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**Patrick Dalton****ABA Bankers News Online Feature Story**

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## Customer Evangelists

### Cultivating Word-of-Mouth Advertising

By Patrick Dalton

In a 500-cable-channel, spam-infested world, where people are deluged and desensitized by incessant advertising messages, word-of-mouth endorsements from loyal customers may be the key to business salvation.

That's the hypothesis of Jackie Huba and Ben McConnell, co-authors of "Creating Customer Evangelists."

"We were really fascinated by companies who in a down economy and in tough industries were succeeding, in large part, due to customers who spread the word," says Huba, principal, Wabash and Lake Inc., Chicago. "[Customer evangelists] literally recruit new customers and become a virtual sales force."

Southwest Airlines, the Dallas Mavericks basketball team and Krispy Kreme are some of the companies that the book cites for cultivating such marketing evangelism. "Customers will put their integrity on the line to tell other people about the company. If we focused on that, we could really drive our business," Huba says. (Huba will speak at the ABA Marketing Conference, Sept. 14-16 in Chicago. For more information, call 1-800-BANKERS.)

Customer evangelism can and does work in the financial services industry. A survey by New-York-based Roper ASW found that 57 percent of respondents said they obtain information about saving and investing money through word of mouth, compared with 12 percent from advertising, she explains.

"If we look at the model for evangelism, it's kind of pyramid," Huba says. "You have to start with a great product or service because it has to be remarkable -- something worth making a remark about to someone else."

For banks, that could be staying open seven days a week, or having an Internet café in the lobby. "Banking is such a commodity that if you can put something else around it that is more of an experience -- plus you have great service from hiring great people -- there's something to talk about," she says.

Some other tenets of cultivating customer evangelists are:

- **Gathering feedback.** Huba and McConnell call this process customer plus-delta. The "plus" symbolizes what works well, while the "delta" symbolizes what needs to be improved. Some companies don't know whether they have a great product or service

because they simply don't ask the customers, Huba says. But conducting an annual survey is not enough. She believes in gathering real-time customer feedback at every opportunity -- without spending a lot of money. "At every contact point that a bank has with a customer, why not do an immediate survey?" she asks. "If there's someone on the phone who's called up the bank, at the end of the transaction you could ask, 'How did the transaction go? What did you like about it? What do we do to improve?'" "You can do it on the Web site, or in person if they're going into a branch. There are folks who could take the feedback then and there as the transactions are happening -- not once a year in a survey," Huba says. "Getting little chunks of data all the time is much better than asking customers to fill out a 30-question questionnaire once a year," she says. "Then you can't make little course corrections when you have problems." Huba stresses that the heads of many successful companies make a point of talking with customers. Dallas Mavericks' owner Mark Cuban often sits in the \$8 seats to talk with fans and watch the basketball game from their viewpoint. "He's not wearing a tie and sitting in a luxury box. If this billionaire guy who owns the Mavericks can sit in the \$8 seats, banking professionals can be with customers more often and gather informal feedback," she says.

- *Build the buzz.* Get people talking by creating a buzz about your products and services. Leverage the natural networks in society or business to break through the chatter with infectious word of mouth. For example, Southwest Airlines creates buzz through their flight attendants' quirky and funny comedy routines. "There also are innovative ways in which banks can think about generating buzz," Huba says. There's a New Jersey-based bank that sponsors family-oriented picnics every time it opens a new branch. "It becomes an event, it's fun and the community is involved," she says.
- *Create a cause.* "The great thing about a cause is that it rallies people around you," Huba says. "They become evangelists because they believe in the cause that you are supporting." The two ways to do this are through adopting a societal issue that affects the company's audience, or by selling a dream instead of a product. Examples of societal issues are Avon's support of breast cancer research, or Ben and Jerry's support of the environment. Selling a dream involves thinking about how the company's product is going to change the life of the end customer. "Southwest Airlines is selling freedom. They're not selling a butt in a seat. They're selling freedom for you to go to that wedding or reunion because the fares are so low, and the freedom for their employees to be who they are," Huba says.
- *Break up your products and services into bite-sized chunks.* Such chunks enable people to try a company product without committing to something more expensive. The Internet café concept "is a way for the customer to just walk in and experience a tiny bit of what the bank has to offer that can get [a person] hooked," Huba says. "That's an interesting use of bite-sized chunks." An innovative free-checking product would be another example. "If it's easy for [customers] to try, once they get experienced with the bank, and start to appreciate the service, you can start telling them about some of your other [upper-end] products," she says.