



MICHAEL KRAUSS is president of Market Strategy Group based in Chicago. To read past columns, go to MarketingPower.com/marketingnews and click on "featured contributors."

BY MICHAEL KRAUSS

✉ michael.krauss@mkt-strat.com

The Curious CMO

"As banks emerged from the financial crisis, we all looked at where to go next and how to differentiate ourselves in the market," says Larry S. Magnesen, senior vice president and CMO of Fifth Third Bancorp, the Cincinnati-based super-regional bank with \$117 billion in assets and 1,316 full-service banking centers in 12 states.

This spring, Fifth Third Bank answered that question by launching a marketing and branding campaign that differentiates the bank not by the high-tech products that it offers, but by the personal service that it provides. "Chase is focusing on remote deposit capture, using your iPhone to snap a picture of a check and make that deposit," Magnesen says, but most technology advances will become standard, almost generic, he argues. "What can't be easily copied is listening to the customer and the personal relationship piece. That's something we've honed at Fifth Third."

To promote Fifth Third's ability to listen to customers and provide personalized service, the company launched a campaign developed by newly hired agency Leo Burnett called "The Curious Bank." "Curious people ask better questions, listen carefully and find better answers," Magnesen said in the announcement launching the campaign. "Curiosity surfaced as an important value we wanted to affirm with our own employees: Be curious about our customers' needs, be curious about the way things could be made easier, and be curious about how we can innovate our products and services."

Fifth Third's new curiosity promise has to be more than an advertising tagline, Magnesen says in a follow-up interview, and he's using the campaign to reinforce that point to audiences within the bank. "We've had a significant focus on the customer experience. We've installed a much more customer-centric sales process that's designed to gain deep insights about the customer's own situation. We're saying, 'Before we start prescribing financial solutions, we really need to understand the customer, their situation, where they want to go,'" he says.

"On the retail side, we offer our financial needs assessment, a 45-minute, in-depth process of asking questions before we start suggesting or recommending solutions. In our private bank, we have the Life360 Process, a more detailed assessment regarding your wealth goals. We have similar processes in place with our commercial customers."

The intimacy approach may sound fundamental, yet banks, aiming to reduce costs, have been migrating away from



high touch for years. Magnesen sees it another way. "As we looked at differentiating ourselves, we were not resonating. We weren't breaking through. We looked at the whole bank category and it was a pretty dull category. Nobody was saying anything that was interesting to the customer. We decided to evaluate our marketing and communications partnerships. We picked Burnett and embarked on a process of getting deep customer insights," he says.

Magnesen is quick to point out that while innovation and technology aren't the focus of Fifth Third's current campaign, they obviously play an invaluable role in the bank's success. "Thirty years ago, I spent at most an hour a week with IT. Today I spend 30% of my time with IT people. ... Innovation is part of the DNA of the bank. We were the first bank to share an ATM network. Certainly, customers visit our website and get a lot of information there. Nonetheless, we find personal relationships and listening are still key. When customers have critical moments in their lives and need advice and information, they seek out people," he says.

And when it comes to building those personal relationships, banks like Fifth Third have a clear advantage over the bigger guys, he says. "At Fifth Third, we don't have the layers you find in those 'trillionaire' banks. We move nimbly. We're closer to our customers. We're more in tune. That's what I really like: the speed and the responsiveness to customers that we can provide. That's why I'm here."

Magnesen knows a thing or two about the big-bank business model. The 54-year-old Kellogg M.B.A. spent his career on both the operating and the marketing sides of the business working at Citibank, Chase and now Fifth Third. "In 1981, coming out of Kellogg, I was interested in marketing, but I was more interested in the financial services industry. I didn't start out to become a CMO. Along the way, I was fortunate. People gave me opportunities to rotate out of marketing into line jobs. I ran the mortgage business for Citibank in Chicago for three years. I ran bank branches for about three years in Michigan with a bank that merged with Fifth Third. But I've spent more than two-thirds of my career in marketing," he says.

Aspiring marketers should round out their skills and perspectives by seeking out opportunities outside of the marketing department, Magnesen says. "It is very important to spend time on the line side of the business. It provides an appreciation for what your sales force and your operating managers are trying to achieve."

Plus, you never know which aspects of business will resonate with you until you experience them firsthand. While Magnesen's heart lies in marketing, he still harbors strong affection for the line side of the business—and continues to foster his curiosity to pursue new opportunities. "At some point, I wouldn't mind moving back to a line role," he says. **m**