



NEXT STOP:

The Facebook Branch?

The first challenge for banks is to find a convincing reason for 'doing social media', says [NICOLE GHOBRIAL](#). The next is to take it beyond pure promotion.

Illustration by [ERICA GLASIER](#).



- 'huge opportunity' for banks to be on the front foot
- Facebook banking in New Zealand and France
- First Direct's exemplary (mostly promotional) initiative
- is direct account access via social media a red herring?

Should a financial institution be on social media at all? If you work in their marketing department, your answer will probably be 'yes, with some caveats'. In the legal department, your answer will be a terrified 'no'. If you're a disgruntled customer, you might either say 'no, they waste enough of my money, as it is', or maybe 'yes – that way I avoid their bloody call centre'.

Some brands worry about creating a forum for people merely to vent anger? The challenge for banks is to find a convincing reason for 'doing social media' while sticking to the rules. However, as anyone working in the social side of finance will tell you, those rules aren't set in stone – so you just need to find your way through as best you can.

BIG JUSTIFICATION

Perhaps the biggest justification for banks using social media is as part of their responsibility drive: done well, it's all about honesty and transparency – and can actually be cost effective in terms of accessible customer service. And what could be more accessible than a presence in the place where a huge number of your customers spend a significant amount of time? You have a high street branch – shouldn't you have a Facebook shop front, too?

You'd need a monitoring and responding programme across all channels to guard against wider reputational issues, but Facebook is a controlled environment where people are becoming more used to making transactions. Brands like Heinz and Clothing at Tesco have recently been trialling 'F-Commerce' pages that allow you to buy without leaving Facebook.

In New Zealand, for example, Facebook chat is being used by ABS bank to connect people with customer service advisors. This bank's Facebook presence functions just like a regular bank – if you visit the page outside hours, you get a 'closed' sign. And in France, both Caisse D'Epargne and BNP Paribas have Facebook pages for their online bank that allow you to connect directly, even to have them call you back to open an account.

HUGE OPPORTUNITY

There's a huge opportunity here for banks to be on the front foot, for once. Facebook is fast emerging as the platform to make inroads into social banking.

In Britain, First Direct has made its lack of branches into a major advantage, so it's a natural channel for additional customer communications. But even they have yet to take real steps into actually socialising the process of banking.

Natalie Cowan, First Direct's head of brand and communications recently explained that, to stay compliant, the bank's policies included "stipulating our Twitter stream is purely for media relations purposes and to provide information to journalists, making it clear our Facebook page is a 'brand' page and clearly advising 'fans' not to publish personal and/or financial information."

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So, on the brand's Facebook page, all calls to action focus around ringing the bank. This will certainly keep First Direct compliant, but working this way means the process of banking remains much as it ever was – it's just the promotional channel that changes.

Security and confidentiality concerns must always be observed, of course. But anyone working in social media and finance needs to think about what comes next. How can the process of banking, rather than just its promotion, be made more social?

A SOCIAL BANK

It may seem daunting but, if a bank can manage millions of pounds, billions of transactions, and thousands of branches then running a bank socially should not be beyond its capability. Certainly, your customers would not expect it to be.

Some foreign banks already run their social presences like a high street outpost, with the ability to begin the process of opening accounts,

and with opening hours. It's a good way to begin – fitting into a model that is already understood and that allows for human interactions.

Even imagine taking it literally – what would a Facebook 'branch' allow you to do now, that wouldn't contravene any rules? Well, it turns out, many of the things that a real branch allows. Picking up information – those stacks of leaflets by the door can be offered in a virtual form (and I don't mean clunky PDFs).

And why not allow people to request a meeting with an advisor? In a branch, these meetings take place in private rooms. So how about allowing people to make a request, then giving them a time slot, a named advisor and a secure number to call, or a time to meet in-branch? If they are customers, they could then proceed through normal telephone banking security or bring ID to their appointment. Or, if they want to become customers – well there's another acquisition channel right there. Arguably, this is still directing people to an offline channel, but at least the process, right up to the call itself, is directed in a social, convenient channel. And this would just be the start.

A RED HERRING

In all likelihood, direct account access via social media is a red herring. Yes, banks have already invested unbelievable sums and thousands of hours into making online account access secure, but there's little additional benefit to customers doing this via Facebook when compared to the (still rare) iPhone app. But just as some banks will issue warning texts when you go overdrawn, there's no reason that, if an account has been verified through the proper channels, this same alert couldn't be issued via a direct message on Twitter or a Facebook message. And there's also no reason why help couldn't be offered via a secure chat function.

Of course, the rules that First Direct follows are good ones – it needs to be made clear that people aren't to give out personal information. And as more communication channels open up, security risks will need to be properly managed. But that's what finance is about – understanding difficult subjects, analysing risks, and making them work to everyone's benefit. ■



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