

Bank communications seem ‘out of touch’ to customers

Article



The findings: Most banking customers aren't satisfied with [how their financial institutions \(FIs\) communicate](#).

- That's the word from an August [Persado](#) online survey of 1,061 US adults ages 18 and older with at least one bank account.
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By the numbers: The respondents wanted their banks to show they understand them personally.

- Half found bank communications were too formal and impersonal.
- 54% felt bank communications were only somewhat personalized to their needs—at best.
- Nearly 4 in 10 (39%) found written communications from their banks “irrelevant” to their needs, a sentiment that grew to 55% among baby boomers.
- 66% of respondents found banks’ communications only somewhat emotionally engaging, and that number rose to 85% for baby boomers and 73% for Gen Xers.

Older consumers generally have higher expectations for banks to communicate relevant, personalized information.

How FIs can improve their comms: It’s all a matter of how FIs analyze and use customer data.

- In a [separate survey](#) by software company Q2, 74% of customers expressed a desire for more personalized communication from their banks, and 66% were comfortable with their data being used to improve their experience.

But according to Biztech Magazine, that’s not always so easy.

- Many banks lack the knowledge or talent to organize and use this information very quickly. Some don’t even know where to find it.
- If that’s the case, FIs may benefit from partnering with a third-party consultant or provider that can help them organize the troves of data they already have.

But don’t get carried away: There’s a thin line between a customer’s personalization needs and getting “creepy,” per The Financial Brand. But FIs can avoid crossing that line by:

- **Focusing on relevant, timely recommendations:** Banks should prioritize recommendations that align with customers’ current financial needs, ensuring each interaction feels supportive rather than opportunistic.
- **Maintaining transparency and balance:** Transparency about data use is essential; banks should communicate why certain data is collected and how it enhances the customer

experience. Regular testing and adjustment of personalization strategies help keep messaging relevant and avoid overreach.

- **Prioritizing long-term relationships:** Rather than pushing products, banks can build trust by offering tailored financial guidance that supports customers through various life stages. This approach demonstrates an FI's willingness to understand its customers and reduces the likelihood of appearing intrusive.