



## Community Service Efforts Increase Trust and Confidence in Banks

---

Pennsylvania State University Public Relations Students, Jan 1, 2013

**Summary:** 2013 Silver Anvil Award of Excellence Winner — Community Relations — Business Services

Trust and confidence in banks are at an all-time low, but are essential for new economic growth and sustainable recovery. We made it our mission to improve attitudes about banks among college students and community members in State College, Pennsylvania. Through a combination of grassroots and traditional public relations efforts we held a variety of events, publicized them, and spread the word about what the collective of banks have done for our town. In the end, we successfully improved trust (by 7% with the community and 14% with students) and confidence (by 12% with the community and 10% with students) in banks.

Community relations includes programs that aim to improve relations with, or seek to win the support or cooperation of, people or organizations in communities in which the sponsoring organization has an interest, need or opportunity.

### **Full Text: SUMMARY**

Trust and confidence in banks is essential for new economic growth and sustainable recovery from the financial crisis. While much work needs to be done globally, our team was eager to make a change in attitudes about banks in our college town community of State College, Pennsylvania.

Our hope was that *showing and telling* people about the community service efforts of our banks would lead to improved trust and confidence in banks. We worked with 11 out of 16 banks in our over-banked town and held events at six of the banks. We also used a combination of grassroots and traditional public relations tactics to inform community members and college students about our banks' community service activities. In the end, we were able to increase awareness of the community service activities of banks, which in turn increased trust and confidence in banks.

### **RESEARCH**

#### **Secondary Research**

Relationships between the public and banks are primarily adversarial often fueled by social media campaigns such as Occupy Wall Street, Move Your Money and Bank Transfer Day. The Chicago Booth Kellogg School Financial Trust Index found that trust in American banks has hovered around 33% since 2009. The latest Edelman Trust Barometer reported that banking and financial services were the least trusted industries in the world in 2011 and 2012. They found that trust in banks decreased from 56% in 2008 to 40% in 2012. Additionally, a Gallup Economy poll reported that the national average of confidence in banks remained extremely low since 2008; in June 2012 it was 21%. All of these studies prove there is work to be done across the United States to improve trust and confidence in banks.

According to DiStaso (2013), 51% of business journalists felt that trust in the banking industry

can be “fixed” by community service efforts. Research on community service indicates that for it to be most effective, companies should *show and tell* their efforts.

## **Primary Research**

We created a survey to benchmark attitudes about the banking industry, identify areas for improvement, and better understand our publics. The survey was distributed by phone to State College community members and through intercept methodology to Penn State students across campus. The survey questions included one from the Edelman Trust Barometer, an amended Hon and Grunig (1999) trust scale, and the Gallop confidence in banks question. (This survey was repeated after the campaign for evaluation).

Analysis of 409 State College community members and 483 Penn State University students found:

- Trust in banks was low: 49.3% for community & 43.2% for students
- Confidence in banks was low: 34.9% for community & 39.3% for students
- Awareness of community service activities was low: 31.7% for community & 17.3% for students

We also conducted a media analysis for all the banks and found that only about 9% of the extremely minimal media coverage contained content about the banks community service activities.

## **PLANNING**

**Goal:** To help the State College economy and banks in town by improving attitudes about banks.

**Rationale:** Trust and confidence in banks is essential for new growth and sustainable economic recovery.

### **Objectives**

1. **To increase trust in banks by 5%** (from 49% to 54% with the State College community and from 43% to 48% with Penn State students) by April 15, 2012.
2. **To increase the confidence in banks by 5%** (from 35% to 40% with the State College community and from 39% to 44% with Penn State students) by April 15, 2012.
3. **To increase awareness of community service activities by 5%** (from 32% to 37% in the State College community and from 17% to 22% with Penn State students) by April 15, 2012.

**Total Budget:** \$100

- \$50: Dum Dum Lollipops distributed with bank facts
- \$50: Two \$25 gift cards for Twitter contest

**Target Audience:** State College Community members and Penn State University students who live in State College.

**Strategies:** We sought to *show and tell* State College community members and Penn State students about community service activities by the banks in our town.

- Hold community service events for the banks (*Show*).  
Banks often give back to the community, but this is typically accomplished through donations and employee engagement with nonprofits. We worked with the banks to conduct events at the banks, thereby providing more of a direct connection of the efforts to the banks.
- Get media coverage about the campaign and the banks' community service activities

(Tell)

The local media were contacted for each individual event and about State College banks as a collective. We were hopeful that while individual banks community service activities may not be as likely to be viewed as newsworthy, the collective efforts would be.

- Spread the message of what banks do in the community through grassroots efforts (Tell) Individual target audiences for each event were communicated with directly, and grassroots efforts were used to share the facts about community service activities of State College banks as a collective.

## EXECUTION

1. All 16 banks in State College were contacted and asked if they would like to be involved in the campaign. A total of 11 banks agreed to work with us.
2. Six banks held community service events and factors prevented the other five from implementing events in the campaign timeframe. The events were:
  - A collection drive for a women's shelter – Citizens Bank
  - An interactive lesson on savings for 75 third grade students – First National Bank
  - A kids event about safety with about 55 attendees – Fulton Bank
  - A circus theme kids event with more than 250 attendees – Jersey Shore State Bank
  - Grand opening VIP celebrations for three branches – Northwest Savings Bank
  - An information session on banking for 12 Penn State international student organization leaders – Sovereign Bank
3. Community service totals for each individual bank were collected and combined for grassroots efforts and media pitches. For example: State College banks completed 7,313 hours of community service in 2011.
4. Media coverage was sought for each event including the local paper and radio. All community events were placed on the community calendars, two of the banks received radio coverage and one had a small article in the newspaper.
5. Media coverage was also sought for the combined community service activities of all the banks resulting in a front-page article in the Centre Daily Times titled "Smaller, local banks viewed as trustworthy."
6. Grassroots efforts included:
  1. Twitter handle @ITrustBanksPSU was created and used for a Twitter contest about community service activities by banks in State College.
  2. A total of 2,000 Dum Dum lollipops were distributed to college students and community members on the university campus and around downtown.
  3. A video titled "In Banks We Trust" was created and shared over social media focusing on the community service facts and reasons to trust and have confidence in banks.
  4. One of the banks (M&T Bank) located in the highest traffic area in all of State College placed a sandwich board on the sidewalk with the words "Last year, M&T employees volunteered 200+ hours giving back to the community" on one side and "State College banks are giving back to State College" on the other.
  5. We placed a message in the university announcement space, The Toilet Paper, which is located in two elevators and in 58 bathroom stalls in the campus Hub – the student activity center and busiest building on campus.

## EVALUATION

A post-campaign survey was completed by 330 community members and 322 students. A comparison of the results to the pre-campaign survey indicated success! **ALL objectives were met!**

## Objectives

1. To increase trust in banks by 5% (from 49% to 54% with the State College community and from 43% to 48% with Penn State students) by April 15, 2012.
  - Community: **Trust in banks to do what is right INCREASED 6.8%**
  - Students: **Trust in banks to do what is right INCREASED 14.1%**
2. To increase the confidence in banks by 5% (from 35% to 40% with the State College community and from 39% to 44% with Penn State students) by April 15, 2012.
  - Community: **Confidence in banks INCREASED 12.2%**
  - Students: **Confidence in banks INCREASED 9.6%**
3. To increase awareness of community service activities by 5% (from 32% to 37% in the State College community and from 17% to 22% with Penn State students) by April 15, 2012.
  - Community: **Awareness of community service activities INCREASED 14.7%**
  - Students: **Awareness of community service activities INCREASED 23.4%**

---

Public Relations Society of America © 2013

Product #: 6BE-1301B05