Independent Banker
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Portfolio

[tag] Innovation Station

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[byline] By Charles E. Potts

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Digital first. How many times have community banks heard that refrain over the past few years? It’s been a repetitive beat in an ongoing banking evolution, and with it comes ever-increasing pressures on the technology stack.

In today’s landscape, we’re facing a need to balance budgetary requirements with rapidly advancing technological demands. It can make the next right strategic steps uncertain for your community bank. Where do you draw the line on investment versus revenue?

To answer that question, start by evaluating where your community bank is now. Identify your strengths and where pitfalls may lie. In today’s environment in particular, ask yourself:

1. **Where are the gaps with my current customers?**Start with good data analytics to gain a line of sight into customer behaviors. Companies like [ThinkTECH alum](https://icba.org/solutions/innovation/icba-thinktech-accelerator#alumni) and data analytics provider [KlariVis](https://klarivis.com/) can help establish what’s going on in your bank and with your customers to help prioritize next steps.
2. **What am I doing to evaluate my deposit strategy in this deposit-gathering market?** Did your gap analysis reveal deposit leakage? If so, how can you address it? You can apply that knowledge to your current base as well as new targets. Solutions from companies like [ThinkTECH cohort](https://icba.org/solutions/innovation/icba-thinktech-accelerator#new-cohort) participant [Micronotes](https://micronotes.ai/) can help you execute on loan, deposit and retention opportunities using data.
3. **Do I have the right tools in place to protect my bank?** With the emphasis on digital solutions, are you also ensuring you have adequate safeguards? Put solutions in place that support risk mitigation around digital development. ThinkTECH participants like [Fraud.net](https://fraud.net/industries/financial-services/) can help with proactive fraud mitigation.

While these questions just scratch the surface of digital considerations for community banks, they offer a framework to begin evaluating what matters most to your institution. Given all you have experienced this year, and no matter where you are on your digital journey, it’s totally appropriate to reevaluate your strategies and refine them for the next phase of digital evolution.

The solutions ICBA has curated through the ThinkTECH program have been chosen with that in mind. Our goal is to serve as your trusted advisor throughout your digital transformation. So, as you look toward 2024, reach out to us to work through these and other key questions. We want to ensure you have the right partners in place to lead your march toward the future of banking.

*Charles E. Potts is ICBA’s executive vice president and chief innovation officer.*

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