

## Creating a Buzz

by [Steve Brown](#)

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The standard housefly or "*musca domestica*" accounts for 91% of all flies in and around human habitations and is one of the most widely distributed insects around the world. Flies are disgusting and are considered a nuisance as they carry a number of nasty diseases including typhoid, cholera, dysentery and even anthrax. No matter what you think of flies, we have always been amazed by the speed with which they can dart off the kitchen counter just as one approaches with a magazine in hand. It turns out, they fly (yea, we did that) at 4.5 miles an hour. That may not seem all that fast, but because of their size, it is the human equivalent of 810mph. Well no wonder we miss frequently.

We were buzzing around social media sites the other day, lighting here and there while thoughtfully rubbing our antennae as we pondered community banking. We are always interested in what is going on at community banks around the country and periodically check in to see what people are thinking and talking about. In general, we find social media is still tricky for banks.

While the benefits are clear in terms of communication with customers and prospective customers, companies including banks are often reticent to give employees access to social media sites on company computers. If your bank intends to have a presence on social media, decisions have to be made including which employees are in the communication chain.

Mostly bank use of social media sites is indeed social. We often see posts about community events and organizations that banks support as they support their community. We also see smiling photos of employees at fund-raisers and even marketing messages scattered here and there. One particular bank posted a number of photos that really caught our eye, with all the bank's employees in bright shirts, celebrating with customers with music, entertainment and a big downtown party. It was truly a real old- fashioned celebration in their small town but publicized on social media. This truly was a winning combination of old and new.

Not all bank use of social media is just social though. Online bank ING Direct for instance has given 1.8mm bank customers access to their bank accounts through Facebook. Customers receive real-time account alerts there in read-only mode. Now, ING said it plans to expand the application to include transactions such as transfers and bill payments. Another example is Commonwealth Bank of Australia, which is already allowing transactions through Facebook, as well as access to account data. Mechanically speaking, the customer logs into the bank's website interfaced through Facebook. All of the bank's online security is in place but the look is different and information is right where customers can access it most readily.

US banking institutions continue to experiment and none we know of have yet allowed access to online banking through Facebook due to concerns over FFEIC rules on social media. That will eventually change and we would expect this service to be coming soon to US institutions.

You don't have to deal with flies to know using social media can create a good buzz about your bank. Social media can be a great way to help your bank publicize things you do in your community quite inexpensively.

## BANK NEWS

## **M&A**

Triumph Bank (\$416mm, TN) will buy the mortgage division of Merchants & Planters Bank (\$93mm, TN) for an undisclosed sum.

## **Large Layoffs**

Forbes reports JPMorgan Chase will cut up to 15k jobs in its mortgage unit by the end of 2014, as activity slows down and in an effort to save some about \$3B per year.

## **Employment Picture**

The BLS reports that from the peak of 138.1mm payroll jobs reported in Jan. 2008, we are still down a net 2.2mm jobs. At the current pace of jobs creation, it is estimated it will take about 1Y from now to get back to where we were at that point.

## **Social Marketing**

A Creative Group study finds 62% of business executives say they plan to increase their marketing spending on Facebook this year vs. 53% last year.

## **No Time Off**

A survey by Opinion Matters on email usage finds: 81% of respondents say they check work emails on the weekend; 76% typically reply to emails within 1 hour during work hours; 64% check at least 1x per day; 59% check emails while on vacation; 55% check email after 11pm and 30% say they send personal emails from their work account.

## **Customers**

Banks should note a survey by Synergistics Research that finds 49% of small businesses would be interested in making an appointment with their bank to meet with someone at the branch but 67% are not aware of so- called appointment banking.

## **Using Mobile**

Banks targeting customers should note research by InsightsNow finds mobile usage peaks from 6pm to midnight when 38% of mobile visits occur and about 67% of mobile phone use happens in the home.

## **Customer Loyalty**

Research by ClickFox finds 80% of people feel the quality of a product is the most important factor vs. 72% that said it was a great customer experience.

## **Customer Marketing**

A survey by Efma finds 84% of banks actively use Facebook in their marketing strategy. Meanwhile, a survey by PC World finds that when it comes to branding, 60% of small business owners rely on employees to communicate their brand to customers. Social channels include their website (52%), Facebook (35%), LinkedIn (33%), Twitter (19%), Google+ (11%) and blogs/forums (10%).

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