

DIVING INTO THE DATA POOL TO IMPROVE THE BANK

by [Steve Brown](#)

Every so often we will grab a towel, throw on some swim trunks and head on down to the Bureau of Labor and Statistics (BLS) to take a dive into their data pools. We recently did that and came across some interesting information related to how people use their time, what we do when we aren't working and some insight why we do these things. We bring this up today because this information is relevant for community bankers when launching a new product, capturing or retaining customers or seeking to improve customer service, for instance.

Whether you are considering where to put branches, hours, opportunities or delivery channels, it won't surprise you that more people work during the average weekday (82%) than on the weekend (35%). That said, people work an average of 7.9 hours during the typical week day, but only 5.5 hours on the weekends. So, if you are going to hold events in the lobby or in the parking lot on the weekends, just knowing this information could be helpful in driving up attendance or knowing when and how to contact potential customers (or improving event scheduling).

Another interesting area that may not appear so on the surface relates to household chores. During an average day, 84% of women and 67% of men spent some time doing activities such as housework, cooking, lawn care or financial management. If your bank wants to target new customers, it might make sense to work out a deal with a house cleaning or lawn care company and give out coupons to customers that open up a deposit account or to remind customers about your easy to use online financial applications and provide assistance. The data shows some of the easiest ways to get customer attention can still deliver results.

On the rest and relaxation front, people spend more than 5 hours per day doing leisure activities, so this can be another area of focus for your bank. Here, the data shows that in general, watching TV is still the top leisure activity at 2.7 hours per day (about 50% of all leisure time); followed by socializing with friends or hosting social events (14% of time); participating in sports, exercise or recreation (6%); or making phone calls and emailing (3%). When targeting customers by having your sales teams hang out at the gym, it is important to note that men were more likely to participate in sports, exercise or recreation (22%) than women (16%) and typically spent more time working out (1.9 hours vs. 1.3 hours). No reasons were given, but when working with gyms to target new customers, just knowing this information might change your collateral material, what employees you send and the messaging.

Age is also a factor when it comes to leisure activities. For instance, people 75+ spent 1.1 hours per weekend day reading and 18 minutes playing a game or using a computer. This compares to those 45 to 54, who spent 400% less time reading but about the same amount of time playing a game or using a computer. Meanwhile, those aged 15 to 19 were about the exact opposite of the oldest group, doing very little reading (about 6 minutes each day), while spending over an hour on the computer (about 400% more than the oldest group).

We hope you have enjoyed this deep dive into the data pool and that it will help your bank. Leveraging information and differences when developing new products or figuring out where to spend

marketing dollars are potential places to begin.

BANK NEWS

M&A

WashingtonFirst Bankshares (\$559mm, VA) will purchase Alliance Bankshares (\$510mm, VA) for \$24.4mm in cash and stock or about 86% of tangible book. The move comes 5 months after Alliance failed to complete a sale to Eagle Bancorp (\$2.8B, MD).

CRE Lending

A survey from the National Association of Realtors indicates more than 50% of realtors believe banks are the same or stricter on smaller property lending vs. last year. About 67% of agents working with properties priced below \$2mm, said purchases declined because LTVs were too high to qualify for a loan.

Public Capital

EverBank Financial (\$13B, FL) had an IPO and shows that investor appetite for bank stocks remain muted. The bank had to lower its offering price twice before it finally went off at just slightly above tangible book. Of special note, the bulk of EverBank's relationships come through the online channel.

TARP Phase Out

The Treasury said it would discontinue this bank capital program. The 343 community banks that still have TARP outstanding will either be gently pushed to pay it back, assisted with restructuring the debt or, the most likely scenario, having the debt sold in the open market. Our take on this is that debt sales will be done individually or in pools. This presents a unique opportunity for banks looking to redeem capital at a discount or possibly in taking a position in another bank.

Home Lending Dominance

Wells Fargo now originates 34% of all mortgage loans in the country. That is more than the next 7 largest mortgage lenders combined. Wells originated 300% more in volume than JPMorgan Chase (which held 2nd place).

BofA

The Bank said that should Moody's go through with its expected one notch downgrade, the move will trigger the potential demand for up to \$6.2B in collateral for counterparties.

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