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FINANCIAL SERVICES

Consistency, clarity are key for banking brands to earn trust

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Financial firms need to focus on the fine print. Image credit: RBC

By SARAH JONES

For financial institutions, visual branding plays a critical role in gaining and keeping consumers' business, according to a new report.

According to a study from Monotype, 84 percent of consumers consider brand recognition an important aspect when choosing financial service providers, and about half of consumers report that trust is their number one factor when selecting a financial institution. Building trust relies on a combination of reputation, consistency and transparency, with details as small as fine print legibility factoring into consumer sentiment.

"[Trust] starts at the top. Almost 10 percent of all financial institutions contain the word 'trust' in their name for example, Cambridge Trust," said Brett Zucker, chief marketing officer at Monotype.

"Their brand promise is built on the relationship with their customers," he said. "This includes a consistent user experience across all touchpoints how they look in branding, what the experience is like on the mobile app, how you interact with consumers in the physical branch it all has to flow together."

The report is based on a survey of 1,000 consumers in the U.K. and U.S., as well as a survey of 200 design and marketing professionals who work within financial institutions, both of which were conducted by CITE Research for Monotype.

Financial typeface

Consumers and financial marketers are in agreement about the importance of trust in banking. Forty-nine percent of consumers and 46 percent of professionals say that trust is the top decision driver when clients are choosing a financial institution.

Trust is often tied to a brand's reputation, with 45 percent of consumers ranking it as the top trust builder. Three in 10 marketers believe that trustworthiness is the top aspect to their brand.

Brand values are increasingly coming into play, particularly for younger consumers who want to see transparency. For marketers, alignment with institutional values is the number one factor for branding decisions, with unique

creative coming second.

One of the key aspects of financial branding is typography. Choosing the design of documentation is about more than positioning, since consumers look to legibility as a signal of an organization's trustworthiness and transparency.

Monotype's work for Scotiabank. Image credit: Monotype

Despite the popular stereotype that consumers do not read fine print, this portion of documents is especially important. Half of consumers read at least some of the fine print always or most of the time, and 22 percent have actually cancelled a transaction because they could not read the disclaimer.

"Illegible content leads to mistakes or unintended actions such as sending the wrong amount of money through online bill pay or clicking the wrong button, which is not only a bad user experience, but also can easily lead to a rise in customer service requests or vocal displeasure on social media," Mr. Zucker said. "All of these raise costs and reduce the ability to attract new customers.

"If brands don't make a dedicated effort to ensure the type used in their documents is a clear reflection of their business standards and ethos, they risk losing customers and tarnishing their stature as a reputable institution," he said.

In a positive direction, about two-thirds of clients believe that clear fine print makes an institution seem more trustworthy.

Marketers also rank legibility as an imperative, with 88 percent saying it is part of their branding strategy.

Typography also plays a role in protecting a brand's image. Typefaces that are more unique and harder to duplicate make it more of a challenge for scammers to impersonate a brand.

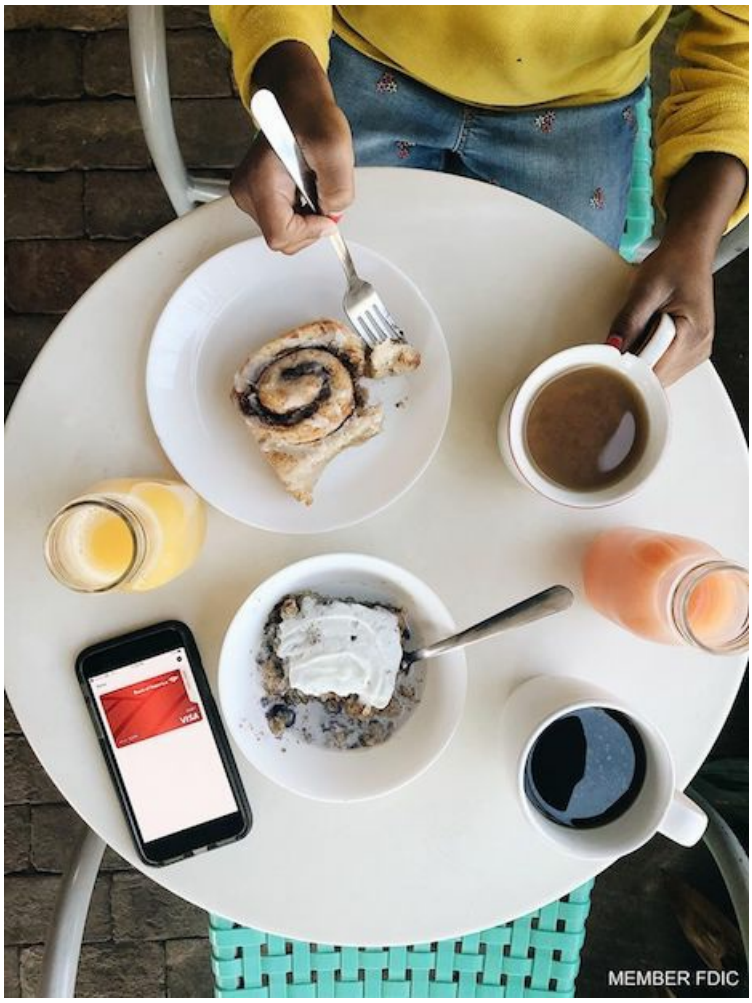
Aside from clarity, brand runners also prioritize differentiation, consistency and memorability as their top three goals for marketing. Per the study, inconsistency is financial companies' second biggest branding risk, following being easily copied for phishing attempts.

Consistency also comes into play for consumers' digital interactions with banks and other financial firms. For half of consumers, mobile is now the primary channel they use to interact with their financial institution.

Firms run the risk of losing clients if they do not have a positive cross-channel experience, with 34 percent saying a subpar digital platform would make them leave. Additionally, 43 percent of consumers cite doubting the trustworthiness of organizations whose brand experience is fragmented.

"Imagine walking up to a Bank of America ATM that wasn't branded in red, white and blue with their recognizable flag and word mark font logo," Mr. Zucker said. "Your antenna goes up and, consciously or not, a small piece of trust gets eroded.

"It won't be one brand experience that typically sours the relationship, but over time it weighs on the consumer," he said. "Marketers and CX designers must be well-versed in consistency of major areas of visual brand representation: color, imagery including and beyond the logo and type.



Consumers want to see consistency across channels. Image credit: Bank of America

"Just like in the ATM example, imagine an email from your bank where the text was in completely different font than the ones you're used to on their Web site or in printed material mailed home. Would you trust that it was legitimate?

"If a bank is not buttoned up enough to make sure their emails promote trust, what does that say about their ability to manage and secure your assets? For financial institutions, which are heavily regulated and have a lot of printed supporting materials, copy/text is perhaps the most used vehicle of communication. It has to be clear."

Trust and transparency

As companies handle more types of consumer data in an effort to personalize the customer experience, protecting client information is going to become even more paramount.

According to a report from the Chief Marketing Officer Council, 57 percent of marketing leaders believe that the top consumer demand is data security and privacy. There is a lot at stake for companies that fail to adequately safeguard data, and the report calls for marketers to institute a "privacy-first culture" to protect their brand's reputation and retain customer loyalty (see story).

Consumers are open to new financial institutions, but gaining their business revolves around trust.

Affluents are not immune from stressing about their finances, with more than half worrying about running out of money.

About 12 percent of affluents find managing their personal assets to be stressful, according to data from YouGov's Affluent Perspective 2019 Global Study. A quarter of financially-stressed affluents are interested in new ways of managing their assets, creating opportunities in the wealth management sector.

Among all affluent respondents, 43 percent expressed that transparent fees and services would increase their interest in switching firms. Thirty percent prioritize personalized service, while 22 percent are interested in access to digital tools to help manage their accounts (see story).

"Legibility is paramount on a device that is typically 4 to 7 inches in size and the fact that about one-third of consumers would stop doing business with a financial services institution if they had a poor digital experience," Mr.

Zucker said. "These digital interactions will only grow as one of the most important interfaces between a brand and consumers.

"This means financial institutions must ensure their brand font is just as legible on a screen as it is on paper," he said. "The digital experience for customers should be seamless, meaning financial brands should use fonts that clearly render on all screen and text sizes, and in dark or light. Display fonts that complement the brand system and proper optical sizing are a staple for UX designers."