wires or dispute resolution on desktop. In a modern setup, conversational AI bridges these channels, guiding each interaction based on the customer’s situation and intent.

AI agents take that a step further, handling tasks on the customer’s behalf, like moving money between accounts or paying a bill. By adding a conversational AI layer across all touchpoints, banks can help close the gap between fragmented digital experiences and what customers have come to expect.

“You have this chatbot that you just pick up and say, ‘Hey, I need to track when my next payment is due based on my spending,’” says Rangachari. “You can simply post that question, instead of going through four different tabs and calculating it yourself. And you get a response saying, “If you spent an additional 400 bucks, your monthly payment will go X, Y and Z.” ■

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# Go Vertical: The Urgent, New Growth Strategy for Community Banks

## Executive Summary

- Community banks and credit unions face an unprecedented growth crisis. Rising interest rates have crushed margins, with average funding costs jumping from 0.74% to 2.85% between 2020 and 2024.
- Meanwhile, fintechs and digital banks have captured 44% of new checking accounts by offering immediate cash incentives up to $500. Traditional geographic-based growth strategies are failing.
- The solution lies in vertical and niche banking strategies that target specific affinity groups with tailored products and digital experiences, transforming "community" from a geographic construct to an affinity construct, enabling institutions to capture high-growth segments, reduce concentration risk, and achieve higher margins through digital-first, branchless operations.

The traditional community banking model faces its greatest existential threat in decades. The confluence of rising interest rates, aggressive fintech competition, and regulatory burdens has created a perfect storm that demands radical strategic adaptation.

According to a new report, The New Growth Playbook: Vertical and Niche Strategies, from Cornerstone Advisors, each of these three threats would be daunting on its own.

**THREAT ONE**

### Interest rate whiplash strains balance sheets

The Federal Reserve's aggressive rate hiking cycle of 2022-2023 fundamentally altered the competitive landscape for community financial institutions. After years of operating in an ultralow rate environment, these institutions suddenly found themselves squeezed on both sides of their balance sheets.

The numbers tell a stark story. Community banks watched their average cost of funds skyrocket:

| FROM | TO | A STAGGERING |
|---|---|---|
| **0.74%** in 2020 | **2.85%** by early 2024 | **285%** increase |

This obliterated profit margins built during the low-rate era.

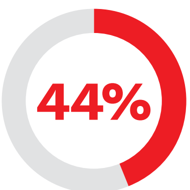

This funding pressure forced institutions into increasingly expensive strategies, with **half of all community banks turning to brokered deposits in 2024, up significantly from 39% the previous year**.

The lending side fared no better. By the end of 2023, higher borrowing costs priced potential borrowers out of the market, causing:

| **2.6%** | **18%** |
|---|---|
| growth in credit union first mortgage loan balances was a fraction of previous growth | year-over-year decrease in small business lending was the result of banks tightening credit standards in response to economic uncertainty |

**THREAT TWO**

## The fintech onslaught accelerates




Perhaps more concerning than interest rate pressures is the accelerating market share loss to digital-native competitors. The data reveals a troubling trend: **fintechs, neobanks, and digital banks captured 44% of new checking account openings in 2024**, maintaining their dominant position after peaking at 47% in 2023.

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Dave offers new customers up to $500 in ExtraCash immediately upon account opening. MoneyLion provides $250 in Instacash, while Chime's SpotMe feature offers $200 in fee-free overdrafts. These immediate value propositions prove irresistible to consumers, particularly younger demographics.

The generational shift is particularly pronounced. Of consumers:

| GEN Z | MILLENNIALS |
|---|---|
| **29%** | **29%** |
| now consider a digital bank or fintech their primary checking account provider, up dramatically from just 11% in 2020 | adoption in 2024 compared to 13% four years earlier |

> For community banks and credit unions, the fixed costs of compliance represent a larger percentage of their total expenses compared to megabanks that can spread these costs across massive customer bases.

**THREAT THREE**

## Regulatory burdens intensify competitive disadvantage

The regulatory compliance burden disproportionately impacts smaller institutions, consuming resources that could otherwise fuel growth initiatives. For community banks and credit unions, the fixed costs of compliance represent a larger percentage of their total expenses compared to megabanks that can spread costs across massive customer bases.

This regulatory pressure creates multiple growth barriers. The compliance complexity has made it increasingly difficult to charter new community banks, reducing the pipeline of new competitors that might serve growing markets. Existing institutions often forgo launching profitable but complex products due to compliance concerns. Even merger and acquisition strategies face lengthy regulatory approval processes that can derail growth plans.

> Forward-thinking institutions are discovering that the most promising growth opportunities lie not in expanding their physical footprint, but in redefining what "community" means in the digital age.

## Redefining Community Through Vertical Strategies

In its report, Cornerstone argues that the traditional growth framework of expanding within geographic markets has reached its limits. Forward-thinking institutions are discovering that the most promising growth opportunities lie not in expanding their physical footprint, but in redefining what "community" means in the digital age.

### From geography to affinity

The most successful vertical banking strategies recognize that "community" has evolved from a geographic construct to an affinity construct. Military families, healthcare professionals, gig workers, and university alumni share common financial needs and challenges regardless of their physical location. These affinity groups represent underserved markets with specific product requirements that general-purpose banking cannot adequately address.

Michigan State University Federal Credit Union exemplifies this approach through AlumniFi, which serves over 400,000 MSU alumni worldwide. Rather than limiting themselves to campus-adjacent growth, MSUFCU recognized that their alumni network represented a vast, loyal customer base with specific financial needs during career transitions.

Similarly, Citizens Bank of Edmond identified incoming military recruits as an underserved segment. While established players like USAA and Navy Federal focus on career military members, new recruits face unique challenges like being under 18 and needing rapid direct deposit setup during basic training. ROGER Bank was designed specifically to address these pain points.

### The technology enabler

Digital technology has made vertical banking strategies feasible for institutions that previously lacked the scale to serve dispersed customer bases. Cloud-based core banking platforms, API-driven integrations, and digital-first customer experiences enable community institutions to launch national brands without the capital requirements of physical expansion.

PeoplesBank's ZYNLO Bank demonstrates this capability. Operating on a separate cloud-based core system, ZYNLO can launch new product integrations in as little as 24 days. This agility allows the bank to compete directly with fintech competitors while serving customers nationwide — something impossible with traditional branch-based expansion.

### Proven financial performance

The financial benefits of vertical strategies extend beyond simple customer acquisition. These approaches deliver three critical advantages: deeper customer relationships, reduced concentration risk, and higher operating margins.

KeyBank's acquisition and expansion of Laurel Road illustrates the relationship depth opportunity. Initially focused on student loan refinancing for healthcare professionals, Laurel Road recognized that serving this high-income, stable segment across their entire financial lifecycle — deposits, credit cards, mortgages, investments — generated significantly higher revenue per customer than single-product relationships.

Concentration risk reduction proves equally valuable. Community institutions traditionally face exposure to local economic downturns. By targeting resilient segments like healthcare professionals or military families — groups with stable income and strong loyalty — institutions can improve their overall credit quality and diversify their risk profile.

> The operational efficiency of digital-only brands means lower cost-to-serve metrics and reduced staffing requirements.

The margin benefits stem from the digital-first, branchless nature of most vertical brands. MSUFCU estimated that avoiding the $5+ million cost of building a new branch allowed them to offer better rates to AlumniFi members while maintaining profitability. The operational efficiency of digital-only brands means lower cost-to-serve metrics and reduced staffing requirements.

## Vertical Implementation Best Practices

Success in vertical banking requires more than simply targeting a new demographic with existing products. Our research identified five critical implementation principles that separate successful vertical strategies from failed attempts.

### Start with product-market fit

The foundation of any successful vertical strategy lies in identifying genuine product gaps for the target segment. Vantage West Credit Union's HUSTL brand succeeded because it addressed specific pain points that gig workers and freelancers face: managing irregular income, separating business and personal finances, and accessing tools for invoicing and tax planning.

> True vertical banking requires developing unique features and services that general-purpose banking cannot provide.

This product-first approach contrasts sharply with marketing-first strategies that simply rebrand existing offerings for new audiences. True vertical banking requires developing unique features and services that general-purpose banking cannot provide.

### Leverage strategic partnerships

The most successful vertical launches utilize partnerships with specialized technology providers to accelerate time-to-market. Rather than building everything in-house, institutions like MSUFCU partnered with fintech companies to launch AlumniFi rapidly. This approach provides access to cutting-edge technology and user experience design while allowing the institution to focus on customer relationships and financial services.

These partnerships prove particularly valuable for overcoming the "innovator's dilemma" that prevents established institutions from

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pursuing disruptive strategies. By partnering with external providers, community institutions can experiment with new approaches without cannibalizing their core operations.

## Maintain operational separation

Perhaps the most critical success factor involves operating vertical brands as genuinely separate entities. This separation must extend beyond marketing to include separate teams, governance structures, technology platforms, and customer service operations.

The rationale is straightforward: the same people and processes that optimize for traditional banking will inevitably apply those same approaches to vertical brands, eliminating their competitive advantages. Separate operations enable the agility and customer focus that makes vertical brands effective.

This separation should extend to brand architecture decisions. Institutions must choose between fully independent brands, endorsed brands that leverage the parent institution's credibility, or sub-brands that operate under the master brand umbrella. Each approach offers different benefits in terms of customer trust, operational flexibility, and marketing efficiency.

## Design comprehensive digital experiences

Success requires designing end-to-end digital experiences, not just mobile applications. This includes websites, onboarding flows, educational content, and credibility signals that resonate with specific vertical audiences.

ROGER Bank learned this lesson when initial customer feedback indicated their website lacked credibility with military audiences. The institution invested in redesigning their web presence with military-focused imagery, terminology, and features that built trust with their target demographic.

## Start lean and scale gradually

The most successful vertical launches begin with minimum viable products that test core assumptions before major investments. This approach enables rapid iteration based on customer feedback while preserving capital for scaling successful strategies.

Citizens Bank's soft launch approach for ROGER Bank exemplifies this principle. By starting with word-of-mouth marketing and intentionally slow acquisition, they identified and resolved operational issues before committing significant marketing resources. This patient approach ultimately enabled more effective scaling once the product-market fit was proven.

The path forward for community banking lies not in competing directly with well-funded fintech competitors or expanding traditional geographic strategies. Instead, the future belongs to institutions that can redefine community banking around affinity groups, leverage technology to serve dispersed customer bases, and develop genuinely differentiated products for underserved segments. The vertical banking revolution has begun — and early movers are already capturing the benefits. ■

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# About Naehas

Naehas believes financial institutions play a pivotal role in helping societies thrive. Whether enabling a family to buy a home, a business to expand, or individuals to secure their future, banks and credit unions should find it easier to create value for people and communities. Six of the top ten global financial institutions, along with leading banks, credit unions, wealth managers, and asset managers, work with Naehas to accelerate value by creating and marketing personalized products and offers at speed. Built on deep expertise in how banks operate, our solutions orchestrate and automate product, pricing, offers, and disclosures, enabling institutions to cut cycle times, launch faster, and deliver the relevance that builds loyalty. Learn more at www.naehas.com.