



**What can banks learn
from Barclays, HSBC and
Santander's social media
strategy?**

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Introduction

Social media is used by the world's biggest brands to reach out to customers, to say it is a new concept would be a lie. More accurately to say is that some financial companies are beginning to notice the benefits of having a competitive strategy for implementing social media best practices that 'work alongside' meeting the evolving needs of the customer, improving their experience and engaging with a younger demographic on their chosen platform.

When implemented correctly social media can be a great tool in your arsenal, however when things go wrong – as they often do – there is nowhere to hide and that social media blunder is available for all to see.

Using industry examples, this eBook focuses on effective ways to overcome the common pitfalls of tweeting, and presents top tips for maximising the social media strategy you already have in place and how you can learn from the mistakes of your peers.



Social media fails: Case study

#Hashtag

When Hashtags go badly

When used correctly the twitter hashtag is a way to drive traffic to your page, rank on the trending page and build engagement. With the right hashtag it is a lot easier to get tweeters interacting with your brand online and it also serves a great way to track all the action that happens surrounding a particular conversation.

Regrettably for Mastercard who sponsored the 2014 Brit Awards, they soon realised how a seemingly innocent hashtag could backfire and cause negative impact. In the build up to the event journalists were asked by the credit card company's PR team to agree to certain demands before they were given press accreditation for the event. They were told to use social media from both publication and personal accounts to live-tweet the event, and to link to specific pre-event coverage and specific YouTube videos afterwards. All tweets had to carry the #PricelessSurprises hashtag.

Unhappy with Mastercard's terms these journalists took to twitter using the hashtag but in a very unexpected way:

Another recent example comes from JPMorgan Chase & Co, who intended to use the hashtag #AskJPM to promote a question and answer session with their Vice Chairman, Jimmy Lee .

Unfortunately for JPMorgan, the hashtag was quickly bombarded by angry tweeters that took it as an opportunity to deride the company by asking Mr. Lee to take a Sex and the City personality test and the status of their Chief Compliance Officer:



- 🐦 What's your favorite type of whale? #AskJPM," said The Atlantic's Matt O'Brien.
- 🐦 Is your "Chief Compliance Officer" alive? Has anyone checked to see if he's in his office? #AskJPM," said Salon's David Dayen.
- 🐦 "Does Jamie Dimon pet a small cat and laugh ominously while he's ruining poor people's lives? #AskJPM," said blogger Tim Donovan.
- 🐦 One Tweeter asked the country's biggest bank to take the Sex and the City personality test: "Are you a Samantha, Carrie, Miranda or Charlotte? I tend to think you're a Samantha. Do you agree? #AskJPM.

Keeping your corporate aims in mind

These case studies highlight the stinging tail of social media in that an individual's negative comment can spread rapidly.

It is easy to post things on social media, especially on Facebook and Twitter which are arguably the most active platforms used by big business trying to enhance engagement. Nordic banks need to remember that backlash can come just as swiftly and easily as positive consumer promotion.

To avoid making the same mistakes as your peers it is important to train your employees and social media campaigners on the right methods to use when representing a brand.



No other medium allows the same reach as social media does when you want to connect with customers directly. However as effective as the likes of twitter, Facebook and most recently Pinterest are, they also point a double edged sword. Hopefully, the missteps of others can serve as a cautionary tale and ensure a thorough processes for dealing with customer complaints are in place.

Banks: Getting it wrong

Barclays have been active on Twitter since September 2010 yet only have 79 tweets. One could argue that the entire point of a twitter account is to stay current, present and active. If this is the case then Barclays are not utilising this tool in a way that will actually be beneficial to their bottom line.

As with Barclays, HSBC in the example are again not utilising the platform to its full potential. As we can see HSBC have only 406 tweets and under 2000 followers which in comparison to their customer base is extremely disappointing. Another issue with their page that could be argued is that they do not actually offer any customer service through the platform which again has distanced HSBC from their customers.

This is yet another case of companies jumping into the social media craze without fully understanding how to exploit the service to its full potential.

The visual appearance and professional feel of a companies page is also of major importance. Most of your present and potential customers will have access to your page and to not be invested in the appearance could have a consequential affect on the Brand, image and reputation of the business.

Santander win - but the banner is arguably poor quality and customers could perceive this in relation to a poor quality service

Barclays, HSBC and Santander have showcased clear signs of not having a solid content strategy for their official brand twitter accounts. Social media is a real-time medium. That means compelling content, provided on a regular schedule, is what will draw followers, customers and prospects to your brand. Most firms start by creating an inventory of pre-existing content currently available on their websites and other content repositories that can be leveraged for social media.

Firms could consider including industry trends, economic analysis, industry expertise, general topics on managing risk, saving and wealth management, news, press releases, events, appearances or quotes from your subject matter experts. Some firms look through their white papers to extract interesting, standalone titbits of information and link back to the source document.



Banks: Getting it right

The transformation into the digital age can be an especially tough task, learning from the mistakes made by some of the pioneering and leading banks will enable a much smoother transition into the world of social media technology.

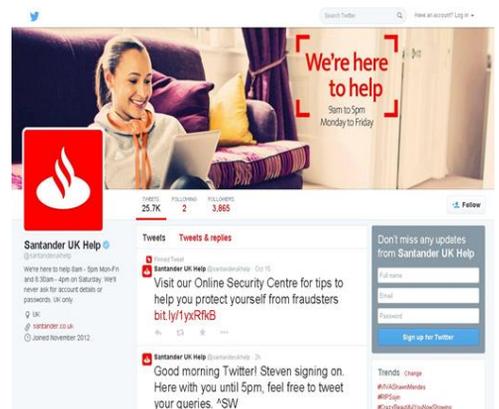
Below we analyse examples that showcase the drastic improvement Barclays, HSBC and Santander have made to their Twitter accounts.

One of the best instances of this is Barclays, which has undergone a truly transformational change from the previous case. They are channelling innovation in the digital space and are fully engaged with their customers.

Barclays digital eagles programme, illustrated by their unique interactive dancing Dinosaur character - is a great example of this and is an example of driving interaction forward in this expansive technological environment.

As well as Barclays, HSBC and also Santander have decided on an overhaul of their page design, interaction and levels of customer service.

Due to the highly regulated environment and pessimistic nature of consumer perception overshadowing the financial services industry, it is no wonder why banks have been relatively slower to embrace the concept and risk of social media engagement. However those that have taken that step and have improved their social media standing are securing the added benefits and ultimately enhancing their bottom line.



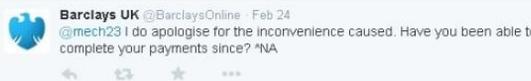
Banks: Dealing with complaints over social media

Even if you have thousands of happy customers, a single bad comment can be seen by all. And it is worth keeping in mind that customers will likely use social media to spread their frustration whether the company at the source of their frustration is active on social media or not.

Being active on social media, however, gives your company the chance to reply and manage negative comments. A recent report by market research firm Harris Interactive discovered that when companies responded to customers who had posted negative remarks via social media, 18% went on to become loyal customers, 34% removed the negative comment and 33% subsequently posted a positive comment! This shows that by engaging with frustrated customers online, companies have the opportunity to convert a disgruntled patron into a loyal customer and earn positive feedback.

Remember that you should be prepared to handle queries or comments from your followers about your posts in a timely way, too. Social media is about two-way conversations, not just a broadcast medium for corporate advertising and marketing.

Here are some examples of how the leading banks handle potentially harmful social media comments.:



Common social media implementation mistakes

1. Not identifying and involving stakeholders early

Going at it alone is not an option when it comes to launching social media within an organisation. A non-exhaustive list of stakeholders include corporate communications, marketing, investor relations, public relations, human relations, risk, legal, compliance, customer service, registered reps, IT, data security and senior management.

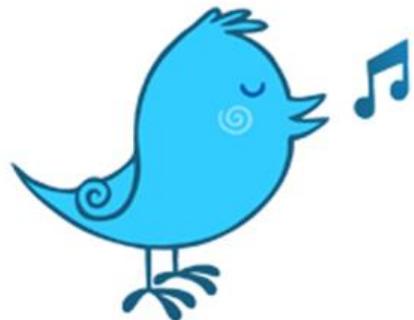
Not everyone will be enthusiastic about social media, but they each bring a different perspective and could identify areas of risk that an organisation would want to work through before launching any social media initiative.

Importantly, there are typically only a few people in any organisation that can say “yes” to a project and almost everyone can say “no.” And they will, unless you get their buy-in before launch.

2. Not doing enough research

Look at your competitors and see what other organisations in regulated industries such as pharmaceuticals or energy are doing. They would have to comply with similar regulatory requirements when it comes to social media. Research could reveal real-world examples and inspiration as to how your firm may want to use social media.

For example, when it comes to recruiting, some firms may use LinkedIn as a recruitment tool, with frequent job postings, videos and background on the firm. Or perhaps they use Facebook to illustrate the culture of the firm through philanthropy, events, photos, employee highlights and campus recruitment. Many use Twitter to post more factual updates such as press releases, links to white papers and events.



When negativity occurs, it is more effective to join the conversation – correcting misconceptions and offering customer service – than to not be a part of the conversation at all.

From a regulatory perspective, it is equally important to know whether your individual employees are adhering to your existing social media policies.!

3. Not properly training employees

Training is essential to the success of any social media deployment. Training should illustrate your corporate social media policies and explain what is allowed and what is prohibited. If features are blocked or prohibited, provide the reason to enhance compliance.

Providing specific examples of “dos and don’ts” accelerates the learning process when training advisors. In addition to fundamental training required by the regulators, advisors need training on best practices. Show participants how to set up profiles, engage with followers, contribute to communities, demonstrate expertise, grow their networks and analyse their effectiveness. Discuss the advantages of various networks to help users select which network best meets their needs.

do not forget that not everyone within the firm approaches social media with the same level of skill or experience. So make sure the training provides tips for using social media authentically, engagingly and effectively.





Customer Experience Transformation: Financial Services Nordics

I hope you have learned a lot from European banks' social media strategy. If you would like to hear more tips about social media strategies and customer experience strategies from your Nordic peers including: OP-Pohjola, Danske Bank Group, First Gulf Bank, Aktia Bank, Sberbank and more, then you should attend **Customer Experience Transformation: Financial Services Nordics** Summit taking place on **16-17 June 2015** in **Stockholm**.

It's the **ONLY** forum that is dedicated to the Nordic Financial Services industry discussing the hottest topic – Customer Experience. The event will look at customer experience in a strategic context, including social media and evaluate how businesses can use it to their competitive advantage.

To find out the full speaker list, agenda, networking agenda, registration and sponsorship information, please [download the brochure](#).
Or email: enquire@iqpc.co.uk or call + 44 (0) 20 7036 1300.