

What You Need to Know About Online Branding of Financial Services

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MOST FINANCIAL SERVICES COMPANIES seek to build brands—symbols that identify them and differentiate them from their competitors. In an industry with much product commoditization, brands help distinguish competitors in the mind of customers.

Brands convey many levels of meaning to the customer, such as product attributes (expensive, exclusive, no frills), functional and emotional benefits (financial security, feelings of having “made it”), and the values and culture of your company (Southwest Airlines is “fun”).

Yet, how does the concept of branding translate online? Our work in online financial services over the past decade has led us to the following conclusion: branding appears to be most heavily influenced by the usability and task-orientation of the site rather than by images, color scheme, and other stylistic elements.

Consider your favorite sites. Many people will say Yahoo!, EBay or Google. Have you ever thought about why these sites are favorites? Users enjoy them because they quickly and easily find what they’re looking for and complete the tasks they intended to complete.

Now tell me the color of the layouts or logos. And what are the marketing slogans for the three sites mentioned above? If you’re like most people, you’ll fail the above tests miserably. Yet, you have a strongly favorable

impression of your favorite sites because they perform for you.

A well-built website has a more positive effect on a company’s brand than do evocative pictures or prominent logos. High-quality graphics and animation cannot offset poorly organized content.

The web is both a marketing medium and a delivery channel. It succeeds largely in branding your company through its success as a delivery channel for information, products, and services.

Web sites are interactive, not passive. Indirect messaging from beautiful pictures, pithy slogans, and highly detailed graphics takes a backseat to the direct experience of your products and company.

One of my favorite illustrations of this point was an experiment performed by User Interface Engineering in January 1999. Researchers asked potential minivan buyers to investigate the Ford Windstar at Ford.com and at Edmunds, an online automotive guide. The study participants had much more positive brand associations with Ford and the Windstar from the Edmunds site than they did from the Ford site. The Ford site contained large images of “shiny, happy people.” Pictures abounded of beautiful scenery—some of which didn’t even have Ford vehicles in

them. Each page had an advertising slogan such as “Built Ford Tough,” “Go Anywhere,” and “Every picture has a story, and every story has a Ford in it.”

Yet, users couldn’t readily find estimated miles per gallon or seating capacity on the Ford site. After viewing both sites, web visitors reported stronger brand identification with the Ford Windstar because of their visit to the Edmunds site than they did from visiting the Ford site.

Additional studies by UIE in the retail clothing space confirmed these results. Researchers asked study subjects to rate the quality of goods and their brand awareness of three major clothing retailers. Subjects rated product

quality and brand of all companies as essentially equal. After shopping for those goods at the retailers’ websites, subjects again gave researchers their opinion about each company’s brand. Increases in positive brand perception occurred where users were able to complete the shopping task. Some design elements did correlate strongly with improvements in brand perception, but those fell into the pattern of elements that assisted users in completing their intended tasks, such as sizing charts.

What lessons can financial services companies take away from our automotive and retail examples?

Branding appears to be most heavily influenced by the usability and task-orientation of the site.

♦**THINK ABOUT WHY users are coming to your site and put those elements at the forefront of your design.** Most often, in the case of banks and mortgage lenders, prospects want to know who you are, what programs you have, what your rates are, and how to contact you. Existing customers want to access account balances and make payments, if possible. The most important tasks should be readily visible to the user, emphasized above other, lower priority tasks. Giving equal weight to all tasks on the page makes everything harder to find. Generally speaking, “Access Your Account” should have greater visual weight than “Community Involvement,” for example.

♦**MINIMIZE CONTENT UNRELATED to your business.** A quick random search of banks online in the last five minutes found a “homework helper” for kids, a giant photo of a lighthouse with the text “Follow the Light,” a downloadable screen saver of the bank logo with local nature pictures, and a morning sermon excerpt. This content has a legitimate function somewhere online, but in these cases, it impedes the customers’ ability to find their balance, check

loan rates, or find a branch location. I’d go even further, suggesting that links to local weather, guestbooks, news, videos of your advertising, and stock quotes (unless you have a brokerage or investment arm) are extraneous.

♦**FOLLOW COMMON TASK paths on your site to ensure ease of use.**

Marketing and production employees should understand how easy or hard it is for customers to log in to their accounts, find a branch location or phone number, or find your loan rates. Remove common roadblocks, if possible—clarify language, eliminate unnecessary elements, and reduce page counts to the end of the task.

♦**AVOID PUTTING YOUR most critical content elements completely out of your control.** Custom development of applications for online banking, loan servicing, or credit approval are expensive and often out of the reach of smaller financial institutions. Canned applications from a handful of financial services technology providers have become the industry norm. Still, many of them offer little leeway for changes in design, content, or process flow. Unfortunately,

in our practice, we’ve seen a company’s best customers throw their hands in the air when attempting basic tasks on these applications.

Customers struggle with or abandon confusing applications and the only solace small financial services companies can feel is that their local competition has the same lousy application. A mass market application may be a financial necessity for your company, but user testing with your existing customers and specifications on what you can customize should be part of your proposal review process with that vendor.

Small and medium-sized financial institutions can compete online against larger competitors with big budgets for advertising. Build the goodwill that comes with successful branding by building a web site that provides customers and prospects the information they seek and the ability to complete their intended tasks.

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