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Banks are Most Talked-about Financial Services Category Among Consumers

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Banks are certainly giving people something to talk about these days, at least that's the conclusion of a study conducted by Keller Fey.

According to the market research firm's TalkTrack survey, people talk about banks more than twice as much as any other financial service category. Whether this talk turns into positive results for banks isn't always the case, however.

TalkTrack monitored word of mouth (WOM) conversations of over 6,000 respondents aged 18 and older. The results, published in the report "Opportunity Missed? TalkTrack Insights on Word of Mouth About Banks," illustrated that on a typical day, 35 percent of Americans have word of mouth conversations about financial services products or brands. Further, banks accounted for 44 percent of all financial brand-specific word of mouth, a much greater share of WOM than financial conglomerates (18 percent), investment firms (14 percent), general "stock talk" (10 percent) and credit cards (8 percent). However, 36 percent of these bank conversations contained no recommendation, and only 26 percent contained a strong recommendation to buy or try the brand, 11 points lower than for other consumer categories.

According to Keller, the research also suggests that banks could generate even more effective word of mouth by improving customers' experience; encouraging loyal customers to make recommendations; and applying a creative, targeted approach in their use of marketing and media, which has an important role to play in consumer word of mouth.

What this all might mean for banks is that although they are definitely top of mind among consumers, these same people don't appear to be compelled to push a particular brand or make product recommendations. This could have implications for the manner in which banks develop their marketing and loyalty campaigns.

What about blogs or social networking sites? With all the hype around [Web 2.0-type technologies](#), Keller Fey maintains that over 90 percent of WOM conversations actually occur through low-tech channels—over the phone or in person. Perhaps this is an indication that people today view their banks as more a part of their everyday lives and not as something "special" to be discussed in a specified, formal manner. That's not necessarily a bad thing because it shows just how ingrained and embedded banking has become in our daily or weekly routines. Maybe simple is better in the case of getting customers to evangelize about their respective banks. Of course, banks should employ all channels in their marketing efforts and dig into their customer data stores to get a better profile of who their customers are, both existing and prospective ones. Banks know this, but perhaps setting up a virtual presence in [Second Life](#) isn't necessarily the way to go in this case. Then again, maybe it is if people start to view banks as part of their everyday "virtual" lives.

Incidentally, the survey found that Bank of America received the most word of mouth among all banking brands with a 17 percent share, followed by JP Morgan Chase (9 percent), Citibank (7 percent), Wells Fargo (7 percent) and Wachovia (6 percent).

Other findings include:

- Consumers on average have five conversations per week on financial products and services, and talk about 3.7 financial brands per week.
- The vast majority of financial word of mouth occurs "offline." Face-to-face conversations (70 percent) and phone calls (23 percent) account for more than 9 in 10 of word of mouth conversations.
- 83 percent of conversations about financial products and services are one-to-one – 10 points higher than the average for all categories measured in TalkTrack (73 percent).
- Six in 10 recipients of bank recommendations rate them to be highly credible, and about half are highly likely to pass along what they've heard and to make a buying decision based on the recommendation.
- Only 31 percent of conversations about banks cite marketing or media, significantly less than the average for all categories about which consumers have word of mouth conversations (48 percent).

