

Press release

Survey by moneyland.com on the social media competence of 50 leading banks

Social Media in Banking: Striking Differences

moneyland.com, the independent financial comparison portal, analyzed the social media presence of 50 relevant banks worldwide. Bottom line: There are major differences when it comes to the handling of social media. The top positions are taken by the Commonwealth Bank, followed by the Bank of America, ASB Bank, National Australia Bank and ABN AMRO.

Zurich, November 19, 2013 – More and more banks seize the opportunity of interacting with existing and potential new clients via social media. Thanks to the various social media channels, banking clients can get information about the favored bank, ask questions and express their wishes. The banks, in return, get the opportunity to interactively find out more about the needs of a customer base that increasingly uses digital means of communication.

On the victory podium: Commonwealth Bank, then Bank of America and ASB Bank

For the present study, moneyland.com analyzed the communication of 50 relevant universal, credit and asset management banks on Facebook, Twitter, YouTube, LinkedIn and Google+, with the help of numerous evaluation criteria (see appendix). Conclusion: The Australian Commonwealth Bank comes first on the ranking list, followed by Bank of America and ASB Bank from New Zealand, then National Australia Bank, ABN AMRO from the Netherlands, Credit Suisse from Switzerland, ING Nederland, Deutsche Bank and Rabobank from the Netherlands.

Banks in Down Under and the Netherlands are top

The best-ranked banks scored with their broad communication in all social media channels, a convincing content quality as well as a high degree of interaction with the users. The outstanding position of banks from Australia and New Zealand is striking: Digital communication in the financial industry seems to be a matter of course in “Down Under“. Also the three analyzed banks from the Netherlands are top-notch when it comes to social media use – they all ranked in the top ten.

Obvious shortcomings concerning social media strategies

However, there are large differences when it comes to the social media presences of the various banks. The average amount of points reached by the analyzed banks is only 69 percent of the maximum score, even though the criteria for the awards of points were easy to fulfill. 16 of the 50 evaluated banks do not even score two-thirds of the possible total of points. The banks reached an average of 71 percent on Facebook, 68 percent on LinkedIn and only 36 percent on Google+.

Especially the asset and wealth management banks have deficits: Above all, institutes in investment and private banking – such as Morgan Stanley, Goldman Sachs, Bank of New York Mellon or JPMorgan Chase – perform well below average on Facebook, Twitter & Co. “Whilst some banks already operate confidently in the digital network, there is a surprisingly high number of banks that feature no convincing social media strategy,” says Benjamin Manz, CEO of moneyland.com.

Closer to the digital customer with social media

The shortcomings of many banks is surprising against the backdrop of worldwide rising significance of social media and the increasing want of banking clients for transparency and digital interaction. Digital media does not only serve as a way to inform users. It also enables reputation-building and the acquisition of clients. This takes place more and more by digital means, whereas the significance of bricks-and-mortar branches diminishes continuously.

Facebook: Interaction is often still poor

Facebook is the most popular social interaction platform with more than a billion users. It is all the more surprising that the banks only reach 71 percent of the possible total of points on average. Four of the analyzed banks do not even have an active Facebook profile. Many banks fall short when it comes to activity and interaction. 11 of 50 banks did not even answer the test request from moneyland.com. Only three banks post something on Facebook on a daily basis. The Facebook profiles of the leading banks distinguish themselves with a permanent support, high-quality content and the efficient answering of user questions. On Facebook, ASB Bank from New Zealand is the frontrunner, followed by Barclays and Commonwealth Bank.

Twitter: Indispensable for banks

The importance of Twitter has remarkably increased in recent years. "Twitter has developed into vital communication tool for banks. Therefore, moneyland.com weighed Twitter as much as Facebook for the survey at hand", moneyland.com analyst Dominik Senn explains. Twitter is no longer only used as a real-time information channel, but also for answering to client inquiries. The analyzed banks reach an average of 81 percent of the total amount of points. However, many banks still use their Twitter channel in an overly passive way: nine of the 50 banks don't even demonstrate any interaction. The winner is the Bank of America with 99 of 100 percentage points, followed by Rabobank from the Netherlands with 93 percentage points.

LinkedIn: Social media for employees

All of the evaluated banks (except the Bank of the Philippine Islands) have a LinkedIn profile. It mainly serves to communicate with current or future employees and is also used by the human resources departments as a digital tool for recruiting of new employees. However, a high degree of interaction cannot be seen in general. 15 of the 50 banks still do not use their LinkedIn channel in an interactive way. The quality of the contribution is not yet satisfactory with approximately half of the banks.

YouTube: Colorful promotional films

48 of 50 banks have a YouTube account. Whilst the amount of videos and clicks is considerable with most banks, many YouTube profiles lack interaction. With 43 out of 50 banks there is none or hardly any interaction between the bank and the users. No wonder: YouTube is often used for the communication of simple advertising messages instead of useful background information on financial and economic topics.

Google+ hardly relevant for banks

Google+ is treated only shabbily by banks – if at all. Averagely, the banks only reach a third of the possible points. 12 banks do not even have a profile on Google+. Another 21 banks don't actively cultivate their account. Contributions are often copied and pasted from the according Facebook channel. Only five institutes publish qualitatively convincing content.

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Appendix

About moneyland.com

moneyland.com is an online financial comparison service and offers various independent information and qualitatively leading comparisons on payments, savings, provisions, financing and investing. In three simple steps, users can find the ideal credit card, mortgage or medium term bond, the ideal personal credit or trading provider as well as the ideal private, savings, pillar 3a or vested benefits account – and thereby save money. The online financial comparison service moneyland.ch has been successfully established in Switzerland – other countries around the globe will follow.

Also users who do not want to change to a new bank can stay informed thanks to Moneyland. The Moneyland Alarm immediately informs them if any changes are made to the selected financial products. If, for example, the interest rate of a savings account or the costs for a credit card increase or decrease, the users following this financial product are informed straight away.

Methodology

moneyland.com evaluated the social media presence of 50 universal, credit and asset management banks, among them the worldwide largest and best known banking institutions. In order to enhance the range of the survey, a selection of banks from various countries in various world regions was made. Among them are relevant banks from the US, Canada, Australia, New Zealand, Brazil, the Netherlands, Germany, Austria, Switzerland, Great Britain, Scotland, France, Italy, Spain, Belgium, Sweden, Denmark, Russia, South Africa, India, Nigeria and the Philippines. Important banks in certain countries such as China were not considered due to other country-specific social media channels. All of the analyzed information is from publicly accessible sources. Information that is only available for a restricted audience was not used. The data was collected in October and November 2013. All of the quantitative variables were updated on the same reference dates.

A total of 100 percentage points could be reached. Thereby, the most important social media channels were considered: Facebook (weighting of 30%), Twitter (weighting of 30%), YouTube (weighting of 15%), LinkedIn (weighting of 15%) as well as Google+ (weighting of 10%). Especially many points could be made within the individual channels for the factors activity, interaction and quality of content and contributions (with particular consideration of economic and financial topics). If a bank had more than one channel within a channel – for example several country-specific Facebook pages – the most relevant channel was considered.

Facebook

Among others, moneyland.com evaluated the following factors: existence of an active Facebook profile, the amount of “likes” (“talking about” was not taken into consideration due to the high fluctuation), amount of contributions per day (elicitation for the month of September 2013), integration of other media channels such as videos and events, quality of contributions with special consideration of economic and financial topics, as well as interaction possibilities and answers of the bank to contributions by users. Additionally, moneyland.com used a test request to examine if, how fast and with which quality the banks react to user inquiries. Weighting of Facebook for the total amount of points: 30%.

Twitter

The following factors were evaluated: existence of an active Twitter profile, amount of tweets as well as tweets per day (elicitation for the month of September 2013), amount of followers, ratio of “followers” to “following”, interaction (answers to other Twitter users) and quality of the tweets by the banks. Weighting of Twitter for the total amount of points: 30%.

YouTube

The following factors were evaluated: existence of an active YouTube profile, amount of videos, amount of subscribers, amount of video clicks, up-to-dateness of the videos, comments of users, answers of the bank to user requests. Weighting of YouTube for the total amount of points: 15%.

LinkedIn

The following factors were evaluated: existence of an active LinkedIn profile, amount of followers, frequency of contributions, quality of contributions and interaction. Weighting of LinkedIn for the total amount of points: 15%.

Google+

The following factors were evaluated: existence of an active account on Google+, Plus-1 for page, amount of contributions per day (elicitation for the month of September 2013), quality of contributions by the bank, interaction. Weighting of Google+ for the total amount of points: 10%.