



Four Strategies To Reassure Your Customers Right Now

marketing customer service customer retention management

Summary: Following recent bank failures, there is a sense of unease in the industry and depositors may have concerns about the reliability of their institutions. We share four strategies CFIs can use to effectively communicate with their customers and alleviate their fears.

The Tower of Pisa, a freestanding belltower in central Italy, started leaning during its construction in the 12th century. By 1990 it had reached an incline of 5.5 degrees, however, remedial work has since stabilized it at 3.94 degrees. Surprisingly, the tower has withstood four strong earthquakes. The soft soil on which it is built — though causing it to lean — combines with the stiffness of the structure in such a way that the building does not resonate with ground motion.

Unlike the Leaning Tower of Pisa, confidence in the financial system has tumbled following the collapse of three US banks this year. According to a March survey by The Associated Press-NORC Center for Public Affairs Research, only [10% of Americans have high confidence in financial institutions](#), down from 22% in 2020. While 57% of respondents said they have some confidence, 31% have very little.

Wherever your customers fit into these groupings, proactively engaging with them could go a long way to help them and your institution navigate this worrisome market.

Effective Communication in Troubling Times

Many financial institutions did engage with customers in the immediate aftermath of this spring's bank failures. Major brands hosted webinars, sent newsletters, or took to social media to inform their accountholders of the latest developments to instill confidence in their ability to safeguard their funds.

Despite regulators' assurances and claims that the worst is over, an uncertain climate still prevails. Community financial institutions (CFIs) would do well to maintain their focus on [addressing their customers' concerns](#) to keep their deposits safe.

Here are four strategies you can use to communicate effectively with customers:

1. **Tell your story.** Communication expert [Merrie Spaeth says](#), "The way to maintain confidence in the banking system is to get out into your communities and talk about your institution's policies and your customers." This means telling your communities who you are, where you come from, and who you serve — from individuals to local businesses of all shapes and sizes. Giving some flesh and bones to your institution and showing how diversified it is can help anchor it in customers' minds.
2. **Build a solid social media strategy.** With [72.5% of the US population using social media](#), these platforms are not just a means of advertising, but also an excellent tool to enhance customer service and humanize your brand. They also have the potential to spread misinformation about your organization, which means it's even more crucial to be at the wheel of any conversation about your institution. If you can establish a following and a strong strategy, social media is also [a very powerful tool in your risk management strategy](#). Posts should be authentic, positive, and consistent. Adopt a personal tone and address customer concerns

- directly and speedily, using language they understand. Focusing on activity that demonstrates the institution's involvement in the community will also help customers connect with your brand and build trust.
- 3. Position yourself as a trusted advisor.** Navigating the financial landscape can be trying for consumers, bombarded as they are with information from all directions. To perform this role, you should have a clear understanding of your customers' needs, an ability to listen and draw on your knowledge and expertise to help guide them, and the integrity to always put the customer's interests front and center. As part of this, your CFI may want to offer to educate your customers in both individual and group interactions.
 - 4. Increase your availability.** Inevitably, questions and concerns will surface, despite all your proactive and positive communication. Ensure you have a dedicated team, properly trained to deal with customers' issues, and equipped to respond to queries in a consistent manner. While it may be an extreme example, at the height of the crisis, some financial institutions went as far as giving out their [CEO's personal phone number for worried customers](#) to call. To cater to the needs of both existing customers and potential new ones, you may want to consider extending opening hours at your branches or even adding new lines of communication for customers to reach out whenever it's convenient for them, [like a chatbot](#).

Confidence in the financial industry is everything. As uncertainty persists, it is crucial that CFIs continue to communicate effectively with their customers, to reassure them that their deposits are safe and that the institution can be trusted to guide them through these difficult times.

START SMALL AND UPGRADE LATER WITH CECL FIT

We know that not every banker has the same needs. CECL FIT® gives you options to custom-fit your portfolio. Start with a smaller tier and then you can upgrade as you grow. Learn more about our [CECL FIT solution](#).

ECONOMY & RATES

Rates As Of: 06/01/2023 05:36AM (GMT-0700)

Treasury	Yields	MTD Chg	YTD Chg
3M	5.52	0.42	1.10
6M	5.46	0.40	0.70
1Y	5.13	-0.02	0.43
2Y	4.39	-0.02	-0.04
5Y	3.73	-0.02	-0.27
10Y	3.62	-0.02	-0.25
30Y	3.83	-0.03	-0.13
FF Market	FF Disc	IORR	
5.08	5.25	5.15	
SOFR	Prime	OBER	
5.08	8.25	5.06	

Copyright 2021 PCBB. Information contained herein is based on sources we believe to be reliable, but its accuracy is not guaranteed. Customers should rely on their own outside counsel or accounting firm to address specific circumstances. This document cannot be reproduced or redistributed outside of your institution without the written consent of PCBB.