ARE YOU WASTING SOCIAL PRESENCE?

Don't blow the potential by missing social cues

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

Social media is here to stay. Whether people are chatting on Twitter, Facebook, blogs, Yelp, Pinterest, Tumblr, or some other platform, the ability to connect digitally and share opinions, complaints, and suggestions has permanently changed the way consumers and businesses interact.

For banks, this can be a dual-edge sword.

On one hand, customers who complain can now reach audiences of thousands around the globe.

On the other, never before has a bank had such easy insight into the mindset, thoughts and opinions of both customers and prospects.

Tracking and digesting what's said

On any digital platform, the pure volume of data makes sorting through the noise no easy task.

The key is to collect the right data, filter it strategically, and use the appropriate text analytics tools to let the data better inform decisions that can impact the bottom line.

No matter how large or small your bank, social media analytics can shed light on what your customers are thinking in three primary areas:

1. Shopping for new banks: Identify and engage consumers looking for your product or service

Social media is the newest frontier for customer acquisition. Some people publicly announce they are shopping around for a particular product or service, such as a mortgage loan, new car, or investment advice.

Using social media monitoring, banks can identify all posts that demonstrate intent to purchase or an interest in a product. They can then engage the authors of these posts directly, using social media as a tool for reaching out.

You can also leverage your bank's expertise to proactively share financial tips and suggestions, helping to better position your institution as a trusted advisor.

2. Are you listening? Improve the relevance of automated responses to increase engagement

Customers are increasingly using Twitter and Facebook to interact with their banks.

Most banks respond to customer posts--but often the responses don't align with the original comment.

For example, on Twitter a customer may ask a bank a question about an ATM location, but get an automated response thanking them for the follow and to call customer service with any questions.

The response was automatically generated and does not enhance customer service or the customer's engagement with the bank.

Automated responses may save time, but they usually don't help to build engagement.

If a bank uses them, banks need to monitor and continuously improve their automatic response engines.

Or they risk alienating customers.

Using text analytics to classify social media comments can help improve the accuracy of your responses, leading to increased engagement and a more positive customer experience.

3. Nip complaints in the bud: Monitor customer service complaints for targeted improvements.

For many banks, the most prominent complaints on Twitter and Facebook center on customer service. Customers who have a bad experience in a branch or on the phone often vent by sharing that experience in social media.

In many cases, customers may share details about where the interaction occurred and even which employee was involved. This targeted feedback enables banks to monitor customer service issues and take specific action to remedy them.

Similarly, if a particular product or service is generating negative sentiment, social media analysis can help banks identify it quickly and make changes to reduce attrition and improve the customer experience.

Social is a rich vein worth mining

Social media can be a valuable way to learn more about your customers' needs. But trying to derive meaningful insights can be daunting.

Yet, social networks are so rich with information about your customers that it's a resource too valuable to ignore. Developing a focused and prioritized approach, and using the right analytic tools, can help you to meet your business objectives.

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For more thoughts on turning negative interactions positive, read "Changing Negative Social Sentiment into Positive

Customer Experiences."

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.