Why Financial Education Should Be a Key Part of Fintechs' Marketing Strategy (And How to Build a Successful Program)



Consumers benefit when they can turn to trusted financial advisors—like fintechs.

Financial education is important to everyone—yet often unattainable, or unreliable. Fintechs are in an exceptional position to provide financial education to customers serving two key purposes: establishing yourself as a trusted source of reliable, useful information and positioning your brand in a prominent place in the minds of both customers and prospects.

Creating and maintaining compelling and current content, of course, can be a drain, especially for smaller fintechs. Here we take a look at the importance of relevant content and offer some ideas for how to deliver quality content to your customers, prospects and community members.

How FinEd Can Build Brand Loyalty

Financial institutions are an obvious go-to source of reliable information on financial issues from how to save, to how to invest, to how to evaluate various options for funding all types of purchases. Instead of searching online and wading through thousands of unknown sources that can be not only unreliable but, in some cases, risky, consumers benefit when they can turn to trusted financial advisors—like fintechs.

This is especially true for fintechs and neobanks that pride themselves on helping underserved communities. Financial education (FinEd) is one of the best tools to your customers. FinEd can also be a great way to reinforce your values while targeting niche audiences who share those values. For instance:

- Greenwood is a digital mobile banking experience for Black and Latino customers. Their content, including a podcast, focuses on tech and trendy topics like a podcast from Ja Rule on owning content through web3.
- Daylight offers banking for the LGBTQ+ community—a community with \$1 trillion spending power in the US—yet where 44% struggle to maintain regular savings. Their educational resources are both relevant and practical, touching on core issues of concern for the queer community.

Varo positions itself as a banking resource for everyone. "Every person, regardless of net worth, should be treated fairly by a bank that wants them to succeed," they say regardless of "race, sex, sexual orientation, gender, age, disability, or any other basis of discrimination." Their content is practical and focused on how their customers can improve their financial standing.

Each of these institutions is hyper-focused on a core community with shared interests, providing them with important FinEd information in ways that uniquely resonate. What better way to build loyalty—and community.

<u>Majority</u> is a great example of this. Majority is "a diverse group of proud migrants from over 40 different countries." Their community is well-defined and well-served through education options that include their own TV station.

How FinEd Can Boost Product Adoption

FinTech companies aren't entirely selfless when it comes to educating communities on financial topics. They also hope, of course, to grow their customer base, market share, deposits, and loans. Providing those educational options, though, can be an easy way to position products and services as the perfect solution to financial problems and needs.

While providing educational information—whether in the form of blog posts or video programming, that information should contain calls to action throughout the content in relevant, non-overtly self-promotional ways. Here's an example of https://www.non-overtly.com/but/het/ helped one of its credit union customers do this in a way that is relevant, non-intrusive—but aligned with marketing objectives.

3 Ways Fintechs Can Build a Strong Financial Education Program

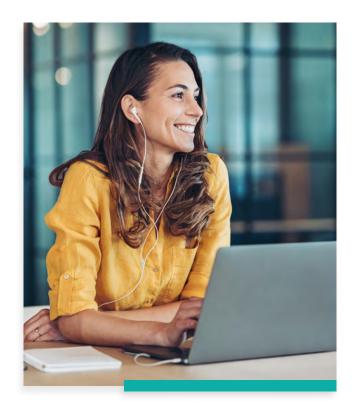
There are three primary ways that fintechs can build a strong financial education program—by investing in in-house resources, by white labeling third party content, and be sponsoring school curriculum. Here we take a look at each of these options.

Invest in In-House Resources

Larger companies with access to content creation talent and the resources to attract and retain them can build out their own robust library of content to live on their websites. That kind of talent is generally out of reach for smaller organizations though—and the process of creating content can be time intensive, expensive, and not well aligned with fintechs' core competencies. A couple of examples of companies that do this include coinbase and Robinhood.

White Label Third Party Content

Another option is white labeling third party content. This simply means using content that someone else has created that they allow you to add your logo and brand elements to, positioning it as yours. For instance, Chime partnered with rapper 21 Savage and EVERFI to offer free financial education and scholarships. They've co-branded this content with their own logo and EVERFI's.



Sponsor School Curriculum

We live in an increasingly digital environment—especially since the pandemic drove the masses to work and learn from their homes. Branch visits had already been declining across all ages—but this is especially true for younger demographics. This represents an opportunity for fintechs, though, to target younger consumers with modern, relevant curriculum. For instance, many financial institutions are sponsoring the Zelle Money Moves course in their local communities. Sponsoring school curriculum can be a great way to capture the awareness of future and newly emerging customers.

There are many opportunities today to gain market share and engage customers through financial education programs that are timely and relevant. Interested in learning more? Watch our webinar on <u>using FinEd to drive change in your community</u> and learn <u>how FinEd can become your best digital marketing tool</u>.