

# THE ADVANTAGES OF SOCIAL MEDIA



# FOR THE FINANCE INDUSTRY

I ■ The financial industry had to overcome a lot of hardships in the past few years. Housing crisis and recession have led to **increasing distrust of banks** and the financial industry in general. Many are still **dealing with the fallout** of recent years.

II ■ Social media monitoring offers banks a **chance to improve their reputation** and increase their **client's trust and satisfaction**.

III ■ Conversation happens in social media about any topic imaginable. Financial transactions, banks or any finance-related matter are not exempt from this. As more and more services switch to online transactions, people are closer to their social networks than to their bank teller. They are therefore more likely to share their experiences, good or bad, with others via social networks.

If customers are talking online, it is where banks need to listen.



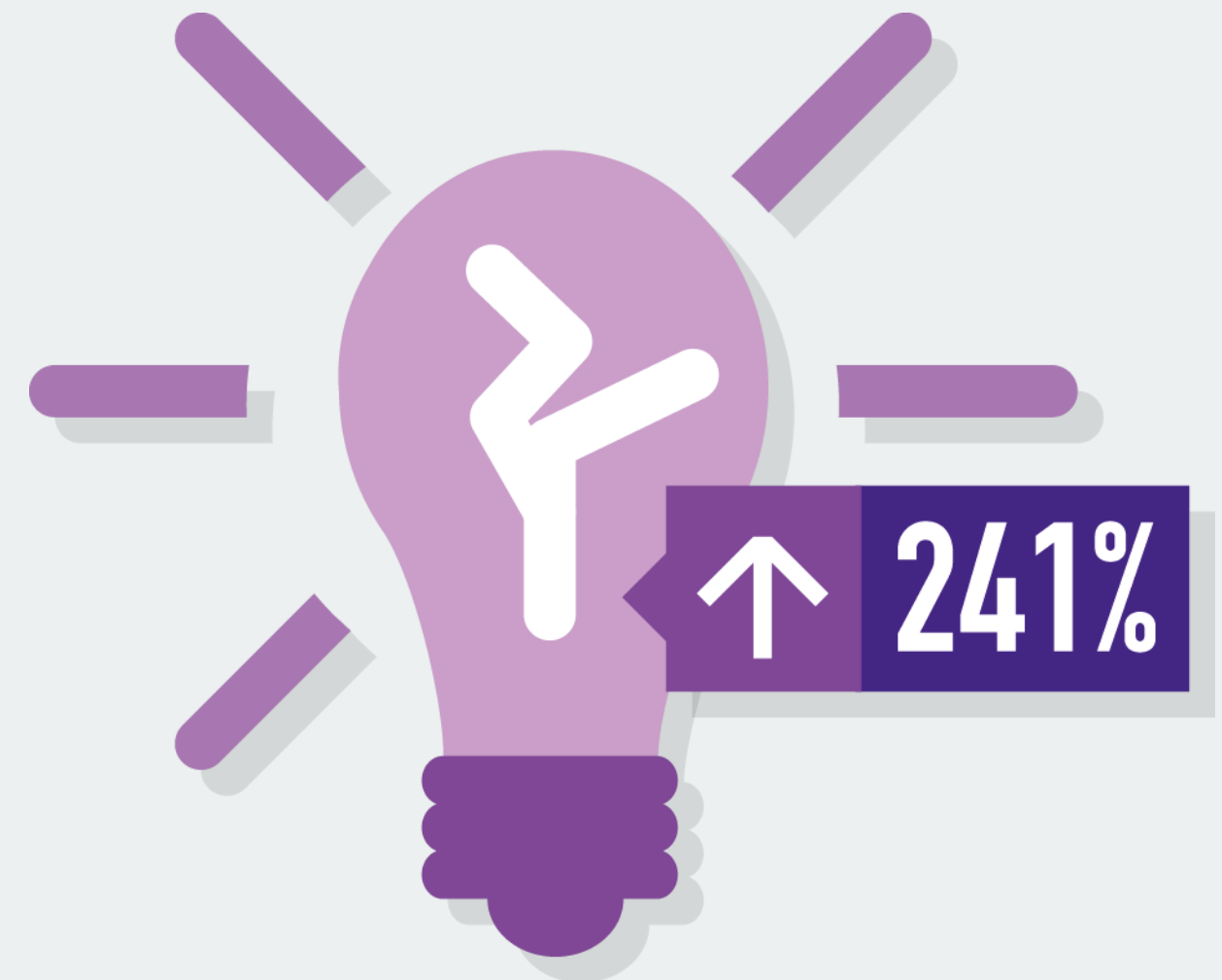


# I. BENEFITS FOR MARKETING & SALES DEPARTMENTS

For Marketing and Sales departments, knowing the success of their campaigns, marketing actions or sponsoring opportunities is essential.

Only when marketers know how customers reacts to a product launch or a new ad campaign, are they able to use this feedback and make the next campaign even better.

Benchmarking a product against that of competitors is important for marketing and sales departments. By listening on social, they receive constant market research and analysis. This feedback is invaluable for creating new products or campaigns a bank's target group actually wants and needs.



## II. CRISIS COMMUNICATION



Social media monitoring and analytics are essential for crisis communication. Each crisis needs to be approached differently. There is no “one fits all” solution that will work every time.

Instead, banks need to be prepared for all kinds of crises and should pay attention to warning signs like a drastic increase in buzz. To cover all bases, banks need to make sure to monitor a wide array of topics, ranging from legislation to different finance products or consumer reports.

Monitoring coverage according to regions or topics gives marketers the opportunity to focus on areas where they need to show more presence or act on aspects that cause critical conversations. If, for example, there is a strong increase in discussion about mortgages in a region, banks should notice and look into the reasons.

### III. CUSTOMER SERVICE

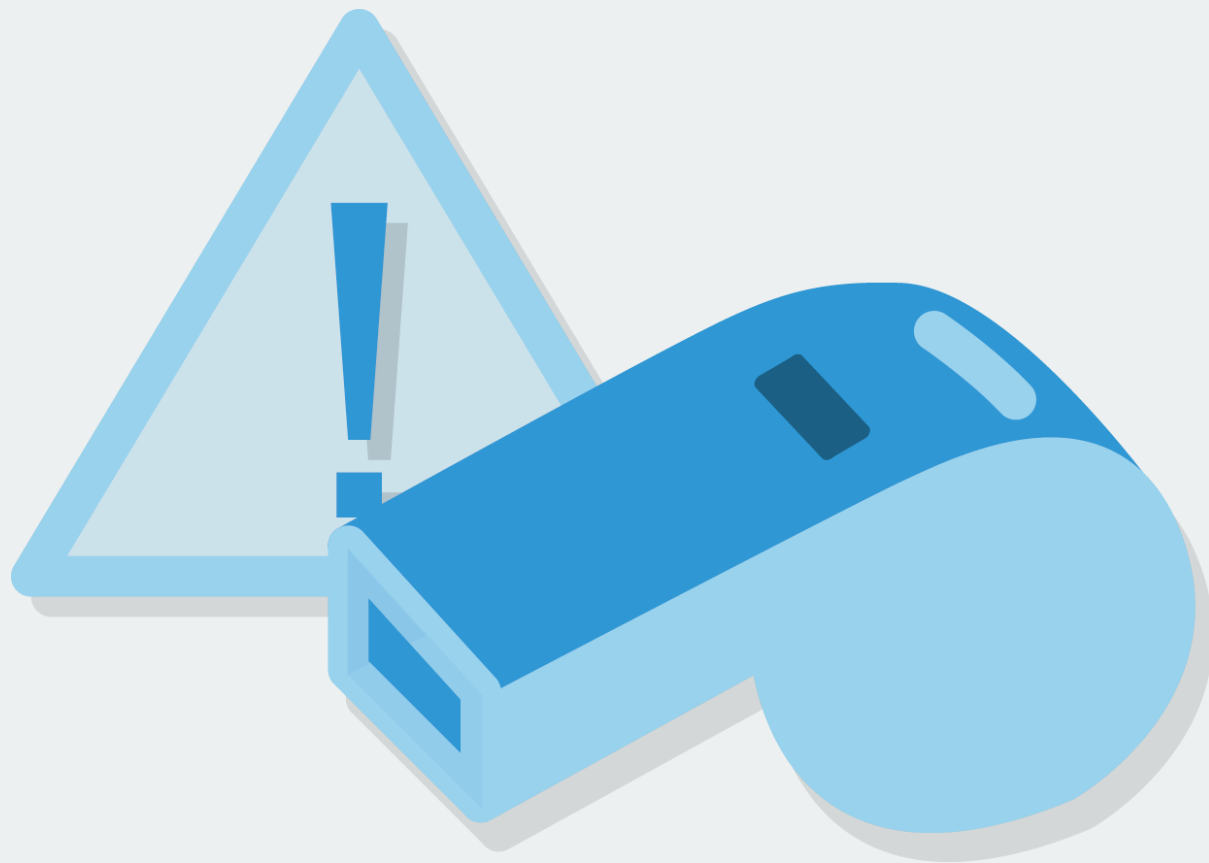
Social media monitoring is incredibly useful for companies that offer social support – and also for those who do not. A good tool allows to measure customer engagement with brand representatives, while also keeping an eye on what customers tell each other about a brand.

In listening to what customers complain about or praise their banks for, finance companies gain insights into what they can improve about their service or if they maybe are already an example for best practice.

Monitoring customer support on social media also helps recognizing when and where issues come up that might be part of a larger problem.



## IV. PR DEPARTMENTS



PR professionals need to know what is being said about their brand - by customers, influencers and media alike. They also need to be aware of conversations about other important aspects besides a bank's products.

Bank management, affiliate companies or advisors are just a few that can affect a bank's online reputation.

In order to measure the success of their communication strategy, PR departments also need to be up-to-date on their engagement rates on social media. Especially in a highly competitive industry like banking, it is important to know what people think about a brand before they turn to someone else.

- be the first to know about breaking news
- respond to upcoming crises quickly and proactively
- find influencers and brand ambassadors for your bank
- identify risks: compliance, product faults, fraud



## I. SALES & MARKETING

- monitor online campaigns
- monitor sponsorship opportunities
- track fan count on social media
- monitor sentiment
- follow up on product launches, e.g. new accounts or cards

## II. CRISIS COMMUNICATION

## III. CUSTOMER SERVICE

- monitor the main topics of discussion  
(e.g. product names, CEOs and managers, affiliated companies...)
- keep up-to-date on brand reputation
- monitor all online presences from one hub
- filter specific interests, e.g. Investor Relations
- keep an eye on the overall industry  
(e.g. financial centres, regulatory affairs, new legislation...)

## IV. PUBLIC RELATIONS

- measure client engagement
- compare overall client satisfaction to segmented analysis: product, geographic or demographic
- Oversee customer service's quality on all branches and for all products

