Driving Differentiation

Financial Brand – Not Bland
At first glance, the financial services industry appears to be something of a paradox. On the one hand, it stands out as the most unique of all industries. On the other, it looks like a sector in danger of complete commoditisation.

This paper looks closely at financial services brands that take the road less travelled. These are organisations that are no longer prepared to settle for the me-too. Firms that are emphatically proud to stand out by standing for something. Companies with a cause. Institutions with attitude.

Before we look at individual firms whose brands are breaking the mould, let us first consider what makes the industry unique and the challenges that have shaped the financial landscape today.

Unlike a physical product, finance is intangible. You can neither taste nor touch it, yet it has the power to transform the macro and micro economic landscape like no other industry. From building the foundations of global economies to securing the homes in which we live, financial services is as versatile as it is vital.

The market is also extremely diverse. Financial services is therefore not so much a category, as a number of distinctive and clearly defined segments, ranging from retail, commercial, wholesale and mortgage banking, through to securitisation, capital markets, insurance, investment and asset management, broker/dealer and real estate to mention just a few.

Each has its own individual stakeholder maps and channels. Each has its own identifiable sets of customer triggers and plays to known but discernibly different behaviours and responses.

Due to its sheer diversity, the financial services industry is often described as ‘an inch wide and a mile deep’.

The wider financial market has become polarised between multi-jurisdictional, multi-product players for whom scale is everything and niche market operators, whose specialist focus and expertise address customer needs in ever more granular ways.

Financial transactions typically have a differentiated risk-based dynamic, which is mirrored in pricing and reward. As a consequence, financiers expend as much time and effort ‘buying’ as they do selling, e.g. corporate lenders conduct a thorough due diligence process before they underwrite a facility.

A reputation you can bank on?

Longevity, once a core characteristic of the industry, is no longer the arbiter for success, nor can it be considered a credible differentiator. After all, Northern Rock Building Society was formed in 1965, Lehman Brothers in 1850, Washington Mutual in 1889. The rest, as they say, is history.

Our financial system is predicated on trust and the delivery of promises. However, the severe challenges that rocked the industry to the very foundations of the fiscal cliff have resulted in a critical paradigm-shift – a fundamental change in the way firms conduct and compete for business.

Although consumer sentiment is improving slightly (Edelman Trust Barometer, 2013), disenchantment and distrust of financial institutions still lives on.

As Robert Phillips, UK CEO of Edelman, said: ‘Trust is an entry which does not appear on a bank’s balance sheet. As an important asset, perhaps it should.’

As a result, almost half of consumers in the United Kingdom, Germany, France and the United States feel their bank does not value them (Ipsos MORI, 2013).

From the cashier to the chief executive, every financial organisation has a responsibility to live its stated values to recapture trust.

However, the values held by financial firms are often dismally similar. Ask 10 financial salespeople what their firm’s USPs are and at least half of them will trade generalities, such as they ‘believe in fostering long-term relationships’ or that they ‘demonstrate genuine flexibility in tailoring facilities to meet their customers’ needs’.
James M McCormick, president of First Manhattan Consulting Group, certainly found this to be true from the thousands of ‘mystery shops’ he has commissioned with bank employees from the front-line. His researchers always ask a simple question: ‘As a customer, why should I choose your bank over the competition?’

Two-thirds of the time, McCormick noted, the employees have no answer to that question; they either say nothing or, in his words, ‘make something up on the fly.’

Despite the inherent diversity and complexity of the industry, financial services organisations are commonly viewed as being identical to one another.

No wonder a banking CEO once remarked that he ‘could put a credit card’ between his organisation and his major competitors, so slim was the difference between them.

As Frank Capek once observed, ‘The challenge is that most banks have a long legacy of product-centric, “everything for everybody” ways of thinking. This leads to decision-making and resource commitments that reinforce “better sameness” rather than true differentiation.’

Herein lies the problem. Merely providing ‘a service’ is a table stake, simply the price of market entry.

Technology continues to be a strong enabler for innovation among early adopter/challenger organisations in the financial arena. Is that sufficient to create a sustainable leadership position, however leading edge, or does differentiation demand more?

Low cost of market entry and high speed of replication would suggest not, meaning that new products can reach the high street with similar velocity to a fake brand factory in fashion week.

In financial services marketing, there needs to be something more than product and technology. And that is the brand.

Comply but don’t conform

One would have thought that the predictable moves towards more stringent regulation and calls for compliance would stifle brand creativity. That it would make the financial services brands less vibrant. It would appear logical that the demands to increase capital adequacy, greater transparency, heightened privacy, security and reporting requirements would curb brand innovation.

Nothing, in fact, could be further from the truth.

Sameness-shunning stories

The signs are encouraging. There have never been so many sparks of change from new market entrants or so many established players looking to regain trust and market confidence as a result of ground-up reinvention.

The financial services brands that stand out achieve results by going far beyond the essential table stakes of ‘flexibility’ and ‘tailored services’ to offer a clear and inspiring purpose that lights up their customers.

Conventional wisdom dictates that the secret to successful marketing and communications is to develop a big idea for a campaign. A handful of bold organisations have been able to turn that concept on its head and develop a campaign for a big idea.

The financial industry is ripe for innovative new firms to come in and rock the status quo. It’s time to meet some:

First Direct: The unexpected bank

There are a few ‘light bulb’ moments that have sparked radical change in the banking industry. It’s no coincidence that the same industry pioneer, Mike Harris, started two of them, First Direct and Egg.

Mike created the world’s first bank without branches at First Direct, which centred on its highly responsive 24/7 customer telephone support. He followed this with the launch of ‘Egg’, the trailblazing internet bank designed for people who wanted to save, invest, borrow or buy insurance on the web.

Typical of any radical innovation, the media questioned First Direct’s idea of ‘always on’ banking. One leading newspaper referred to it as ‘a service for bored insomniacs’. That was, of course, before customers started signing up in their droves.

The reason why customers stayed and recommended others wasn’t just that they valued the notion of 24/7 banking. It was due to the clear articulation of what the bank most wanted to be known for, creating ‘heroic customer service, leaving people totally taken care of’.

Widely regarded as one of the most progressive financial providers in the world, First Direct has also been rated as the top financial brand for taking care of its customers, scoring 84 per cent and top marks for its ability to deal with issues (Which? 2013).
The company’s new tagline, ‘The Unexpected Bank’, reinforces First Direct’s credentials as a challenger brand coming up against traditional high street banks.

A duck-billed platypus was chosen to be the ‘star’ of the brand’s advertising relaunch. The character was chosen to symbolise a ‘different kind of bank’, harking back to the ‘quirky’ and ‘irreverent’ elements of the brand that the bank has fostered from its inception.

As the character says: ‘They do things differently. They’re not into that automated recording malarkey – you get through to a friendly human who gets things sorted’.

First Direct recognises that it is ‘difficult to imagine what makes banking with First Direct so special unless you’ve actually had the experience’. The website, in its instantly identifiable black and white livery, asks: ‘How many other banks come with a satisfaction guarantee? We’ll give you £100 if you like us, £100 if you don’t.’

So certain is First Direct that its service is better than anyone else’s, if you’re not happy banking with them after six months, they will help you move to any bank you like and give you £100 for your trouble.

First Direct’s online Innovation Lab harnesses crowdsourcing to gain deeper, richer customer insights both to fine tune the product roadmap and build brand awareness: ‘The First Direct Lab is all about getting you involved. It’s a place where you can tell us your thoughts on the new projects and hot topics we’re working on: we might need a new release or product testing, or perhaps there’s a burning research question we need answering.’

Just in the same way we are able to pick our own playlists, First Direct challenged the status quo by empowering consumers to select and define their own ‘taste’ in financial services.

As Mike Harris has said, the challenge for financial services brands is all about creating a brand experience and a culture that is addictive, infectious and, ultimately, irresistible.

**Out-local the nationals and out-national the locals**

A business that knows all about engineering brand experience for its customers is Wells Fargo. From the Gold Rush to the early 20th century, Wells Fargo offered both banking and express stagecoach delivery. Today, it is the world’s most valuable banking brand with a brand value of $26 billion (BrandFinance® Banking 500, 2013).

Yet this achievement has nothing to do with transactions or getting bigger for the sake of it.

Wells Fargo’s vision statement is ‘We want to satisfy all our customers’ financial needs and help them succeed financially.’ This is not simply a framed slogan pinned to the boardroom wall. It is as relevant today as when it was written more than 20 years ago and at 88 characters is as succinct enough to tweet today.

The focus goes beyond strategy to execution in building lifelong relationships ‘one customer at a time’.

The line, ‘We’ll never put the stagecoach ahead of the horses’, is evocative of the bank’s traditions and clearly illustrates the principle that the bank makes money because of its focus on serving customers, not the other way around.

Customer penetration is an important factor in the bank’s continued success. According to one report (Forbes, 2013), Wells Fargo’s financial advisers ‘on average cross-sell 10 products per household making it a leader among wealth management firms’.

Wells Fargo looks to ‘out-local the nationals’ with North America’s most extensive distribution system for financial services, a vast ‘decentralised’ network of over 9,000 local stores and 12,000 ATMs, several of which are situated within community convenience strong-holds such as supermarkets. The bank also seeks to ‘out-national the locals’ through strong product diversity, providing a breadth and depth of banking, insurance, investments, mortgage and consumer and commercial finance services at one-stop.

The bank’s social media strategy is clearly aligned to its vision: ‘Finding new ways to communicate and helping you to succeed financially’. This is supported by detailed public guidelines and rules of engagement for commentators to ensure that the messaging execution stays true to brand values.

Wells Fargo has been blogging actively since 2006 and has seven blogs, each of which combines authoritative content with a personal tone of voice: Beyond Todaysm Blog, Wells Fargo Environmental Forum, The Wells Fargo Blog, AdvantageVoice®, Guided By History®, The Student LoanDownsm and Life in Balance. Wells Fargo has won the Social Media for Consumers award for the third consecutive year (Global Finance Magazine, 2013).
It really is that simple

From a long-established banking brand to a new breed of digital ‘non-bank’, the market is nothing if it’s not diverse. Both traditional and tech finance firms have their challenges.

In a study from Javelin Strategy & Research, one in every four attempts to open an account via digital channels is unsuccessful (Bank Systems & Technology, 2013).

With Simple, however, opening an account really is as easy as the brand name suggests. Customers are guided through the process effortlessly and intuitively with screen shots, just as if they were having the process explained to them by a friend. But then Simple’s brand promise stands for a ‘worry-free alternative’ to banking. It has smart budgeting and savings tools built right into the account automatically, all accessible via web, iPhone, and Android.

CEO and founder Josh Reich, elaborates that Simple is there ‘to help consumers worry less about money by building a new banking brand that is modern, cool, transparent, and trustworthy’.

Unusually – and this really is worth a double take – Simple doesn’t profit from fees. Which means no irritating overdraft or account maintenance charges and no unwanted hidden surprises. Unlike banks, Simple just doesn’t believe its right to penalise customers for making mistakes.

To understand Simple, it is important to recognise that even though it is seeking to establish itself as a banking brand, it is not actually a bank. Rather, it is an intuitive online interface that sits on top of a back-end system powered by several FDIC-insured partner banks.

So how does Simple make money? Quite simply, it shares in its bank partners’ interest margin.

Simple has also reinvented reporting. Rather than showing the customer a balance, it shows them a more meaningful ‘safe to spend’ figure, taking into account regular expenses.

Savings aren’t immune to the Simple touch, which has reimagined the savings experience through applying gamification techniques. In the ‘game’, the player is motivated to maintain savings goals by giving them specific names and a committed plan.

As a digital ‘bank’ without branches, Simple has to work harder to be engaging and it shows in a tone of voice that’s breezily confident without being brash.

Customers have the ability to search their entire history to see how they are spending and what they have saved. The intuitive app helps customers manage their expenditure ‘diary’ and allows memos and photographs to be appended.

Simple even uses Twitter as a two-way customer service tool enabling queries to be resolved promptly – and publicly.

Somewhat ironically, the Simple proposition is complex to execute, otherwise everyone would be doing it. From the friendly brand informality that Simple has introduced to the elegant and modern customer interface, a brand vision like this isn’t easy for competitors to pull off.

Turning banking on its head

Another firm, which is ploughing the digital superhighway, is Knab, which if you haven’t guessed, is ‘bank’ spelled backwards. Knab is a new, ‘socially conscious’ Dutch internet bank with ambition. Backed by the global insurer Aegon, Knab is seeking to turn the banking industry on its head in Holland.

In its launch TV commercial, Knab christens a champagne bottle by smashing the bow of a boat against it, reversing the tradition. The memorable ad, which concludes, ‘We see banking a different way’, illustrates the paradigm shift of putting the customer – and not the product – at the focal point of all operations.

The bank has a compelling blog, ‘Knab Live’ but takes its level of interaction to another level by encouraging one-to-one dialogue. Knab provides its customers with a digital office, facilitating live video chat with expert advisers.

The popular ‘Red Line’ dashboard app instantly shows overdraft customers how they can plan more effectively and how far ‘in the red’ they will need to go during the month.

Knab’s smart back-to-front brand thinking succeeds in making its point economically and with a distinctive style of its own.
**FRANK: Cool for cash**

To be totally frank, nobody would ever expect to hear the words 'cool,' 'cute' or 'wild' associated with a banking brand. However, that is exactly how a bank in Singapore is regarded by the thousands of 18–30 year olds that are clamouring to sign up.

Honest, sincere, reliable, smart and stylish, FRANK by OCBC (it even sounds like a fashion label) is no ordinary bank. OCBC already looks after 26 per cent of the total Generation-Y market in Singapore and this figure is rising thanks to FRANK. At FRANK, young people immediately enter a smart fashion conscious, ice-cool world reminiscent of an Apple store.

Here, they are invited to explore and interact with the media on racks on the walls. Instead of i-Pads or music, they can select a FRANK Debit Card from over 120 exclusive designs: 'Cute, hot, quirky, retro or wild. Which one suits your personality, whim or fancy? You can even change your card to a new design whenever you feel like it.'

There are no intimidating suited banking teams here – casually dressed staff 'hang out' with the crowds and are on hand to help answer questions.

The stripped-out website doesn’t even feature an ‘about us’ section. Why? Because at FRANK, it’s all about the customer, not the bank.

FRANK’s website promotes ‘cash rebates all year round’ and offers a range of privileges and discounts on public transport and online fashion purchases. Open an account and you get a free, designed laptop sleeve, apply for a tuition loan and you receive a voucher to the latest movie.

The central brand ethos is: ‘Frank is about empowering you to do the things you want in your life. That’s why is pays to be a friend of Frank.’ It does pay too. Introduce your friends and you’ll all get $50 worth of Ben & Jerry’s ice cream completely free!

‘Frank Tips’ tread exactly the right balance of being friendly, helpful and educational but are never condescending: ‘Everyone knows that using credit makes buying things easier, but few know that over-spending could damage your credit score.’

Saving is encouraged by the use of ‘Savings Jars’ which enable Gen-Ys to ring-fence cash for specific goals. Interestingly, these funds can’t be accessed by ATM, keeping their savings safe.

Both the offline and online environments created by FRANK didn’t happen by accident. They followed months of painstaking ethnographic research. It is paying off.

Most financial institutions are good at handling accounts for high net-worth individuals. What FRANK has achieved, where thousands of banks have failed, is to get young people engaged with saving, help make them more financially independent and put them in control of their finances. Now, you have to admit, that is pretty cool.

**Love your bank at last**

Driven by an unrelenting passion to provide unparalleled customer service is Metro Bank, Britain’s first new high street bank in over a century.

The bank’s founder, Vernon W Hill, II is the man who built Commerce Bancorp from scratch into a top US bank and made $400 million when he sold out.

Brand is vital according to Mr Hill, a theme that dominates his book, ‘Fans Not Customers: How To Create Growth Companies In A No Growth World.’

He explains: ‘Great businesses create fans. To build such a business, you need three things. You need a differentiated model that is clear to the customer and to the staff. Then you build a culture that is pervasive and reinforces the model – in too many businesses the model and culture are opposed. Finally, you execute the model and you do this fanatically – and I mean fanatically.’

Mr Hill sets out to amaze his customers with a unique brand of ‘retailtainment’, the art of engaging customers and creating moments of magic, so every customer leaves with a smile.

The brand promise starts with being ultra-convenient. Unlike most banks, Metro Bank understands that most people have to go to work. So they open at times when it’s convenient for the customer (long before and after other banks have closed their doors), including Sundays.

Metro Bank offers on the spot credit and debit cards and cheque books, free coin counting at every store (Metro Bank Magic Money Machines™), lollipops for children and they always keep a specially friendly welcome for the family pet. Customers can also use their debit and credit cards overseas without any charge from Metro Bank, whether they are withdrawing cash from an ATM or at point of sale.
Metro Bank always puts the 'Grand' into Grand Openings. Stores, as they are known at Metro Bank, are subject to a fanfare launch as customers are invited to 'Join the Revolution' with a procession of stilts walkers, a Dixieland jazz band, jugglers and buckets of popcorn.

The razzamatazz doesn’t detract from the serious intent to win the hearts of the customer. As Vernon Hill says, 'This is a retail company that happens to be a bank.'

With the bold brand promise of 'No Stupid Fees, No Stupid Hours,' maybe it is time to 'Love Your Bank at Last'.

**The world's greatest bank**

Another bank, which puts the customer experience right at the centre of its brand dial, is Umpqua Bank. There's something incredibly compelling about this brand. Maybe it's the message, 'The World's Greatest Bank' against the Google search description that catches the eye. Possibly it's the 'Slow Banking' philosophy that has so captivated and inspired its founders. Or the fact that the bank has appeared in Fortune magazine's 100 Best Companies to work for three years in a row.

As to whether the 'greatest bank' suffix is a reality or hyperbole, only its customers can decide. However, what is abundantly clear is that Umpqua Bank is different to the core. Founded as a community bank in the Northwestern United States, to provide services for local loggers and farmers, the traditional roots of community prosperity are central to the brand essence.

The 'slow movement' is a fascinating phenomenon. It is a reaction to the notion that faster is always better. It's not about doing everything at a snail's pace but about doing everything at the right speed.

This philosophy has culminated in the reinvention of the humble bank branch into vibrant hubs that say more about celebrating community rather than tracking transactions. The branches, which look and feel more like boutique hotels or smart cafés than they do banking halls, are opened up for the whole community to enjoy.

Far from being quiet, cold and uninvolved, at Umpqua Bank the humanity of interaction shines through. Here you can sit at a community table, surf the internet, read a paper, enjoy a free cup of coffee and yes – even shop for banking products. Certainly, you will see small businesses and housing associations running meetings, but you are just as likely to see groups gathering for art and yoga classes!

A brand that breathes community to this degree is unusual and unforgettable.

**Unforgettable is certainly a word that can be attributed to the next market entrant. For the personification of a fearless market challenger you need look no further than Virgin Group boss, Richard Branson.**

His Twitter feed conveys his indefatigable spirit: 'Tie-loathing adventurer and thrill seeker, who believes in turning ideas into reality. Otherwise known as Dr Yes @ virgin!'

Virgin Money timed its launch to perfection at the height of the banking crisis to provide much-needed consumer trust and by announcing it was on a quest to make banking better. They mounted a bid to engage consumers in a category that many people find confusing and have a low interest in. Known as ‘EBO’ – ‘Everyone Better Off’, the guiding brand principle was unveiled at launch.

By everyone, Virgin Money means all of its stakeholders – from customers, staff, society and partners to shareholders. The company also gives something back by investing some of its profits in not-for-profit online fundraising website, virgimoneygiving.com, which has helped raise more than £15 million for good causes.

Advertising focuses on 'banking with a bit of soul', hitting out directly in response to significant above the line activity from rivals TSB and Lloyds Bank.

Other companies that have focused on brand extension into offering financial services include Marks & Spencer, Sainsbury's and Tesco, leveraging their brand familiarity, reputations and trust.

**Above the call of duty – a mission to serve**

USAA is the top performing financial services brand (Clear Brand Desire study, 2013) and is ranked as the US's 15th most desirable brand across all categories.

The company was formed in 1922 by 25 army officers who found that most local insurance companies saw military personnel as potentially too mobile and too risky. Today, about 95 per cent of active-duty US military officers are USAA members.
USAA is more than just another financial services provider. In an industry perceived for its indifference to the customer, USAA offers 'best-in-class service based on military values' and this is reflected in its cultural principles, entitled 'My Commitment to Service'.

The company has a heightened sense of mission, which is at the heart of its enviable brand reputation: 'We're committed to serving our military and veterans who have honorably served and their families.'

When the military mobilises, USAA mobilises. That's how they see their role when insuring fighter pilots, tank commanders and even astronauts.

Military efficiency is applied to the multi-disciplinary, cross-divisional working on Innovation Lab projects, helping to eliminate silos that are so commonly associated with financial services.

Leading edge expert systems and deployment of sophisticated image processing technology allows USAA to serve its customers better.

The success of its social media presence stems from the fact that its members want to hear from others like themselves. User-generated content facilitates the sharing of these authentic customer stories.

Niche-orientation, affinity, empathy and the ability to walk a mile in their customers' boots, marks out USAA from many other financial services brands.

More particularly, how did ComparetheMarket.com become the most memorable household name brand in such a me-too market?

An appearance on TV from a little animated meerkat character was about to change everything.

Step forward 'Aleksandr Orlov' an aristocratic meerkat with a Russian accent who was to become an instant hit with the public. He complains to the viewer that his own site, CompareTheMeerkat.com is becoming completely clogged up by people trying to find cheap car insurance from ComparetheMarket.com. His website explains in pigeon English: 'Introduce the comparemabob. Our unique and innovative comparison engine. Please enjoy for comparing many different types of meerkat. If you are looking for cheap insurance you are in the wrong place – please exit immediately! Is very easy to use, just choose which meerkat you think score highest in each comparison, simples!'

Aleksander has not rested on his laurels. In a brilliantly executed integrated social media campaign, accounts were created in his name on Facebook and Twitter and have gained many thousands of followers.

The popularity of the collectible meerkat toys given away with insurance policies and the memetic line, 'Simples!' have become things of advertising legend that will be talked about affectionately for generations.

Shaping wealth for generations

From modest beginnings, the five sons of Mayer Amschel Rothschild founded banking houses in Frankfurt, London, Paris, Vienna and Naples. They achieved renown as the most important and most successful bankers in the world.

Today, Rothschild Wealth Management and Trust continues to serve high-profile clients with discretion and guidance based on generations of experience.

The 'Five Arrows', an enduring symbol of the Rothschild name and an essential element of the brand identity have an interesting story. Moritz Oppenheim, the 'painter of the Rothschilds' sketched the story told by Plutarch of Scilurus who, on his deathbed, asked his sons (five are depicted by Oppenheim) to break a bundle of arrows. When they all failed, he showed them how easily they could be broken one by one, cautioning them that their strength as a family lay in their unity.

The Rothschild name has long been associated with appreciation of culture and patronage of the arts and it is this that has fundamentally influenced Rothschild Wealth Management & Trust's brand.
The Rothschilds have given an estimated 50,000 works of art to public institutions and printed and digital media features art from the Rothschild archives. One of the finest single pieces of art from a Rothschild collection, Vermeer’s The Astronomer, is a treasure among treasures at the Louvre.

Rothschild Wealth Management & Trust uses art and object’s d’art from its own archive, to create a unique written and visual language. The brand proposition, ‘shaping wealth for generations,’ is both a link to Rothschild’s illustrious past and compellingly engaging for wealthy clients today. As such, it helps private bankers across the world to tell the Rothschild story.

The bank that loves to prank

The last word has to go to a bank that has created such immense and intense media and social buzz that it is impossible to ignore them.

National Australia Bank, whose tagline is ‘More give, less take,’ can’t stop rolling out viral guerrilla marketing stunts to promote their brand promise of a ‘fair value exchange’. The campaigns have successfully underpinned NAB’s competitive brand positioning with every new execution as part of an elaborate and sustained switch campaign.

It all started with an ‘accidental’ tweet from one of NAB’s official corporate accounts, setting the twittersphere abuzz when the message broke: ‘Sooooo stressed out. Have to make a tough decision and I know I’ll probably hurt someone’s feelings! Arrggghhh.’

On Valentine’s Day NAB declared its intention to ‘break up with the other banks’. Central to the campaign was the offer to pay customer fees if they switch mortgages from Commonwealth or Westpac to NAB.

The company’s YouTube account describes the flavour of the campaign succinctly: ‘It’s over now. And it’s out there. It really is over for NAB and the other banks and we want everyone to know. That’s why we covered the front of our house with the message. At NAB we’ve broken up with CommBank, Westpac and ANZ. Why? Well, for a long time now we’ve been thinking and acting differently to the other major Australian banks. Now we’ve grown apart. We’ve just got nothing in common with them anymore.’

NAB printed a lengthy ‘Dear John’ letter in every major newspaper in the country and blew it up into a three-storey banner on the front of its headquarters.

Banners were flown over rivals’ buildings declaring the relationship over. Pianists were hired to play break-up songs outside their offices, while actors pretending to be competitors played out dramatic break-up scenes.

In today’s media saturated world, it is hard enough to gain a consumer’s attention for 30 seconds. To sustain it for months, even years, is an act worth following.

Another high-profile publicity stunt saw two members of NAB’s banking team tied to a lamppost in Sydney’s Belmore Park and Melbourne’s Southbank, illustrating NAB’s ‘lack of popularity’ among its rivals.

NAB’s website fulfils the pay-off for the campaign: “We think our actions are driving their interest rates down, forcing them to come up with special deals, and generally making them be more competitive. So customers are enjoying better, fairer and more competitive banking. Should you break up with your bank?”

The 4 Rs of financial branding

We have seen some diverse brand stories, from trailblazing traditional market leaders to the charge of the challengers. The 4Rs bring together the distinct and ideally balanced attributes shared by all successful financial brands:

- Relevant.
- Remarkable.
- Reputational.
- Real.

Relevant

Creating brand relevance seems obvious. However, sustaining it and staying true to the brand essence day-in, day-out can prove challenging, particularly with all of the regulatory distractions facing the industry today.

With the unrelenting mergers and acquisitions in the financial sector, it is easy for a founder’s vision to get lost and become foggy along the way. Ultimately, as we have seen from the above case studies, brand relevance transcends the transactional. It’s all about clarity of purpose aligned to customers’ needs and consistently executed.
Remarkable
Perhaps surprisingly, for all the talk of homogeneity, there are numerous instances in which financial firms have created markedly differentiated brands as the examples have shown.

Some we have seen are remarkable for ripping up the rule books and crushing conventions, others have built a cause or big idea that they and their customers share a deep belief in, and then there are those who have shown a zeal for customer service that motivates, inspires and sometimes even makes us smile.

Being remarkable is more than just being noticed. It is about being remarked upon and letting the customers do the talking, enabling brand messages to shine out as never before.

Reputational
On the face of a dollar bill is the phrase, ‘In God We Trust’, on the front of a £10 note, it states the words ‘I Promise’. Trust, like respect, is earned and re-earned every day through living brand values in thought, word and deed. Regain that trust and financial services firms that don’t think in traditional terms (or make the mistake of measuring themselves against peers from the same industry) are capable of building substantial fan-bases. In turn, these fans will reward them through becoming active and vocal brand advocates.

Real
In this age of transparency and social networks, where all of organisations’ actions and motivations are laid bare, only those companies that are authentic will succeed.

If the brand story doesn’t ring true or is superficial, because the company doesn’t really own’ it, then customers and employees will see through it.

Those financial services organisations that live their brand values will win hearts, of far greater value than wallets.

Customers, partners and other stakeholders are increasingly informed, empowered and discerning about what they read and look at. Financial firms must talk to them authentically and originally at brand belief level, without the artificiality of marketing and PR boundaries. Get it right and they will tell that brand story again and again.

The Brand Challenge: Adapting Branding to Sectorial Imperatives

This paper is an extract from a new book: The Brand Challenge.

Financial Marketing’s contribution looks closely at financial services brands that take the road less travelled. These are financial brands that are no longer prepared to settle for the me-too. Firms that are emphatically proud to stand out by standing for something.

The Brand Challenge provides a comprehensive and topical examination of the application of branding across a variety of sectors including luxury goods, finance and not-for-profit; it proves essential reading for anyone involved in branding decisions or wanting to know more about the branding process.

Edited by leading brand analyst Kartikeya Kompella and published by Kogan Page, The Brand Challenge explains the nuances of building brands in different industries with a chapter devoted to each to give the reader the most up-to-date understanding of how to apply brand theory.

It contains original contributions from many of the world’s leading brand experts who lift the veil on brand building in their specific sector. The book encourages readers to apply practices from one category to another to foster innovation in brands and successful brand building.

We were delighted to see The Brand Challenge featured recently in the Canadian Business Journal. Several members of Prolific Wisdom, The Harvard Alumni Business Book Club, Mark Borkowski and Boris Tsimerinov reviewed the book and spoke with the Editor, Kartikeya Kompella.

The featured book is based on a compilation of thought-leaders’ insights on adapting branding to sectorial imperatives to which Allen Adamson (Landor Associates), Tony Allen (Dragon Rouge), Al Ries (Ries & Ries), Peter Fisk (GeniusWorks), Jeremy Hildreth (H & Co), Thomas Meyer (McKinsey & Company), Jonathan Paisner (DeSantis Breindel), Mike Symes (Financial Marketing) and 12 others contributed. The Brand Challenge highlights possibilities in how to transfer branding rules and disciplines successfully from one field to another and enables the reader to gain an understanding of commonalities involved with building brands across industries and markets.

Purchase The Brand Challenge from Amazon