



Taiwan's Experience in Promoting Public Awareness

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Outline


- Introduction of CDIC (Taiwan)
- Objectives of PA programs
- Target audience
- Evaluation
- Conclusion



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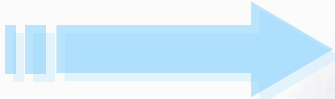
Introduction of CDIC

§ Establishment in 1985 


§ Mandate

- Handle deposit insurance businesses
- Control insurance risk
- Deal with problem financial institutions




Pay Box  **Risk Minimizer**

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Insured & Uninsured Deposits

Coverage amount  **NT\$ 1.5 million** (about US\$50,000) **NT\$ 3 million** (about US\$100,000)

Insured Deposits	Uninsured Deposits
<ol style="list-style-type: none"> 1. Checking deposits 2. Demand deposits 3. Time deposits 4. Deposits required by law to be deposited in certain financial institutions 5. Other deposits approved as insurable by the Financial Supervisory Commission 	<ol style="list-style-type: none"> 1. Negotiable certificates of deposit 2. Deposits from government agencies 3. Deposits from the Central Bank 4. Deposits from banks, postal savings bank, credit cooperatives, and farmers' and fishermen's associations with credit departments 6. Other deposits which the Financial Supervisory Commission has approved as non-insurable (e.g. structured deposits) 7. Deposits exceeding the per-institution maximum insurance coverage established for each depositor

• *CDIC covers insured deposits of natural & legal persons both in local and foreign currencies.*



Objectives of PA Programs

- To enhance fulfillment of public policy objectives and responsibilities of DIS in Taiwan
- To maintain a sound deposit insurance system and financial stability
- To elevate the level of awareness of deposit insurance

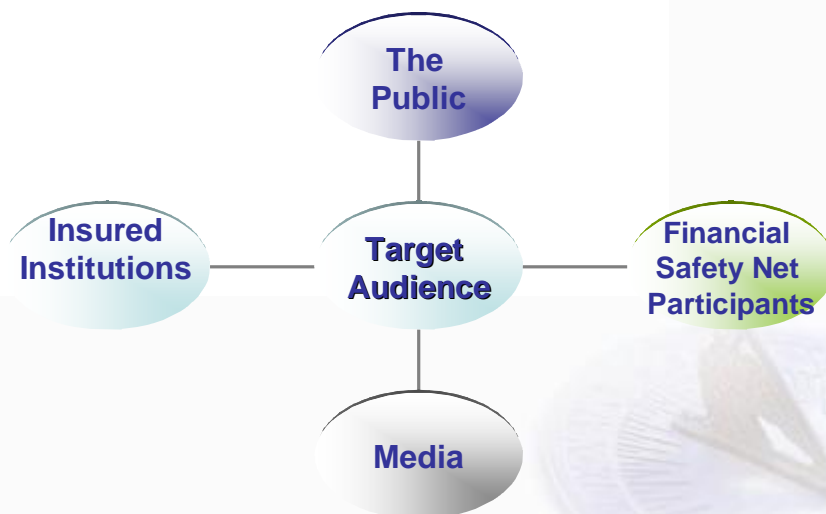


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Target Audience

- Clearly define principal target audience



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n Major target: The Public

- ü Natural and legal persons
- ü Future depositors-students



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Messages

- **Disseminating strategies**

- ü Manage the public expectation by providing positive news

- ü Provide simple and easy to understand messages

e.g.

No— Blanket guarantee is expired

Yes— You will continue enjoying protection

Yes— Your protection will be increased

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Messages (cont.)

• Key messages

- ü Coverage limit
- ü Coverage scope
- ü CDIC signs



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Promotional Tools

n Choosing different tools based on different target groups and geographic areas

1. Multi-media

- ü TV, cinema, radio, newspapers, magazines, cell phone text messages, and Internet



(TV film)



(newspapers)



(magazines)



(internet)

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Promotional Tools (cont.)

2. Apply **Integrating Communication Marketing** strategies: Intensive exposure through various channels at the same time



(press conference)



(media interview)



(outdoor billboards)



(banner on public transportation)

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Promotional Tools (cont.)

3. Other tools

- ü Customer service: trilingual toll-free line, email and mail boxes
- ü Bilingual corporate website
- ü Fliers, pamphlets, brochures, annual reports & souvenirs



(trilingual toll free line)



(corporate website)



(annual reports)



(quarterly journals)



(brochures)



(souvenirs)

Promotional Tools (cont.)

- Use networks of insured institutions-free channels
 - Deposit insurance signs
 - A large sign (required by law to place in every business unit of insured banks)
 - A desktop sign (for counters of business units)
 - Films and stickers (for ATMs or business units)



(desktop sign)



(large sign)



(stickers)

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Promotional Tools (cont.)

- Use network of insured institutions-free channels
 - Posters (for business units)
 - Scrolling banners (standard language provided by CDIC)

(posters)



(Scrolling banners)

**自100年起存款保額提高為新臺幣300萬元
加倍保障 加倍安心** **中央存款保險公司**

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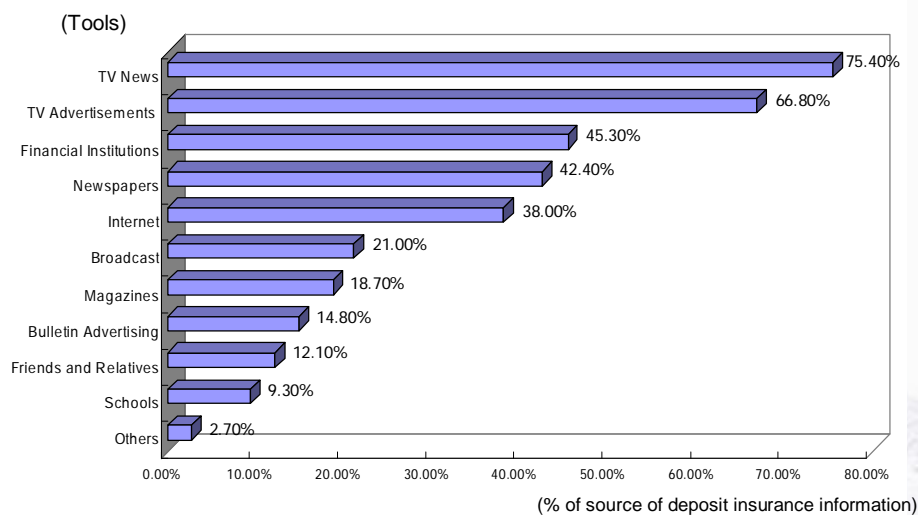


The Public — Students

- **Include DI information into school curricula**
 - ü Cooperate with education department and the financial competent authorities
 - ü Raise the financial literacy level for young people & students
- **Choose promotional channels accordingly**
 - ü Campus campaign
 - ü Competition of deposit insurance poster/film
 - ü Internet



The Most Effective Tools in Taiwan



Source : 2010 public awareness on CDIC and deposit insurance survey

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Toward Insured Institutions

- **Key messages**

- ü Benefit of promoting deposit insurance awareness

- ü Risk management issues

- Inappropriate deposit structure
- Maturity mismatch between assets & liabilities
- Poor funding capacity

- ü Latest deposit insurance policies (e.g. revising premium rates, building up e-data, etc.)

- **Promotional tools**

- ü Issue letter notices (e.g. request submitting financial reports for monitoring purpose)

- ü Hold meetings and domestic/international seminars



Toward the Financial Safety Net Participants

- **Key messages**

- Win their supports on public awareness policies
- Deliver accurate and consistent messages to maximize synergy

- **Communication channel**

- ü The specific task force among the FSN for the transitioning





Toward the Media

- **Promoting Strategies**

- Actively release the press communiqué referring the DIS regularly and promptly respond to media's inquiries

- Receive interviews with the media

Build up a long-term good relationship and serve as trial balloons of public opinions



The more the media know about deposit insurance, the better they can provide balance reports when necessary

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Evaluation

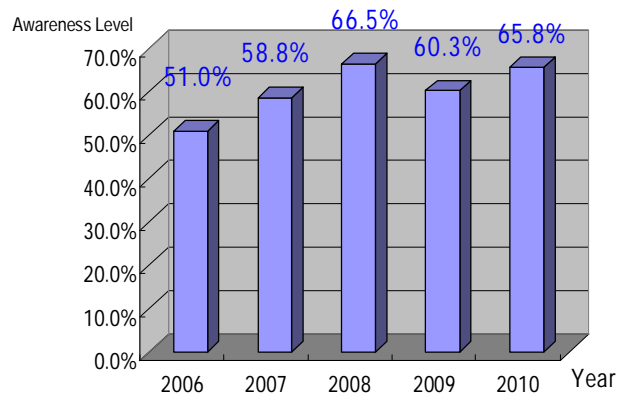
- Conduct regular and independent evaluation of awareness level
- Most practical approach to know awareness level
 - Understand result of a PA campaign
 - Learn where/what to focus for further PA campaigns



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Public Awareness Level on DIS in Taiwan of General Public



Budget & Other Resources

- Budget prepared by CDIC and approved by the Parliament
- About 5% of annual business expenses (about US\$ 1 M)
- Fully utilize free service channels sponsored or provided by other government agencies or insured institutions



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Conclusion

- How to Maintain Awareness Level?

Keep on Doing !!!

Because People's Memories are SHORT!



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Thank You

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