

## SOCIAL MEDIA NOW STATUS QUO FOR BANKS

Usage of Facebook and Twitter differ, but commonality is, you've got to be there

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At Corporate Insight, we've been tracking the way financial services companies use social media for the last three years. When we first started researching the topic back in 2008, most firms had yet to react to these new communication channels. The few pioneer companies that were using social media typically consisted of credit card issuers and self-directed brokerages, though a few banks were starting to experiment with Facebook pages and Twitter profiles.

When we published our initial social media report, *Social Media: Trends and Tactics in the Financial Services Industry*, in October 2008, only 32% of the firms we track had a Facebook page and 15% had a Twitter profile. It was still unclear how firms could use this new form of media to their advantage or if clients and prospects would even be open to the idea of companies interacting with them via social networks.

Blue bird pulls ahead of 'The Social Network'

Over the next two years, we saw a steady increase in the number of firms using social media. By the time we published our second report on the topic in October 2010--'Friend' Is the Trend: Social Media and Financial Services Today--56% of the firms we track had Facebook pages and 57% had Twitter profiles.

However, within the banking industry, we were already seeing the popularity of Twitter outpace Facebook. At that time, 47% of the banks we track had a Facebook page while 70% had a presence on Twitter.

Over the past year, we have continued to track statistics related to social media properties on a monthly basis and our findings demonstrate that Twitter continues to gain in popularity. As of Aug. 1st, 67% of the firms we track now have a presence on Twitter, while 59% have a Facebook page.

Within the banking industry, 82% of the banks we track have a Twitter profile and 65% have a Facebook page.

### Multi-faced financials

As financial services firms have grown more comfortable using Facebook and Twitter, we've watched a growing number of firms launch multiple profiles on these social networks.

As of Aug. 1, 38% of the firms we track who maintain a presence on Facebook have two or more pages.

Similarly, 45% of the firms using Twitter have two or more profiles.

Once again, those figures are more pronounced when we focus on the banking industry. Today, 45% of the banks who maintain a presence on Facebook have two or more pages while 64% of the banks on Twitter have two or more profiles.

So, how are banks using their multiple Facebook pages and Twitter profiles?

Typically, a primary account is used to provide general company information and news--essentially, corporate basics.

Secondary accounts focus on specific topics such as products or services.

Let's look at this more specifically.

On Facebook, the most common focus of firms' secondary accounts is recruiting.

Banks like Capital One and Wells Fargo use these pages to post information about internships and career opportunities with their firm. Banks are also commonly using secondary pages to promote specific products and services (e.g., Chase Freedom); highlight charity programs and social campaigns (e.g., Chase Community Giving); and extend the reach of

popular marketing campaigns and advertising personalities (e.g., Capital One Visigoths).

On Twitter, many banks use secondary profiles as customer service channels.

This trend, first adopted by banks like Bank of America and Wells Fargo, has since spread to other segments of the financial service industry.

As seen on Facebook, career- and advertising-related pages are also popular on Twitter. However, overall, there is more variety in the way firms are using their secondary Twitter profiles than on Facebook.

With so many banks actively participating in the social Web, the industry can no longer afford to think of social media as optional or experimental. Corporate profiles on major social networks like Facebook, Twitter, YouTube, and LinkedIn are now the norm.

What's more, customers expect their bank to be available from these sites.

Talk back! What has your bank tried lately in social media? Is it working?