

FINANCIAL SERVICES

Marketing
Trends 2025



FLEX APPEAL



Trend Overview

With prolonged economic uncertainty, consumer demand for value that comes with flexibility and predictability is at an all-time high. The lines between traditional financial product categories and more adaptable user experiences, such as robust ecosystems and membership-based loyalty programs, are blurring. Expect brands to foster deeper customer relationships with integrated, multi-purpose financial solutions and marketing that shift control into the hands of the consumer.

Trend Evolution

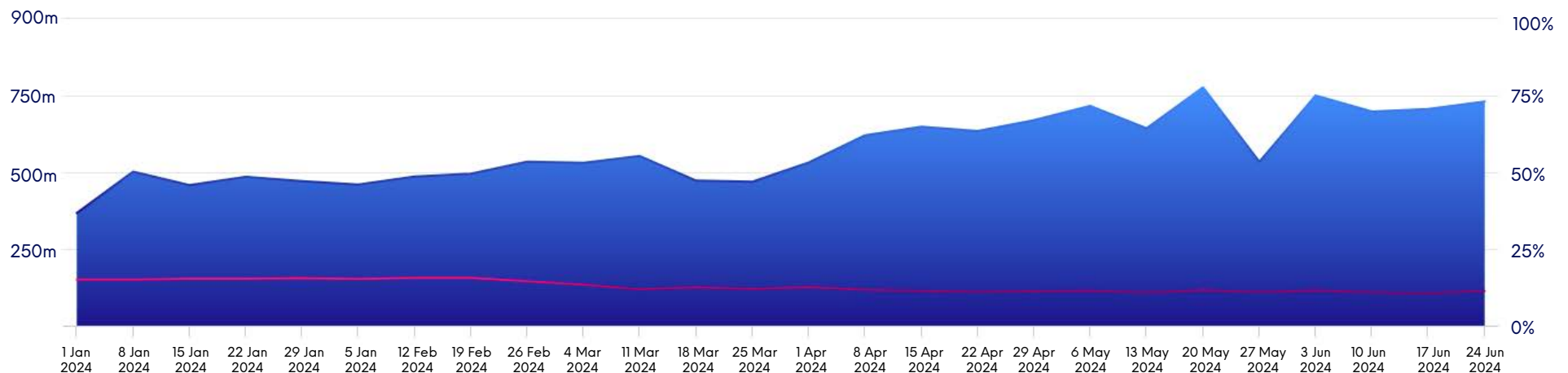
Consumer sentiment throughout 2024 has remained optimistic, while also becoming more discerning. Nothing has exemplified this more than the industry's email engagement. Since the COVID-19 pandemic, our Omni competitive intelligence platform has shown that industry email volumes have been increasing steadily while read rates have been inversely dropping. Just in the first half of 2024, email volumes grew from 367m to 730m, while read rates in the same time period dropped from 15.0% to 11.4%.

Consumers are pickier with the brands they invest their time in, which is why building customer longevity is a keystone idea as brands look to 2025.

How many emails are being sent out over time, and how are they performing?

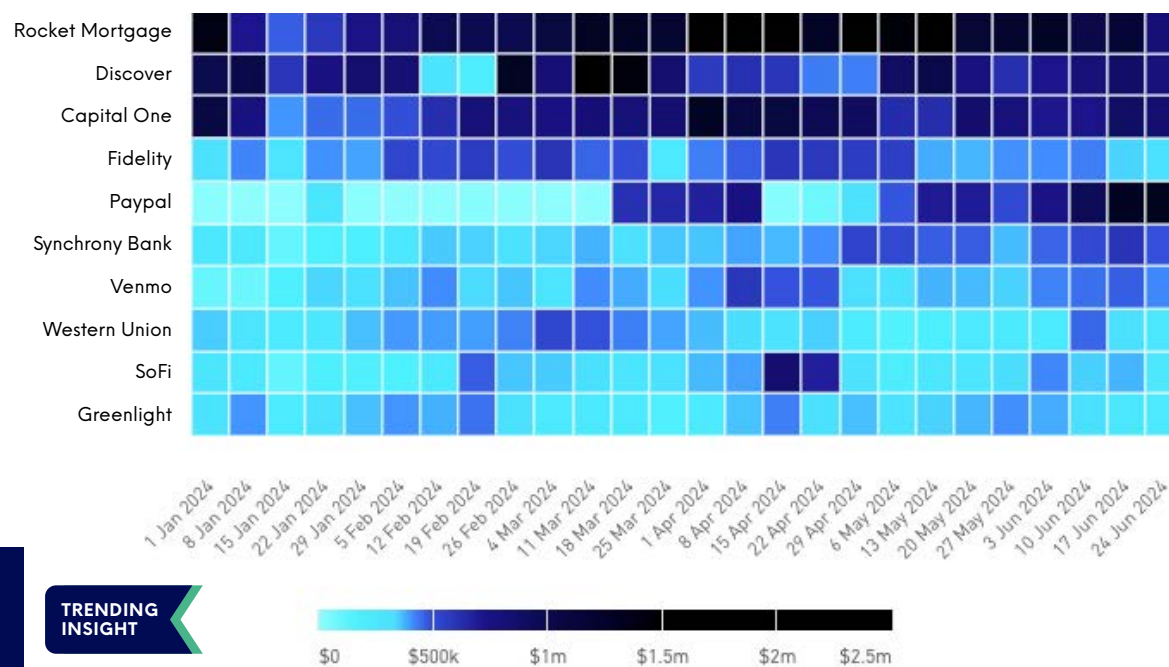
■ Volume — Read Rate

TRENDING
INSIGHT



Source: Comperemedia Omni [01/01/2024 - 06/30/2024] as of 08/01/2024,
Email activity for financial services

How are the top 10 companies spending over time in paid social?



TRENDING
INSIGHT

Company	Spend
Rocket Mortgage	\$31.7m
Discover	\$20.6m
Capital One	\$20.5m
Fidelity	\$11.5m
PayPal	\$10.1m
Synchrony Bank	\$9.5m
Venmo	\$9.2m
Western Union	\$8.4m
SoFi	\$8.4m
Greenlight	\$8.2m

Initially inspired by China's superapp success, brands used product diversification to become the "one-stop-shop" for consumers. As this trend has evolved, the "ecosystem" approach became the new reference point for building a customer experience that was in itself a reward. According to Mintel consumer data, financial flexibility is one of 2024's top desired features with 44% of consumers prioritizing it in new financial products (up from 35% in 2023).

Now, as brands look to strengthen customer fidelity and increase life-time value, look out for new efforts that give customers a sense of belonging and allow the ability to flex across different areas and seasons of their lives in the past. SoFi has positioned itself

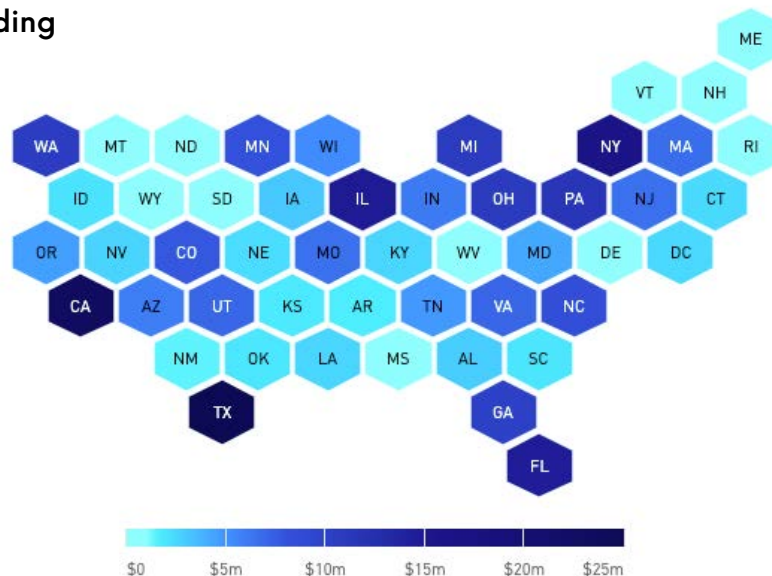
explicitly as a "one-stop shop" via email as part of a loyalty-building campaign and part of broader efforts to diversify their product lines. This year, like many fintechs looking to build mainstream brand recognition, much of what SoFi would have historically allocated to paid social has instead been invested into traditional channels like national TV and direct mail.

While our Omni platform shows that the top four paid social spenders have seen their budgets remain consistently high, PayPal is noteworthy for having made substantial increases recently to their paid social spend, particularly towards the Q2 2024 time period. In the first six months of 2024, PayPal already spent \$10m+ just on paid social, making it far and away their top marketing channel this year. Its paid social spend is now reminiscent of its budget in mid-2022, when paid Facebook dominated its efforts, but it wasn't until this year that PayPal's paid Instagram spend finally came out on top.

Geographically, PayPal has focused its efforts on the states of Texas, Michigan, Illinois, Pennsylvania, and New York, with a collective spend of \$3.32m. PayPal's top creatives across their marketing channels highlight how it's leaning into flexibility as a value proposition, from the various use cases that its products enable to the specific messaging of "flex your payments." This investment by PayPal in its marketing spend tracks with strategic initiatives that address key themes for growth, including speed, personalization, and the B2B side of its business.

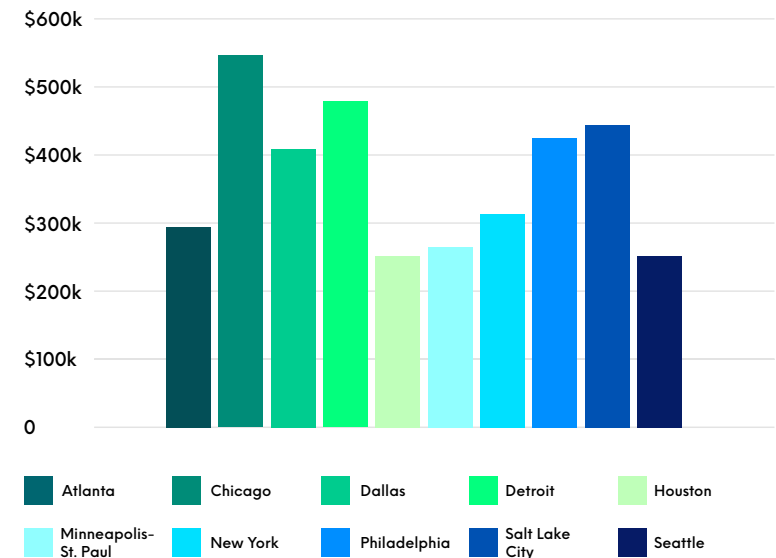
Where is Paypal spending paid social dollars?

TRENDING INSIGHT



What metro areas is Paypal focusing paid social in most?

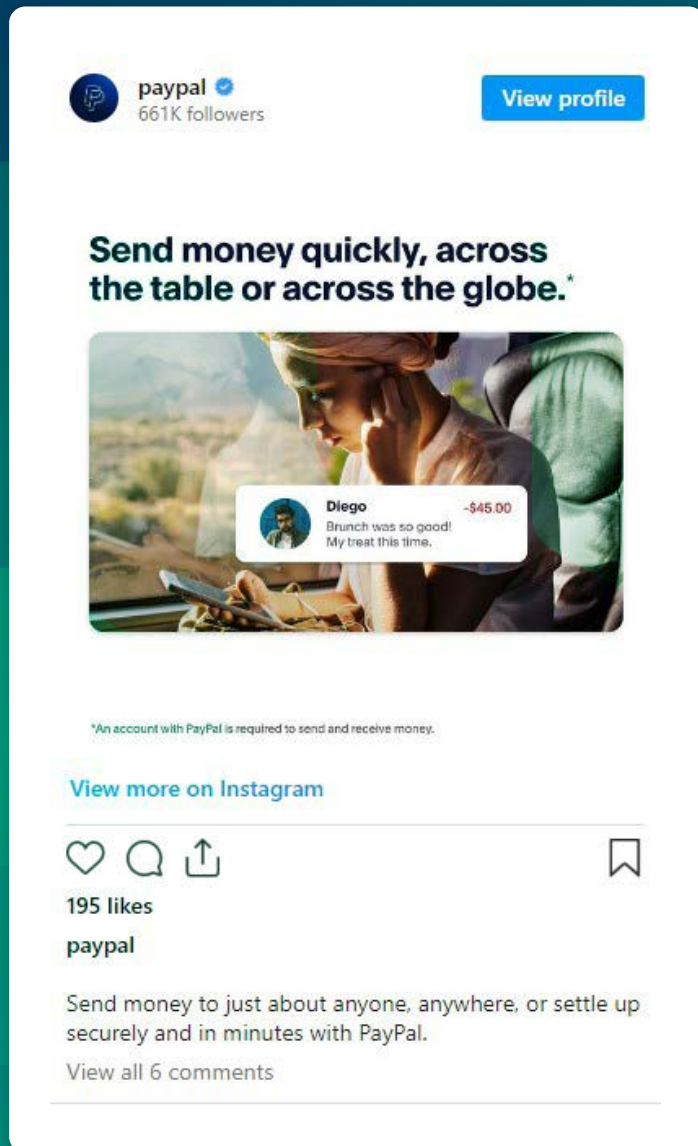
TRENDING INSIGHT



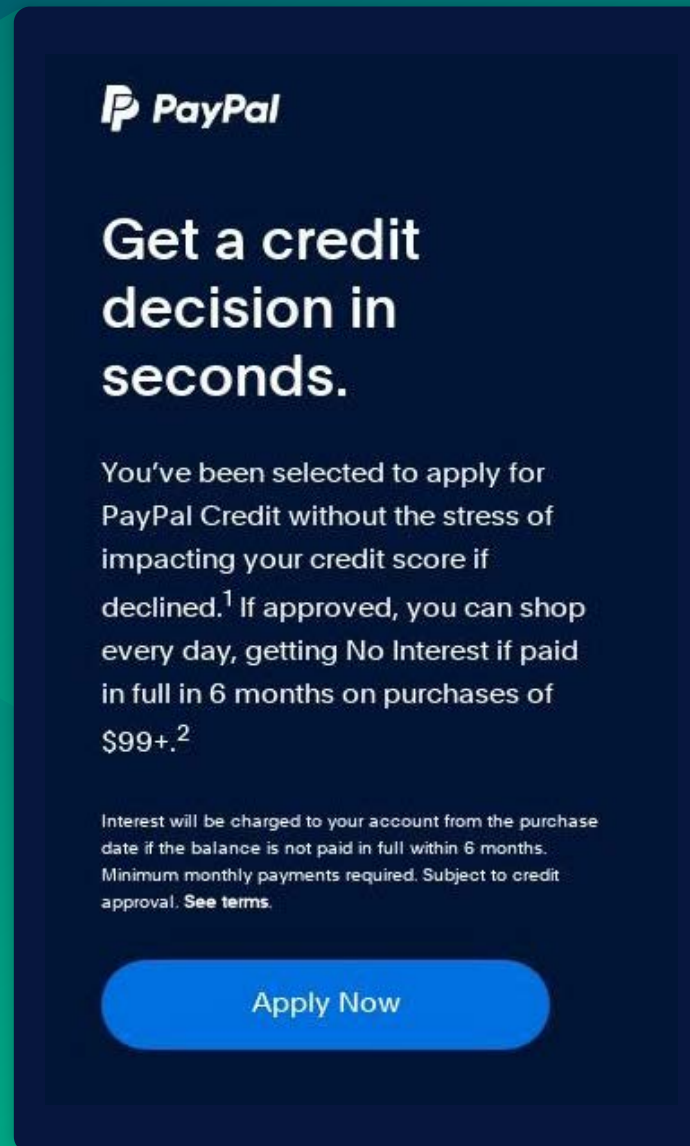
At the start of 2024, PayPal announced six innovations that the company will be rolling out this year via online video, including:

- New checkout experience for faster transactions
- Improved guest checkout.
- AI-personalized customer recommendations from merchants.
- Advanced offers platform for merchants
- Reinvented PayPal consumer app with cashback features.
- Enhanced Venmo business profiles for small businesses.

PayPal's Omnichannel Marketing Content



VIA PAID INSTAGRAM



VIA EMAIL

PayPal's omnichannel marketing approach emphasizes customer use cases and the flexibility that their ecosystem offers to meet consumer needs.

Source: Comperemedia Omni
[01/01/2024 - 06/30/2024] as of
08/01/2024, Company overview for
PayPal

PayPal's Omnichannel Marketing Content

Flex your payments, not your budget.
Pay later with PayPal.

PayPal | ticketmaster®
The Preferred Payments Partner of Ticketmaster

VIA DESKTOP DISPLAY

**Rock now.
Pay later.**

PayPal

VIA ONLINE VIDEO

PayPal First Look

VIA OWNED YOUTUBE

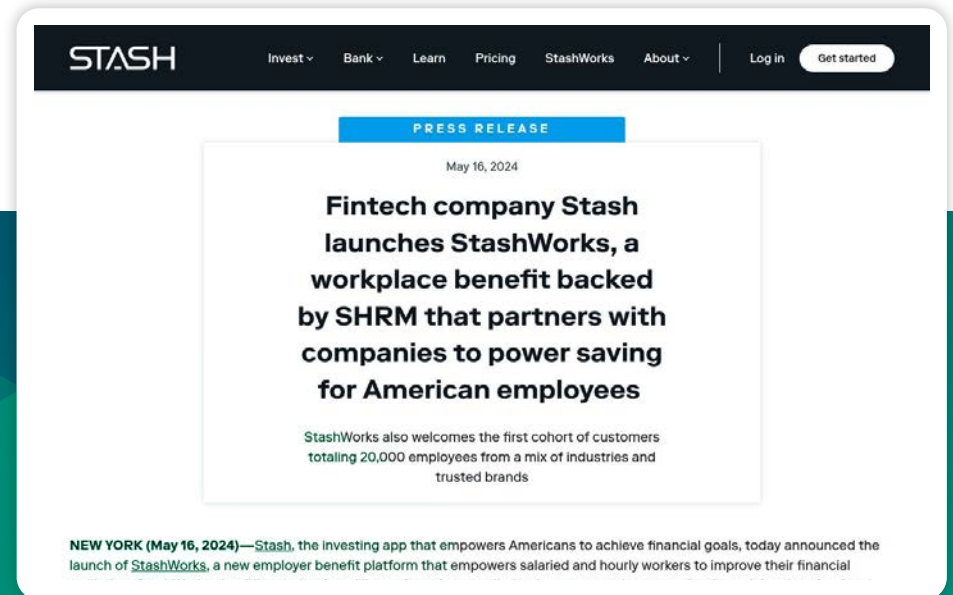
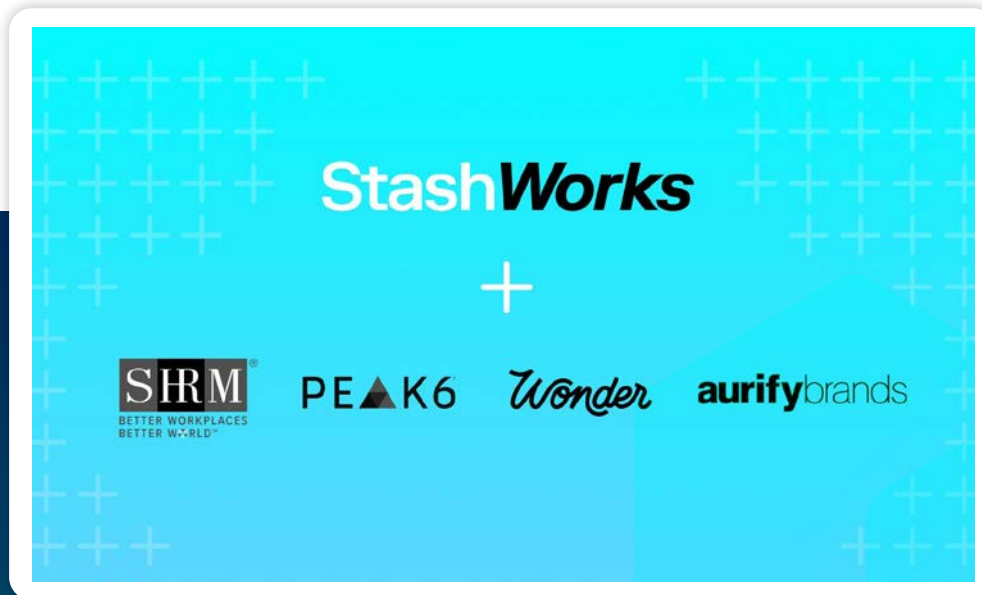
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Source: Comperemedia Omni [01/01/2024 - 06/30/2024] as of 08/01/2024,
Company overview for PayPal

Stash's StashWorks is going beyond the standard to offer plan sponsors well-rounded employee benefits, including saving and non-retirement investing

Another brand exploring B2B is fintech Stash, known for its positioning as an investing app for beginners. Stash launched a SHRM-backed workplace benefit in May 2024 that “partners with companies to power savings for American employees.” This B2B play enables employees of partner companies to take advantage of automated, recurring contributions from their paycheck straight

to their banking, retirement, and investment accounts. While employee benefits that enable retirement are not anything new, the consolidated trinity of offerings that not only promotes saving but also non-retirement investing is notable, as part of a suite of workplace products that offer more utility and more value.





As paid social costs increase, this marketing environment will favor larger brands and higher budgets.

What's Happening Next?

Channel strategy will continue to stay interesting going into 2025. While email will remain a key loyalty channel, the priority moving into the next year is one of quality and not quantity, so as to better engage the discerning customer from an omnichannel perspective. Similarly, as paid social costs increase, this marketing environment will favor larger brands and higher budgets. Expect for the flipping of channel strategy seen this year to continue: legacy brands will invest more of their marketing dollars into paid social to reach younger audiences, while challenger brands will lean into traditional channels such as direct mail and national TV.

Another objective in 2025 will be consistent revenue, as an opportunity from the B2B side. We are seeing a continued expansion into merchant services from PayPal, while Stash is making a new play. B2C companies are known for dealing with higher churn rates compared to those in the B2B space, who are often subject to longer-term contracts. In a time when the industry is seeking its own stability in the face of continued uncertainty, expect traditionally B2C brands to expand into B2B in the pursuit of a larger customer base and more consistent revenue.

At the macro level, wealth management will be a sector where innovation abounds toward multi-purpose use cases, driven by retail investing and institutional interest. BlackRock has already introduced a yielding stablecoin, which operates similarly to a money market fund but is spendable and more liquid, and in only four months has reached a \$500m market cap. With 2024 seeing a narrative shift for crypto - including buzz around the start of a new bull market, acceptance on the regulatory front with SEC approvals of Bitcoin/ Ethereum Spot ETFs, and new support in political discourse - expect

to see heightened interest in blockchain-based innovation in the next year. As we look ahead to 2025, financial services will seek better alignment with consumers, who are increasingly seeking adaptable, value-driven solutions that blur traditional product lines and offer a full customer experience. The industry is grappling with evolving channel strategies, like declining email engagement, and a more competitive new product landscape. Expect for brands to reach a discerning consumer by focusing on building deeper customer relationships through the flexibility they offer.

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25
YEARS OF
INSIGHTS

Excited to learn more? This is just one of many trends Comperemedia is launching in 2025! If you're curious about how financial services marketing will adapt and evolve over the next 12 months and how your business should plan for the future, we have the answers.

If you're a Comperemedia client, log in to your account for the full insight and analysis on our 2025 Trends, including what brands must consider when thinking strategically over the next few years.

If you're not a client, please visit our website and get in touch. We'd love to hear from you.

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