

AS EASY AS PIE

by [Steve Brown](#)

Making a pie can be quite an undertaking. It requires a hot oven, various ingredients, a good recipe and training in the culinary arts. Pies can be overcooked, undercooked, soggy and even burnt. While we may not be expert cooks, we can say that we do know a good cherry pie when we taste one. When it comes to banking, cooking up a good customer newsletter also requires a mix of key ingredients, training and expertise. That is why in late April we provided a recipe for bankers on how to outsource the creation of such a customer publication (studies show 67% of banks outsource at least some of their marketing activities). We highlighted the ongoing value of newsletters from a Bank Marketing Association survey that found 75% of newsletter recipients remember seeing an issue of a particular bank's newsletter; 53% read almost every issue; 32% have kept newsletter articles and 16% have passed entire newsletters on to others. Further, 1 in 4 said newsletter articles led them to request more information, respond to an offer, or do more business with the sponsoring bank. After informing community bankers that we had an outsourced professionally written and published newsletter solution at a cost of up to 80% less than in-house versions, we were literally inundated by readers seeking more information about the process. Since then many banks have signed up and about 300 more are still working through their due diligence and approval process. We probably shouldn't have been surprised about the overwhelming response, since it is logical that banks feeling margin compression would be seeking ways to save money and leverage resources. What better way than by outsourcing some of the least profit generating activities. So, after interviewing banks that had outsourced their newsletter creation, reviewing industry surveys and researching effective customer acquisition methods, we offer up 10 quick ideas bankers can use to fill any down time freed up by outsourcing. 1) Scan local and industry-specific media daily looking for client mentions. Then write and send congratulatory notes, e-mails or call the clients featured to introduce the bank. 2) Create and send customer-specific birthday or holiday cards to say thank you or promote an event at the branch. 3) Canvass clients on top business concerns and organize complimentary forums to address those issues. 4) Make phone calls to every key client to thank them for banking with you, and inform them of a new product introduction, a bank special, or a bank-sponsored event that will help their business. 5) Visit key clients at their business for short interviews and to take pictures. Then translate those into customer profiles for inclusion in advertising. 6) Identify local nonprofits within 5 miles of branch offices. Then get bank officers to volunteer on boards or otherwise nurture these significant banking relationships to increase deposit flows. 7) Create industry-specific lists of executives at businesses within 5 miles of your branch offices that you'd like to have as customers. Then start mailing these executives your newsletter, send them a postcard, or invite them to special functions at the branch. 8) Welcome clients arriving during peak periods in branches. Promote and orchestrate a "client appreciation" barbeque, chili cook off, baked dessert bonanza, ice cream or kettle corn social at a different branch each month. 9) Monitor real estate sales and new business arrivals within 5 miles of branches. Then hand-deliver "welcome to the neighborhood" packages within a few days of arrival. 10) Allocate resources to check business license listings or contact the Chamber of Commerce. Finally, with studies showing 94% of community banks feel attracting new business customers is important to their success, outsourcing the customer publication process and reallocating internal resources to pursue less mundane projects should provide increased sales

opportunities and save money. Give us a call to see samples of recent publications and understand how newsletter outsourcing can be as easy as pie.

BANK NEWS

C&D

Innovative Bank (\$255mm, CA) was the latest bank to receive a cease and desist order from the FDIC due to a variety of deficiencies (including management, board oversight, training, credit administration, BSA and general regulatory adherence). The bank's 25% growth rate also led to a variety of problems, including a high level of loan delinquencies.

Housing Malaise

The Census Bureau is reporting that as of the end of March, the number of homes empty and for sale climbed for the 10th straight quarter to a record rate of 2.8%.

Payment Stress

A new study finds that a record number of homeowners (about 1 in 3) were paying 30% of their income toward housing. The data shows that the number of people paying such a big chunk has risen 20% over the past 5Ys.

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