



Personalization Drives Revenue Generation

Increase revenue by prioritizing personalized messaging



ENTRUST

SECURING A WORLD IN MOTION

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INTRODUCTION

The value of personalization

Every day, consumers are exposed to between 4,000 - 10,000 ads¹, making it a challenge to capture their attention. But the direct ROI from an engaging and personalized message can be well worth the effort. For instance, 72% of consumers only engage with marketing messages that are customized to their specific interests. Digging into those specific interests and offering personalization benefits long-term revenue and reduces acquisition costs by as much as 50%, lifts revenue by 5%-15%, and increases marketing spend efficiency by 10%-30%.²



¹<https://ppcprotect.com/how-many-ads-do-we-see-a-day/>

²<https://smarterhq.com/blog/personalization-statistics-roundup>

An operating model driven by personalization

In reality, most companies focus exclusively on data and analytics to drive micro or nano segmentations of their customer base, but they often do very little to advertise this personalized message effectively to the specific audience group. This is a gap, as the average human attention span has dropped from 12 seconds in 2010 to just eight seconds currently.³ Whatever personalized messaging is being delivered to the customer needs to capture their attention within this eight-second timeframe or the message will be lost.

So, how do we embark on the journey that drives personalized messages on a bigger scale? According to a McKinsey & Company article, driving substantial and sustainable growth through personalization requires embedding it into the marketing operating model.⁴ An operating model driven by personalization requires the following four elements to work together effectively:

- Data foundation: Building a rich, 360-degree view of customers in real time
- Decisioning: Mining data to identify and act on signals along the consumer journey
- Design: Crafting the right offers, messages, and experiences at speed
- Distribution: Delivering and measuring these experiences across platforms and feeding new insights into the data foundation



³<https://blogs.oracle.com/oracledatacloud/2020-trends-shaping-the-digital-marketing-landscape>

⁴<https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/no-customer-left-behind>

Capture attention with financial card packaging

When this model is used, customer data can be analyzed to define the most effective messaging for each unique customer. When that customer engages with on-demand, personalized messaging at the appropriate point in their customer journey, they are more likely to engage. Taking this model into the financial card issuance industry and pairing it with ongoing customer transaction data plus analysis of that data can build into customized messaging and customer-preferred marketing mediums.

In the financial issuance industry, the payment card is the most direct connection between the bank and the customer. Because of this, the payment card is going to be an important tool for the bank to use in capturing data related to the cardholder's buying behaviors and bank interaction. This data should be utilized as cards are re-issued. Financial issuers should leverage the McKinsey personalization model along with their cardholder data to better connect with their customers to build loyalty, strengthen brand recognition, offer additional financial solutions, and share product offerings. Our suggestion for the best place to do this is in the card package.

A typical financial institution card package that a customer receives after applying for a new card or requesting a replacement card typically contains their card with a label, which is then affixed to a card carrier. We know based on the data mentioned earlier that a customer is not likely to pay attention to the package if it does not instantly grab their interest.

WITH THE USE OF THE PRINT-ON-DEMAND SOLUTIONS FROM ENTRUST, CARD ISSUERS NOW HAVE THE CAPABILITY TO CREATE A FULL CARD PACKAGE THAT IS UNIQUELY PERSONALIZED.

Capture attention with financial card packaging (continued)

With the use of the print-on-demand solutions from Entrust, card issuers now have the capability to create a full card package that is uniquely personalized. More importantly, personalized packaging bridges the connection between the customer and the financial institution and helps ensure the customer understands that their card issuer knows them by name and that they are aware of the additional messaging and promotions offered to them. It benefits the financial institution as they see increased interaction with their customers, helping to drive top-of-wallet card usage and increased revenue streams.



Making the label work harder

If you have ever received a card in the mail with a label on it, you know that the label is the one thing that always gets looked at because the cardholder has to physically touch it to remove it before use. Why not grab their attention before they dispose of it? On-demand, personalized labels can go beyond the “activate now” message to things like a QR activation code or a cross-promotion to drive additional business.

Customers know they need to activate their cards, so use this space instead to tell them you understand their needs, you have other products or services to offer them, or even cross-sell third-party products and services. The possibilities are endless. Let the label become a colorful, eye-catching piece that better connects to the cardholder.

Pairing a personalized message with a bank-sponsored message helps engage cardholders long enough to read and act on the message. When the message is personal, a customer is more likely to read the message and feel gratification when they realize their bank knows them so well.

With 2.8 billion credit cards in circulation worldwide, there are plenty of opportunities for issuers to advertise their best promotions and connect with their cardholders. Think about all of the lost and stolen cards, re-issues, and new activation cards that are waiting for a personalized label.



Converting card issuance from cost center to profit center

To establish the benefits of personalized labels, Entrust partnered with a large central card issuer to test the effects of personalization on **card activation and usage**. **This study found that card labels with personalized messages and full-color designs resulted in a 1%-3% incremental increase in card activation** that in turn drove a \$0.5M profit over a two-year period for our case study bank.⁵ This increase in card activation created a corresponding increase in revenue from transaction fees and account interest charges.

Customized card labels create additional financial benefits too. The flexibility in messaging and design on the card label allows the bank to market and promote suitable and relevant financial services and/or products to the customer. In addition, if the card is co-branded with a third party, the card label can be used as the temporary advertising real-estate that can be offered to that party, bringing in additional revenue from the sale of the real-estate on the label or used as leverage on the co-branding agreement to reduce the cost to co-brand. Either way, this could help to improve the bottom line for the bank.



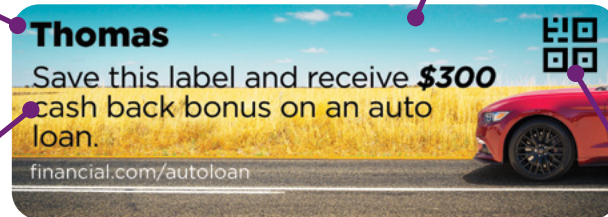
A customized card label in action

Personalized name

- Bring out the feel-good feeling by addressing the customer by their first name
- Reiterate that they are not just another customer

Creative background image

- Aligned branding and imagery with the card design and card theme
- Use color to call attention to the personalized message



Defined messaging

- Short and concise message attracts the attention of the customer
- Relevant message entices customer to learn more

Drive customer to act

- Provide a QR code to drive the customer to your website to learn more or for easy activation

Beyond the label

The label is just the start of personalization opportunities in a card package. Remember, the card carrier holds a large canvas for personalization and branded messaging as well. Turn the whole package into a personalized customer connection and enjoy the benefits of engaged and loyal customers.

If the customer is pleased with their financial institution and its services, they could become an extended marketing tool through word of mouth and social media channels. With 88% of consumers placing the highest level of trust in word-of-mouth recommendations from people they know⁶, these positive reviews of the brand and the product will likely help the bank to bring in more net new customers over time.

Learn how to drive revenue from your card programs

[Contact](#) an Entrust card program expert to learn more about driving card activation and creating new revenue opportunities across your banking operation with customized, personalized messages.

⁶<https://www.invespcro.com/blog/word-of-mouth-marketing>

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Entrust keeps the world moving safely by enabling trusted identities, payments, and data protection. Today more than ever, people demand seamless, secure experiences, whether they're crossing borders, making a purchase, accessing e-government services, or logging into corporate networks. Entrust offers an unmatched breadth of digital security and credential issuance solutions at the very heart of all these interactions. With more than 2,500 colleagues, a network of global partners, and customers in over 150 countries, it's no wonder the world's most entrusted organizations trust us.

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