CHANGING NEGATIVE SOCIAL SENTIMENT INTO POSITIVE CUSTOMER EXPERIENCES

Engage, respond, and build on the positives

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By Steven J. Ramirez, CEO of Beyond the Arc, Inc.

Social media platforms wield a powerful influence over public perceptions of customer experiences and brands in financial services.

Money can be a very personal--and emotional--topic. As a result, customers are often closely in tune with how they feel about a financial issue. When customers interact with their bank, social media amplifies the impact--for the good or for the bad.

When customers have a bad experience, they're often more connected to how they feel about the experience, than the issue itself. That's why banks need to sharpen their focus on how to react to online commentary, especially negative

comments. Timely and effective communications can help you manage negative sentiment, build trust, and promote loyalty.

Why--and how--to track negative sentiment

There's an advantage when financial institutions listen closely to what customers are saying about their business, both in direct feedback and across social networks. Such feedback provides insights needed to respond quickly to customer concerns and to tailor communications to turn negative perceptions into positive customer experiences.

Banks need a comprehensive approach to gathering, analyzing, and responding to customer comments.

To effectively manage negative customer feedback, banks should consider a three-tiered strategy:

1. Consider the risks and missed opportunities of not responding to customers.

2. Prioritize negative feedback, to focus your communications appropriately.

3. Transform negative situations into positive engagement.

Why not ignore the negativity?

Whether it's a few complaints or a sweeping trend of concern, when negative sentiment hits social media, it introduces both risks and opportunities for a business.

The danger in not responding: To the consumer, zero response looks like zero concern.

The 2011 Retail Consumer Report, commissioned by RightNow and conducted by Harris Interactive, found that addressing negative feedback often works in a company's favor:

Of customers who received a response after posting negative feedback, 33% replied with a positive review, and 34% deleted the original negative review.

Don't randomize, prioritize

How do banks decide which negative comments to respond to? The process is similar to hospital triage.

First, fix what's obviously broken.

If there is a serious complaint, engage those customers quickly.

Listen to their concerns, admit any mistakes, and be clear about how you'll improve their experience. For good measure, reach out again down the road to make sure they're happy. (Read a recent ABA BJ Digital Magazine cover story about complaints, including KeyCorp's social media team.)

By giving customers prompt, personal attention, they may express their appreciation with a positive review, which can improve the perception about the bank's brand to hundreds or even thousands of other customers.

For more general statements that customers make, don't try to respond to everything. Focus on helping customers with legitimate concerns to create the greatest positive impact.

To prioritize negative feedback, it helps to understand the severity of key issues and customer sentiment across multiple channels.

A great way to manage this monitoring is to use social media analytics, which enables the bank to easily tap into insights that make it easier to prioritize how and when to respond to customers.

Transforming the experience

Transforming negative situations into positive engagement can be achieved with three fairly simple strategies.

1. Strengthen community engagement with customers.

In responding to negative feedback, let customers drive the conversation. Listen to what would please them and share solutions that may benefit other customers as well. Engaging their ideas can help build a sense of community with the bank and encourage others to join the conversation.

2. Remember that social media is also a natural tool to enhance perceptions of customer service.

Take advantage of negative feedback to spark innovative ways to communicate with customers. Think beyond a simple apology or refund to what would truly delight a customer. By going the extra mile, the bank may win the customer's loyalty and motivate them to refer business to others.

3. Remember that the news is rarely 100% negative.

Even when negative sentiment looms in social media, there are often loyal customers who will defend their bank. Engage them directly to express appreciation, learn what they like about the company, and ask how the bank can earn their loyalty.

A little bit of personal attention might motivate more business and prompt them to help influence positive sentiment online.

Ultimately, social media feedback should be treated just like any other customer contact channel. The key difference is that often the information and feedback is provided indirectly to the bank and magnified across a customer's social network. To reach both individuals and the public at large, social media is a powerful channel to quickly address key concerns, clarify misconceptions, and offer reassurance.

Showing your customers that you care about their financial experience can help transform negative sentiment into a winning customer experience.

About Steve Ramirez

Steven J. Ramirez is CEO of Beyond the Arc, Inc., a management consulting firm that combines strategy consulting with advanced analytics to help financial services clients identify opportunities to differentiate themselves in the marketplace. The company's social media data mining helps clients improve their customer experience across products, channels, and touch points.