



An EMI Industry  
Intelligence Report



## New Perspectives on Social Media: *Sales Enablement in Financial Services*

By: Campbell Edlund

Effective marketing fills and fuels sales funnels. It drives qualified demand and ensures front-line salespeople are able to have valuable conversations that help buyers advance through their buying process. In short, marketing enables sales.

Using social media to maximize sales in financial services requires changes in perspective about how we, as marketers, go about our work. We must do so in a rapidly changing consumer landscape characterized by a massive generational shift that is driving:

- The largest transfer of wealth in history
- Influence on as much as half the spending in the US economy
- Very different expectations of the relationships consumers have with their brands
- An increasing and influential percentage of the financial services workforce

# The Driver of Change: The Largest Generation – Ever

Millennials — more than 83 million of them, born between 1980 and 2000 — represent the largest generation in history, and they are setting the tone for how business gets done.

As financial services marketers, here's why we need to care about this large and fast-growing generation. Now.

- With a collective income of \$1.89 trillion, they are poised to be the wealthiest generation to date. In addition to inter-family wealth transfer, their cumulative earnings are projected to increase 85% within the next 10 years — surpassing those of their baby boomer parents by as much as \$500 billion.<sup>1</sup>
- 65% of consumers aged 12 to 21 already own a checking account (and we know how hard it is to drive “switch” on the core banking relationship).<sup>2</sup>
- More than half of Millennials find online service capabilities to be very important when researching a new bank ... while only 42% of boomers consider this a priority.<sup>3</sup>
- 75% of Millennials have a profile on a social networking site, compared to 50% of Generation Xers (aged 30 to 45) and 30% of Baby Boomers (who are now 46 to 64). Just 6% of the over 65 crowd have one.<sup>4</sup>
- Homeownership of those under 25 has been increasing, now up to 25%.<sup>5</sup>
- One out of every three people between the ages of 18 and 28 move, get married or change jobs yearly — all events that represent financial services opportunities.<sup>6</sup>

## A New Brand World

Millennials think about brands differently than other generations. They expect:

- Brands to offer value — and their definition of value is very wide: a good product, an engaged community and two-way communication
- Transparency and truth ... truth has become the most compelling feature of any brand
- The ability to personalize and customize their brand experience
- Brands to know their boundaries and not attempt to push into consumers' lives — they must be welcome

This generation is fluent in brands. If a community is not created for them by a brand, they will create it. If one is created for them, it must be flexible, authentic and transparent. And, either way, this community is considered to be owned by the users, not the brand.

No longer category-specific, Millennials' brand expectations have been raised in financial services by broader consumer brand experiences — particularly in the online landscape by brands ranging from Amazon.com to music providers.

As a result of these different brand expectations, how we engage this audience, and by proxy, the audiences they influence, must change.



“[Millennials] are capable of consuming at a level we don’t understand yet.”

*Kenneth W. Gronbach,  
Consultant, researcher and author of  
The Age Curve: How to Profit from  
the Coming Demographic Storm*

# Now What?

Well, it's not business as usual. We need to expand the way we think about our role to effectively reach this influential audience ... and the rest of the market now influenced by them.

Here are some perspectives to help you effectively respond to this challenge and opportunity.

## Perspective #1

### Listen first, more, and faster

Social media's most immediate and lasting value may very well be how it enables better listening to the Voice of the Customer. The feedback loops that social media provide can give marketers vastly more honest, immediate and actionable feedback on everything from product design to campaign messaging — and do so faster, far less expensively and more reliably than traditional research methodologies.

Using online customer communities is quickly becoming one of the best ways to innovate and take advantage of opportunities in the marketplace. Create and nurture a digital “place” where customers can talk to the brand and each other. One of the best examples of this in financial services is American Express’ OPEN Forum for small business.

The screenshot shows the American Express OPEN Small Business website. At the top, there are navigation links for HOME, BUSINESS FINANCIALS, PAYROLL, SMALL BUSINESS, COMMERCIAL FINANCIALS, and MERCHANTS. A search bar and a 'LOG IN' button are also present. The main header reads 'OPEN SMALL BUSINESS' with a sub-header 'Joining the business community'. Below the header, there are sections for 'OPEN Forum' (described as 'Joining the business community'), 'IDEA HUB' (with categories like 'Topics', 'Business', 'Marketing', 'Money', 'Technology', 'Events'), 'CONNECTDEX' (with a 'find a business' search), and 'THIS WEEK'S POLL' (by Brian Fairhurst, American Express OPEN). The poll asks if small business owners have any plans to acquire global customers, with options 'NO' (21%) and 'YES' (38%). There is a 'vote' button and a 'view results' link. A sidebar for 'INTERNATIONAL WOMEN'S DAY' encourages users to learn how women business owners are writing the rules. The main content area features a 'welcome' message, 'INSIGHTS' (including a video thumbnail for 'Get Paid Faster with AcceptPay'), a 'Welcome to OPEN Forum' box with a 'register' button, and an 'ANNOUNCEMENT' about updated terms of use. At the bottom, there is a 'CONNECTIONS' section and the website URL 'www.openforum.com'.



American Express follows a proven recipe for effectively operationalizing “market sensing” through the use of social media. Here’s a list of the key ingredients:

- ***Listen and Learn***

Gather enough members who are motivated through shared interests or experiences and you’ll gain a good sense of their ideas, concerns, wishes, motivations and more.

Enable unstructured discussions and you’ll gain significant understanding of customers and discovery of market needs. And you can add more structured information capture such as polls, surveys and more, all of which can supplement or even replace more time-consuming and costly offline focus groups and ethnographic studies. Transfer this learning into your sales channels and you’ll enable stronger sales and a better customer experience.

Combining unstructured discussions (the social-networking side) with directed activities (active information gathering) provides a more nuanced and complete view of customers. And you can tap into this view whenever you need it — with virtually immediate answers and insights.

- ***Generate New Ideas***

These communities can be an endless source of ideas. Open up marketing, research and development, product management and innovation processes to allow for ideas from outside the company. Online communities offer a perfect (and cost-effective) renewable resource of idea capture.

Idea generation works well in dedicated sessions that are specifically designed for brainstorming, crowdsourcing or expert ideation. These online sessions can supplement or replace other ideation strategies by providing a forum for preliminary or follow-up discussions, allowing participants to delve deeper into the topics that matter to the business.

- ***Refine and Repeat***

Generating hundreds of ideas is one thing. It’s quite another to identify, develop and refine the best ones. Online communities are an ideal medium for helping you collect and manage ideas because they allow customers to weigh in.

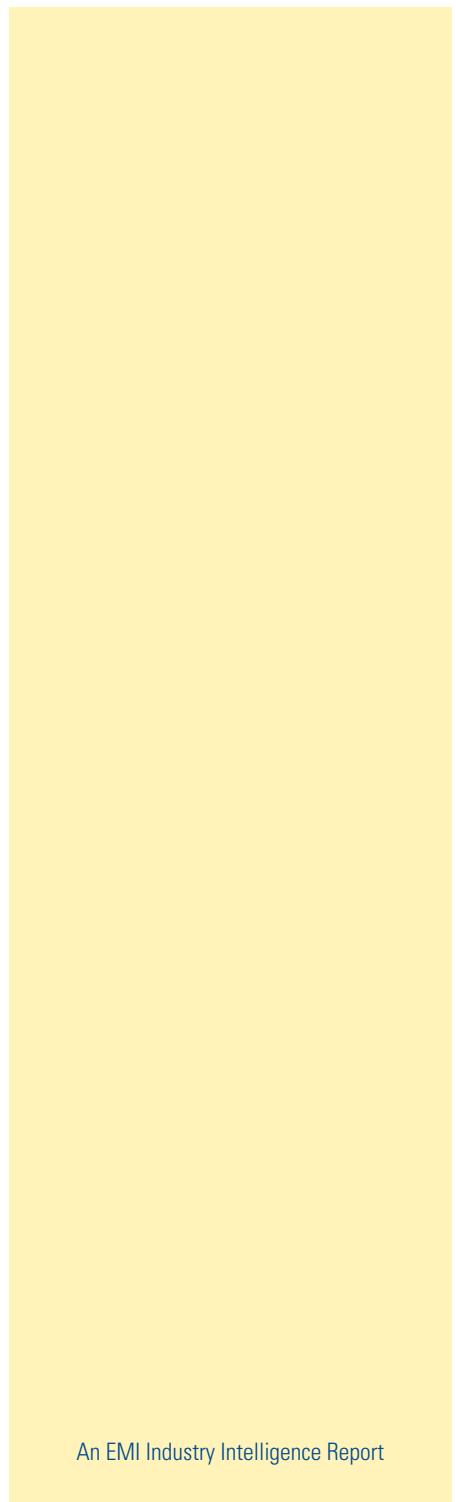
- ***Enable Sales by Acting on What You Hear***

By continuously listening to customers talk about your offer, submitting ideas and helping you sort through them, you’ll be able to develop truly customer-centric, sales enabling conversations and campaigns that will drive more sales.

## **Perspective #2**

### **Enable direct feedback and increase customer trust in the company**

Transparency, trust and connection are crucial to facilitating purchasing behavior with the Millennial audience ... and increasingly with others as well. Today’s consumers expect direct connection with brands. Twitter and other tools have made that connection possible — giving brands a human voice, and often a human face. Wells Fargo effectively uses Twitter to help consumers learn more about the bank and its products — as well as to deliver what is perceived as more direct customer service.



[http://twitter.com/Ask\\_WellsFarg](http://twitter.com/Ask_WellsFarg)

### Perspective #3

#### Burn down the communications silos

It's a customer's world; marketers just live in it. You no longer have complete control over messages or the channels through which they are communicated. Given this, there is a real need to collaborate internally about external messaging.

The "connectedness" of customers, prospects, partners and employees in the digital world and in social media means all that we do as marketers needs to "make sense" to all of these constituencies — we need to tell a single, interconnected story.

The problem is that silos often exist between marketing and other functions ... ironically, even between marketing and sales. The even larger problem is that silos often exist within marketing itself — between marketing, PR and corporate communications or among regional marketing teams.

The results are easy to see — the organization sends different messages, based on different strategies, from its various groups and functions. Public relations, advertising, executive speechwriters, investor relations service and sales each tend to create messages that address their respective goals and audiences, but they generally fail to take the extra step and marry them with common themes that best reflect the value and essence of the business in its totality.

The result is that companies rarely speak with one coherent voice. The consistency of the brand — one of the key drivers of value — is undermined. And this effect is exponentially magnified in a digital age where messages are flying here, there and everywhere.

And so marketing, charged with developing and executing coherent brand position and communications, ends up spending an enormous amount of time struggling against the cacophony of voices within its own company, often begging and pleading with others to align.



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To be successful, you need to burn down the silos; you must message as One Company. Marketing, service and sales must be more closely aligned than ever to deliver a consistent brand experience — and social media platforms and strategies can serve to both organize that effort and enable delivery of that consistent experience by:

- Leveraging best practices among the different marketing organizations and business groups (what has worked, what hasn't worked)
- Learning, sharing and communicating (sometimes it's good to just hear what others are doing in the organization)
- Identifying opportunities to partner on the communications of various initiatives



#### **Perspective #4**

#### **Add Conversation Management to Campaign Management**

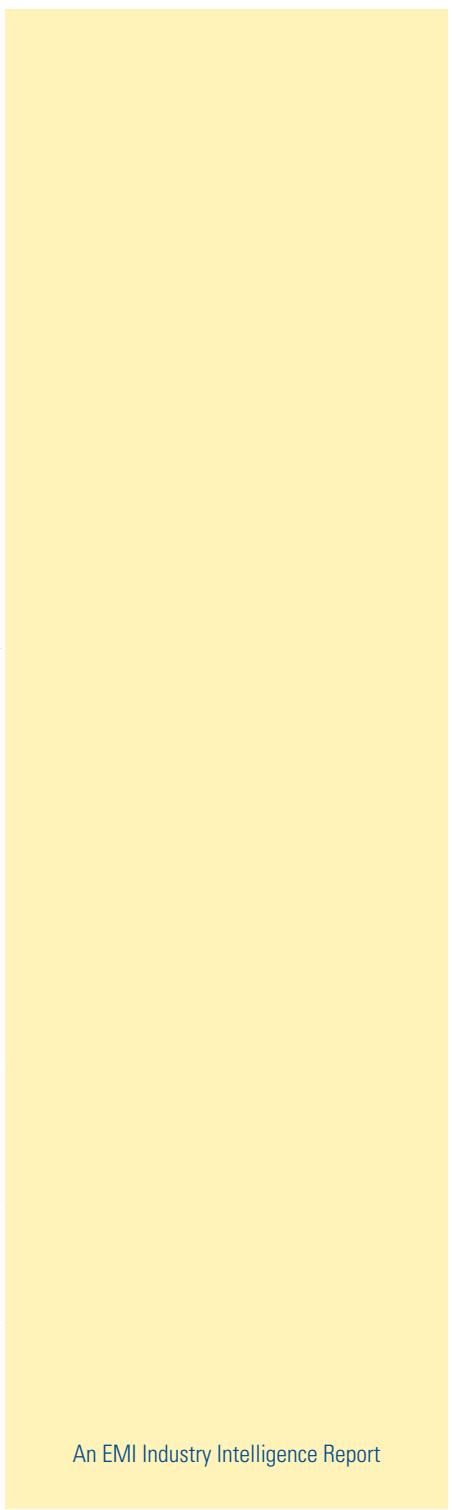
Marketers have grown up to think in campaign terms: develop and deploy specific promotions aligned around sales seasons, product launches and responses to market forces, delivered in short bursts, and aimed at driving short-term performance.

But an “always on”, globally interconnected world has changed all that. We as marketers no longer have complete control over messages, timing and targets. So in addition to executing our campaigns, we have to think more about building ongoing conversations with constituents over time ... through service, through sales and through social media channels.

We have to add “conversation management” to our “campaign management” role. And the differences between conversations and campaigns are considerable.

Characteristics of Campaigns	Characteristics of Conversations
<b>Periodic</b> Campaigns have starting and stopping points.	<b>Continuous</b> Conversations are continuous and flow uninterrupted from one to the next.
<b>Segmented</b> Campaigns are designed to reach defined audiences, targeted by any number of traditional and emerging attributes. But at some point targeting smaller audiences becomes cost prohibitive.	<b>1:1</b> Social media, and their enabling technologies, bring amazing efficiencies that allow conversations to occur with incredibly small target audiences – right down to the 1:1 conversation.
<b>Generalized approach</b> Different members of a segment might respond to different messages, types of communication or timing. Campaigns however cannot address each nuance and instead take a more generalized approach (although honed when possible).	<b>Needs-based approach</b> Conversations are completely adaptive and use an approach that matches the needs and biases of the target.
<b>Built for time frame</b> In campaigns, the purpose is usually tied to a time frame and each campaign has a limited number of predetermined goals and objectives.	<b>Built for real time</b> Within a conversation, the purpose exists in real time and can evolve or change.
<b>Context snapshot</b> Production lead times can create dissonance between the market context when the campaign was created and when the audience is exposed to it.	<b>Actual context</b> In conversations, the context is continually sampled to make sure it's viable.

So in addition to managing periodic campaigns that drive to specific objectives, the emergence of social media demands that we increasingly think in terms of facilitating, managing, learning from and acting upon ongoing conversations.



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## Perspective #5

### Increase effectiveness by arming your sales force with relevant content

The best sales people are resources to their clients. They provide effective solutions and immerse themselves in their client's businesses. Social media provides an effective and efficient way to enable your sales force to learn about their prospects' businesses and to stay relevant.

How? By using any number of free and paid tools, you can monitor the web and social media landscape for important news about markets, customers and competitors.

#### Three Steps to Using Social Media to Arm Your Sales Force

1. Meet with key sales leadership and salespeople to determine what information is most useful to them in their selling process.
2. Use some combination of free and paid tools (see sidebar) to monitor all aspects of the web (stories, sites, blogs and more) to capture vital sales-enabling content.
3. Deliver this relevant content to the desktops of salespeople through a widget — an icon that lives on their desktop through which marketing “pushes” content and sales “pulls” that content (think “Ding” from Southwest Airlines).

By regularly delivering sales-enabling content to the desktop of your sales force you'll help them have more timely, relevant conversations with their customers and prospects. And smart, timely conversations that convert at a higher rate.

## Perspective #6

### Share brand management by empowering your evangelists

Marketers can benefit greatly by empowering their brand loyalists to become an extension of the brand's sales force with the right destinations, experience, tools and content in social media. The more touch points and positive brand experiences you provide your loyalists, the greater the opportunity for positive word of mouth and content to spread about your brand.

Here are some social media tips to start motivating your loyalists to do some selling for you:

1. **Create destinations:** Give your brand loyalists a place to congregate. Create exclusivity, reward them and let them mingle to share experiences around your brand.
2. **Arm them:** Give them tools to help spread your brand message. Optimize your website experience for social media with tools, buttons or other social integrations that allow users to share, comment, review, save and interact on and off your site. Deliver a seamless user experience for those active social users who come to your brand site and want to bring their social experience with them.
3. **Be creative:** Show brand loyalists that you are creative. Come up with remarkable content and campaigns that wow and inspire. Give them the social content they need to continue the dialogue for you.
4. **Be confident:** Don't fear the haters. They will minimize themselves and look silly. If you believe in your brand, your product and your people, you have nothing to fear.



Both free and paid tools can be used to execute your “listening” strategy – helping your sales force stay as well informed as possible about market trends, competitive movement and information that can help them sell smarter.

#### Free tools:

- Google Alerts
- Technorati
- Jodange
- Trendrr
- Lexicon
- Monitter
- Tweetburner
- Twendz

#### Paid tools:

- TruCast
- Radian6
- Cision
- Techrigy
- Collective Intellect

Think of talking *WITH* your loyalists rather than *TO* your loyalists. It takes courage to step out of the usual marketing mindset where brands consistently push messages out through traditional platforms. You'll have to harness your company's internal communications resources and your external partners to make it work. It's not simple, and it's not easy, but it's imperative in this new brand world.

Your customers are in more control now and you can use this to your advantage. They are ready to be part of your communications engine so long as you provide them the destinations, the tools, materials and outlets to execute on it. Harness the power of your existing brand loyalists and you'll have extended your sales force.

## Using Social Media to Sell Better, Sell More

Marketing's primary role is increasingly seen as sales enablement. Filling and fueling funnels has always been challenging, but in the midst of rapid technological change and a demographic shift of historic proportion, it can seem daunting.

Changing how marketers view their role, enabled by social media strategies, tactics and technologies can be a winning formula that adds up to better sales volume and velocity.

Listening more = More relevant marketing content

Direct customer access = Superior customer service and loyalty

No silos = Consistent brand experience

Conversation management = Personalized brand management

Arming the sales force = Optimally relevant sales conversations

Empowering evangelists = Extend your sales force

More relevant marketing content, conversations and connections means the same for your sales force — and social media strategies, tools, technologies and tactics like those outlined here can help you reap the benefits of them all.

1. Forrester. Meet your next financial consumer.
2. Forrester. Meet your next financial consumer.
3. Microsoft "Millennials and Baby Boomers Banking Channel Preference Survey 2009".
4. Pew Research Center survey, conducted in January 2010.
5. Forrester. Meet your next financial consumer.
6. Forrester. Why banks can't afford to ignore Gen Y-ers.



### About the Author

Campbell Edlund is Founder and President of EMI Strategic Marketing

### About EMI

EMI has been working with Fortune 500 companies and financial services leaders to drive results through our clients' sales and service channels. For more than 20 years, our strategic programs, combined with our industry expertise, have helped companies achieve greater growth and increased customer loyalty.

To learn more about what EMI can do for your company, call 617-224-1101 or visit us on the web at [emiboston.com](http://emiboston.com).