

# CASE STUDY

## REGIONAL BANK BRAND POSITIONING

## BACKGROUND

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A regional bank wanted to assess their current position in the market relative to their competitors and understand opportunities for distinguishing the bank in the market.

## OBJECTIVES

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The bank wanted to understand how they fair on awareness and loyalty metrics relative to competitors and uncover insights that can inform a distinguishing positioning for their communications strategy.

## METHODOLOGY

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MDRG recommended conducting two studies to understand how the bank performed on awareness and loyalty metrics as compared to other brands and to understand opportunities for positioning.

1. Qualitative In-Depth Interviews with financial decision makers at small and commercial businesses
  - + Explore awareness and perceptions of the bank and its competitors
  - + Understand attitudes, satisfaction, and loyalty to the bank and its competitors
  - + Explore service expectations and experiences with the bank and its competitors, including
    - + Commitment to the community
    - + Convenience
    - + Customer service and banker relations
    - + Technology and innovation
    - + Lending and Investments
2. Quantitative Survey included employees and consumers
  - + Measure awareness of banks, various banking products, and attributes
  - + Identify primary bank and others used and measure performance of primary bank across banking attributes
  - + Measure overall satisfaction/favorability and constomer loyalty to the bank and competitors



# KEY INSIGHTS FROM THE RESEARCH

## QUALITATIVE FINDINGS

Banking decisions revolved mainly around convenience (incorporating online and mobile banking) and customer service. A personal relationship with a banker is still highly valued, and many feel that they need a partner to work with and answer the phone when they call.

The client bank excelled in this regard and stood out for accessibility and accountability of employees at all levels. Technology was a weak point for the bank and was undermining the banks' strength in accessibility.

## QUANTITATIVE FINDINGS

Awareness of the bank varies by region, from being the most well-known and used to being practically unknown. Generally, customers of Credit Unions and Community Banks are more satisfied, loyal, and have a stronger emotional connection to their bank compared to Regional and Large Cap Banks. However, overall, customers are satisfied with the client bank, and, as a segment, look more like the customers of a smaller bank.

Consumer perceptions suggest that the client bank shares in the strengths of small financial institutions (see chart), which gives them the unique opportunity to deliver an experience that capitalizes on the strengths of both large and small financial institutions.

### CONSUMER RATINGS OF THEIR PRIMARY BANK

Attribute <small>Units: Mean rating (1-5 scale)</small>	Credit Unions & Community Banks <small>(n=152)</small>	Client Lead Over Small Institutions	Client <small>(n=454)</small>	Client Lead Over Large Institutions	Other Regional & Large Cap Banks <small>(n=405)</small>	
RELATIONSHIP	Knows and understands you	4.40	<0.14>	4.26	0.47	3.80
	Provides sound financial advice	3.97	0.12	4.09	0.34	3.75
	Is committed to high standards of honesty and integrity	4.70	<0.10>	4.59	0.29	4.31
	Is trustworthy	4.74	<0.12>	4.63	0.26	4.37
	Provides excellent customer service	4.69	<0.14>	4.56	0.21	4.34
CONVENIENCE & PRICING	Is easy to do business with	4.67	<0.17>	4.50	0.17	4.33
	Offers competitive pricing	4.39	<0.21>	4.19	0.24	3.95
	Has convenient locations	4.14	0.21	4.35	0.07	4.29
	Provides technology to make life easier	4.25	0.06	4.31	0.04	4.28

## KEY INSIGHTS FROM THE RESEARCH



### QUANTITATIVE FINDINGS

Employees give their highest importance and performance ratings to three attributes -- all of which describe a bank with strong relationships:

- + "is committed to high standards of honesty and integrity"
- + "is trustworthy"
- + "provides excellent customer service"

Inversely, they rated the bank below average on what could be a key strength, "knows and understands you." The bank's employees are the key to delivering the bank's positioning. In addition, to believing the positioning, it is also important that they understand the role they play in demonstrating it.

A positioning opportunity for the bank would contain elements that are important to consumers and that are in line with the bank's reputation. Four attributes rise to the top as elements that could be incorporated into a strong positioning for the bank.

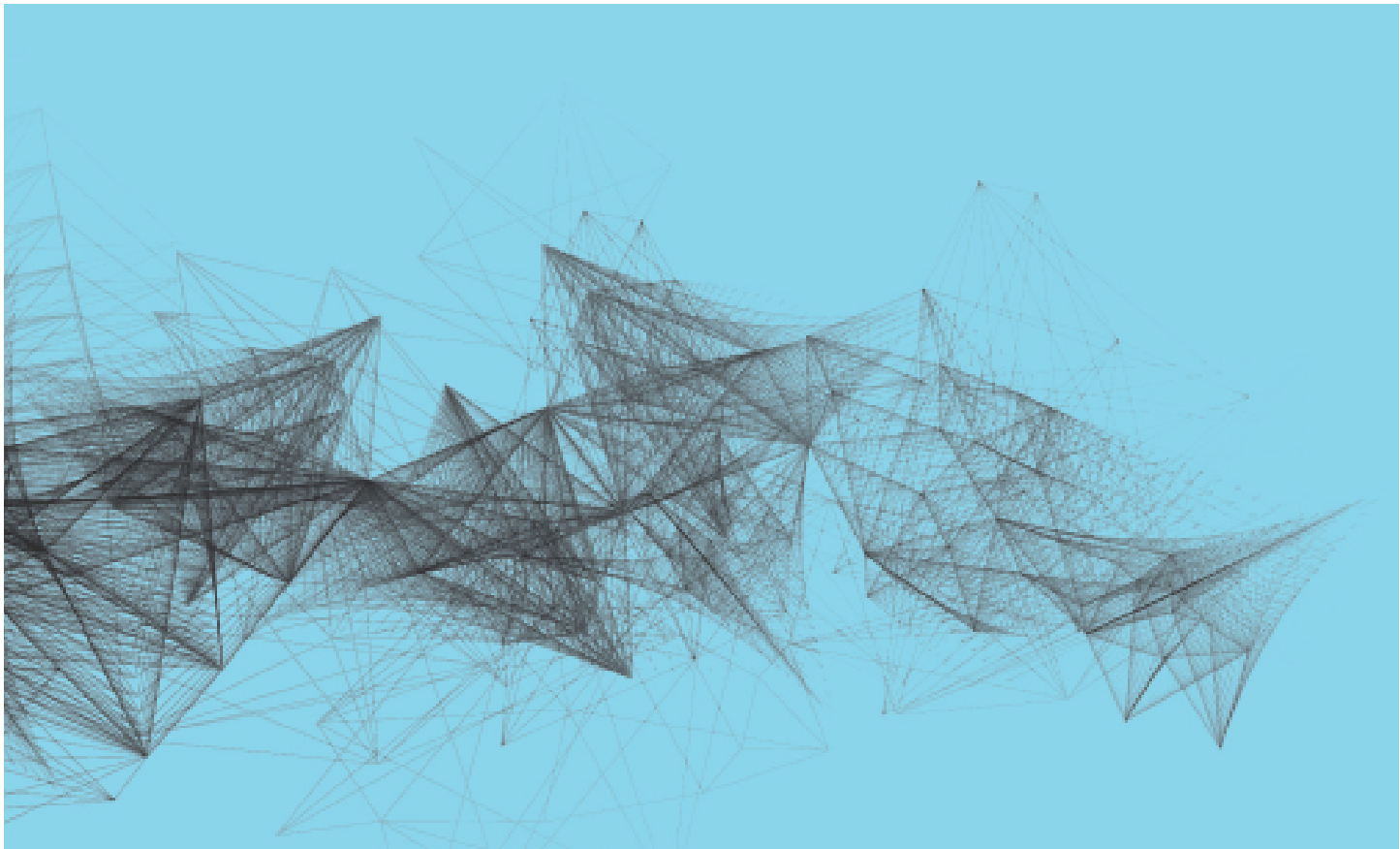
- + High standards of honesty and integrity
- + Trustworthy
- + Knows and understands you
- + Excellent customer service

## BUSINESS IMPLICATIONS

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1. Launched a new brand based on findings of the research
2. Developed new marketing and communications campaigns that highlighted the attributes that rose to the top



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