

# WEBRANKING BY COMPREND

## BANKING SECTOR

### Key takeaways

Annual surveys to the capital market, jobseekers and digital managers form the basis of the Webranking analysis, which tracks corporate communication trends and evaluates transparency in disclosure amongst the largest companies in Europe. Here we focus on the 49 largest European banks on the stock market by market cap.



**The banking sector ups its game:** Slight improvement in number of banks engaging in credible comms. For more details, head to page 2



**Stuck, with nowhere to go:** Future vision missing from many banking corporate websites. Find out why on page 3



**Issue of diversity looms large:** Banks need to step up their game when it comes to communicating transparently on diversity. More on page 3



**It's not me, it's you:** Banks are reluctant to integrate social media onto their corporate websites, with few using the digital platforms available to them to engage users. More on page 4

#### Our key numbers

**20<sup>th</sup>** international edition

**49** banks ranked in Europe

**100** maximum number of points from the protocol that cover all aspects of corporate communication

**800+** the number of companies ranked globally

**460+** responses to the two Webranking by Comprend questionnaires dedicated to the financial community (Capital Market Survey) and to jobseekers (Careers survey)

#### Order your customised company report

The Webranking research helps companies understand how to improve their communication to better meet the needs of stakeholders, by comparing themselves to their international peers. It is the only research which, by annually investigating the needs of different stakeholders, gives a voice to website users.

For further information about the research and to order the report contact:

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# Spotlight on Europe's banks

Based on the demands of stakeholders, Webranking works as a stress test in that it measures the fundamentals of online corporate communications and digital dialogue. The spotlight beams bright as banks grapple to communicate their stance in a challenging global order

## Challenging world events call for a proactive response from the banking industry

It's now the third year that Webranking places banks under the lens, and it is safe to say that the spotlight is hardly dimming. Socio-economic and political events, which in the Western world has seen the erosion of trust of the mass population in its leaders and institutions, has led to an increase in populist movements, spurring events from Brexit to an unconventional US presidential election.

These events, coupled with recent banking scandals such as the Global Laundormat money laundering scheme exposing a number of European banks in March 2017, have destabilised global financial markets, bringing more questions than answers. On Brexit, for example, financial institutions were unable to convince the UK population of the benefit of remain, despite their warnings on the potential detrimental effect on the free trade market (see our EU500 whitepaper for our more detailed analysis on this).

Uncertainty on future policies calls for clear and transparent communication from the banking sector. For this reason, a proactive, open and transparent dialogue between banks and their stakeholders is necessary to rebuild trust. The banking industry's own digital channels, be it their corporate website or social media channels, are the place to start.

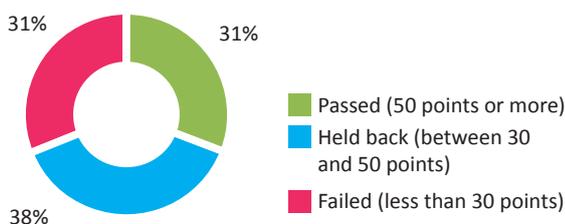
## The Webranking research

Seen through the lens of Europe's 49 largest banks by market capitalisation, the research evaluates the sector's ability to distinguish itself in an increasingly competitive and challenging environment. Being able to articulate the company's position on corporate issues through **digital channels** and demonstrate **engagement in social media** translates not only into an ability to respond to **potential crises** but to generate day in-day out an opportunity to build a competitive advantage and regain trust from an increasingly sceptical consumer and stakeholder base.

## The banking sector is upping its game

As the criteria in the protocol is based upon the needs and expectations of stakeholders – through annual surveys to investors, journalists and jobseekers – half of the max score (50 points out of 100) is considered the threshold at which companies respond adequately to capital market's demands. The results reveal that Europe's banks are upping their game when it comes to improving upon their digital corporate communication. The number of banks passing the stress test increased (from 27% to 31%) with the average improving by 1.3 points to reach 40.8 points, slightly below the European average of 42.7. Swedish bank **SEB** is the only bank to find itself in the European top 10, with a further four among the top 50 (**Swedbank**, **Credit Suisse**, **Unicredit** and **UBS**).

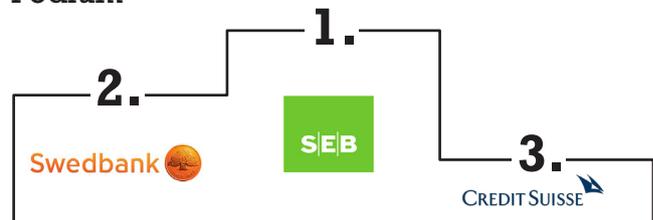
## Who passes the stress test?



## Nordic banks lead the pack on transparency

Nordic banks dominate the banking podium. Swedish bank **SEB** makes a significant leap this year to take first place, improving by an impressive 19 points to reach 78.9 points. It is followed by its co-national **Swedbank** with 62 points. Swiss bank **Credit Suisse** rounds the podium with 59.5 points.

## Podium



## Best improvers



# 1. Who are you?

The goal of a corporate website is to present the company to a range of stakeholders, producing engaging content that invites the reader to explore further. Here banks have the opportunity to differentiate themselves from the competition by focusing on the issues that truly matter to their stakeholders. We examine these below

## Are you talking about diversity?

**26%** of banks provide information about diversity in numbers, a low number considering the industry being consistently called out on this issue. Earlier this year, UK FCA supervision head Megan Butler spoke out about the “while male” culture permeating the industry, and that competition for talent should not be focused on just half the population (or one race). While **64%** of banks provide a generic approach on diversity and equal opportunities, not presenting figures to back up these claims has business and reputational consequences.

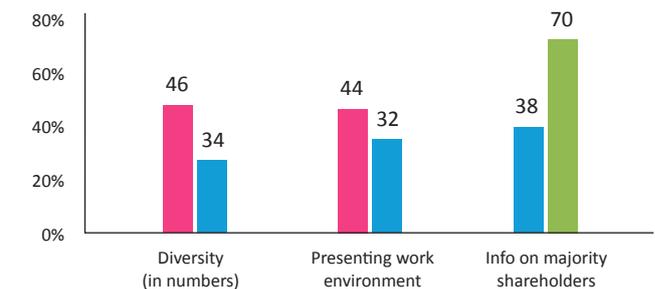
## Who owns you and what are your values?

**38%** provide updated annual information on their major shareholders. Understanding who the key influencers and majority owners of a bank are can help potential investors, journalists and customers understand how the bank views the present world, what its values are and if it is in line with the way they see it. Is the bank privately owned or controlled by the state? Who the owners are speaks volumes about what situation the bank currently finds itself in, and how they envision the future.

## What kind of employer are you?

**34%** present their working environment and conditions. With the new generation of graduates looking beyond the pay package, and placing higher importance on work environment and personal growth, the right type of employer branding can go a long way in helping to recruit the best talent.

## Gap between supply and demand



■ Jobseekers  
■ European banks  
■ Capital market

### Source:

*Webranking by Comprend 2016-2017: The graph represents the difference between stakeholders expectations (% of those who consider certain information important, having rated it 3 or higher (maximum is 5) and what companies actually offer (% of companies offering the information)*

# 2. Where are you heading?

Past events, such as the financial crash, have made it imperative for banks to communicate more transparently on where they are heading, whether this be outlining their future objectives or detailing potential risks. The low number of banks who provide this information on their corporate website is cause for concern.

## How do you enact your strategy?

**18%** of European banks provide concrete actions on how the company plans to achieve their suggested goals, up from **15%** in 2015. Providing this information increases confidence amongst investors and customers, as it gives concrete sense to what is often communicated in a generic way. Concreteness is fundamental for those seeking returns on their investment.

## What are the risks of your bank failing?

**40%** present information on risk management processes. In a world increasingly marred with hostilities, how a bank handles risks (be their financial or operational) is paramount to their solidity as a lender. Explaining the safeguards a bank has in place to hedge against potential risks increases trust amongst observers, and allows a company to remain focused on its long-term future vision.

## Best practice – Strategy

**BCV's strategy**

Our business strategy is guided by our ultimate goal of creating value for shareholders, clients and employees. Our business model is that of a universal bank with solid local roots, and we believe that this is the best way to ensure profitable growth going forward. Our operations are focused on four core businesses – Retail Banking, Private Banking, Corporate Banking, and Trading – but we remain active in select niche activities offering significant growth and profitability potential. Our risk profile is moderate, and we take an active approach to equity capital management.

Our current strategy – *strategie2018* – follows on from our previous one, aiming to continue expanding all our business lines. We intend to make impeccable service quality our differentiating factor, further improve our internal operations, and adjust our business-line strategies to account for our fast-changing regulatory environment. In addition, we will be working to better meet our customers' changing needs by more closely integrating our various customer touch points: our branches, ATMs, call centers, website, and apps for tablets and smartphones.

In particular, *strategie2018* targets:

- > At- or above-market growth in the retail banking and SME segments
- > Above-market growth in onshore private banking
- > Pursuit of niche growth drivers in asset management, structured products, and trade finance
- > Continued development of our other business lines

With *strategie2018*, we will also work to improve our internal processes and sharpen our focus on the customer experience. That will entail:

- > Improving customer-service quality through a series of targeted initiatives
- > Expanding multi-channel access to our products and services
- > Embarking on various projects to enhance our internal operations
- > Pressing ahead with our human resources strategy to continue developing our employees' skills sets.

We updated our key financial objectives and distribution policy in early 2013. Given today's low-interest-rate environment, we aim to achieve

## Did you know that...

**95%** of investors would like companies to outline their Group strategy

**82%** of capital market participants would like information on companies risk management processes



Swiss bank **Banque Cantonale Vaudoise (BCV)** outlines its 2018 strategy, setting out clear targets and actions, and providing details on how it plans to achieve them given today's low-interest rate environment.

# 3. How do you run your business?

How a bank runs its business goes beyond returns on investments. In fact, reporting on non-financial information is a legal requirement in Europe (Directive 2014/95/EU). While banks claim to have a CSR strategy in place, few connect it to the business, and even less outline their priority issues. Transparency on remuneration figures, despite recent outcry in this area, also remains low

## Do you have, or are you developing, a CSR strategy?

**72%** of banks have CSR strategy in place with **30%** connecting it directly to the business. Having a strategy, however, is not enough. What makes banks really stand out is the way in which they develop their strategy. **26%** present a materiality analysis on their corporate website, a process of defining what is important for each company and its stakeholders. This introspective exercise allows companies to focus on what really matters. By investing time and energy into developing strategies on issues that have a larger global impact, companies are doing their bit to solve tomorrow's problems. With an increasingly conscious consumer, the banks that are engaging in this exercise have the ability to win more hearts and minds.

## Did you know that...

**67%** of capital market respondents want banks to present their CSR strategy

## Did you know that...

**84%** of capital market respondents would like to see a remuneration policy for a bank's execs

## How much do the bosses earn?

**8%** provide figures on remuneration for their key executives. This shows that the majority of banks do not explain how they compensate their leadership team, leaving investors in the dark about whether they are being rewarded even if running afoul of their goals. A remuneration policy, presented by a mere **20%** of banks, ensures that the company has a variable process in place that bases itself on long-term thinking, as opposed to short-term decision making. Communicating this openly means shareholders and investors are fully aware of the checks and balances in place to limit repercussions and potential public outcry.

# 4. How do you engage users?

More and more people are accessing corporate websites on their mobile and seeking out social media channels to interact directly with banks. Despite this, too few banks are "mobile-friendly" with few interacting directly with stakeholders

## Can I browse through you on my mobile?

**58%** have a responsive website (which allows a single website to adapt to different screen resolutions), up from **33%** in 2015. As growing numbers of people access the web from mobile devices and digital penetrates further into daily routines and working life, users have come to expect fast, intuitive access to relevant content. Research conducted in 2016 from StatCounter showed that for the first time worldwide, mobile and tablet internet usage has exceeded the desktop. This sends an important message to the **42%** of banks who still do not have responsive websites in that they need to move fast to stay competitive.

## How can I interact with you?

**12%** of banks present live social media feeds on their corporate website. Social media drives engagement with stakeholders, and is one of the few ways companies can directly engage with users. It also promotes transparency and shows the company takes a reactive approach to external participation.

## Did you know that...

**9%** of digital managers are fully satisfied with social media presence, yet **67%** have a social media strategy

## Best practice – Social media channels

UniCredit & Social Media



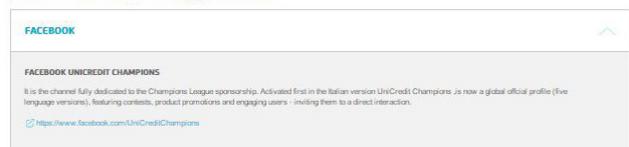
According to the I-Cam study (Institute for Competitiveness) dedicated to the Digital Innovation Finance, starting from 2010-2011 UniCredit ranked as one of the most active Banks on Social channels, thanks to the Facebook and YouTube "UniCredit Champions" official profiles and later on with the Facebook page "UniCredit Italia". We outlined a communication strategy on social media that aims to achieve three main goals:

- Strengthen brand awareness and build a solid reputation through the integration of new channels within the communication strategy;
- Make the customer play a key role especially when talking with the Bank, and deeply understand his needs;
- Promote products in line with the target audience and gather potential customers as new engaging initiatives.

Today at Group level our fanbase is 3 million based. The reason of such a success lies in our stories which go beyond banking and talk about the way we are close to people with our UniCredit assets in arts, culture, charity and sport.

### Our social DNA

We are present with an official profile on each main social network with a specific communication approach, in consistency to all of our stakeholders. Storytelling on our profiles is made of many topics: family, business, culture, our support in the territory, younger generation, products innovation and more. Visit our page, become a fan!



**UniCredit** Italian bank **Unicredit** is an active user of social media, and provides an explanation for what each channel is used for in the press section of its corporate website.

# 5. European vs. global banks

*Webranking Global looks at the 100 largest global companies by market cap. In this section, we look at how European banks stack up to their international peers*

## European banks outshine their international peers

Twelve banks are included in the Global 100 ranking, from countries ranging from Australia, China to the US and Canada. No international banks pass the communications stress, meaning that none is meeting even the minimum communication needs required by their stakeholders.

The global banks included in the ranking reach an average of 34.2 points, -6.6 points from the European average. Bank of America in the US is the highest scoring bank with 49.5 points, a striking -29.4 points from the highest scoring European bank, SEB. China Construction Bank is the lowest scoring bank with a mere 10.3 points.

## Big banking names least transparent

Although global banks operate with different accounting rules to European ones they are still held to the same standards when it comes to transparency, and therefore need to respond to their stakeholders needs. In fact, they are not immune to their own crisis communications disasters.

For example, US banks found themselves at the center of the financial crisis. The PR disaster that ensued resulted in the onset of many new regulations, and one would hope more transparency from the banks themselves. Despite this, big names such as JP Morgan Chase still find themselves towards the lower end of the ranking. On the other side of the globe, Chinese banks, who have suffered their own PR disasters, especially around bad loans, also need to up the ante, with Bank of China, Agricultural Bank of China and China Construction Bank the worst performing banks in the ranking.

The results illustrate that a lack of transparency permeates the sector, and that European banks are setting the bar for credible communications. Areas of particular weakness for global banks are the IR, CSR and Governance sections, sections of the corporate website that require the most transparency from significant stakeholders (investors, customers and journalists). Given the millions of global customers these banks serve, and with digital becoming ever more important across the industry, it is important these banks catch up to their European counterparts – and do so fast.

## Webranking by Comprend 2016-2017: 12 global banking corporate websites

2016/2017 Position	Bank	2016 Score	Country
1	Bank of America	49.5	USA
2	HSBC	48.5	UK
3	Commonwealth Bank	43.2	Canada
4	Toronto-Dominion Bank	40.7	Canada
5	Royal Bank of Canada (RBC)	40.7	Canada
6	Citigroup	40.2	USA
7	Wells Fargo	35.1	Canada
8	JP Morgan Chase	32.5	USA
9	Industrial & Commercial bank of China	25.2	China
10	Bank of China	23.8	China
11	Agricultural Bank of China	20.7	China
12	China Construction Bank	10.3	China

### Note

The 12 banks were selected based on their market capitalisation in June 2016. Banks scoring more than 50 points were evaluated at least twice by different researchers between the beginning of July and August 31st, 2016. Companies in the top 10 were ranked three times. The maximum number of points is 100.

Results from previous years can be found on [comprend.com/webranking](http://comprend.com/webranking)

Read our whitepaper on how European companies are communicating digitally:

<http://bit.ly/WREurope2017>

# Comprend Webranking 2016-2017

## Banking

2016/2017 Position		2016 Position	Bank	2016 Score
1	▽	4	SEB	78.9
2	;	2	Swedbank	62.0
3	▲	6	Credit Suisse	59.5
4	▲	5	Unicredit	59.3
5	▲	8	UBS	59.1
6	▽	1	Danske Bank	58.4
7	▲	9	Deutsche Bank	55.9
8	▲	16	KBC Group	55.3
9	▽	7	Royal Bank Of Scotland	54.1
10	;	10	Intesa Sanpaolo	53.5
11	▲	12	Nordea	52.7
12	▲	15	Mediobanca	52.5
13	▽	3	Erste Group	51.4
14	;	14	Barclays	51.3
15	▽	11	BNP Paribas	51.3
16	▲	24	CaixaBank	49.5
17	;	17	HSBC	48.5
18	;	18	BBVA	45.6
19	▲	20	Societe Generale	44.9
20	▽	19	Lloyds Banking Group	44.2
21	▲	29	Turkiye Garanti Bankasi	43.7
22		22	DnB NOR	42.7
23	▽	21	Standard Chartered	42.0
24	▲	33	Sberbank of Russia	41.3
25	▲	27	Bankia	41.3
26	▲	28	Commerzbank	39.9
27	▲	30	Santander	39.2
28	▽	25	Julius Baer	37.2
29	▲	31	VTB Bank	35.4
30	▽	26	Banque Cantonale Vaudoise	35.1
31	▽	23	Credit Agricole	34.5
32	▲	37	Handelsbanken	34.3
33	▽	32	Bank of Ireland	32.8
34	▲	40	Aberdeen Asset Management	30.5
35	▲	39	Natixis	29.7
36	▽	35	Banco Sabadell	29.5
37	▲	41	Akbank	28.9
38	–	NEW	Allied Irish Bank	28.8
39	▲	49	Yapi ve Kredi Bankasi	28.7
40	▽	34	Komercni Banka	28.6
41	▲	45	PKO Bank	27.5
42	▲	46	Banco Popular	26.6
43	▽	42	Bank Zachodni WBK	25.6
44	▽	47	Bank Pekao	25.5
45	▽	44	OTP Bank	23.3
46	▽	43	Bankinter	22.5
47	▽	52	Turkiye Is Bankasi	22.0
48	–	NEW	BNP Paribas Fortis	21.0
49	–	NEW	Finansbank	15.5

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Read our whitepaper on how European companies are communicating digitally:  
<http://bit.ly/WREurope2017>

# Order the report

*The Webranking Report is an online tool that identifies the gap between your key stakeholder demands and your digital corporate communication. It provides you with tools to reach your goals, meet stakeholder demands, benchmark against peers and competitors, or reach your anticipated ranking position.*

## The Webranking Report

- Your company's score and ranking.
- Your strengths and weaknesses, overall and by section.
- Benchmark analysis with 3 selected peers.
- Detailed description of all 100 criteria.
- 300 best practice examples to be inspired from while planning for your improvements.
- Interactive tool that lets you test how improvements would affect your results.
- Access to the data from the background research surveys.

## The Webranking Plus Report also includes

- A qualitative analysis with detailed recommendations on how to improve your digital corporate communication.
- A face to face presentation of your results where we also share current trends and suggest possible ways forward for continuous improvement. We also review design, message and findability.

# We are Comprend

comprend 

## Digital Corporate Communications

At Comprend we believe in creating stronger, more engaging Digital Corporate Communications solutions for our clients. We combine communications knowledge with digital expertise. Our international clients rely on us for their IR, media, CSR, employer branding, internal communications and social media. Our work has global reach and successfully supports worldwide as well as local market-specific initiatives.

We are a team of 60+ professionals with offices in Stockholm, London and Lisbon. We have partners in Milan (Lundquist), as well as group partners in the H&H Group: Hallvarsson & Halvarsson, Creo, Jung, Springtime and Involve.

For further information please visit [comprend.com](http://comprend.com)

Cover image by Luis Llerena

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