

THE POWER OF THE INTERNET- BANK BLOGS

by [Steve Brown](#)

In case you don't get out much, we bring to your attention the "Annoying Orange." This 4th-grade level comedic web-based series is about a dim-witted orange that pelts other food and assorted characters with asinine jokes, bad puns and various noises. Each episode of the weekly series is about 1 minute in length and now garners about 64mm views an episode - That's like 100% of the population of Britain hitting the web each week to check out this sophomoric humor. Annoying Orange is now the most viewed property of all time on the web and holds many of the top 20 spots on YouTube's Most Popular list. We used to mock the effort until we found out that the latest marketing agreement gives GagFilms (the creators) a little more than a cent for each page view. We'll let you do the math, but our ridicule has transitioned into outright jealousy. Our take away here is to keep web content short, addictive and don't be afraid to experiment. In addition, the success of Annoying Orange drives home the point that the leverage of the Internet can result in previously unfathomable traction.

While we are not advocating using your CEO's face to start something like the Annoying Checkbook, we are a fan of banks producing thought-provoking blogs in order to get closer to their customers and better build a brand in their community. A blog gives a bank a place to archive events, stories and acts as a hub for customers. It is fresher than a website, less limiting than Twitter, more controllable than Facebook and can provide banks the perfect platform to interact with their community.

If you are thinking about starting a blog, there are some basic keys to success such as how often you should post, how to link to social media channels and how to integrate your bank's corporate web page. By way of example, we highlight several blogs that banks can learn from:

BankAtlantic's FloridaBankBlog: This community bank is only one of some 32 other bank blogs that we are aware of and track. BankAtlantic's is a fantastic effort with a clean layout, quality articles and a good all around platform that appeals to commercial and retail customers without over-selling. For banks looking for an example of what other banks are doing, this is one of the best examples out there. Outside of the bank space, here are some other blogs that underscore key lessons.

Kodak's A Thousand Words blog shares stories about its products. Here, the case study approach works great in order to quietly promote the brand and expertise. In addition, the site does something that we believe all bank blogs should do and that is to include the author's picture and information in order to make it more personal. Readers can rate the posts, up to five stars, which aids in content direction and assist management in better understanding the issues of their customer base. The site also makes it easy to share posts with social media outlets like Facebook and Twitter. Another key part of this blog for banks to take notice of is that the "About" page makes it clear that "Inquiries that are unrelated to this blog -- such as warranty-related questions -- will be redirected to an appropriate resource." This highlights the blog's purpose and saves the content or monitoring staff time with redirecting customers.

Other blogs that we believe do a good job and are worthy of study include Southwest Airline's Nuts About Southwest (great customer interaction and integration of Company history), Zappos Family of

Blogs (excellent example of how to consolidate multiple blogs that appeal to different customer segments) and a company called Tiny Prints (solid content).

While you may never get 64mm hits to your blog, we are confident that your effort will be a whole lot less annoying than our Orange friend. If you are looking for an inexpensive way to interact with your customer and maintain a thought leadership position within the community, a blog is a great place to start.

BANK NEWS

Risk Weightings

In a response to a Dodd-Frank provision, the FFIEC issued notice that it will propose rules that will give banks alternatives to using credit ratings in calculating risk-based capital rules in order to make banks less reliant on public ratings. Alternatives will include tracking credit spreads, and developing internal risk models such as a risk-based loan pricing model.

Unbanked Accounts

The FDIC approved a pilot program to evaluate the feasibility of banks offering an electronic, low-cost (as in no OD fees) transactional and savings accounts that would be fully guaranteed with FDIC insurance. The FDIC is accepting applications to participate in the "Safe Account" program through Sept. 15.

Economics Survey

The latest Bloomberg survey (out this morning) shows most economists cut their growth forecasts. Gross domestic product will expand at an average 2.55% annual rate in the last six months of 2010, according to the median of 67 estimates in a survey taken July 31 to Aug. 9. This is down from the 2.8% pace that was predicted last month for the rest of the year.

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