Deposit Acquisition Strategy for Banks and Credit Unions

Deposit acquisition is essential to a financial institution's purpose, stability and growth, with 72% of bank CEOs naming it a top strategic priority. Yet, today's economic environment makes acquiring new deposits more challenging than ever, requiring banks and credit unions to be more intentional and strategic in their approach.

While many banks and credit unions have historically relied on organic growth to meet their deposit needs, shifting market dynamics call for a data-driven acquisition strategy. In this blog, we'll explore the key challenges in deposit acquisition, why offering the right product to the right prospect at the right time matters and how advanced analytics can make all the difference in driving sustainable deposit growth strategies.

Why Deposit Acquisition Is More Competitive Than Ever

Banks and credit unions are dealing with a tough mix of challenges that complicates the path to acquiring new account holders:

- **Rising Acquisition Costs:** Financial institutions are constantly experiencing customer attrition. Industry reports show that financial institutions lose, on average, nearly 15% of their customers and members each year. As expenses rise and margins tighten, balancing growth becomes much more important—and acquiring customers becomes costlier than retaining them.
- **Competitive Pressure for Deposit Dollars:** Traditional banks and credit unions now compete with retail brands, fintechs and P2P payment providers for the same deposit dollars. Digital banking has made it easier than ever for consumers to move their money, increasing the need to attract and retain account holders.
- **Consumer Shifts in Deposit Behavior:** With high inflation and rising costs, consumers are eager to make their money stretch further. Research from Vericast shows 76% of banking customers are actively looking for ways to increase their earnings — and they're willing to switch. In fact, nearly 1 in 5 consumers (17%) are likely to change financial institutions, highlighting the growing competition among banks to attract and retain depositors.

A Data-Driven Approach to Finding the Right Customers

Many financial institutions have long relied on organic growth, counting on new account holders to walk through their doors and open accounts. While a "refer a friend" or branch-radius campaign might provide a short-term boost, these passive strategies only go so far. Today, it's far more efficient to take a strategic approach by knowing what kind of account holders to attract, as well as what products appeal to them and how to reach them.

A data-driven approach empowers bank and credit union marketers to identify prospects most likely to engage with their products or services. This deeper understanding enables the creation of targeted, personalized messages that resonate with audiences and increase the likelihood of conversion.

Personalization is no longer optional. The J.D. Power 2025 U.S. Retail Banking Satisfaction Study found that customers who are aware of financial health tools, such as credit score monitoring and budgeting resources, report satisfaction scores that are 96 points higher, on average, than those who are not.

This demonstrates the growing importance of personalized support in driving customer satisfaction and loyalty, as financial institutions increasingly focus on empowering consumers to better manage their finances.

Aligning the Right Products With the Right Prospects

With marketing budgets under pressure, every dollar counts. Financial institution marketers must tap into the vast amounts of data generated daily by consumer interactions to make smarter decisions about spending and improve campaign performance.

Banks and credit unions possess a wealth of customer data, but those rich veins of intelligence don't always translate to an effective acquisition strategy. The key lies in combining advanced data analytics with strategic creative messaging while maintaining compliant practices. Together, these capabilities empower financial institutions to deliver the right product to the right prospect at the right time.

The Right Product: Focusing on Deposit Growth Strategies

It may seem obvious, but promoting products that align with an institution's strategic initiatives plays a critical role in achieving growth objectives. Is the focus on attracting large deposits, low-cost deposits or money market accounts? Ensuring that marketing efforts support these objectives not only drives results but also secures executive buy-in, fostering collaboration across departments.

The Right Prospect: Balancing Cost and Impact

The shift from broad, high-volume mailings to highly targeted campaigns has transformed deposit acquisition. Today's programs focus on specific audiences – such as new movers, small business owners or lookalike consumers – resulting in smaller, more precise target groups. These new programs produce higher responses than saturation mailings, but they come with higher costs that require higher returns.

The solution? A best-of-both-worlds approach that selects neighborhood clusters – at economical postage rates – with the highest likelihood of responding to the institution's offer (while maintaining compliant audience-selection methods). This requires leveraging all three phases of the analytic journey.

Understanding the Three Phases of the Analytic Journey

To effectively target the right prospects with the right products, marketers can leverage all three phases of the analytic journey: descriptive, predictive and prescriptive.

Descriptive analytics is a look back at what has happened.

Descriptive analytics lays the foundation for data-driven decision-making by examining data on existing account holders to uncover patterns and trends. By analyzing layers like behaviors, preferences and purchase potential, banks and credit unions can identify the best prospects for household and deposit acquisition.

Predictive analytics is a look at what is likely to happen in the future.

Predictive analytics uses propensity models with transactional and behavioral data to anticipate customer needs and deliver the right products with the right incentives at the right time. This personalized approach puts you ahead of the competition in acquiring the accounts that matter most.

Prescriptive analytics answers the question, "What should we do about it?"

Prescriptive analytics combines data points like income, net worth, education and credit card usage with advanced algorithms to deliver clear, actionable recommendations. With the right compliance mechanisms in place, this approach helps financial institutions identify high-opportunity markets, focus on key customer segments, and allocate budgets effectively, replacing outdated tactics with precise, high-impact strategies.

By leveraging diverse data across all three phases of the analytic journey, financial institutions can select the most desirable prospects based on their budget and goals.

Partner With Vericast to Strengthen Your Deposit Growth Strategy

Putting advanced deposit growth strategies into practice can be a major hurdle, especially if your marketing team isn't equipped to manage large-scale data analysis. The good news is that you don't have to go it alone. Vericast can help.

Our Deposit & Household Acquisition Solutions offer everything you need — advanced analytics, high-value incentives, award-winning creative and comprehensive reporting — to attract the account holders you want, right when they're ready to make a change. We use proprietary data analytics and advanced modeling to find prospects that match your ideal account holder profile, engaging them with personalized, compelling offers in the channels where they're most likely to respond.

Partner with Vericast to attract the right account holders, fuel sustainable deposit growth strategies and unlock your full deposit acquisition potential.

Download The Essential Guide to Core Deposit Acquisition