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## BANKING BY TWITS AND TWEEPS

by [Steve Brown](#)

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The competition is intense and the playoff-like atmosphere has brought new attention to the race. We are not talking about the Masters, the start of baseball season or even the Stanley Cup playoffs, but rather the race to 1mm subscribers on Twitter between Ashton Kutcher and CNN. Yesterday, at 2:13 ET, Kutcher passed the 1mm mark, 30min before CNN.

Now, we are not sure we want to raise our kids in a world where people follow Kutcher more than CNN, but our kids seem to want to and that is our point. If you are not a subscriber, Twitter is a web-based communication channel that allows individuals and companies to communicate in 140 character or less verse, near-instantaneously, with large groups of people. It is like combining texting and blogging together to form a fast, informal, communication channel. What is impressive is how a single individual, with questionable acting talent, can command an audience that surpassing a major global news organization.

Before you dismiss Twitter's popularity as a fad, consider that some businesses are finding success using it. Our sandwich shop Twits (the singular form of Twitter), when new sandwiches get released and when hot cookies are coming out of the oven at various locations. Business is reportedly up 15% this year as a result of better customer communication.

Banks are getting involved as well. Back in January, Bank of America hired a full time employee whose sole job is to answer Twitter requests. The service is great for quick questions, such as what are the branch hours at certain locations, what are the wire fees or where you can pick up Euro currency for an upcoming vacation. One advantage is that the customers can check wait times and Twit volume by going onto the BofA section at Twitter.

This, however, is only the start. In a recent brainstorming session, we came up with over 50 different ways that banks can better leverage this technology. Here are some examples: Promoting special offers; a way to communicate with customers and employees during times of disaster; informing customers of extended hours around certain events such as tax time or the holidays; when certain employees are available in a branch such as specialist for investments, trust services or other professionals; when merchant lines are short; and, of course, payment services. Banks should be using more Twits now to keep customer's informed off all the stimulus, loan modification and FDIC changes. Further, by signing up for services like TwitPay and others, banks can stay involved in the payment channel to enable users to pay for goods and services via their DDA account. Granted, there are some security and reliability issues here, but maybe the channel will evolve to handle high volume, low dollar amount transactions.

Finally, banks can make their marketing more interactive similar to what Inuit has been doing. Intuit lets users post Tweeps (multiple Twits) directly to a series of online web-banners that give a live display of what Inuit users are doing now relative to the Company's products (Turbotax, Quicken, etc.). This user-generated micro content is a live stream of Inuit user activity, such as "Just filed taxes," "Got my refund back," etc. Banks can duplicate the success by running contests, posing daily questions or other tactics in order to keep things lively.

We will be talking more about new products such as Twitter and others at our Executive Management Conference coming up in a couple weeks. For those that cannot attend, we also suggest our Liability Coach service to help banks manage liability structure and drive down costs. In addition to helping set rates, tiers and volume goals for each deposit class, the service also determines what products are missing from your liability line up in order to drive business. The service also keeps you updated on new developments in rewards checking, payment platforms and treasury management. If you would like more information, please contact us via phone or e-mail. Maybe next year, we can even keep you informed via Twitter.

## BANK NEWS

### **Buyer Wanted**

The OTS ordered Florida's largest community bank, BankUnited (\$13.9B, FL) to submit a merger agreement within 15 days or be taken over. The Bank is under a C&D and has been looking for a buyer or capital for the past 6 months

### **JPMorgan Chase**

The Bank reported a 1Q profit of \$2.1B. CEO Dimon also said the firm looks to repay their \$25B in TARP capital.

### **Citigroup**

Citi followed earlier positive earnings releases from other major banks and reported a \$1.6B profit, ending a streak of 5 quarters of losses. For comparison, the bank booked a net loss of \$5.1B a year earlier.

### **SBA Change**

The SBA increased the size limits on its surety bonds on Mar. 27 to as much as \$5mm (up from previous \$2mm limit), as part of a provision of economic stimulus legislation. This should help small businesses that need these surety bonds to compete for construction or service contracts.

## GAINING INSIGHT INTO YOUR BANK VIA BIG METRICS

Yesterday, we received a number of requests for more information about the industry groups discussed in the BID. In response, we have posted a dashboard with the data on our BIG Metrics site. It can be found under the Sample Dashboards section: <https://biganalytics.bancinvestment.com> .

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