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Are You Optimistic About The Future?

The survey results are in and they indicate that community bankers are planning for another challenging year in 2013. The most recent Cross Financial Group Community Banker Opinion Survey is now available. We encourage you to download the free report from our website and share the results with your managers. The opinions, perceptions and ratings from the survey can enhance your planning efforts and industry understanding. Here are a few highlights.

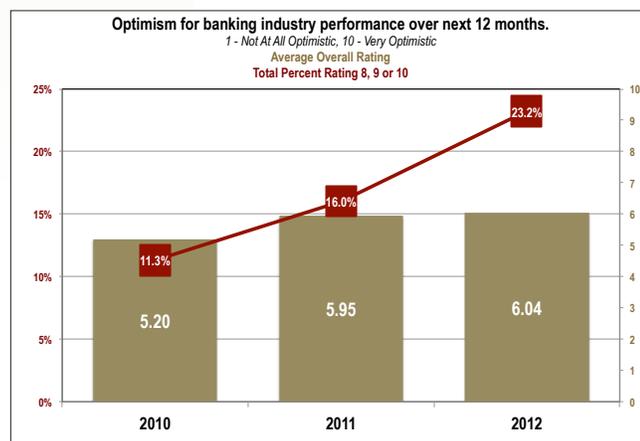
Modest Increase In Optimism

Optimism ratings indicate that, as an industry, banking is still working to regain the confidence lost in 2008. Optimism has increased consistently the last two years and overall showed a 10 basis point improvement from 2011 to 2012. The percent of bankers rating their optimism an 8, 9 or 10 increased from the 2011 results. In the middle of the pack 39.5% of bankers rated their optimism a 5 or 6 in 2011. That number dropped to 37% in 2012. Banks with total assets between \$250 and \$500 million showed the most significant improvement in optimism with a 0.56 point increase from 2011 to 2012. The following table provides the average optimism ratings by asset size.

| | |
|----------------------------------|------|
| Less Than \$100 million..... | 5.33 |
| \$100-\$250 million..... | 6.02 |
| \$251-\$500 million..... | 6.68 |
| \$501 million - \$1 billion..... | 6.04 |
| Over \$1 billion | 6.47 |

What's Important For Success

The challenges created by liquidity and new regulations were evident in the ratings tied to the importance of challenges impacting bank performance. Deposit growth and new financial services rated the lowest in importance, while loan growth, asset quality, compliance, non-interest income and staff development all ranked in the top ten. What challenges will have the greatest impact on your performance in 2013?



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No Consensus On Profit Trends

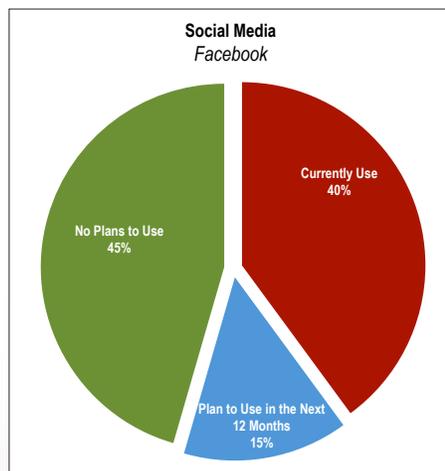
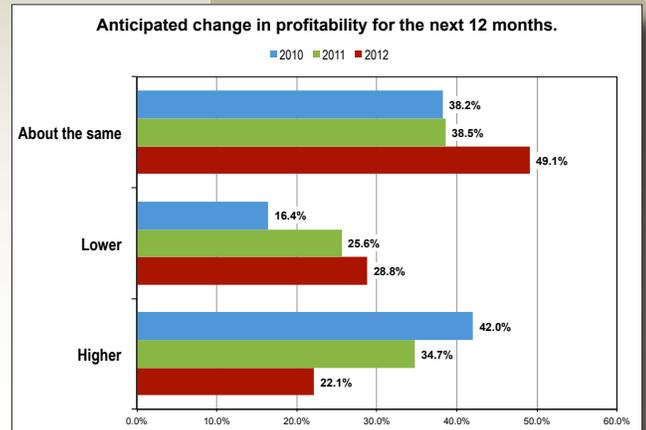
Nearly half (49.1%) of the community bankers participating in the survey felt their profitability for the next 12 months would remain about the same. That rating was up from 38.5% in 2011. In contrast to the institutions that feel their profitability will remain unchanged, a larger percentage of the remaining bankers felt their profitability would be lower. Only 22.1% of the survey respondents felt their profitability would be higher over the next 12 months.

Social Media Usage Increasing

Have you been wondering if you should be using social media like Facebook? The majority of survey respondents use Facebook or are planning use sometime this year. In total, 40% of bankers indicated they already use Facebook with an additional 15% planning to begin use in the next 12 months. The remaining 45% indicated they have no plans to use Facebook.

Survey Report

The full survey report includes insights on staff development, pay for performance, business planning, succession management and growth strategies. Visit the Cross Financial Group White Paper Library and download your free copy of the 2012 Community Banker Opinion Survey.



When planning for a year, plant corn. When planning for a decade, plant trees. When planning for life, train and educate people.

Chinese Proverb

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Never look back unless you are planning to go that way.

Henry David Thoreau



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