

## Are You Missing Opportunities to Listen to Your Customers?

Bank of America Insights Make a Case for Analyzing Social Media Comments



*“This may seem simple, but you need to give customers what they want, not what you think they want.”*

–John Ilhan (Australian entrepreneur)

In this new frontier of social media, most companies are struggling to find their way.

At Beyond the Arc, we wanted to explore using social media comments to surface service issues that might affect customer retention. To get started, our data analysts used publicly available comments on social media websites –Facebook and Twitter– to identify key trends in what people were saying about Bank of America.

Why Bank of America? As the largest bank in America by assets (and over 12% of U.S. deposits), industry analysts note that the bank has maximized its share of deposits through acquisitions and may soon need to increase its rate of organic growth – which signals a strong need to concentrate on the customer experience.

### Our approach – applying social media data mining to Bank of America

#### Step 1: Gather the data

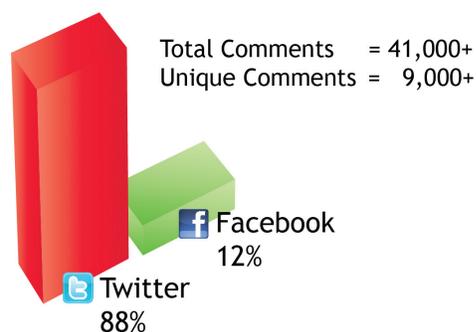
From March 2 – 14, 2011, our analysts gathered over 41,000 comments about Bank of America. We narrowed in on over 9,000 unique comments, 88% of which were short, sentiment-driven tweets, and 12% Facebook comments that were more narrative in nature.

#### Step 2: Identify themes through analytics and business understanding

Using text mining tools that sort through and categorize large volumes of data, and leveraging five plus years of analyzing customer input from the financial services industry, our team uncovered primary themes of concern about Bank of America, including:

- **Mint.com** - A linkage problem between Mint.com and Bank of America caused many customers extreme dissatisfaction, which they expressed through Twitter and Facebook. Some threatened to leave the bank. Others claimed Bank of America had told them the bank had severed ties with Mint.com, a mistaken rumor that was often repeated. While the issue was fixed a week later, the announcement came from Mint.com, with Bank of America never responding to the surge of customer concern.

#### Analysis of Twitter & Facebook Data March 2-14, 2011



#### Snapshot

Social media analysis about Bank of America revealed 1,000s of comments about service breaks and purchase limit rumors that put the bank at risk of losing customers.



- **Service breaks** - From 40,000 comments, we identified almost 20 actionable service breaks such as:

- A failure to send out new debit cards to customers whose cards had expired.
- Payments that hadn't posted on time.
- Tax forms that hadn't arrived.
- Duplicate charges to customer accounts.

As service breaks frustrate customers and are often a motivating factor in switching banks, these issues spotlight key areas requiring further analysis and action.

- **\$50 limit on debit card transactions** - Customers were outraged by a news article that indicated Bank of America might impose a \$50 limit on debit card transactions. While the bank had not mentioned it directly, this issue was a hot topic in social media –with many customers threatening to leave the bank if this change occurs.

### Step 3: Strategize and act

Evaluating social media data allows banks to identify key issues as they arise and react quickly before they spiral out of control. In the Mint.com example, by analyzing the comments, Bank of America could have quickly identified concerns and proactively updated customers on the situation, instead of allowing misinformation to spread.

## Key takeaways - using social media data to drive service improvements

Social media analytics is a powerful tool to help financial services companies quickly identify customer concerns and track public sentiment about the business. By categorizing large volumes of comments to determine key themes and trends, text analytics can translate social media data into actionable insights for service improvements that help you retain customers and deliver a better customer experience.

## About Beyond the Arc

Beyond the Arc provides social media data mining solutions that help financial services companies meet their business objectives.

We work with banks to:

- Increase new customer acquisition by leveraging social media to increase awareness and educate consumers about the brand.
- Grow share of current customers by understanding how to optimally increase customer engagement via social media and generating new business with existing customers.
- Improve retention by understanding and providing actionable insights about service breaks as they occur.

### Let's Talk

Beyond the Arc, Inc. is based in the San Francisco Bay Area, with offices in Seattle and Los Angeles.

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