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Wells Fargo Brand Engagement Improves Significantly

New Logos, Mission Statements and Massive Ad Campaign Didn't Work On 21st Century Consumers

Pulling the Right Loyalty Lever Did!

NEW YORK, NY May 28, 2019 – Wells Fargo has struggled over the past half- decade to engage customers. But recently the bank's engagement and loyalty numbers improved significantly, moving from 58% to a 73% approval rating. The course correction came entirely from one particular activity related to a value that drives loyalty in the banking sector, according to a new national survey by New York-based brand research firm, Brand Keys, Inc. (www.brandkeys.com).

"'Loyalty' is far more than reward point programs and brand promises," noted Robert Passikoff, Brand Keys' president, "Insincere apologies and ad campaigns don't go far in our socially-networked world. When you're talking to 21st century, hotwired-to-their-smart-phone consumers, brands need to know what loyalty lever to pull to move the needle. What Wells Fargo faced wasn't going to be fixed with mid-20th century public relations and communication tactics that should have been relegated to the dustbin of marketing."

Bad Karma for the Bank

"It's no secret that Wells Fargo has had some bad brand karma for a while" said Passikoff, referring to scandals that stemmed from the bank's aggressive 'cross-selling efforts,' where bank employees created millions of new accounts without customers' consent. The scandal related to the bank's mishandling of mortgages didn't help either."

Dogged by these scandals, Wells Fargo's brand loyalty metrics, "Never very high on the Brand Keys annual Customer Loyalty and Engagement Index to begin with," noted Passikoff, tried to rehabilitate brand trust with double-spread newspaper ads reiterating their values.

The ad line for the campaign read, "Established 1852. Re-established 2018." Loyalty metrics for Wells Fargo moved from a grim 65% to 63%. "The wonderful thing about loyalty," said Passikoff, "is that it is accompanied with 'believability.' Nobody believed the brand was sincere in its efforts to habilitate in any meaningful way."

New Logos Versus Old Larceny
Next came the 'This Is Wells Fargo' campaign in print, broadcast, online and mobile. It was accompanied with, what the bank called, 'a new visual identity.' What they meant was a new logo, which had a new typeface without golden glow emanating from the letters, and a slightly revised stagecoach. Their CMO insisted, "'This Is Wells Fargo' and the changes to our stagecoach and logo will pay homage to our history while signaling our transformation to a contemporary, dynamic, and ever more innovative bank. . . at the center of which are our team members who are delivering new and improved experiences for our customers."

One can only suppose they *weren't* talking about fake credit card accounts or mishandled mortgage applications. "That loyalty strategy was bound to fail," said Passikoff. "Real change *never* comes with new logos unless a brand is already doing well, and it wasn't the logo consumers were upset about, it was the bank's larceny."

And fail it did. Consumer angst, fines, settlements, more fines and penalties piled up. Wells Fargo's loyalty and customer engagement assessments dropped from 63% to 60%. By February 2019, the Wells Fargo rating was down to 58%, the lowest Brand Keys has seen in the 24 years they've measured the banking sector, "without a brand actually going out of business," commented Passikoff.

The Right Loyalty Lever
The most recent April/May 2019 Brand Keys assessments in the banking sector found Wells Fargo's brand engagement and loyalty had *improved significantly* to 73%. Was it the result of the combined PR and advertising campaigns?

"Definitely not," stated Passikoff. "They finally found a way to move the highly leveragable loyalty value of 'trust' and found a way to communicate the fact that that brand took responsibility for its' actions. They put CEO and president Tim Sloan in front of a Congressional firing squad and he very publicly relinquished his position.

In the banking sector accepting responsibility for a brand's mistakes makes a 20% contribution to customer engagement and loyalty. Customers weren't looking for new promises or a new logo, they wanted real liability placed on the desk of those responsible. Removing Mr. Sloan in such a public way did just that.

"They pulled the loyalty lever, which, given the circumstance might have been culturally labeled 'Throw the Rascals Out,'" said Passikoff. "High percent-contribution loyalty values always point the right road for a brand to take. Especially if your logo is a stagecoach."

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