

Why most banks are actively posting on social media—and want to do even more with their accounts

Article

The news: Nine in 10 banks believe social media is important to their banks, and 88% are very active or somewhat active on their social media accounts, according to an American Bankers Association [survey](#).

Only 12% of respondents said their social media accounts were dormant or not very active.

- Respondents to the ABA survey include 330 banks of all sizes, ranging from less than \$500 million under management to more than \$10 billion.
- They answered questions about how they're managing their social media programs, and what they want to stop, start, and continue in their social media efforts.

Where are banks posting? Banks most prefer Facebook at 95%, followed by LinkedIn (75%) and Instagram (62%). The next most popular are X (formerly known as Twitter) at 41%, YouTube (39%), and blogs (19%).

- **Only 7% of banks use TikTok.** With more than one billion active users each month, it remains [the fastest-growing social network](#), with a 105% increase in US users over the past two years. That appears to be [an overlooked opportunity](#).
- **And only 4% of banks use Snapchat**, developed for quickly disappearing content, primarily used by Gen Zers on mobile devices.

To achieve the marketing goal of “meeting the audience where it’s at,” the bank must first, as always, identify its target audience.

- **Certain segments prefer certain platforms:** for example, the Facebook audience skews older, and [Snapchat skews much younger](#). Concentrating resources on particular platforms prevents marketing from stretching itself too thin.
- **Posts also must be tailored to the platform.** For instance, you can't port a Facebook post onto TikTok, too—it will look irrelevant and out of place.

What are banks using social media for? Top uses for their posts include **communication (89%), recruiting (75%), financial education (71%),** marketing and sales (59%), and customer service (57%).

Digging a level deeper, the survey found that **when banks were asked to rank a list of 10 purposes their social media campaign serves, community engagement topped the list at 19%.**

- That's followed by **deepening customer relationships (15%)** through financial advice and updates on products and services.
- They also used it for **sending general alerts to customers**, such as branch openings and holiday hours (15%).
- Banks also used social media to **showcase their thought leadership and brand (14%)**.

As bankers are always aware of working under regulators' eyes—47% of respondents identified compliance mandates as a challenge they had to surmount to run effective campaigns—they found **community engagement was the most compliance-safe and powerful use for social media**.

- Surprisingly, however, 47% of survey respondents said they didn't currently use or had no plans to use social media to promote or engage in Community Reinvestment Act activities. That suggests **banks have still only scratched the surface of what they can achieve in their posts**.
- All of the survey respondents say **social media helps humanize their brand**. They've found that posts highlighting people who work at the bank get strong engagement—people love reading stories about people, and those are the posts they're most likely to share and re-post.

How important is social media in banks' marketing budgets? For most banks, social media requires the least investment out of their “never-enough” marketing budgets. They see it as having an outsized return on investment compared to the required spend.

Nevertheless, 22% of survey respondents named their budget as the biggest challenge standing in the way of achieving their objectives through social media.

- **Half of respondents planned to increase spending on social media resources in 2023**, while 44% were planning to hold their budget steady.
- Less than 1% planned to decrease social media budgets.

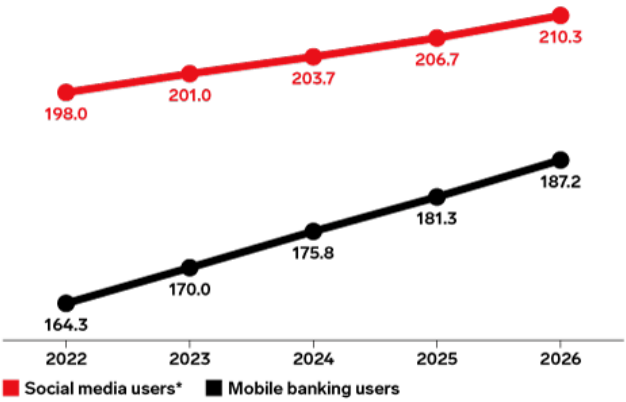
Banks recognize that beyond direct efforts, their social media presence generates more local media attention, creating a knock-on effect of mentions, free advertising, and even interviews.

Our take: Since a large number of customers no longer visit the bank branch, social media has become an imperative, as one of the few channels that let banks and credit unions to reach that audience segment and maintain a sense of community connection. **More than 23**

billion people are currently accessing social media worldwide, some visiting six or seven sites every month. This large and fast-growing audience spans all generations and is accessible, through a little creativity, at a relatively low cost.

US Adult Social Media vs. Mobile Banking Users, 2022-2026

millions



Note: social media users are internet users ages 18+ who use a social network via any device at least once per month; mobile banking users are ages 18+ and use a mobile phone to access their bank, brokerage account, credit card, or credit union at least once per month via mobile browser, app, or SMS; excludes virtual wallet services (e.g., PayPal, Google Wallet); *Jan 2023 forecast
Source: eMarketer, April 2023