

Community-Focused Marketing Drives Digital Engagement at Regions Bank



Client Profile



Regions Bank is one of the nation's largest full-service banking, wealth management and mortgage product providers. It has nearly 20,000 employees and 1,300 branches in 15 states. Regions leverages financial services to make life better for customers, neighbors and associates across the South and Midwest.

Objective

Regions Bank and Fiserv run multiple cooperative marketing campaigns each year. During community-focused campaign periods, \$1 is donated to charity for every new qualifying Zelle®, Checkfree® RXP® and TransferNow® (external transfers) transaction. Regions knew the campaigns contributed to local causes, but they were interested in understanding the impact of marketing on digital payments product usage and growth.

Solution

The analytics team at Fiserv measured transaction growth, user growth and retention metrics for Zelle®, CheckFree RXP and TransferNow. They compared product performance when campaigns were running against noncampaign periods. Fiserv also compared Region's performance against peer groups.

Proof Points

Every digital payments product benefitted from marketing. Transaction volume and active users increased for CheckFree RXP, Zelle® and TransferNow during campaigns. Dormant users decreased, and the bank also retained a higher percentage of new users. Marketing also helped Regions connect with demographic groups that can be difficult to engage. For example, during campaigns, 29% of new bill pay users were millennials, which is a demographic with typically low usage and adoption of the service.

Regions Bank believes in inclusive prosperity. As the Birmingham-based bank grows, it wants to bring individuals and businesses in the community along with it.

And that's how it designed a win-win marketing strategy for its digital payments products. Regions and Fiserv execute cooperative marketing campaigns several times a year to increase digital engagement. During the campaigns, \$1 is donated to charity for every new qualifying Zelle®, CheckFree RXP and TransferNow transaction.

As digital engagement grows, the bank's philanthropic giving increases. Plus, more Regions' customers get secure, fast and convenient payments experiences. "Regions works to foster inclusive prosperity and help individuals, business and communities take the next step towards achieving their goals," explained Tim Mills, Regions executive vice president, Emerging and Digital Payments Group. "The charitable campaigns we run in partnership with Fiserv have a big impact and make life better in our communities."

Since 2019, the campaigns have raised around \$225,000 for Children's of Alabama and for the Mike Slive Foundation for prostate cancer research. Regions knew marketing digital products helped local causes, but needed help calculating the impact to the bank. It wanted to measure how marketing affected digital payments product usage and growth.



Measuring Marketing Effectiveness

Regions and Fiserv ran nine cooperative marketing campaigns between April 2019 and December 2022. Most campaigns ran for two months and featured one or more digital products. CheckFree RXP was included in nine marketing campaigns, Zelle® in seven and TransferNow in six.

A marketing analysis was designed to see how the campaigns affected digital adoption and engagement. The research team picked key metrics to evaluate, including transaction growth, active user growth, engagement level and payments per user. The study also looked at first-time users, dormant users and how long customers stayed active after enrolling in digital payments services.

The team evaluated the data multiple ways to determine not only how marketing affected the bank, but how they stacked up against peers. It looked at several comparative factors:

- **Regions versus Regions:** The study compared Regions' digital product performance during campaigns and during "off" periods.
- **Regions versus marketing peers:** Researchers compared Regions' performance against other financial institutions that market with Fiserv. Fiserv compared the same metrics for Regions and its peers during like time periods. (Peer campaigns may not have run at the same times as those conducted by Regions, which was a known research limitation.)
- **Regions versus nonmarketing peers:** Fiserv compared Regions' performance against a peer group that does not use Fiserv for marketing campaigns.
- **Generational performance:** Researchers also evaluated performance across demographic groups.

By measuring performance multiple ways, Regions and Fiserv were able to see the value of marketing and learn how their campaigns performed against those of peers.



Marketing Metrics

When campaigns were running, CheckFree RXP, Zelle® and TransferNow all saw higher transaction growth, user growth and engagement compared to noncampaign periods.

“While campaign-level results have been positive, it’s also very helpful to get a holistic view of the impact of this marketing,” said Greg Melville, Regions Bank senior vice president, Emerging and Digital Payments Group. “Having the data and insights from the analysis helps us move forward with confidence, knowing that we’re investing marketing dollars wisely.”

CheckFree RXP experienced the biggest jump in transactional and user growth. For both metrics, month-over-month growth was about nine times higher during campaign periods. And Regions retained 11% more first-time bill pay users when they marketed the product. Over a third of bill pay users were highly engaged during campaign periods and made seven or more transactions a month.

Zelle® transaction growth jumped 51% during campaigns, and Zelle® user growth increased 7%. A third of Zelle® users were highly engaged during campaigns and made three or more transactions a month.

For TransferNow, transaction growth was nearly 70% higher, and user growth was 76% higher during campaigns.

What does this mean for the bank overall? Good news adds up. According to digital engagement intensity studies conducted by Fiserv, digital adoption is correlated to lower attrition, increased product holdings, higher deposit balances and more net profit for financial institutions. By increasing digital adoption and usage, Regions can grow inclusive prosperity.



Generational Insight

In 2021, Regions added paid social to its digital payments marketing strategy. And in 2022, it added display advertising and search-discovery ads to the campaigns to reach specific customer segments.

For example, industrywide, bill pay adoption can be sluggish among millennials (those born between 1981 and 1996). But for Regions Bank, this group responded. During campaigns, about 29% of new bill pay users were millennials. In addition, on average, each of these millennials made almost one more payment during campaign time periods when compared with noncampaign time periods.

Regions’ TransferNow campaigns were highly effective among Gen Z customers (those born between 1997 and 2013). Transaction growth and user growth doubled among Gen Z users during TransferNow campaigns.

“The Regions and Fiserv investment in paid media helps us reach more of our customers through additional channels,” Mills said. “Based on engagement with our content and campaign results, it’s clear this type of messaging resonates with our customers and is an important factor in engaging our younger audiences.”



Competitive Insight

The study made it clear: Regions’ digital payments tools performed better when they were marketed. But how did Regions’ performance compare to peers?

Regions outperformed peers that didn’t market with Fiserv on every product, on nearly every metric – sometimes three- or fourfold.

During marketing campaigns, Regions had higher transaction growth, higher user growth and lower dormancy than institutions that didn’t market with Fiserv. During “off” periods, Regions still performed better on most metrics, but the advantage was much smaller.

Fiserv also measured Regions' performance against financial institutions that participate in the cooperative marketing program. Across all three products, Regions outperformed its peer group in transaction growth and user growth.

Regions experienced the biggest wins with TransferNow. During campaigns, about 35% of Regions' TransferNow users were new. That's around 20 percentage points higher than competitors' new-user percentage. For TransferNow, Regions also had 40% higher transaction growth and about a third higher user growth than its marketing peer group.



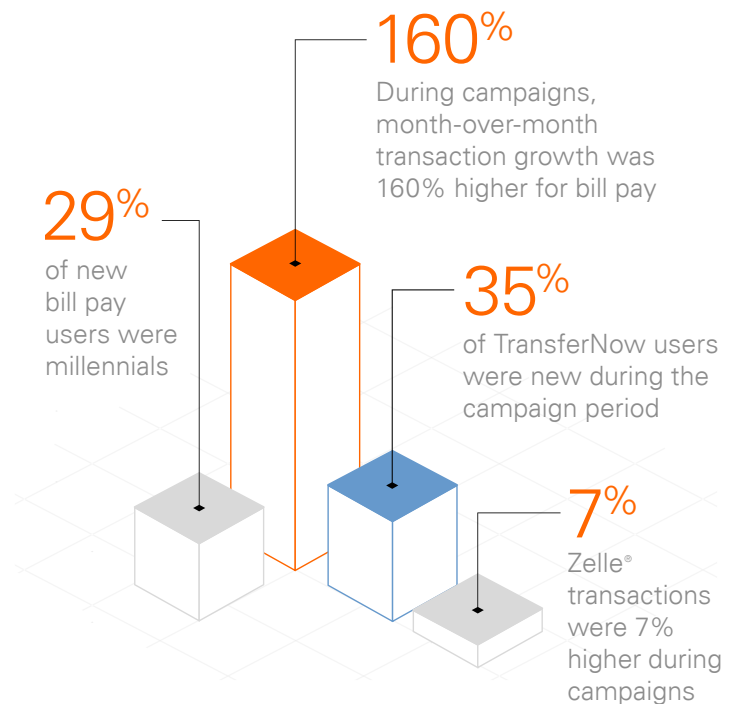
What's Next?

Regions' study was validating. But it provided more than a pat on the back for a job well done. The bank gained valuable insight into how product usage varies during campaigns and by customer segment. The data can be applied toward future campaigns and for a variety of products.

The study also gave Regions a baseline from which to measure future marketing efforts.


"We're excited about the key takeaways from this analysis and applying them towards future marketing efforts, including the promotion of new product launches and enhancements that will benefit our customers even more," Mills said.

At 3.2 million active digital users (and growing), Regions can improve a lot of lives – one transaction at a time.



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