

# Part I

## Set-Up



# 1 Nationwide – Creating Senior Leadership Buy-In

IT'S ALL ABOUT THE CUSTOMER, STUPID!



In the highly regulated, risk-averse environment of financial services, Nationwide Building Society's social media strategy breaks the mould by actively encouraging its customers to share their views.

## Executive summary

### Overview

As one of the UK's most trusted financial services providers, Nationwide used social media to better understand what its customers wanted to talk about and where they wanted to talk. Rejecting the view that "social is just for marketing", they went back to basics and embraced social media as a customer service channel for a generation of customers.

### Key findings

- Getting everyone in the room helps stakeholder buy-in.
- Listen first before you do anything.
- Honesty in the face of a crisis is the best approach.

## Recommendations

1. Ask the tough questions first – how will social media make life better for the business and our customers?
2. Get the basics down – business case and governance – it makes life easier in the long run.
3. Listen to lots of people – but be wary of those that call themselves “social media experts”.

## Background

### Interviewee

Paul Beadle started his career as a journalist before moving into PR, specializing in financial services. After three years in South Africa, where he helped create the country’s first financial comparison site, he returned to the UK and joined Nationwide, setting up the building society’s social media team.



Paul Beadle  
@paulbeadle

### About Nationwide

Nationwide Building Society are the UK’s biggest building society, meaning the organization is owned by their members, not shareholders. They are the UK’s second largest savings provider and the third largest provider of mortgages, as well as being a major provider of current accounts, credit cards, loans and general insurance. With 16,000 employees and a branch network of around 700, Nationwide has around 15 million customers and assets of over £2 billion.

### Their social media strategy

Nationwide approaches social media in a different way to most other financial services companies in that it doesn’t view social media as just another marketing tool or, as is often the case, a customer service headache.

Nationwide sees social media as a channel with lots of different opportunities and requirements, many of which overlap and complement each other, requiring different business areas to get involved.

That's why the overarching strategy is managed by the social media forum, a group of key stakeholders that represents interests across Nationwide ranging from PR and customer experience through to HR and legal. This overarching strategy and management model was put in place by the social media team, who sit within external affairs, the department responsible for promoting, managing and protecting the bank's reputation in PR, media relations and public affairs.

Nationwide recognized that social media plays an increasingly important role in how businesses are perceived by the public and influencers, whether it is comment on the service customers receive or the news stories they read. As guardians of that reputation, the external affairs department had the right experience, insight and set of skills required to handle the implementation and development of social media at Nationwide, minimizing any risks and helping to realize the potential of the channel.

Whilst individual business departments are responsible for managing their own social media strategy and budget, PR, marketing and customer service, for example, the forum is responsible for shaping the strategic direction for the use of social media across Nationwide. For example, the forum will consider the effectiveness of its corporate governance, the impact of regulatory changes, potential new uses for social media or the opportunity offered by new technology or platforms.

The external affairs social media team, working with the internet channels team, formed the project group implementing social media at Nationwide, creating the forum, setting up the overarching strategy, putting in place the governance framework and building the initial assets.

The overarching strategy has three key elements:

- **Boosting customer satisfaction:** using social media to help customers by answering their questions and queries, as well as providing them with useful information such as guides, online Q&As and how-to videos.
- **Reputation management:** monitoring comments and mentions of Nationwide online to understand what their customers and others think of their products and services, enabling them to respond to any issues and use that insight to help shape future developments.
- **Increasing customer engagement:** using social media to engage with customers via content such as hints and tips, polls, feature articles, videos and competitions; as well as encouraging customers to share this content to raise awareness of Nationwide.

The external affairs social media and the internet channels teams also set up Nationwide's first social media assets – Facebook, Customer Twitter, YouTube and LinkedIn – creating the sites and putting in place governance to ensure that they are properly managed. In addition the external affairs social media team also implemented a social media listening tool to monitor Nationwide's own social channels and the wider web.

## The case

### The problem

Financial services is a complicated industry, full of rules and regulations that control the way that products and services are marketed and sold, as well as setting stringent standards for the way customers are dealt with. As a result, many financial services companies are cautious of using social media, nervous of falling foul of regulations or worried about being overwhelmed by negative customer comments.

Yet the web is where people go to find out about the mortgages, savings products, credit cards and current accounts they need and the best companies to use to get those products – social media is the engine that drives this research, whether by sharing opinions with friends and comments in forums, or by checking out reviews by other users and stories from the media and bloggers.

Nationwide wanted to tap into this network of comment and questions, both in terms of understanding what customers wanted and what they already thought of the organization, and how the bank could inform and influence these discussions.

The issue for Nationwide was how to use social media effectively and appropriately within the framework of regulation and its own governance structure, whilst providing something that people would see as worthwhile and would actually respond to.

At the same time, the project team responsible for bringing social media to Nationwide had to show the business case and demonstrate the benefits, prove that it could be managed properly and show how any risks could be mitigated.

### Background

Nationwide launched the UK's first internet banking service back in the 1990s, so it has a tradition of embracing new technology. But social media

offered more than just a technological challenge – it had implications around reputation, public perception and the culture of the business, as well as putting the company under the spotlight of scrutiny by customers, financial regulators, competitors and even the government.

Nationwide knew that social media could be a powerful way to serve customers, providing them with help and support or resolving their issues, but it also brought with it massive reputational and operational challenges.

When they started to roll out its social media plan at the end of 2010, the financial sector was in the midst of an economic downturn and was struggling with negative headlines and poor public perception. The bank had navigated its way successfully through this period and had never faced any of the issues that many of its banking competitors had. So the opportunity for Nationwide was to build on this position of strength and use social media to raise awareness of the organization and the difference between it and the banks.

Some of the banks had half-heartedly tried their hands at social media, but it was either an ill-thought out marketing campaign that did not really seek to engage with customers, or it was a corporate Twitter feed designed to pump out marketing and PR messages that quickly became swamped with consumer feedback without any real strategy for how to respond and deal with customer service issues.

## The solution

Nationwide's first step into social media came towards the end of 2010 when the external affairs team launched its @NationwidePress Twitter, designed to engage directly with the media. Recognizing that the way journalists found their stories had changed – with more turning to social media for leads, insight or public comment – the external affairs team used @NationwidePress to communicate with journalists, provide them with comment from the media relations team and alert them to new products and news stories. This also enabled the team to stay on top of emerging issues and breaking news being discussed by the media.

It was at this point that the external affairs social media team was set up, bringing together experts with traditional media relations experience and people with more in-depth social media background. The new team's remit was to explore the impact of social media on Nationwide, particularly in the area of reputation management, and to put together a plan for how social media could be used to benefit the organization.

The team's first step was to listen.

The @NationwidePress Twitter had already given Nationwide a snapshot of what was being discussed online, but the external affairs social media team wanted a much more in-depth and exhaustive trawl of the web, peeping into all corners to find out what people were talking about in forums, blogs and micro-blogs. The team chose the Sysomos monitoring tool, which not only provided the in-depth search and sentiment feedback it needed, but also delivered hourly buzz alerts via email to flag up any mentions to help the social media team identify emerging issues.

Using the insight the listening process had given them, the social media team next began to map out the opportunities and challenges social media provided: what people were saying, where they were saying it and how best Nationwide could get involved and influence those conversations.

Working with Nationwide's internet channels team, who were responsible for the nationwide.co.uk web site and the digital marketing activity, a project team was formed. Next was the creation of the social media forum, which would act as the heart, conscience and sense-check of the new social media project. Stakeholders from across the bank joined the forum, working on the "in the room" principle – if there wasn't someone in the room who knew the answer to any issue, whether it was the impact of regulation, marketing best practice or how internal customer service procedures should be applied to Twitter, then one of the forum members would know where to find the answer.

The forum was also where requirement gathering took place:

Who wanted to use social media?

What was their objective?

How should existing requirements for data protection and information security be addressed?

Who needed to approve content and how was it recorded?

All these questions and more were asked, answered and approved by the project team working through the forum.

An overarching strategy was agreed and approved by the forum and taken to Nationwide's senior management, along with a road map for how it would be implemented. The strategy had three key elements:

1. Boosting customer satisfaction.
2. Reputation management.
3. Increasing customer engagement.



The road map set out what assets would be put in place and by when, along with a timescale for how they would be developed. The approach was to test and learn – implement the basics and then take the insight and experience to develop activity and make things even better. By the end of 2011 the plan began to roll out.

- **Listening:** the Sysomos monitoring tool was in place and was providing the external affairs social media team with valuable insight, as well as flagging up issues and opportunities. The social media team began actively responding to comments and escalating issues or sentiment feedback to relevant business areas, either to coordinate a response or simply to provide them with feedback on what customers thought.
- **YouTube:** Nationwide took a tactical decision to launch its YouTube channel ahead of its other social media channels in order to help promote its new Carousel advert, the first TV advert for a number of years. YouTube enabled Nationwide to link to the advert and promote it on its main web site, offer the media pre-screenings and provide the public with a destination if they wanted to see more of the advert. A content plan quickly followed and a wide range of videos were produced, ranging from guides to using an ISA to vox pops looking at problems for first time house buyers and raising awareness of Nationwide's digital guides to buying and selling property. These videos were embedded in Nationwide's web site, taken by media sites and eventually used in their own social media channels.
- **LinkedIn:** a Nationwide LinkedIn careers page was created to support Nationwide's recruitment strategy, providing information on the organization, details of the latest jobs and a constant stream of corporate news and information, helping to reinforce their position as a leading player in the financial services market and a great place to work.
- **Facebook and @AskNationwide Twitter:** both channels were launched within weeks of each other in early 2012, but had very different remits. The @AskNationwide Twitter was conceived as a customer service channel from the outset and was built by working very closely with the e-contacts team in Nationwide's direct customer service department. A team of six customer service consultants were trained to use Twitter, ensuring the right tone of voice, whilst the existing customer service procedures were modified to provide an issues-handling process and SLAs for Twitter. The channel quickly became popular with customers who wanted to ask questions or had issues that needed resolving. Facebook was designed to build

a community by providing customers with useful information to help them better manage their money, such as how-to videos and downloadable guides, or hints and tips articles or blogs from Nationwide's money experts. To boost engagement, the page also featured polls, competitions and TalkingPoints where visitors could ask questions of Nationwide experts. But there was also a strong customer service element with a "How can we help" section featuring interactive FAQs and contact points.

The external affairs social media team and the internet channels team worked closely with Nationwide's brand team to make sure that all the new channels fitted in with the organization's look and feel. An editorial schedule was created to ensure a steady flow of interesting content that fitted in with Nationwide's other communications and marketing plans, so promotion around new ISA savings products, for example, would be supported by appropriate guides or TalkingPoints on Facebook and across online and social media.

In the spring of 2012 following a fairly soft launch, the new channels of YouTube, Facebook and Twitter were properly launched to the public, as well as Nationwide staff, outlining the strategy, reinforcing the hard work that had gone in to developing a governance framework and inviting employees to provide their feedback. The response was overwhelmingly positive, especially from social media users and in particular when compared to the guarded social media approach taken by many of Nationwide's banking competitors.

As the social media activity ramped up, cross-channel marketing campaigns were designed that would cover traditional PR, print advertising, paid for online advertising and social media.

The journey from the creation of the social media project team to a fully-fledged plan being in place had taken less than 12 months.

## Results

The statistics began to mount up fast: nearly 130,000 people viewed videos on the YouTube channel, including almost 32,000 for Nationwide's new "On your side" advert.

The Sysomos monitoring tool regularly picked up almost 3,000 mentions per month, highlighting potential issues and even alerting the bank to cases of possible fraud.

Within weeks the @AskNationwide Twitter was dealing with over a hundred Tweets on a weekly basis, providing customers with help and solving their problems.

LinkedIn rapidly became an important part of Nationwide’s recruitment process and was being used to attract and recruit new employees.

The Facebook page racked up a reach of over a million people, helping to raise awareness of Nationwide and providing an opportunity for the organization to start social media marketing campaigns.

In summer 2012, not long after RBS had suffered a catastrophic collapse of its computer systems, Nationwide also experienced their own IT glitch – although not on the massive scale of RBS, a significant number of customers were affected. Nationwide immediately used social media as a way of communicating with customers, responding directly to their concerns on Twitter to reassure them that the issue was being fixed, as well as using Facebook to publish updates on progress, information to help customer with problems, a full apology and finally confirmation that the issue had been fixed within 24 hours.

The use of social media throughout the issue generated positive feedback by customers and the media, including Chris Choi, ITV News Consumer Editor, who said on *Daybreak*: “It has been rather interesting to see just how well Nationwide have gone on to (those) social networks and engaged with individual customers and their fury.”

### **Critical success factors**

1. Having a clear vision of what social media really could do for the bank was vital, which is why it was important to start with a listening phase first to understand how their customers were using social media to ensure Nationwide could respond to those needs in the right way.
2. Instead of rushing off to try viral videos or marketing gimmicks that fell flat, what Nationwide recognized was that good social customer service was vital and that people wanted their financial services providers to help and support them, not to try and sell to them or pretend to be something they’re not on social networking sites.

### **Lessons learned**

Paul says that the first question any business should ask before embarking on social media is: why? What is the potential benefit? How will this help my business? How will it help my customers? What are the risks and the potential pitfalls?

Don’t be lulled by snake-oil salesmen “social” gurus into believing that social media is a must-have silver bullet – if it doesn’t work for your business

or your customers, or if you can't support it properly, any number of shiny viral videos are not going to make a difference to your bottom line. Not only will you struggle to see the value of social media, it could actually become a reputational nightmare.

Paul's top tips are:

- **Listen:** what are people saying about you and what are they saying about your competitors? How can you use this knowledge to shape the way you do business? And do they really want to engage with you on social media?
- **Get everybody in the room:** everybody in your business will have a different take on social media, whether it is a good or bad thing, whether it should be used to sell or to provide service, and whether it's a huge opportunity or a massive risk. The only way you can air these different views, build a consensus and form a workable plan, is by getting everybody with a stake in social media around a table and talking. You'll soon find that issues can be addressed and enthusiasm is contagious.
- **It's about customer service, stupid:** for most organizations, no matter how great their products are, customer service is the thing that will either drive people away or will turn existing customers into advocates. Social media is just a new approach to good-old-fashioned customer service – listen to your customers, respond and help them out. They will quickly repay you by telling their friends about the good service they got after tweeting you on their smartphone about an issue. Once you have those basics in place, then you can develop whizzier forms of social media to engage with your customers.

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