

## CUSTOMER INSIGHT FOR YOU

by [Steve Brown](#)

A study by a researcher at North Carolina State finds genes are responsible for 45% of the variance in a person's tendency to ignore requests to take surveys. The researcher monitored the behavior of twins and found out genetics make a big difference in how often and whether someone will either respond to or ignore a survey request. Just something to keep in mind the next

time you conduct a customer survey. Speaking of customers and gaining insight, we found a 2010 study of small business customers and their online habits somewhat interesting. In it, the researchers surveyed and monitored more than 4,000 business owners to see what they did online as they tried to figure out why.

One of the first things to surface was that consumer customers of small business owners use the internet first when trying to figure out where to buy something or where to get more information about businesses. In this age of Google, that shouldn't be surprising, but 70% of people went to the internet first over all other options.

Next, roughly the same number of consumers (about 69%) said they were more likely to use a business if it had information available on a social media site. People wanted business owners to answer questions and complaints using social media sites (81%); have special offers or promotions there as well (78%); provide regular information about what products they offer (74%); and provide company photos (66%). Clearly, people want the businesses they frequent to find them wherever they access the internet and social media is one such place.

Finally, this survey also found out that 78% of people used social networks to find out business ratings. People found them important when making a buying decision and many sought out information from friends or family before going into a business. It is important for your customers to understand this and make sure they are utilizing this resource to make them stronger and enhance their business opportunities.

Beyond the findings of this survey, another thing community banks can do to assist their small business clients is to suggest those clients do some light stress testing. To truly understand how risky that loan is you are about to make, you might want to help the business owner understand as well. One way to do that is to suggest the customer reduce their revenues by 10% to 15% to see what happens and then discuss what steps they might need to take should that occur. Getting business owners to think about the ups and downs of any business can be quite helpful and open up their eyes (plus make them more prepared to respond in the event such a scenario was to occur).

Finally, consider recent analysis featured in BAI. It found that core deposits generate 60% of a community bank's small business profitability and that when you capture both the owner and the employee accounts profitability can double. Focusing your products and services in a holistic fashion can help drive more sales and boost customer stickiness, so think top-down and all-inclusive and you are well on your way to success.

In closing, we are not saying banks should conduct their own testing on twins to find out how customers will respond to various products or services (but the information is indeed interesting).

That simply isn't necessary, since we have already made it much easier for those who attend our annual EMC Conference in May. At that event, we will give you even more practical information about customers to assist you in capturing more, keeping them happier and increasing profitability through different techniques. As an added incentive, if you register by the end of the week, you will save even more, under our Early Bird registration discount. Hurry though, because that discount ends this week.

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