



## Three Areas To Use Customer Research To Strengthen Your CFI

marketing business customers digital banking

**Summary:** Community financial institutions know all about customer service and customer research. However, there are many ways to use this research. Are you ready to use it for your larger business goals? ROI could be as high as 7x when coupled with analytics tools. We highlight three areas to effectively use customer research.

Customer experience is a large part of customer satisfaction. Did you know that it takes 12 positive encounters to outweigh a negative one? In support of this idea of pristine service, 33% of Americans would consider switching companies after only one bad service experience. While it is difficult to provide a perfect customer experience every time, this shows how important it is to keep trying!

Community financial institutions (CFIs) already know the value of customer satisfaction. Yet, customer feedback can go even farther than simply providing customer gratification. It can give you valuable insights for multiple business goals. Since you are already speaking with your customers often, having a planned approach will provide you with the right feedback.

**So, what is the best way to get started?** First and foremost, determine your objectives. That will help you narrow down the specific metrics you should use and the most appropriate research method to employ.

Here are **three areas where you can use customer research** to glean the most impactful insights.

1. **Entering a new market.** It's always beneficial to leverage outside market research that analyzes the demographics of both individuals and businesses in a prospective new market you're considering. But, you can increase your chances of success if you delve further, by directly surveying real people, including business owners, on how your institution could best help them, if you set up stakes there. Then, you are better equipped to plan your entrance appropriately. In fact, 68% of organizations with increasing annual revenues attribute this to the use of market research.

You can employ a variety of methods — online, telephone, and in-person surveys can all yield substantive results. *"We can't be successful unless we deeply understand the personas that drive a specific market; gaining insight into their motivations, concerns and desires is an essential part of the strategic planning process and fully activating our presence in a market - especially a new one,"* says a Mid-Atlantic CFI executive.

2. **Enhancing digital channels.** The pandemic shutdowns prompted more people to become digital-only customers and J.D. Power found how to keep them happy. The more frequently they interact with their institution, the happier they are, according to its 2021 U.S. Retail Banking Satisfaction Study. Measure the user experience of your digital channels by asking customers to let you walk through your website and app with them, while they're at the branch or on the phone. This way, you can more accurately gauge their opinions on the ease of functionalities — and what may be missing that they really want. Doing this, along with Google Analytics, [can increase ROI nearly sevenfold](#).

**3. Refining your brand.** Your brand is not static. It contains many aspects, such as your customer service, email communications, logo and tagline, and website, among others. Conduct focus groups and ask what people think of your institution — as well as what they think of your competitors. This way, you can get a more accurate comparison of the perceptions within your markets. You can also evaluate their reactions to sample taglines and other marketing messages you’re considering to reflect your brand.

Employee focus groups are beneficial to refine your brand, too. One Midwest CFI found that staffers really loved finding ways to make customers’ goals come to fruition. Says the marketing director, *“Whether it’s a startup looking for a loan, a hospital that needs a new wing, or funding for a new theater, our attitude is, ‘How can we make it happen for those groups?’”* Hence, the CFI’s brand statement became *“Let’s Make It Happen.”* Subsequent marketing initiatives produced a 13% increase in brand awareness within the general public and a marked rise in new customer accounts.

While customer-driven research may already be used within your institution, there could be fresh, new ways to use this valuable information. Hearing from your customers can only make you stronger and better.

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## ECONOMY & RATES

Rates As Of: 11/16/2021 06:23AM (GMT-0700)

Treasury	Yields	MTD Chg	YTD Chg
3M	0.05	0.00	-0.04
6M	0.06	-0.01	-0.03
1Y	0.17	0.02	0.06
2Y	0.54	0.03	0.41
5Y	1.26	0.07	0.89
10Y	1.60	0.04	0.68
30Y	1.98	0.05	0.34
FF Market	FF Disc	IORB	
0.08	0.25	0.15	
SOFR	Prime	OBER	
0.05	3.25	0.07	

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