

TROJAN MARKETING

by [Steve Brown](#)

For this Friday, we make two recommendations. One is that we suggest the Greeks, in an effort to solve their almost terminal debt crisis, repay the debt from the European Union by giving them a huge, wooden horse. Just hit Home Depot, slap some excess plywood together and leave it outside the ECB headquarters. If it worked once, it can work again. Sure the finance ministers would prefer some of their principal back, but a nice horse would have about the same value as the next round of debt to be issued. Best of all, it would still show the world the Greeks maintain their sense of humor.

Unfortunately, our second recommendation is only slightly better. Speaking of Trojan Horses, we present a stealthy way to increase your bank's marketing. While many banks spend on advertising to get their name out, one easy and relatively inexpensive way is to work on "search engine optimization" (SEO). While banks can pay for professional SEO, most overlook utilizing customer reviews. The reality is, when it comes to marketing, many banks either ignore the internet or choose to focus on social media. As a result, SEO has gone largely overlooked. Those banks that do focus on SEO usually do so only when they roll out a new website and then forget about it.

Since a majority of potential bank customers use a search engine like Google, Yelp or Yahoo to research a bank or a financial product, it pays to make it easier for would be customers to pick you out of a list of search results. The easiest way to do this without spending money is to get a high page ranking so you appear at the top of a search page.

It works like this - when you do a search on Yelp, Yahoo, Yellowpages.com, Google, Google Maps or other search engines for words like "Bank," "Savings," "Checking" or other bank products, after paid advertisements, the engines usually ranks those banks with the most positive customer reviews the highest. In other words, customer reviews help raise your page ranking placing your bank in a better position to be seen. Since most search engines are geographic specific. This usually means (depending on how the web is accessed) that high page rankings are seen by the people and businesses that are most important to you.

We point this out, as for most areas it only takes 3 to 5 positive reviews to be at the top of the page. Since most banks don't even pay for search terms such as AdWords on Google, this means your bank can be at the top with minimal effort and virtually no cost. Not surprisingly, San Francisco has the most required reviews needed in the nation at around 30. However, places like Chicago, Miami or Charlotte take about 3.

Banks can accomplish getting online customer reviews any number of ways. Usually the number of reviews are low enough that you can just ask your closest customers to write a review. However, if you want to go beyond that, we do know of several financial institutions (more common among credit unions) that run dedicated campaigns either as a large marketing program or at the point of sale. Some companies even build a referral program into their website.

If you are looking to get greater recognition within your community, consider leveraging customer reviews as a Trojan Horse to gain more visibility against the competition when it comes to search

engines. In fact, give it a try right now and see which banks come up first and how many reviews they have. The answer might surprise you into action.

BANK NEWS

Earnings

Large banks are set to release earnings next week and we think it will be a positive trend for the industry. While core earnings will be flat and top line revenue growth difficult to find, lower loan provisions and overhead costs should help boost earnings for a 3 qtr. In a row.

Muni Settle

JPMorgan Chase agreed to pay \$228mm to settle charges that the bank conspired to rig the bidding on investment contracts sold to state and local governments to boost its profits at taxpayer expense.

Wells

The Bank follows BofA's lead and settles its class action suit by paying \$125mm to extinguish claims that it failed to disclose critical information about the MBS product that it helped originate.

Multifamily Vacancy Rates

According to Reis data, apartment vacancy rate (82 markets) fell to 6.0% in Q2 from 6.2% in Q1.

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