

QR Codes - Check This Out

by [Steve Brown](#)

QR codes are the square boxes with black smudges that one sees most often in the corner of magazine advertisements, and you may be thinking they are just goofy black boxes and product ads--but there is more to them. For example, at the Smithsonian Natural History Museum, there was a QR code displayed in an exhibit labeled "Neanderthal Me." The link provided an attractive alteration of your own image with a bit more facial hair, a sloping forehead and really strong shoulders--like you would have in Neanderthal times. Now that's useful!

QR is an abbreviation for "Quick Response Code", and was a 1994 invention by a Toyota subsidiary, designed to track vehicles during manufacture. The QR code differs from a standard bar code because it can store more information and can be read much faster by a scanning machine. Although born of the auto industry, they are now broadly used for a variety of purposes, including: tracking and identifying products during manufacturing and shipping, managing documents or for general marketing purposes. They have been used on Chinese train tickets since 2010 and a story surfaced of a Japanese stonemason who put them on grave stones so visitors could view information about the deceased and family members could keep track of visitors.

The primary general public use of QR codes is for marketing purposes and they are used to get product or company information seamlessly to a desired audience. Reading a QR code requires a scanning app on a smartphone that is easily downloaded on an Android or an iPhone. The app scans the code and then directly transfers the user to the company's web site, a promotional video or any other internet site. The transition is seamless and there is no need to do a Google search to find a company site or to type in a URL because the scanned QR code takes the user directly there. It's a convenient way to embed a link in a message, on a sign or anywhere else potential customers might see it and be interested in more information.

Do QR codes represent a possible marketing avenue for community banks? The answer is yes, if the information can be displayed in such a way as to reach a target group and the code links the potential customer to information they are interested in. Research by Edison and Arbitron finds 21% of US smartphone owners say they have scanned a QR code and 2% do so at least 1x per day. Another survey by Nielsen finds 24% of US smartphone users have scanned a QR code in the past 30 days. Finally, a BrandSpark International study finds 83% of North American consumers are aware of QR codes and 47% have used their mobile device to scan one.

As you work on the budget process for next year, consider as well that a study by Nellymoser finds response rates are higher with QR Codes than direct mail, so check your spend.

PCBB knows that faithful readers of the Banc Investment Daily wait with breathless anticipation each day to open this very email attachment or click the link on their devices. To assist you, we have added a QR code to make it even easier to read on your device. Download a QR scanner app if you don't have one on your phone already, scan the code above and you will be taken directly to the Banc Investment Daily page. If you have never registered on the page, you will only need to do so once. We don't want you to miss one corny joke or misplaced metaphor, so we are making every effort to make the BID convenient and accessible wherever you are.

BANK NEWS

M&A

Bank of the Ozarks (\$4.7B, AR) will acquire Omnibank (\$301mm, TX) for \$23mm in cash or about 0.75x book.

Small Biz

A survey of small business owners by SurePayroll finds 55% of small business owners plan to give holiday bonuses this year vs. 38% last year.

Last One

The last FOMC meeting for Ben Bernanke is Dec 18.

Rate Hikes

As we end the Bernanke era at the FOMC at the end of this year and wonder when rate hikes could occur, we recall something he said just about one month ago. He said that "even after unemployment drops below 6.50%, and so long as inflation remains well behaved, the Committee can be patient in seeking assurance that the labor market is sufficiently strong before considering any increase in its target for the federal funds rate....the target for the federal funds rate is likely to remain near zero for a considerable time after the asset purchases end, perhaps well after the unemployment threshold is crossed." Could this be 2015 or 2016?

Cyber Attack

JPMorgan is warning 465k people their UCard prepaid cash cards may have been hacked and personal information stolen.

Branches

Accenture reports consumers still prefer branches (41%) to websites (35%), but the margin is contracting.

Economy

Fed NY President Dudley said in a recent speech that he is "getting more hopeful" on prospects for further economic recovery. He sees GDP growing over the next 2Ys and expects the fiscal drag "to abate considerably over the next few years."

Biz Lending

Fed Cleveland research finds the amount of business loans of less than \$1mm outstanding at banks was only 78% of what it was in 2007.

Settlement

PNC Financial Services Group has agreed to pay \$89mm to settle legal disputes with FHLMC over mortgages it sold between 2000 and 2008.

Failures

FDIC research finds the top 10 states with the most bank failures since 2008 are GA (87), FL (69), IL (56), CA (39), MN (22), WA (18), MO (16), AZ (15), MI (13) and NV (12).

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