# Key Strategies To Promote Digital Engagement

by Steve Brown 🏷️ ( loyalty programs ) ( digital banking ) ( customer experience )

**Summary:** It is not always easy to satisfy your digital customers. One survey shows that 61% of banking customers said they would switch banks if they were dissatisfied with the mobile banking experience. Yet, there are two key strategies that community financial institutions can deploy without breaking the bank with cutting-edge technology, branch digital advocates and digital loyalty programs.

NY restaurant, Serendipity 3, just broke the Guinness World Record for the most expensive French fries at $200! Chefs Calderone and Schoen-Kiewert wanted to provide their customers with an exclusive and delectable culinary experience and so "Crème de la Crème Pomme Frites" was created. This top-of-the-line potato dish includes among other things "Upstate Chipperbeck potatoes, Dom Perignon Champagne, batches of pure cage-free goose fat from France, Gruyere Truffled Swiss Raclette that has been aged for 3 months, and 23k edible gold dust." Even at $200, there were several customers lining up for them.

Luckily, to keep your digital customers happy, you don't necessarily need to create these types of over-the-top offerings. There are several ways to provide the right digital experiences without the cost of cutting-edge technology.

This is especially important since customer dissatisfaction with a financial institution's digital offerings can be highly detrimental. In one survey, 61% of banking customers said they would switch banks if they were dissatisfied with the mobile banking experience. Staying connected with your customers to ensure you satisfy their expectations and build loyalty is vital.

To do that, here are two key options to consider — branch digital advocates and digital loyalty programs. These two tools can provide an important engagement boost with your customers too.

**Branch digital advocates on the rise**

At branches, many bankers are using a personal touch to promote digital usage and increase engagement. Branch digital advocates, trained in both an institution's digital systems and customer service, are being deployed in branches to answer customer questions and help guide digital usage. This marriage of the financial institution's app with a real helping hand is seen as an important addition to services offered at branches these days.

One recent BAI survey asked 200 bankers which digital branch resources would be seeing the most new investment. The top answer (42%) was digital advocates. The reason for this growing interest in digital advocates is that while customers tend to name better digital solutions as their most favored bank service, they also often complain about difficulties encountered with programs at their own institutions.

Many community financial institution (CFI) customers continue visiting branches, so that seems to be a logical place to answer their digital questions and solve their digital issues. If you decide to use digital advocates, finding specialized people who not only understand digital, but also know how to

engage with customers is key. Start by looking internally to see who might fit this description. If there aren't any internal candidates, then broaden your scope and sweeten the pot. Ask your employees for referrals with a reward for technology-savvy, highly service-minded people. This gives you a way to expand your number of digital advocates for your customers quickly.

**Rewarding digital usage**

Much like when banks once offered toasters for new customers, financial institutions (FIs) are now offering gifts for digital usage as a way to spark interest and boost loyalty.

Digital loyalty programs offer customers bonuses for using an FI's digital platform and systems. To make it enticing, the program can be structured to offer loyalty points to users that can be spent in a variety of ways, such as delivery services for busy business customers. For instance, signing up for mobile banking provides you with 50 points, then the first online transfer rewards another 10 points, etc. As the SVP and general manager of NCR digital banking recently noted, "The biggest advantage that financial institutions have is the amount of data that they are able to collect about their users, allowing them to provide personalized loyalty programs."

Loyalty programs can be effective in engaging and retaining customers, but they can also be used to promote goodwill within the community. CFIs that tie these programs and the rewards, such as gift cards to local merchants or donations to local nonprofits, make valuable connections with community members and business owners and build loyalty with a community-centric brand.

That said, it is important to remember that digital advocates and loyalty programs are not enough to win over customers if digital offerings are not up to snuff. Before you do either of those, you need to provide a robust and easy-to-use digital offering. Then, if customers like your digital services, they will like you even more if you reward them for their loyalty.

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## ECONOMY & RATES

Rates As Of: 08/02/2021 05:27AM (GMT-0700)

| Treasury | Yields | MTD Chg | YTD Chg |
|---|---|---|---|
| 3M | 0.06 | 0.01 | -0.03 |
| 6M | 0.05 | -0.01 | -0.04 |
| 1Y | 0.07 | 0.00 | -0.04 |
| 2Y | 0.18 | -0.01 | 0.06 |
| 5Y | 0.68 | -0.01 | 0.32 |
| 10Y | 1.24 | 0.00 | 0.32 |
| 30Y | 1.91 | 0.01 | 0.26 |

| FF Market | FF Disc | IOER (Interest on Excess Reserves) |
|---|---|---|
| 0.10 | 0.25 | 0.15 |

| SOFR | Prime | OBFR (Overnight Bank Funding Rate) |
|---|---|---|

| 0.05 | 3.25 | 0.08 |