

Banks rake it in through online

By [ON THE NETT](#)

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Standard Bank has attributed its 14 million online transactions, more than R1 billion worth of loans, and online usership figures of 500 000 per month for 2005 to its online advertising strategy and other banks agree: the rapidly growing digital forum can no longer be ignored.

Having put their mistrust of online transactions aside, middle to high income-earning South Africans have come to rely on the convenience and interactive nature of internet banking; to the extent that Standard Bank's online product sometimes generates more capital than its busiest branches.

Head of Media Strategy and Channel Planning at First National Bank Anthony Vorster reveals that internal research at FNB found people doing online banking use more of FNB's products than walk-in clients.

"On the net potential clients can see new campaigns and promotions immediately and can instantly access the information without too much effort and time compared with other media."

Nikki Twomey, Brand Marketing Director of Standard Bank attests that online campaigns have met with great success: "Our credit card banner advertisements have had a marked impact on our online applications. Standard Bank has seen increased click-throughs to the pages on our site that we hyperlinked to."

Promising results

Absa too has seen promising results from their online campaigns. GM of Absa Group Marketing and Communications Luigi Magnelli reports: "Clients are not just reading the information displayed though. They're actually taking up services."

The general public is by now familiar with the unique aptitude online advertising has to measure the success of several aspects of its advertising campaigns.

Vorster explains: "The success of FNB's online advertising campaigns is measured according to our marketing or communication objectives. Online advertising makes measurement adaptable to whatever it is you wish to measure from click-throughs, to page impressions and sales.'

Twofold

For Twomey measurement is twofold: "We use click-through rates to measure the success of the placement and our cost

per click.

"However, the overall success of our campaigns is measured by whether the online advertising caused any spikes on online applications for a particular product weekly and monthly.

"When we have run specific product campaigns, for example credit cards, and we pick up an increase in credit card applications during that campaign period, we have to infer that this is in part a result of the online advertising we do - our online banners were part of the media mix."

Vorster says: "We use outdoor ads, TV, print media and radio. However, online advertising is increasing and becoming a critical part of marketing. It's becoming more and more important as people realize they can compare products online and get more information online. Products are presented in a friendlier manner - they're not pushed in client's face. There is also more time to interact with the client."

Limitations

While Twomey sees the value of online advertising she does note its limitations: "I think that other media, especially above the line media, are consumed to a much higher degree than online. Access to the internet is still very limited in this country and is only prevalent in certain pockets of our target market, namely the youth, affluent, business and techno savvy markets.

"Our brand target market is wide, ranging from low income through to extremely affluent, from personal through to corporate. Hence, your media needs to reach across these target markets and be very visible, something which online advertising can't do in this country at the moment."

The marketing experts at these banks agree that the medium is not just an avenue for brand building but it also drives sales. Vorster points to benefits that go beyond the science of marketing: "Legislature requires that financial organizations disclose certain information in their advertising. This results in ads needing to be longer and so it costs more to advertise on TV or radio. More information can be disclosed online at a cheaper rate.

Audience reach

The banking industry has come to see that in employing online advertising a well defined strategy needs to be part of the thinking. One strategic consideration is audience reach.

According to Vorster a variety of frequently visited portals are used for FNB's online advertisements depending on the campaign and its target market, and whether it is being used as a branding tool or not: "The most successful sites for FNB have been Media 24 sites and Ananzi."

With 1 313 903 unique users for Media 24's news24.com and 410 994 unique users to Ananzi in October this year, these findings are hardly surprising.

Simple to change and adjust

Absa has little criticism of the medium: "It's a great medium. It's so simple to change information and make adjustments to advertisements even in the middle of a campaign. In above the line advertising it is either impossible or very expensive to make adjustments once a campaign has been launched."

Twomey is more cautious: "It is becoming very cluttered so it's more difficult to get noting levels high. Most mainstream web pages are designed to provide as much information as possible for their consumer and are cluttered with all sorts of links and menus.

"Banners have to fight for attention. This in turn causes banners to become more and more flashy, brighter and more eye-catching (and they look great on their own), but when you have, say, three banners on a page trying to do this, your eye doesn't really know what to look at first. It's difficult to get your banner noticed in this situation."

Vorster's message for the advertising world is clear: "Online advertising is a serious medium now. Take it seriously, do it properly or don't bother. There needs to be a strategy and clear thinking behind it. Done properly it has the potential to be very effective."

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