Jo Ann LeClair

Director, Data Science

Scotiabank

**Q: What are the issues and trends financial services marketers should be prepared for in the next year?**

A: Privacy and security will continue to be powerful themes in the Financial services industry impacting marketers as well. Our industry, particularly in Canada prides itself on security but fraud is evolving, and we need to keep ahead the changes in criminal behaviour patterns in the digital space in particular. The evolving digital fraud may have a silver lining in that customers will be willing to trade privacy for extra security. If we protect our customers, their identity and their money, they will provide us with more information. We will need to become guides and guardians of our customer’s data. In addition, we will need to be more and more transparent about how we are using their information and prepare ourselves for a GDPR type environment in Canada.

AI will continue to generate much discussion. As we move on from the first use cases of chat bots and robo-advisors, many use cases will help augment work or processes to allow humans to do the higher order and creative thinking. On the marketing side, we have been using models for a longer time, however now processing power and access to data is allowing data scientists to use more advanced techniques. Many of these techniques while giving us more accurate predictions make the models more difficult to explain. It will still be important from a business and customer point of view to be able to understand how outcomes are reached. There will also be increased scrutiny on the ethics of AI or machine learning to ensure that bias does not enter the model. Organizations will be developing guidelines for AI/ML if they haven’t already.

The previous two points demonstrate the need to be data driven. As marketers in Financial services we have been using data for quite a while however in the future we will need to access more and varied sources of data. We will need to have a more holistic view of customers if we are to serve the as they anticipate and protect their money.

In the Fintech space, things are settling down as Banks and FinTech figure out how to partner and work together. One thing that FinTech do well that Banks need to do better is identify pain points in the customer journey and “fix” that experience. We need to start addressing this ourselves if we want to stay relevant. As marketers, no matter how good the message, the product and customer list, the effort will be for nought if the experience is not up to par causing customers to abandon the offers presented to them.

Cheryl Boodram

VP, Sales and Marketing

Chief Financial Credit Union

**Q: What are the issues and trends financial services marketers should be prepared for in the next year?**

At the 2018 DMFS, Betsy Chung, SVP and CMO, TD Canadian Bank, said: “There is no longer digital marketing, marketing is digital.” This statement beautifully simplifies the world marketers live in now. We are in the age of AI, automation and targeting capabilities so specific my social media platforms know what I need before I do. While I proudly refer to myself as a “FinTech Nerd” – I feel this is the point where we must be the most diligent in protecting our consumers.

Marketers have the power to influence - this is tremendous power and not to get all Spiderman on this, but “with great power comes great responsibility.” We deal in people’s money…the culprit of most marital arguments, one of the most common causes of stress and not a place where the average consumer feels completely confident. I believe the biggest win for financial industry marketers in the coming year will be in providing honest, educational content that meets our consumers where they are and when they need us.

Basically, I hope this year we will use our powers for good; that we stop blasting people’s inboxes with unwanted emails or bombarding phones with unsolicited calls like the overly friendly computer named Brittany that has called me 10 times to tell me this is her final attempt to reach me about a student loan opportunity. Rather that we help someone understand how to build their credit score, so they don’t need computer Brittany to beat their rate because they already know how to find and qualify for the lowest one out there.

While technology is seemingly our best friend, it also represents our most significant threat and is at the heart of the paradigm shift occurring in the financial industry. Silicon Valley is at the door and, in my opinion, we are putting far too much faith in the ability of regulatory burden to hold up the long-standing financial industry barriers to entry. In the United States, Fintech companies have been invited by the Office of the Comptroller to apply for special national charters. I order and pay for my Starbucks in an app; my Venmo account has a debit card – how much has our interchange income already been affected and what is next?

I am hopeful this year we are going to continue to see more marketers understanding how important it is to manage our investments and draw a direct correlation to revenue. Marketing merely is no longer a place where people that don’t like math can hide; today’s marketer needs to have a grasp of many disciplines including financials, data analytics, psychology, and technology. I hope to see more of us taking our seat in the board room this year; we have valuable insight to add to the discussion.