



MARKS & ASSOCIATES

Marketing Communications

Integrating Sales and Marketing to Maximize Market Penetration

What is marketing communications?

We give it a very broad definition encompassing advertising to public relations to sales and sales management. We believe that nearly everything -- written, verbal or electronic -- that sends a message to your customers and prospects or sales team falls under the heading of marketing communications. This type of "integrated" approach enables us to create programs that weave consistent themes and messages throughout all of your communications.

Why do you need a marketing communications program? Most banks have two very distinct types of customers -- consumers and businesspeople. Bank's marketing programs for consumers tend to be well thought out and comprehensive. The approach to businesses is less well planned, with many banks relying solely on cold calling, walk-in traffic and unorchestrated referrals.

Why banking's approach to business varies so drastically from our approach to consumers probably lies in the history of banking itself. Businesses have always known they need banking services. Consumers had to be convinced. What evolved was a highly effective concept of retail bank marketing and basically no corporate bank marketing.

This absence of a focused marketing plan for corporate banking is very dangerous, particularly today when so many competitors are vying to sell financial services to businesses. As bankers we have been slow to apply cohesive marketing strategies to our corporate banking products and, particularly for the larger banks, this oversight has proved to be quite costly. Many banks are sitting and watching while their corporate customers walk out the door into the arms of waiting competing banks and non-bank service providers.

For several years now we have been hearing about the "sales culture" that banks have adopted. Is that all just talk?

For twenty years, banks have been turning to consumer products and technology companies for expertise in selling. They thought that if they bought a sales culture, they could just install it -- or institute it. Bring in one "salesy" senior manager from Xerox or IBM and the troops would fall in line, or so the philosophy went. But that didn't happen, because banks continued to hire economics and finance majors at entry level relationship manager positions. They joined all the other economics and finance majors already occupying middle and senior management positions. In the end, only the poor managers from Xerox or IBM had marketing degrees and they were so frustrated with the lack of sales training, sales management, general marketing and sales support that they quit.

Banks are still learning that you can't just buy a sales culture and install it. You have to hire the right kinds of people - not just managers but line salespeople, too. Then you have to train them not just to understand your products, but to understand physically and mentally how businesses work and how their treasury functions operate. When they understand this they will no longer fear going out and talking to companies -- existing customers or new prospects -- about their business, their business problems and how the bank can help them solve those problems.

What can banks do to reverse the slide?

First, they can begin to view businesses with the same marketing sense they use to view consumers. That means they must develop integrated marketing plans targeted toward attracting businesses to the bank. These plans must incorporate various communications elements, including advertising, public relations, trade relations, special events, seminars, direct mail and other marketing tools.

First, remember, everything written, verbal or electronic sends a message to your customers and prospects. Their willingness to listen to and absorb your message depends not just on their interest in what you say but on how well you say it. We are all bombarded with dozens of letters, brochures, and pleas for our money every day. Banks must focus on what they can do and say to make their pitch compelling.

Second, they can stop believing that reorganizing will make them sell more. Reorganizing costs a lot and simply shuffles the same problems around to different managers. What will make them sell more is giving their people better sales training, good marketing support, and succinct, well-designed marketing materials. Then they have to be able to deliver on what they sell.

What kind of sales training?

Consultative selling. Not the tricked up version that comes with a fat notebook that no one ever uses, but a direct and pragmatic consultative selling program. When Marks & Associates trains a bank's calling staff, we don't ask them to do anything that doesn't come naturally. We don't have lists and wallet cards and pneumonics. We teach them to follow their natural curiosity within a structure that ferrets out the customer's or prospect's needs. It's called consultative selling and banks who have used our training have experienced sales increases as high as 60% after training. This business comes from selling more deeply into existing clients and generating new business.

How do marketing support and materials fit in?

In order to run an efficient sales program, you must know where you are having success and who is responsible for it. That means sales managers need training to manage the process and a competent sales tracking system to monitor activities.

At the same time, while management and good sales technique will close the sale, attractive, understandable marketing materials will often get you in the door and speak for you when you are not there in person. These materials must be compelling and invite people to read them. If you find that the majority of your corporate product literature is written to please management rather than to generate new sales, then you need professional help.

It is a rare advertising, public relations firm or consultant that admits they are not comfortable writing bank marketing materials. But ask any of the bank managers how painful a process it is to teach them banking and you will begin to understand the hidden but real cost of dealing with them. At Marks & Associates we are bankers and are excellent writers. We can work with your agency. We will write the copy to streamline the information distillation process in very short order. By the time most agencies are finishing interviewing your people to begin writing, we are usually finished with the copy. Then you can have your agency produce the finished work or use our agency. In either case, time and money are saved and the results work.