

Community Banker's Guide to Social Media 101



INDEPENDENT COMMUNITY
BANKERS *of* AMERICA®



Why Social Media?



Debunking five social media myths that relate to your community bank.

MYTH #1

There's no ROI.

It's important to keep in mind when you're starting out that social media is ideal for building brand awareness and ultimately brand loyalty. Brand loyalty eventually leads to customers who are enthusiastic and vocal about the brands they like, indirectly creating more awareness and customers for you. What's not to like?

MYTH #2

It's not worth the associated compliance headaches.

It's easy to have a hands-off attitude about social media when regulatory examiners are breathing down your neck. Just as with any banking activity, banks must go in with their eyes open and identify and manage the associated risks accordingly. With good direction, starting from the top of the organization, these risks can be effectively mitigated. However, as far as many community banks are concerned, the choice not to embrace, closely monitor and respond to social media invites other risks—namely, risks to their very brands and reputations.

MYTH #3

It's too complicated—I have no idea where to start!

Most big-brand corporations seem to have it all together on social media. However, if you dig deeper, you'll find that most of those companies explored their way around this online space before ultimately figuring out what worked and didn't work for them there.

Did You Know?

A brand evangelist or advocate is someone who is not only a loyal customer, but is also passionate and vocal about your community bank. Social media is a perfect avenue to encourage and create these types of customers.

MYTH #4

Social media is 24/7, and we don't have the resources to implement it.

It is true that some of the more popular Twitter and Facebook accounts have to monitor their comments and feeds around the clock. However, if you are just starting out, you will most likely not be bombarded with tons of comments and tweets to check. There are also a variety of free social media monitoring tools online.



Free Tools

1. Hootsuite:
www.hootsuite.com
2. Tweetdeck:
www.tweetdeck.com
3. ICBA Social Media Monitor:
www.icba.org/webmonitor

MYTH #5

Only a small sliver of our customer base are on social networks.

According to a Pew study, the average age of social networking users is 37 years old (including LinkedIn, age 44; Facebook, 38; and Twitter, 39). The most significant growth among these sites in the last several years has been among adults 50 years and older. This means that you now have the opportunity to reach customers of all ages through social media.

MYTH #6

Social media is all about selling.

Everyone knows that once you start talking about yourself excessively at a cocktail party, many will be turned off. The same rules of engagement apply in social media, where brands that continually push out messages trying to sell to consumers are often tuned out. Successful brands know that being educational, empathetic and connecting on a different level to consumers is what really reverberates through online communities.

Choosing Your Channels

The pros and cons of the most popular, and potentially most effective, social media channels.

Where should your community bank be involved on social media? The short answer is anywhere and everywhere your customers are: Facebook, Twitter, YouTube, Flickr, Digg, LinkedIn, FourSquare and many more. But a more realistic answer is that your community bank should probably home in on only a couple of channels so it is not completely overwhelmed.

The next question is: Which social media channels are most appropriate for your bank to follow and engage in? The short answer is: There is no one-size-fits-all approach for all banks. Each community bank's leadership, marketing and compliance teams should discuss which channels fit their institution and which would best accomplish its goals.

To make this discussion easier, here's a snapshot of some of the more popular social media channels and their pros and cons.

All About Facebook

With more than 750 million users who spend a combined 700 billion total minutes per month on the site, Facebook is one of the most popular social media channels. Facebook's success is tied to its sharing features, specifically related to personal events and opinions. Many grandparents, for example, sign up to view photos of their grandchildren, and people even find their old elementary school friends through searches. So when investigating a Facebook strategy, think about what your bank has to share, and capitalize on that.

Facebook Pros:

High visibility: Lots of people spend lots of time on Facebook.

Virtual word of mouth: A friend shares something, which then gets shared by his or her friends, which in turn gets shared by their friends.

Facebook Cons:

Lost in transit: There is a possibility of your Facebook updates being lost in a person's Newsfeed. Keep in mind that you are competing against friends' statuses, baby photos and much more.

Cleaning up: Negative comments are more noticeable, so it's good to have a "terms of use" established in your "Info" tab to protect yourself when deleting a comment (see the ICBA Facebook page and click on the Info tab for an example).



6 Tips for Facebook Posts

- 1 Try to include a visual element or a link in your posts.** A captivating picture or link to an article is more likely to catch someone's attention than a note by itself. Think about what you personally enjoy looking at on Facebook in your friend's News Feeds. Then, based on that, you can come up with some ideas to catch the eyes of visitors to your bank's Facebook page.
- 2 Be concise and simple.** When your fans scroll through their News Feeds about your bank, they most likely will not read a huge block of text—unless the first line really grabs their attention. So write your Facebook page updates—called statuses—knowing that most people will likely only skim posts that contain only text. Most people will either read the message right away or never; few people will go back later to read a text status. So make it count!
- 3 Treat your fans like VIPs.** To make your Facebook page effective, give your fans special information that isn't easily available anywhere else. Each community bank will do this differently depending on its knowledge of its customers and audience. Some banks might provide the inside scoop on new products; others may simply post their announcements on Facebook first. Either way, providing special value to your Facebook fans is an important way to keep them engaged.
- 4 Pick a page name and short URL that's unique to your bank.** Make finding your bank on Facebook as easy as possible. To differentiate your bank's Facebook page from those of other banks, make sure your bank's logo is prominent and easily recognizable on your page. For community banks with common names, such as First National Bank or Farmers State Bank, choosing a special page name and URL is especially important. *(Note: You can only select a unique URL after you gain 25 fans.)*
- 5 Be fun and spontaneous.** Writing posts for Facebook is very different from writing a press release and marketing collateral. Instead of writing in a formal style, consider tweaking a post so it has a conversational and informal tone. Of course, this does not mean that it's OK to have typos, grammatical mistakes or overall sloppy writing. However, it is fine to change "First National Bank unveils new Online Banking to Customers" to "Have you checked out our new online banking feature?"
- 6 Be a source of good information.** Many community banks also like to post personal finance tips or the latest finance news on their Facebook pages. This is another good way to be known in the online community because on Facebook, it's all about sharing. Be sure to share good and credible links with your fans and try to gauge which links they tend to like or comment on.

All About Twitter

When the 5.9 earthquake hit the East Coast in August 2011, the Twittersphere exploded with tweets like “Did you feel that?” or “Wow, an earthquake just hit DC!” People quickly accessed news and information through Twitter while cell lines were jammed up. Hence the nature of Twitter: quick bites of information in lightning-fast speed. But just because your community bank is not breaking news on a natural disaster or new phenomenon doesn’t mean it doesn’t have good information to share. Banks can provide valuable content just based on the expertise they have in personal finance and their involvement in their communities.

10 Minutes a Day on Twitter

Twitter Pros:

Active engagement: Through mentioning other community Twitter accounts or interacting with specific consumers, there’s opportunity to gain brand awareness and to become a thought leader in your community.

Online megaphone: Once your account gains some followers, it can disseminate information to those followers easily and in a short amount of time.

Twitter Cons:

Never-ending stream of tweets: There is a lot of noise on Twitter, and sometimes it’s easy to get lost in the mix. To avoid this and stay top of mind, make sure your community bank is actively engaging with other Twitter accounts like customers, community bank advocates and news outlets.

140 characters, including spaces: A pro and con of Twitter is that it forces you to write in short, concise and sometimes abbreviated words due to the character limit (Cmmnty bnk, anyone?). To get around this, tweet readers a short but attention-grabbing message and then include a link to a page or document with more information.

Links are usually long and cumbersome. To save characters, use URL shorteners like bit.ly to use in your tweets.

1 Follow interesting people: Spend a couple minutes a day perusing Twitter, searching for interesting people to follow. You can easily find suggestions via the Twitter Discover tab (marked with a “#”) in the top toolbar by clicking on “Who to Follow.” The more people you follow, the more accurate Twitter is at predicting other users you may like. Plug in a couple of key words in the top search toolbar and see who some of the top tweeters are—you may want to follow them.

2 Tweet interesting information: The easiest way to keep track of information you may want to tweet is to create an RSS feed—and check it every now and then. Most news sites allow you to add their RSS feeds into a reader (Google Reader is a good example) so everything can be in one place, saving time and effort. Add your local news publication, banking and finance trade publications, national news syndicates and anything else that interests you. Other tools, like Buffer App or HootSuite or Tweetdeck, allow you to schedule tweets, so you can prepare to send several messages over a period of time.

3 Engage with others: If someone mentions or retweets you, consider giving that Twitter user a shout-out or following them. In social media, what comes around goes around, so be generous and thank people for sharing your content.

YouTube

Other Social Media Channels

In 2005, a little website called YouTube appeared on the Web. Six years later, more than 3 billion videos are viewed daily. Companies are jumping on the bandwagon by competing to produce creative and viral videos. Although many well-established companies produce polished and professional videos, any type of video can become viral, even ones filmed on cellphone video cameras. YouTube remains the No. 2 search tool behind Google as people seek “how to” presentations to meet their information needs.

LinkedIn

LinkedIn is a professional networking site that has prime real estate for people to make business connections without revealing too much personal information. But it’s also an up-and-coming place for companies to display what they do.

LinkedIn Pros:

Professional, clean and to the point: What else is there to ask for? Your bank’s executives should include in their accounts some background about your community bank and display its Twitter feed and blog RSS.

Low maintenance: In the company page, all you need to do is set it up and leave it alone. For groups, a little more maintenance is involved; however, that depends on how active group members are.

LinkedIn Cons:

Low traffic: Few people spend much time on LinkedIn. Most create a profile, accept or decline invitations to connect, and then leave. The prospect of engaging people to stay longer on this site is not as high as others.

YouTube Pros:

Show don’t just tell: If pictures are worth a thousand words, then your community bank can sometimes communicate more with video. Some banks create informational consumer videos on how to maintain good credit or secure a mortgage. Other banks put up funky videos that promote their products in a humorous way. Either way, videos are a fun and creative way to get your bank’s message across.

YouTube Cons:

Time commitment: It’s true that a video takes much longer to edit and record than text or photos, but what takes even more time is coming up with a good idea. Sometimes, it’s a no-brainer. Other times, it’s just hard coming up with a fun video idea that is worth the time and effort. Of course, this depends on your resources. But for the most part, churning out a good video is hard work involving planning, participation and (sometimes) monetary

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