



Closing The Online "Deal" With Your Customers

by [Steve Brown](#)

Deloitte did some work recently that looked at shifting consumer behavior when it comes to food and shopping. It found the top attributes surveyed consumers ranked in importance around food safety were: free of harmful elements (62%), clear and accurate labeling (51%), clear information (47%), fewer ingredients (42%) and nutritional content (41%). In food as with other shopping activities, this tilts toward a trend of greater buyer control, a desire for better information and a driving focus on what matters to the individual, it would seem.

When it comes to online shopping, research shows consumers will often "abandon" the process in the midst of active web sessions due to boredom or when it becomes difficult in some way. In banking, there are ways for community banks to draw these online customers in and keep them though.

On average, shoppers abandon online "shopping carts" roughly 70% of the time, according to an average of more than 30 e-commerce studies. For community banks, the draw of being a local provider is meaningful, but there are still rules that you need to keep in mind if you want to bring customers into your online portals. To encourage customers to interact with you online or open an account there are some things to keep in mind:

Keep Costs Transparent - According to Statista, the #1 reason people leave items in their online carts is because they are presented with unexpected costs. Just as with online retail sites, banks must keep their costs to customers clear to drive better online engagement and results.

Be Sure the Experience is Positive - Website crashes, long forms to fill out, laborious checkout processes and website timeouts are responsible for many customers leaving unpurchased items in their carts. Like retailers, community banks have to support a sufficient infrastructure to meet customer demand both online and off. Web monitoring services are one tool you can use to keep an eye on how well your site's hosting servers are performing.

Improve the User Experience - While a poor user experience is detrimental to completing online transactions, banks' sites should be fairly easy to navigate. Displaying things like product images in the shopping cart and security logos on the page help improve shopper confidence. That makes it easier for banks to convert "shoppers" into customers, which is especially important with new customers (who may not want to spend extra time creating an account for an incidental, one-time account or product). Perhaps consider using the customer's email address to identify them, instead of login credentials, in some cases.

Ad Retargeting and Email Reminders - Many customers just aren't ready to make a purchase when they visit a bank's site. One of the best ways to improve conversion rates is to reach customers after they've left an online site and remind them of the products or services in which they expressed interest. This practice is called ad retargeting. Many times, all it takes is a little nudge like this to bring potential customers back to your site. Case in point: Retargeted ads have click-through rates [10x higher](#) than display ads.

Create a More Customized Experience - If your bank site does make customers or prospects utilize a login system for making purchases, you can create personalized emails with pictures of the products or services that they have searched or looked at on the site. You can then attach product reviews as well and send these to customers to entice them to come back and complete a sale. Sending an email like this, [3 hours after abandonment](#), produces the best results.

No matter how you or your customers shop online or off, it is important to keep challenging the status quo at your bank to stay on top of things.

BANK NEWS

Robot Trades

The Financial Times reports JPMorgan will soon use robots to execute trades in its global equities algorithms business, as it has been found to be more efficient than traditional trading methods.

Deposit Outflows

American Banker reports as much as \$2.5T in bank deposit growth since the crisis, or about 50% of the total, could be attributable to Fed quantitative easing. That could reverse back out as the Fed continues to raise rates and takes action to reduce its \$4.5T balance sheet.

Another Scandal

The New York Times reports more than 800,000 of Wells Fargo's auto loan customers were charged for car insurance they did not need. Wells discontinued the program and moved to make customers whole.

Brexit Impact

Research by Oliver Wyman finds banks may need to raise \$30B to \$50B of additional capital to support European units if the Brexit is a hard one and operating costs could rise by \$1B.

Going Digital

MIT research finds 85% of respondents say they agree" or "strongly agree" that being a digital business is important for the success of their company.

Online Offerings

PwC research finds a whopping 97% of credit unions with just \$50mm to \$100mm in assets let borrowers make loan payments online and about 73% offer loans online.

DEPOSIT OPPORTUNITIES

In an effort to expand our relationships, PCBB is pleased to offer community banks a money market deposit account rate of 1.10%, subject to availability. Contact operations@pcbb.com

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