



The Influence Codes



CHAPTER 04:

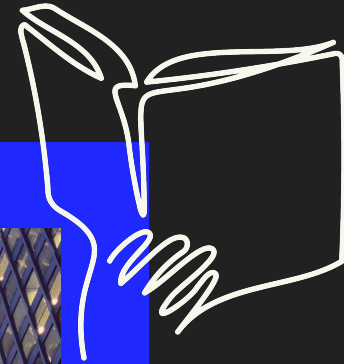
Finance



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PART 01

Introduction



The source of our insights:

12+ months of exploration.

5 projects investigating Influence.

4 delivered, 1 underway.

3 specialist organisations.

41 global experts.

24,000 consumer conversations.



Ogilvy

KANTAR

A quick recap of the Influence Codes.

The main ingredients of Influence

What is Influence?

Influence is the intentional (and sometimes unintentional) effort to affect the attitudes and behaviour of an individual or group, through the provision of stimuli or conditioning.

There are 4 key components to Influence;

Information: Holds power when it is scarce or valuable, guiding decisions with unique insights or outcomes.

Authority: Vested in trusted individuals or institutions, derives its influence from being perceived as reliable sources of information and guidance.

Community: Reflects the shared behaviours and attitudes of those within our physical or ideological spaces.

Affinity: Shaped by those we admire or aspire to be like, it influences through personal connection and aspiration.

| Why *Influence* matters

↓ 51%

Decline in the number of brands with high meaningful differentiation, versus 10 years ago*.

↓ 50%

Of comms are less effective than a 30 second video of a cow eating grass**

↓ 50%

Decline in base sales over a 4 year period from ineffective and inefficient marketing***

This is a crisis for the marketing and communications industry.

For those seeking growth, understanding how to build and wield Influence is now more critical than ever before.

The Emergence of a *New Era of Influence in Finance.*

Across all categories covered so far, we found that Affinity (relatable and selfless advice) is the most powerful driver of decision-making.

For brands seeking growth, being seen as relatable and offering genuine, proximate guidance is critical. This approach captures attention and inspires action.

In the information age, the challenge is filtering abundant knowledge into relevant, personalised options, shifting influence from traditional authorities to consumers who now choose trusted sources.

In Finance, the top-down influence model of Authority is being challenged, especially amid the cost-of-living crisis, with individuals seeking more control and relatable guidance.

This shift highlights the universal need to feel heard, with Affinity now replacing Authority as the primary influence in financial decisions.

The Cultural Drivers of Change.

The shifts that have created the change in how Influence works.

Whilst the four components of Influence (Affinity, Information, Authority and Community) are enduring, their relative power and ability to influence are defined by the current cultural context. We have identified four key cultural shifts that have impacted the relative importance of each factors.

This in turn has created a radical 're-weighting' of the traditional Influence formula where only Information and Authority were the most potent sources of influence.



The Cultural Drivers of Change.

The modern context for Influence, how it works, why it's changing and with this, the implications and imperatives for marketing have been defined by these macros shifts:

01

Information overload

We live in an era of information overload.

With so much information available from different sources, it is now harder to determine useful information and which source is a appropriate to listen to.

02

Code-less culture

We now live in a 'codeless culture' where conventions are constantly changing.

This has made it more difficult to recognise and understand how to respond to the world around us.

03

Default distrust

Australia used to be defined by deep institutional faith. We believed that institutions had our best interests at heart and would advocate for us.

This faith has since eroded, leading us to look towards other sources of Influence.

04

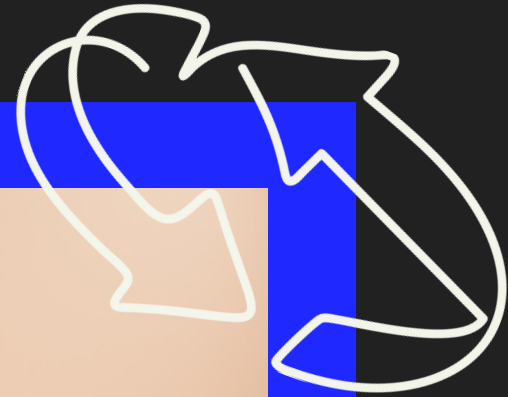
Too much choice

The growing number of choices available to us is increasing exponentially.

While more choice was once beneficial, it has instead led to greater pressure and anxiety in making the right decisions.

PART 02

How the Finance Context has Changed



We are in a Financial Literacy Crisis; 1 out of 2 Australians lack basic fundamentals.

Our research found 1 in 2 Australians are not financially literate*, and 80% don't feel knowledgeable about financial concepts.

Additionally, 44% lack confidence in choosing new financial products, and only 28% are very confident in managing their daily finances.

Less than a third (31%) are satisfied with their financial situation, highlighting a growing gap in the ability to better ourselves.

68%

Of Gen Z and 60% of Millennials failed the literacy test in our research. By contrast only 28% of Boomers did.

56%

Just over half of us say we have strong confidence in selecting new financial products, e.g. credit cards.

28%

Of people are very confident in managing their personal/household budget.

The cost of living crisis has exacerbated the problem, as people are focused on the day to day rather than looking forward.

The cost of living crisis has shifted our focus from big financial goals to daily money management.

3 in 5 'don't feel they can tackle a major expense' and worry about 'being able to pay for the necessities'.*

38% 'have been in a situation where their income doesn't cover living expenses'.*

This pessimism spans all income levels with 2 in 3 low-income earners and 1 in 2 high-income earners rating the country's financial situation poorly.*

Today, half of people aspire to financial freedom by not worrying about expenses, yet 72% are not optimistic about their financial future.

72%

Of us don't feel optimistic about our financial future.

70%

Of us are very concerned about the cost of living.

39%

Of us feel our financial situation has worsened in last 12 months.

A rise in anti-establishment sentiment means that people are turning away from those that have the information to guide them.



Given the current cost of living crisis, people feel the system is broken and there is a severe distrust in financial establishments.

Additionally, people are disengaging due to the overwhelming amount of choice and information overload, particularly in younger generations.

This creates two challenges for Financial brands:

How to offer clear guidance without appearing self serving?

and...

How to build trust in a climate of skepticism?

52%

Are quite or very skeptical of traditional institutions (banks, Government agencies, insurance companies and Super funds).

48%

Of Millennials believe there are too many choices when it comes to financial products and services.

We're in a 'blind leading the blind' cycle, as people turn to friends and family for advice instead.



Australians are turning to those who truly understand their financial situation.

Friends and family (41%) are the top source of financial advice, followed by search engines (41%), financial experts (31%), traditional media (25%) and social media (20%).

This shift reflects a desire for control over our financial reality, especially during the cost of living crisis, with people relying more on personal connections than on financial institutions.

41%

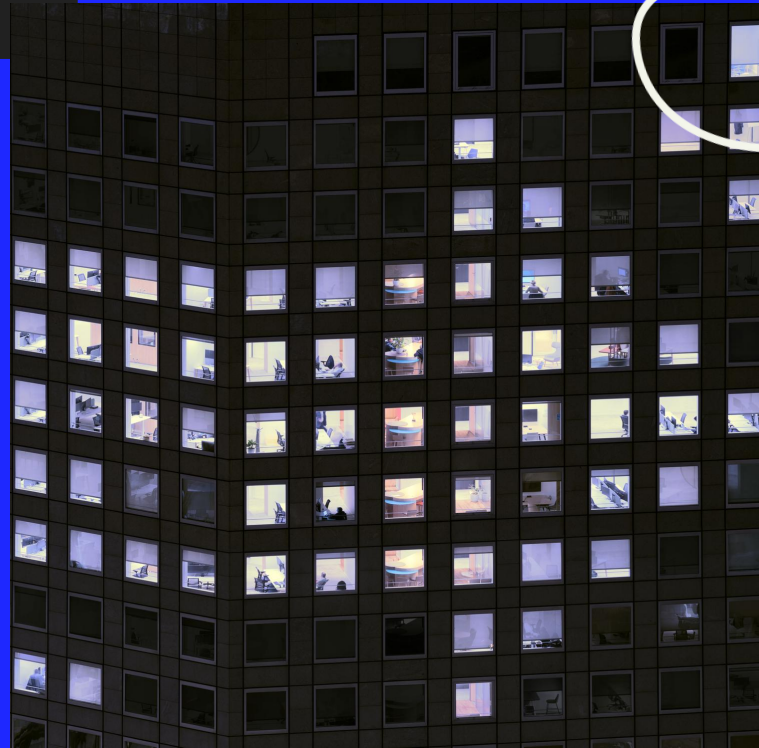
Of Australians rely on friend and family recommendations, with this highest amongst females (47%) and Millennials (44%).

25%

Seek inspiration from online communities and forums with like-minded people.

PART 03

The Influencing Factors in Finance



There are *four* fundamental ingredients of Influence.

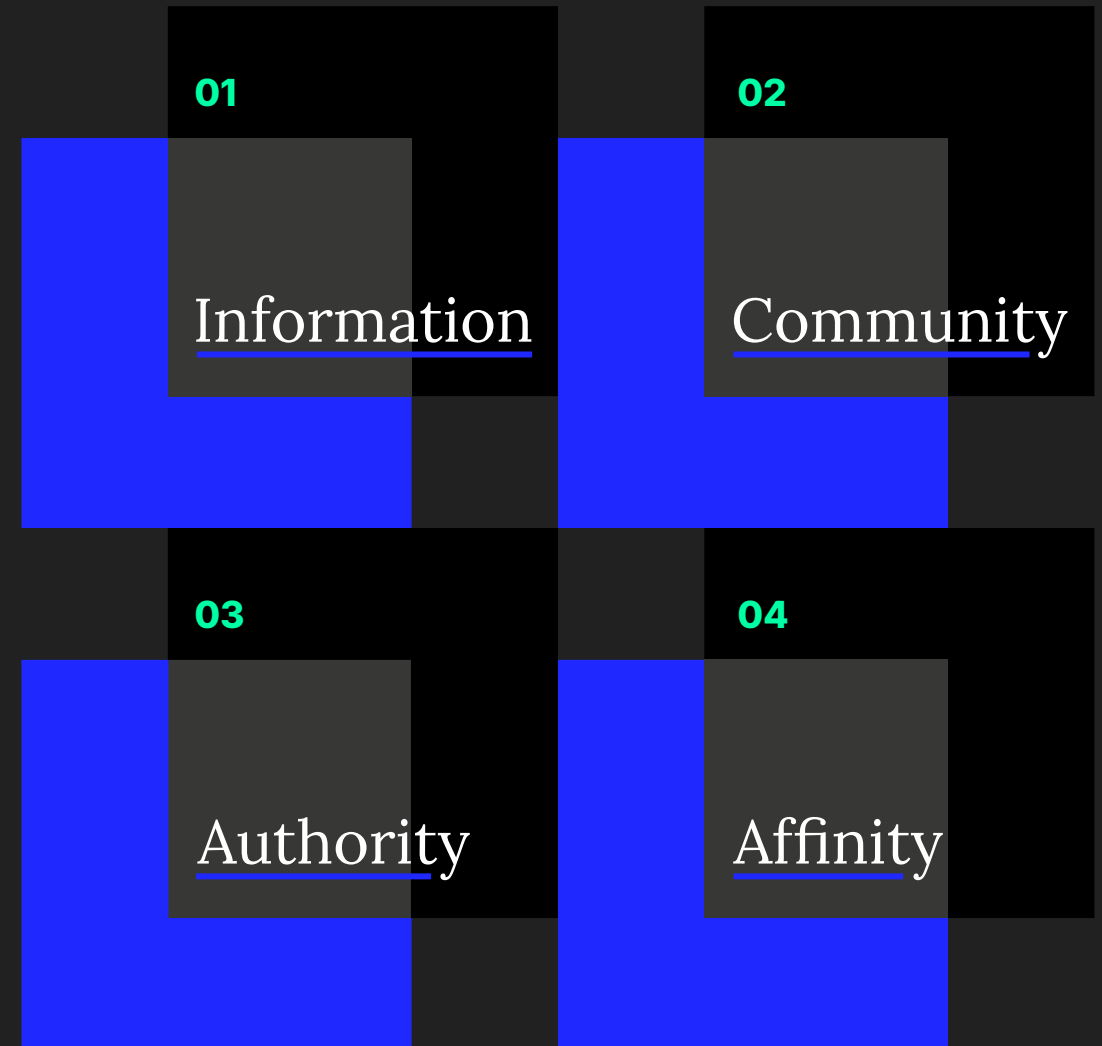
There is a consistent, fundamental set of ingredients for Influence.

Historically, *Information* and *Authority* were the most potent sources of influence. However, there were also two other components.

Community represented what people saw as accepted practices,

behaviours and schools of thought within the groups and communities they were part of. These communities were predominantly geographically defined.

Affinity represented the final ingredient. We would look to our friends and family and those we liked or wanted to be like, to look for the signals we needed to make decisions.



For Financial decisions, *Affinity* is the single most powerful lever of influence, but *Affinity* alone is not enough.

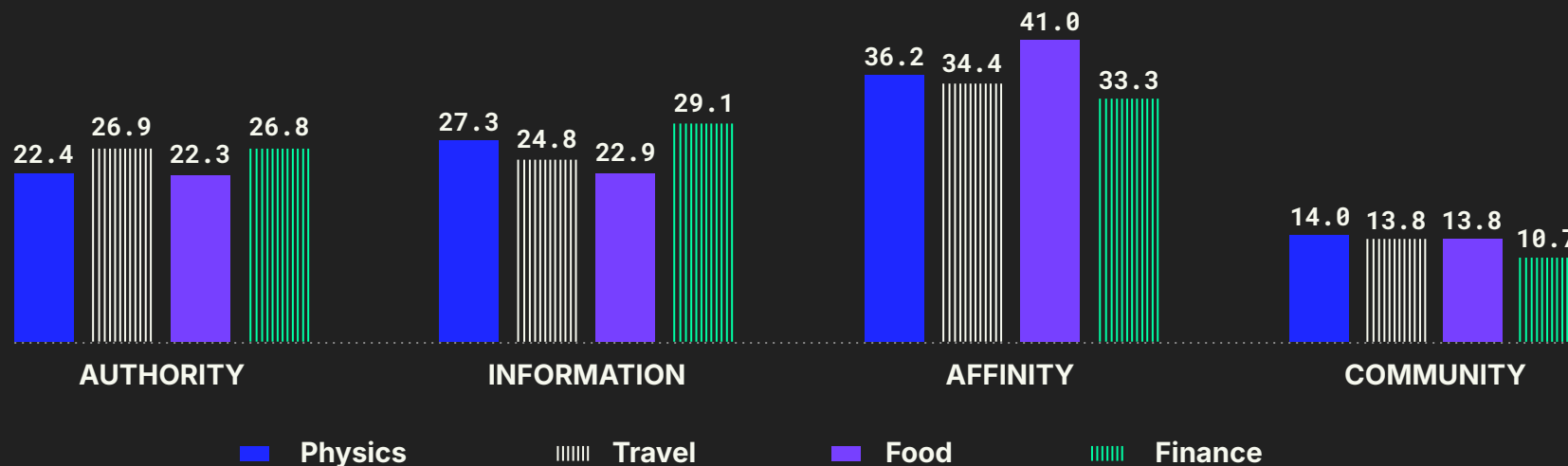
Affinity being the most important factor is due to the current cost of living crisis.

This has made Australians most open to influence when they feel that their circumstances are understood.

Given the complexity of financial decisions, Information and Authority are also key factors of influence in the Finance sector.

Authority helps guide us through complexities, while Information empowers us to maintain control over our choices.

Top Influence Factors by Category



This dynamic is *consistent across all financial decisions tested.*

Affinity is the predominant driver across all decisions, from weekly budgets to understanding investments.

The primary importance of Affinity, and secondary importance of Authority and Information is consistent across simplistic and more involved financial decisions.

Financial decisions are emotionally charged and complicated by our financial literacy and confidence.

Therefore the top priority for brands is understanding the individual, followed by sharing relevant information and experience to influence financial decisions.

Top Influence Factors by Financial Decision

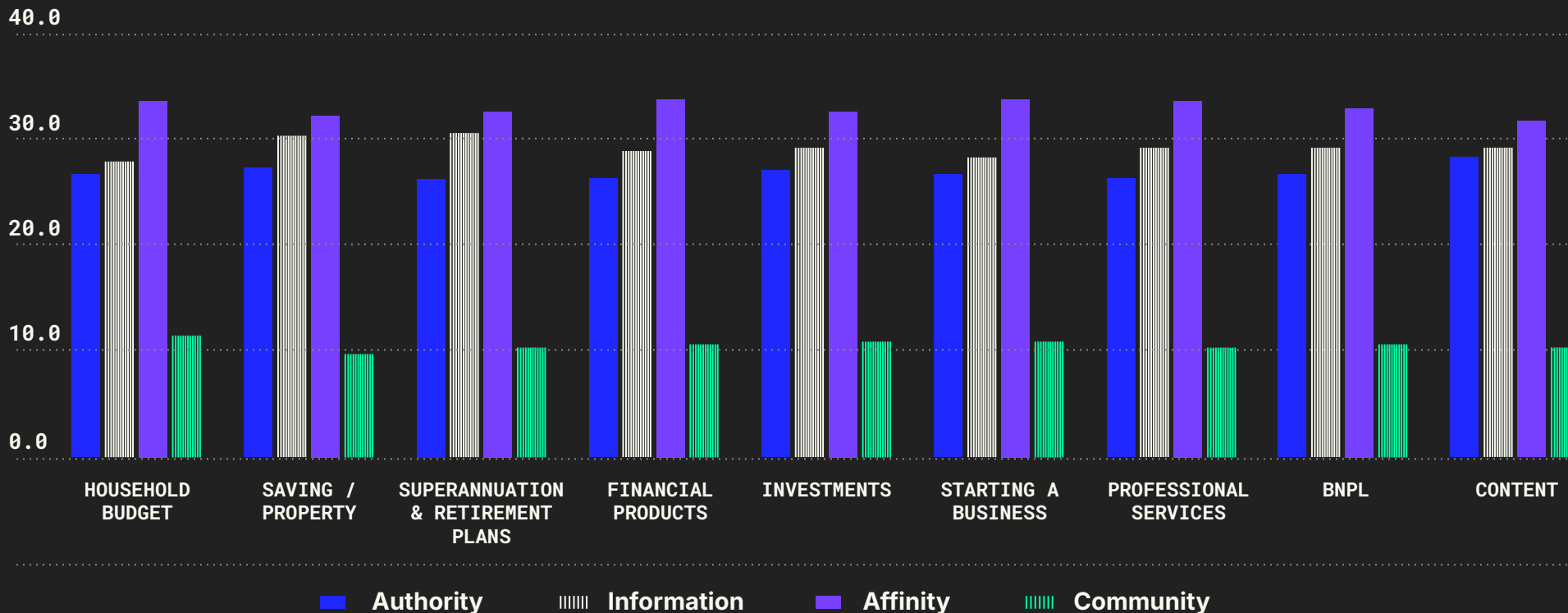


Fig 1: The dynamics of Influence play out consistently across all Australians.

Not just across all generations and geographies, but also levels of income and financial literacy.

For Australians today, *Finance is an Influence vacuum.*

Australians are struggling to find the right sources of Influence.

When respondents were asked to name a person who influences their financial decisions, the overwhelming majority credit friends or family.

Whilst this shows the importance of seeking Influence from people we feel know us, it also strongly suggests that we're not accessing the most relevant information or expertise to make the best

decisions, and not doing so at a time when getting it right is more important.

Far fewer responses in the survey spoke to recognised financial authorities, and only a handful to financial institutions.

This signifies a vacuum of effective Influence in Finance; those who both understand us, and have the relevant expertise to influence our decisions toward the best outcome. With it, delivering to the codes of Influence represents a significant opportunity.



How to address the vacuum.

To bridge the gap between personal trust and expert financial guidance, brands need to:

BUILD TRUST IN INSTITUTIONS:

- Humanise financial organisations: no small feat but the main opportunity to win.

MAKE EXPERT GUIDANCE ACCESSIBLE:

- Simplify financial advice using jargon-free tools and personalised offerings.
- Collaborate with trusted networks to connect expertise with personal trust.

ENHANCE FINANCIAL EDUCATION:

- Develop accessible resources and integrate financial literacy into schools and workplaces.
- Highlight immediate benefits to motivate engagement.

BLEND AFFINITY WITH AUTHORITY:

- Show empathy for Australians' struggles, paired with credible, expert advice.

The Four Influence *Must-Do's* in Finance.

01

BE GENEROUS AND SELFLESS.

Character is key for influencing in Finance.

Exhibiting qualities that are seen to be positive and appealing such as generosity, wholesomeness and selflessness signal an approachability and trustworthiness that is a non-negotiable.

A BRAND GETTING THIS RIGHT... COMMONWEALTH BANK - HOME OWNERSHIP SOCIAL CAMPAIGN

Amidst the cost of living crisis, CommBank demonstrated character by taking a selfless approach and asked in their social campaign "Is owning a home the right decision for you?", instead of pushing their mortgages.

02

UNDERSTAND CONTEXT.

Another vital component of Influence is listening to and understanding the audiences you're engaging.

To amplify Affinity with consumers, brands should complement their own character and likeability by showing an understanding of consumer's situations.

A BRAND GETTING THIS RIGHT... AMERICAN EXPRESS - SHOP SMALL:

This campaign drives spending at local businesses by incentivising card member purchases and fostering community pride. This boosts both merchant revenue and consumer affinity for the American Express brand.

03

TRANSFORM INFORMATION.

Whilst financial literacy is an issue for Australians, the complexity of Finance has the potential to overwhelm.

To build confidence without overwhelming people, provide information that highlights the best options for specific decisions and the desired outcomes.

A BRAND GETTING THIS RIGHT... U BANK - IT'S T TIME:

The campaign includes communications and imagery featuring a simplified guide of suggestions reminding customers of items they may have forgotten or not known they can claim through tax when working from home.

04

BE EXPERTS BY EXPERIENCE.

Authority is also vital in influencing decisions.

To reduce confusion in financial decisions, demonstrating Authority through relevant experience is crucial. This can be done by showing expertise tailored to each decision.

A BRAND GETTING THIS RIGHT... NAB, ANZ & KEEP LEFT - BIG SCAM EDUCATION CONVERSATION:

NAB experts highlight common scam red flags and offer tips for customer protection. ANZ and Keep Left run an educational series with Perry, a Cyber Security Ranger who helps customers stay vigilant using ANZ's tools and strategies.

Honest advice, based on understanding context, is key to building Affinity.

There are two specific factors within Affinity that are most important to driving Influence in Finance.

Character: In a complex category, being seen as someone who offers 'honest and selfless advice' is extremely powerful in Finance.

Financial decisions carry considerable emotional weight, making it essential to foster a positive character, and understand customers and their priorities.

Relatability: Demonstrating this personal understanding and connection is key to influencing.

AFFINITY FACTORS

Will offer honest and selfless advice

Will listen to me, understand me and my circumstances

I know well and trust deeply

Is the real deal, someone you can count on

Shares my attitudes and values

I personally admire or respect

I like and feel a personal connection with

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60

Information influences. *But distilling information into simple options* is the key to cut through the clutter.

Whilst people care deeply about their money, the broader world of Finance is complex.

Whilst Information is important in influencing financial decision making, keeping that information simple is extremely important.

Comparative Information is the most powerful way to deliver this.

The simpler the decision is, the greater the level of Influence. Reducing this to a comparison to other products, as aggregators would do, is the key to influencing in Finance.

INFORMATION FACTORS

Gives facts or details that define why a product or service is better than others

Articulates how the product or service will make my life better

Assesses against a trusted, independent measure

Talks about technical aspects of the product or service or decision

Offers a pre-purchase trial of the product or service or decision

Has a rare or unique piece of information that isn't commonly known or shared

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Support Authority by demonstrating the benefit of experience to establish relevant subject-matter Authority.

Authority and Information are key parts of the Influence formula in Finance. But they need to be used in ways that feel relevant and compelling for consumers.

Expertise: Having a deep level of subject matter experience is hugely powerful in Finance.

Whilst this can be demonstrated in person, it can also be established through **expert reviews** and literature.

Unlike Influence in the other categories covered in Influence Codes, sharing Reviews (similar to the Barefoot Investor) carries influence in Finance.

AUTHORITY FACTORS

Has a deep level of experience

Provides an expert review

Has developed relevant expertise to earn a title or position

Holds an official title, position or credentials

Well-known for giving advice to many people

Has gone through a similar experience to me

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PART 04

'How to Influence' Guide for Financial Brands





*Affinity is the
new currency
of Finance:*
rewriting the
rules of financial
influence.

Authenticity in every touchpoint.

THE PLAYBOOK FOR MARKETERS

Australians accept that Financial Services brands profit from product sales. In 2024, Financial Services media spend is up 9% on 2023, to \$610 million, according to Nielsen.

Yet our research reflects that the saturation of product driven marketing is detracting from brand character, which hinders customers from building Affinity with them.

WHAT TO DO

- Brands should review their total media spend and ask themselves how they can use the media to contribute to the solution, rather than the problem.
- There is an opportunity to build charm, comprehension and relatability through each stage of the funnel.
- Counter-intuitively, fewer products in marketing may lead to higher sales.

WHAT NOT TO DO

- Avoid choice overload.
- Stop bombarding consumers with product options in ways they don't understand, and in a tonality that lacks charm and authenticity.

The Goldilocks Zone of Influence.

THE PLAYBOOK FOR MARKETERS

In Finance, balancing relatability and aspiration is crucial. The Barefoot Investor (Scott Pape) exemplifies this by connecting with consumers whilst maintaining credibility.

Brands can be flexible with their tone of voice in appropriate moments, and finding the messengers who build relatability and brand expertise to your audience is key.

WHAT TO DO

- Have empathy for what people are dealing with, and not only focus on the longer-term dream, but also immediate needs too.
- Financial Services brands need to show up as human first.
- Showcase relatability so consumers don't feel alone with their financial literacy challenges.

WHAT NOT TO DO

- Stop complicating and start prioritising the communication of products that solve many consumer's needs today.
- In a cost of living crisis, don't focus on pushing unrealistic dreams.

Embrace High-Cognitive Load Moments.



THE PLAYBOOK FOR MARKETERS

Affinity can ease decision-making during stressful times when consumers' receptivity is low. However, our research shows this approach isn't effective yet.

Brands should adopt a human, empathetic tone and clearly highlight products or services that offer simple, pragmatic solutions to consumer's financial goals through relevant media, messaging, and user experience.

WHAT TO DO

- Offer easier ways to navigate product offerings that help solve immediate needs.
- Ensure this is consistent across all touchpoints, including online, call centers, and in-branch experiences.
- Brands will benefit from showing up as human, empathetic and demystifying the complicated.
- Ensure the right messages are delivered at the right times.

WHAT NOT TO DO

- Don't focus solely on figures and lose empathy in tonality.
- Avoid looking at media and touchpoints in isolation.

PART 05

Conclusion



In Conclusion:

Affinity is the key to Financial Influence.

TO CONNECT

You need to understand where people are really at.

Our research shows that we are in a financial crisis and Affinity is more influential than traditional Authority:

- 72% feel pessimistic about their financial future.
- 70% are struggling to afford basic necessities.
- 67% lack confidence in understanding financial terms.
- 52% express distrust in financial institutions.

TO ENGAGE

You need to understand who people are turning to.

Personal connections have become the primary source of financial advice, with 41% turning to friends and family.

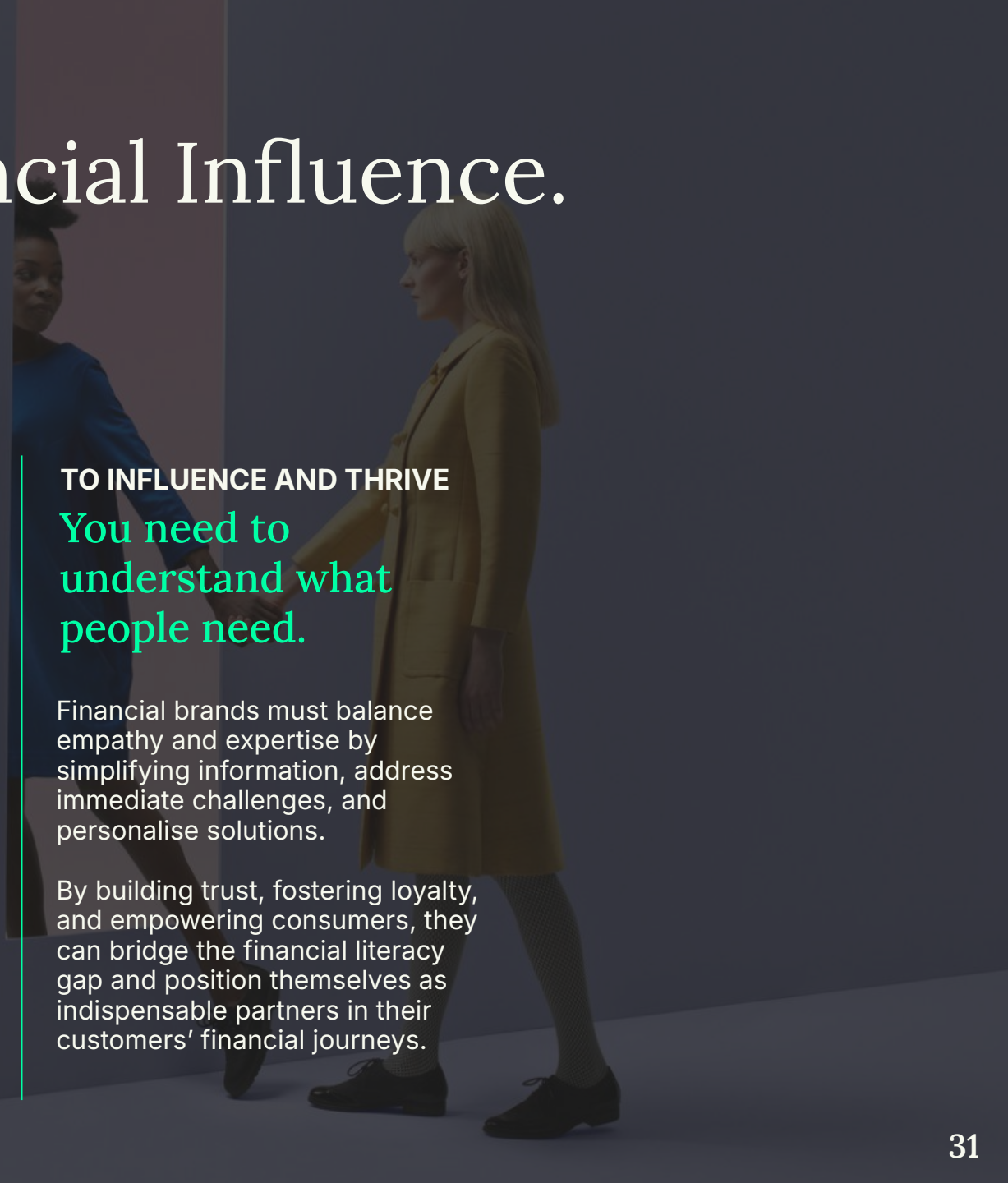
However, this creates a vacuum of expertise, and a worry particularly for 'easier' financial decisions like budgeting and choosing new credit cards where only 28% feel very confident in their abilities.

TO INFLUENCE AND THRIVE

You need to understand what people need.

Financial brands must balance empathy and expertise by simplifying information, address immediate challenges, and personalise solutions.

By building trust, fostering loyalty, and empowering consumers, they can bridge the financial literacy gap and position themselves as indispensable partners in their customers' financial journeys.



Sharing
is caring...



The
Influence
Codes