



CDIC
Canada Deposit
Insurance Corporation

SADC
Société d'assurance-dépôts
du Canada

Session 4: Communicating with a Deposit Insurer's Customers: CDIC's Approach

M. Claudia Morrow

Presented at the IADI International Conference

Moscow, Russia

31 May, 2018

Canada 

A. Tools & channels for informing depositors when a bank fails

Pre-failure:

- Important to inform depositors well in advance on a regular basis to reduce likelihood of a bank run
- Establish a baseline level of awareness: cannot expect to build awareness at the last minute
- A formal Public Awareness (PA) campaign
- Overall message is to educate (not scare people)



Tools & channels...cont'd

- In building a PA campaign (small or comprehensive):
 - Know your depositors/public and who to target
- Target groups:
 - Know their literacy levels, education, who is vulnerable (can't easily recover from loss and/or is likely to run), and media consumption habits
- Measure success in achieving awareness levels: must be objective and comparable year-over-year. Depending on results, adjust campaign as necessary

Tools & channels...cont'd

As crisis looms & move into failure:

- Know information about the failing member: who are its depositors? How were depositors communicating with their FI?
- Leverage Public Awareness campaign to increase visibility & messages to depositors (or segments of them) – message should not be too pointed, nor too general (will vary depending on the circumstances at the time). May require additional budget
- Message becomes more focused on providing critical information about how deposit protection works (for a reimbursement) & sustaining confidence (calm) in the financial system



Tools & channels...cont'd

Preparation work before failure is essential:

- Have a website ready to deploy as soon as the event occurs
- Have all news releases, other communications with depositors prepared in advance so that there are minimum changes/updates to documents when failure occurs
- Stand-by agents: contact centre, public relations/crisis comms, ad agency
- Key messages for all communications must be agreed upon and all documents consistent



Tools & channels...cont'd

Failure:

- When the bank fails further leverage social media, internet, radio, tv to push the message
- Twitter is considered the go-to medium for crisis communications (based on our research). YouTube and Facebook and others also
- Track enquiries, media, bloggers, confidence levels: is the message getting through? What more needs to be done? Correct mis-information
 - Helps control the message to the extent that is possible
 - Adequate staffing is essential to support these channels and be responsive
- News conferences for rapid delivery of the initial information; followed up by technical briefings with media to reduce media enquiries
- Have CEO ready to speak to media: media training is a must
- Be ready to modify website (and other tools) in real time to address issues, queries that arise as well as changing circumstances (= need staffing!)

C. Innovative approaches of deposit insurers to public communications

- At CDIC, we have used a variety of tools over the years, some very successful, others less so. Trying different approaches is usually worthwhile (bearing in mind costs)
- Here are some of our approaches



Innovative approaches ...cont'd

Educational tools:

- Training game: one for the general public that we promote with contesting, and an accredited one for the financial community
- Interactive video: allows users to make financial decisions over different life-stages, using each as an opportunity to explain CDIC coverage and make it relevant
- Advertise on new technologies such as Spotify, a music streaming app and as pre-roll video on popular streaming shows



Innovative approaches ...cont'd

Advertising:

- Target groups: research in advance. We cannot target every Canadian, given costs
- Advertising (of all kinds): developing ads – whether for use in regular times or during a failure – the same message likely cannot be used in both circumstances. Have an integrated, multi-media campaign, which is more effective (same look and feel)
- Messaging: keep it short even though DI is complicated. Asking questions is effective (e.g. “is your money protected?”). And direct them to places where they can get more information
- Focus group test ads and messages. Try various approaches/ideas: some will be effective, others not. DI experts are usually not the ones who can decide what will resonate with the public
- Monitoring via regular surveys (not only when the campaign has just ended)

Innovative approaches ...cont'd

Pre-failure:

- Contingency advertising framework built during regular times: to establish baselines and triggers from our communications channels (website visits, telephone and email inquiries, social media discussion, and some confidence questions in our quantitative survey). If we were to reach these triggers, we would seek to increase advertising



Innovative approaches ...cont'd

During failure:

- Stand-by agreements: use for various roles. Leverage quickly during crisis/failure. For example, ad agency, public relations firm (and media training), contact centre (for calls, email replies)
- Bloggers: work with bloggers to leverage their influence with our target audience - share relatable information about deposit insurance on a platform that our audience already trusts and engages with
- Note about bloggers: we constantly monitor them especially those with large numbers of followers so we are ready to jump in and minimize issues as they arise. But we cannot be involved in every discussion on line
- Track confidence levels periodically



For more CDIC information

- See the CDIC website section dedicated to our PA activities:
<http://www.cdic.ca/en/about-di/public-awareness-of-cdic/Pages/default.aspx>

Thank you
Questions?

