

Can You Afford to Be Absent?

Taking a hiatus from marketing translates to lost future profits.

By Karen Miller

Today's thin profit margins require many community-oriented financial institutions to re-think their marketing expenditures. Many have cut the marketing budget entirely, while the regional giants gear up their marketing

...the regional giants gear up their marketing efforts to gain market share....

efforts up to gain market share; continuing to build their franchise value at the expense of the community banks and credit unions.

Most small, independent financial institutions cannot afford to be absent from their marketplaces without the cost of that hiatus coming down heavily in terms of lost future profits.

How do these institutions, showing marginal profits if any, justify spending any marketing dollars at all? They invest in marketing programs that show measurable, tangible

results.

Smart money is being spent on direct marketing efforts that show profitable results and are easily traced. Direct marketing

Continual focus on selling relationships is the key, and delivering a new customer to your staff trained in high contact customer service to insure retention, is critical to the success of



targets a specific group, tailored to the institution's needs, producing immediate results in terms of gross interest income on loan products, and lower cost of funds when targeting customers for not just their CD business, but their entire relationship.

any direct marketing program.

Investing in marketing programs that produce a measurable return, rather than abandoning marketing efforts altogether, will ultimately benefit the profitability strategy of most financial institutions.

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