

When reaching is no longer enough: 8 tips to engage with Central Banks' data user

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Abstract

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When reaching is no longer enough: 8 tips to engage with Central Banks' data users¹

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Abstract

A lot of efforts have been done on the statistical communication, with central banks providing statistical information as much detailed as possible. But clearly-explained content may count for nothing if people don't engage with it. This paper explores some tips to increase the chances of engagement and presents some of the statistical communication initiatives that Banco de Portugal has been promoting with their target audiences: entrepreneurs, students, teachers, journalists and general public.

Keywords: statistical communication; audience segmentation; communication channels.

¹ The views expressed in this paper are those of the authors and not necessarily of Banco de Portugal or of the Eurosystem.

1 Introduction

Central banks communication on statistics is no longer a “nice-to-have”, but a “need-to-have”. During the last years, a lot of efforts have been done on the subject, with central banks providing statistical information as much detailed as possible. Millions of data series broken down by several dimensions, metadata and press-releases are typically available on central bank websites for everyone to consume. But clearly-explained communication may count for nothing if people don't engage with these communication products. It is estimated that, by 2025, 463 exabytes of data will be created each day globally, which limits the chances of official statistical information to be found or read by anyone or, in case of being found, people felt overwhelmed with its extension and complexity. Central banks must work to surpass this issue and make sure that people can easily find and understand the relevant data, i.e., data that can solve their real-life questions, problems, interests and that allow them to make better decisions. This idea is corroborated by several authors, such as Bholat et al. (2019) who concluded that a key factor of an effective communication strategy – and we add, increased engagement – is to make the messages relatable to people's lives, since they tend to respond positively to content that they can understand and relate to.

2 8 tips to engage with Central Banks' data users

Segment your audience: Godin, during several online speeches, supports that one-size-fits-all campaigns made for the masses no longer make sense in today's world and challenges to “treat different people differently”. Slater (1996) stated that “audience segmentation is the necessary prerequisite to create messages that are responsive to the concerns, needs, and perspectives of specific populations”. Segmentation allows to identify users' values, desires, consumption patterns, consuming times and motivations, that are crucial to decide the type of content to create, the level of technical complexity or simplification of language that must be assumed and the channel that should be privileged, as corroborated by Slater (1996) “(...) segmentation provides the basis of selecting the media, community, organization of interpersonal channels most appropriate to such populations”. Haldane (2020) went further on the segmentation issue: he supports that central banks beyond communicating with different target groups should shift from the traditional audiences – financial market participants and journalists – to also communicate directly with a broader audience of general public.

Take a user-first approach: Most of the time, statisticians tend to write with their organization and their job in mind, rather than putting the user first. They like to spread their messages, instead of favour a user-and-content-first approach. There is often a lot of overlap between organizational goals and user goals, but it's essential to think “user-first” to truly get inside users' heads. They are the ones that will consume our content and using our data after all, so why wouldn't we want to think from their perspective?

Create relatable content: Content is a big investment. Whether it is a press-release, an infographic or a video, it takes time and resources to create. It has to be part of our job to maximize the content's chances of success by following engagement-building strategies. The single most important rule to succeed is to create content that users want to read (or watch, or listen to) and

it only happens when we consider what matters to them (the right information at the right time). Before starting any kind of content we may think about users' real-life questions, problems and interests. If it is not educative, inspirational or entertaining, the chances of content engage are extremely low.

Simplify the language: After working with a particular definition for years, experts can easily forget that the ordinary listener might have something very different in mind when they heard a particular term. What the psychologist Steven Pinker calls the "curse of knowledge" is a constant obstacle to clear communication: once someone knows a subject fairly well, it is enormously difficult to come back to the position of someone who doesn't know it. Statisticians aren't immune to it: when they start talking about statistics, they quickly took concepts for granted. According to Haldane (2020) central banks have tradition in communicating via complex, carefully, crafted reports, speeches and statements to their traditional audiences, such as financial market participants and journalists, but warns that many less qualified users may never engage with central bank communication because content is written in ways that they cannot understand.

Put numbers in perspective: Different users have different data frequency needs. While financial market participants would benefit from highly frequent data (monthly, weekly or even daily), other audiences such as the general public would take more advantage of slower rhythms of news and of a better contextualization. For instance, while for banks every detail of ups and downs on credit is relevant (by counterpart, purpose, maturity, etc.), households would understand better the information if we give them a longer perspective (Did banks grant more housing credit in the last six months?). Additionally, Andrew Elliot, in his book *Is that a big number?* introduces the so called "landmark numbers," which are used as comparison numbers for the associated text. These landmark numbers (with concepts ranging from the length of a bridge, the cost of a tower, the wealth of a famous person or the percentage of people living in a city) are easy ways for the reader to conceptualize how large or small a number may be.

Choose the right channel: Besides different information needs, different audiences prefer and use different channels. To be omni-channel is crucial to communicate efficiently with the entire audiences. Recent studies have shown that more than half of digital traffic online comes from mobile devices and through mobile apps. Furthermore, Google values websites that cater to both desktop and mobile visitors, as a ranking factor on search results (mobile searchers are more likely to look at the top three results). New media channels, especially but not exclusively social media, provide new opportunities and new challenges. The obvious benefit is that it is likely easier to target the uninformed because many of them, especially the youngest, view large amounts of news material on Facebook, Twitter, Instagram, YouTube and other social media every day. The challenges that come up is that, in a saturated market of news and stories, how can central banks compete with purely entertaining content?

Create ambassadors: While it is relatively easy to keep in touch with specific audiences such as banks or policy makers, the challenge is much bigger when it comes to draw communication strategies with bigger audiences such as schools, companies or the general public. To overcome this limitation, central banks should close strategic partnerships with ambassadors. For this

particular purpose, an ambassador is someone who promotes among their network the services that the central bank deliver to society, with the goal of increase awareness and promote conversion. Historically, a brand ambassador was typically a celebrity or someone with a good amount of name recognition who was paid for their efforts, but we don't need to go such far: turn teachers, journalists, enterprise associations and government directorates ambassadors of your statistics. Users that are not engaged are more susceptible to believe others.

Promote offline events: Face-to-face connections are still a valuable form of networking and of driving traffic to digital channels when people is inspired to learn more about our job. Being able to put a face to the name can help create a deeper sense of trust among users, so we should never discount the importance of a good, old fashioned handshake. Central banks should promote in-person networking by joining local associations, schools or enterprises where their target audience is likely to be found. Over time, this networking can be augmented with attendance at national conferences for those same associations/organizations. In-person speaking are a tremendous opportunity to listen to the users' needs, to explain our job, to make users feel part of the statistical production process and to increase trust and to build credibility.

3 The experience of Banco de Portugal in engaging audiences

Banco de Portugal's approach to engage its audience is being based on identifying and reaching potential users and invest time in listening to them, understand their needs and preferences and by asking them in what way and extent we can be helpful to them. Visiting schools and universities, offer workshops and invite users to express their needs through surveys or bilateral meetings are different ways to promote this proximity. So far, Banco de Portugal is working directly with five different groups: entrepreneurs, students, teachers, journalists and general public.

The statistical communication initiatives of Banco de Portugal mainly rely in BPstat, the redesigned statistical portal through which we disseminate statistics on the Portuguese and the euro area economy, produced by the Bank and by other national and international statistical authorities. BPstat is easy to browse and allows users to cross check statistical data, build charts, share information, and access news, press-releases, videos and infographics to better understand published statistics. Banco de Portugal is also using social media – Twitter, YouTube and Instagram – to reach new target groups. In 2020 the BPstat was visited 620 thousand times and was enhanced with 110 statistical press-releases and 23 new infographic, videos and pedagogical content to explain statistical concepts such as public debt, balance of payments or monetary and financial institutions. On social media the Bank published 450 new posts related to statistical content.

The next paragraphs summarizes the work that the Bank is developing with each audience.

Entrepreneurs: Data is increasingly important to entrepreneurs, since metrics help them to get a better pulse of their business. But, on the one hand, getting the most out of data isn't always an easy task and, on the other hand, a significant part of small and medium-sized businesses, recognize they are so busy with other responsibilities that they rarely or never took advantage of available data, at all. Bearing this in mind, the Banco de Portugal offers entrepreneurs a totally free of charge service, the "enterprise and sector tables", through which companies can compare their

performance with other companies. With just a log in, each company can easily access to an interactive set of dashboards to explore more than 150 annual economic and financial indicators about activity and profitability broken down by activity sector and size class. Despite the undeniable value of the tool, in 2020, the “enterprise and sector tables” were visited only around 7000 times which suggests a lack of engagement with this product. The data behind these dashboards is the basis to settle other communication initiatives aiming to engage entrepreneurs: tweets, infographics and videos to those who don't want to spend a lot of time and the Central Balance Sheet studies to the others that are really committed to data. To increase proximity with entrepreneurs, Banco de Portugal promotes annually the Central Balance Sheet Conferences, with a theme related to the entrepreneurial dynamics of the location in which this event takes place. These events are relevant to keep entrepreneurs updated on new data and analysis but it is also a good opportunity to engage the audience by promoting relevant topics of discussion concerning their entrepreneurial environment and also by encouraging them to share their thoughts and opinion in panel discussions that typically count with the participation of local personalities with a recognized expertise on that matter of discussion. Occasionally, Banco de Portugal also promotes smaller events with business associations in order to listen to their needs, collect suggestions on how to improve the user experience with data or to present some results in a more detailed or accessible way.

Students: Students need data not only for scholarship purposes, as presentations, essays or master thesis, but also because the learning process of how to make better decisions is crucial for the future managers and economists. Despite belonging to the millennial generation, most of them are not able to distinguish between reliable data or just available data. So it's up to us to teach them. Additionally, there is a gap between the way economic topic are taught (most of the time in a more theoretically way) and the way official statistics are released. It becomes our job to show them numbers, explain complex statistical concepts and close the gap between theory and reality. Last September we launched a back-to-school campaign during which we introduced BPstat as a statistical portal where, besides data, students could find other pedagogical, interactive and updated statistical and economic content. This campaign was followed by a set of sessions promoted throughout the year in different economic and management schools. In 2020 we reached 950 students from 14 universities. The level of satisfaction of students was 4.6 [out of 5, where 5 corresponds to totally satisfied]. The back-to-school campaign on social media reached almost 1 million of young people and a good engagement rate of 2-3%.

Teachers: In Portugal, high school teachers are in charge of teaching subjects as national accounts, balance of payments or the financial system that are deeply covered by official statistics. During the last years we realized that every time a methodological change was implement, such as the ones derived from new regulations, or international methodological manuals, teachers were not aware of it. This means that they remained teaching according to old rules. Additionally, we realized that some schools were using old scholar books with outdated charts. In a partnership with the Directorate-General for Education, the Bank started promoting webinars to high school teachers of economics. In 2020 we reached more than 200 teachers and we registered a level of satisfaction of 4.9/5.

Journalists: Journalists are one of our main target audience because through their work we can spread our messages to broader audiences, including the general public. They are one of our main ambassadors and we are very interested that they understand our data and write good content

based on it. They also play a very important role in the level of trust that society have in central banks.

General public: The last segment of audience is general public, which comprises the users that are not included in the others. General public is the hardest to reach and to engage with because the motivation and consuming time of this group is widely heterogeneous. In Portugal a significant part of the adult population is only aware of central banking through the mainstream media: they don't visit our websites or follow us on social media. We this in mind, traditionally, we used to communicate to the general public through journalists. But in a context of multiplication of fake news, we understood that this approach is risky, since if the central bank are not communicating directly to people, someone else will fill the void with possibly noisier messages. To the general public we need to create simple, relevant and story-based content, because this is the only way to become convincing and credible to a wider audience and to build trust. To this audience, in 2020, we released a dedicated webpage in BPstat to follow the impact of COVID-19 on the Portuguese economy and promoted it in social media. Every time that it is possible we use television and podcasts to promote and explain the services that the Bank offers to society. With the goal having "a bank open to society" we built a room on the Banco de Portugal Money Museum, "Understanding" where visitors learn more about Banco de Portugal and fully comprehend some of its main tasks. The purpose of this room is to present the main responsibilities of Banco de Portugal, including the statistical function, in an accessible way, and how the activities it accomplishes impact and make a difference in the citizens' lives. In an interactive way, visitors to the Museum have a better understanding of the importance of a central bank in their daily lives.

4 Conclusion and challenges ahead

Despite some significant progresses registered during the last few years on statistical communication, there is still much work to do in this field, a challenge that is not easy or straightforward. First, it remains a lack of interest and trust on central banks' role, to a large extent because central banks were traditionally closed and extremely formal in the way they communicate to their target audiences. Second, because some central banks still don't recognize statistical communication as part of the statistical production process and, as consequence, they don't invest enough in qualified resources to be in charge of the job. Central banks employees have mainly a background in economics or data science, rather than in communication or marketing, and there are also a lot of budget restrictions that turns difficult to explore some communication channels. And third, but not least, in a world full of information how can central banks' statistics can compete with so many content?

To produce high quality statistics includes to guarantee that the right information is communicated to the right audience at the right time and, with the rise of various analytics tools, central banks can now easier determine whether it is being done in an effective way.

Dialogues around innovation, such as the use of big data, artificial intelligence or automation to improve official statistics, have to be extended to communication issues. For instance, before innovations in social media and the wider internet, central banks could afford to maintain a closed-off image of distant, but now, central banks are expected – and face a backlash if they fail – to project an image of accessibility and inclusiveness. Central banks now have the benefit of new ways of connecting with their target users, which comes with responsibilities of its own. The use

of digital tools allows central banks to reach their audiences a lot faster and in a more efficient way allowing them to provide timely information and making them active members of the community. Adopting a position that makes central banks a recognizable part of the general culture and the community has been proven to increase trust, interest and credibility on their jobs. More than ever, central banks need to stay alert to shifting consumer moods and, if possible, respond to them as quickly and comprehensively as they can.

With such a challenge in mind it is extremely important for the central banking community to share their experiences in a way we can learn from each other's and encourage each other to improve the way we communicate statistics. Even in situations where the best conditions are not fulfilled, it is possible to apply incremental improvements in the way we are doing our job, provide a better service to society and recover some trust and confidence in central banking work.

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