



## How Investors Benefit From The Bank of Nova Scotia's Marketing Mastery

### Description

For most people, including investors, banking is a rather boring type of business, often associated with people in suits counting \$20 bills — a sentiment that makes it harder for banks to market themselves to the average consumer. But one of Canada's top six banks has managed to go above and beyond the competition, putting its name front and center.

I am speaking, of course, of **The Bank of Nova Scotia** ([TSX: BNS](#)) ([NYSE: BNS](#)) or, as its marketing department has been hard at work rebranding itself as, Scotiabank.

The Scotiabank logo seems to be just about everywhere these days and I'm not just talking about TV commercials, but in retail stores, kids' hockey programs, at the movies, and when you watch hockey.

### One bank to brand them all

If you have been seeing lots of red (and I don't mean sobbing rage from Oilers and Jets fans) while watching hockey, no, it isn't a coincidence as Scotiabank has secured partnership agreements with all seven Canadian teams — showcasing its logo on TV and through other promotions such as NHL team-branded credit cards and other promotion such as the towels given out over the weekend at both the Winnipeg Jets and Vancouver Canucks games. This isn't new: NHL in Canada is prime promotional real estate, but Bank of Nova Scotia has gone above and beyond its competitors at being seen all the time.

### Will that be Canadian Tire cash or Canadian Tire credit?

Here's where things start to get interesting. Earlier this year, **Canadian Tire Corporation** ([TSX: CTC.A](#)) sold off 20% of its financial services division to Bank of Nova Scotia for \$500 million. In the deal, Canadian Tire gets a \$2.25 billion safety cushion in available credit financing but, more importantly, it gets cross-promotional opportunities.

We've already seen the first wave of what was the expansion of Canadian Tire Money from paper to plastic through a new Bank of Nova Scotia MasterCard. The hope is that customers will be more willing to use a credit card offered by the one bank to rack up more rewards.

## Let's all go to the lobby and get ourselves some credit

This isn't the first or the last time that Bank of Nova Scotia has created this type of loyalty rewards credit card program. Long before the Canadian Tire program there was the gamble the bank took with **Cineplex Odeon Corporation** ([TSX: CGX](#)) to create the SCENE loyalty program and credit card.

But it wasn't just a loyalty program that was created but an alternative advertising blitz, with such things as Scotiabank commercials playing before the movie starts to rebranding several Cineplex locations as a Scotiabank Theater. A trend that began in cities such as Vancouver and Toronto has begun to creep into smaller locations such as St. Johns, Saskatoon, and Halifax.

Back to the rewards program, though, this is where the cross-promotion begins to morph into an interconnected entity. Now people can get a Scotiabank SCENE Visa go to a Cineplex theatre and redeem their points at Sportscheck.

It is this type of interconnectedness that is setting Bank of Nova Scotia above its rivals and consumers with no prior association with the bank are reacting positively to the programs. This is important for a bank that is moving to have half of its revenues come from outside the country.

This strategy here at home helps the bank backstop itself in its forays overseas — especially now as its Caribbean operations are floundering and many emerging markets have begun to stagnate, even before the market crash happened earlier this month.

### CATEGORY

1. Bank Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. TSX:BNS (Bank Of Nova Scotia)
3. TSX:CGX (Cineplex Inc.)
4. TSX:CTC.A (Canadian Tire Corporation, Limited)

### Category

1. Bank Stocks
2. Investing

### Date

2025/08/25

### Date Created

2014/10/20

### Author

cameronconway

default watermark