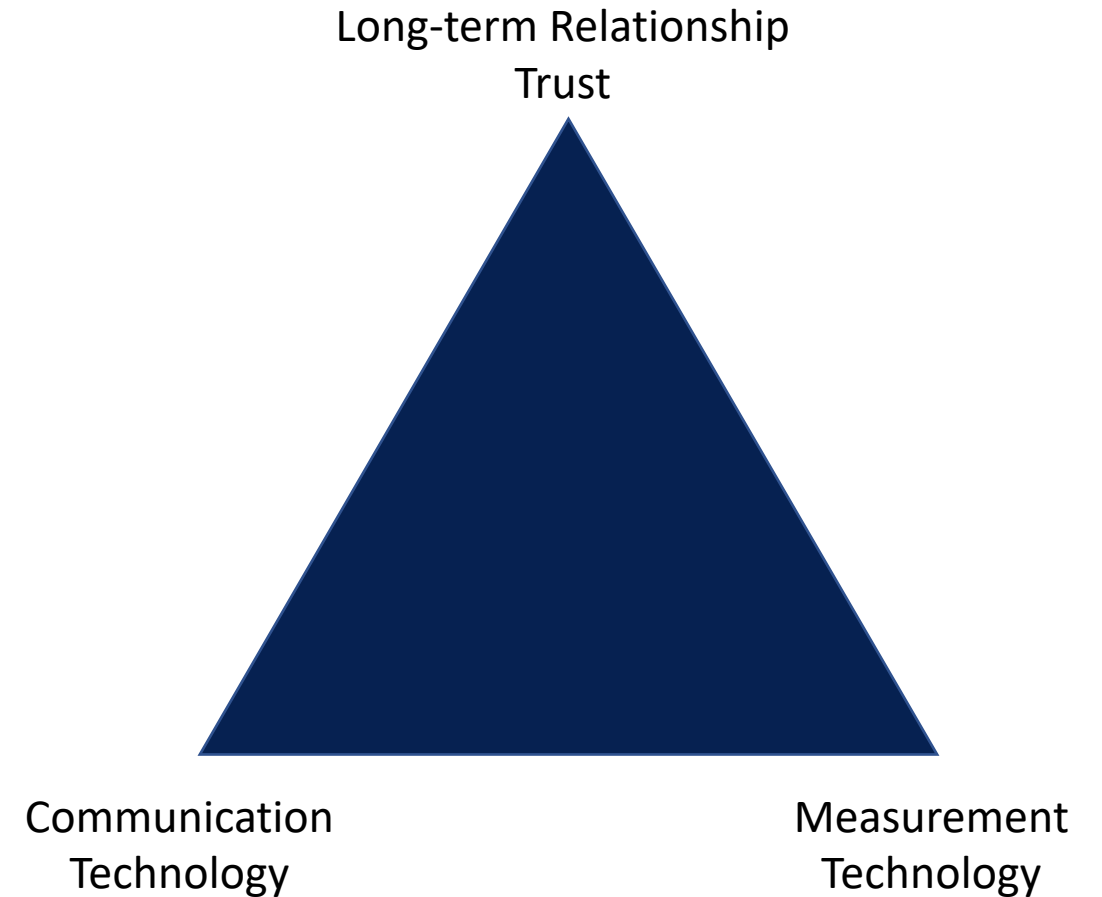


# The Triangular Model of Financial Communication

Based on the Paper – Agile Financial Communicators' Adaptation to Digital or Data-Driven Transformation

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May 2020



# Acknowledgements

Content in this report is retrieved from the paper, *Agile Financial Communicators' Adaptation to Digital or Data-Driven Transformation*. Page numbers shown in this report refer to the page number in the paper. Financial communicators are identified as marketing and corporate communications professionals in the study.

Findings from both the literature review and primary research conducted through interviews with subject matter experts. Combined, the study explores the correlations among “communication technology, measurement technology and trust and long-term relationship” in a triangular model. The model demonstrates a strategic implementation of human touch in deployment of technology.

References can be found in the paper.  
[The paper can be accessed here.](#)

***Agile Financial Communicators' Adaptation to Digital or Data-Driven Transformation***

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*When you're finished changing, you're finished.* – Benjamin Franklin

# Summary

2/3 of businesses recognize their company must digitize by 2020, in order to stay competitive (p.4).

People expect organizational communications to be transparent, efficient, dynamic and to flow easily between the communicating entities (p.4).

Financial service firms are dealing with other people's money and this nature of the financial industry demands strict standards to engender trust.



The impact of COVID-19 has led to a more expansive permeation of digital communication tools, at a rate not previously predicted.

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This triangular model of financial communication is concluded in a deductive notion, based on the findings throughout the paper. It aims to reach a greater clarity by conceptualizing the correlation between the utilization of technology, and the establishment of a trusting, long-term relationship in financial communications (p.45).

# Three Important Components in Financial Communication

Long-term Relationship  
Trust

Long-term stakeholder relationship built based on trust with human interactions.

Communication  
Technology

Measurement  
Technology

Digital communication channels:  
websites, social media, emails, podcasts, etc.

Tools or Services used to examine the effectiveness of message delivery:  
customer relationship management (CRM), content management, email marketing analytics, etc.

# Technologies

**Digital magazines** – exploiting a reader’s sensory traits with audio and visual interactive technology. (p.10)

**Financial blogs** – enhancing a reader’s personal trajectory with quality content (information consistency and credibility), reader’s investment (joining the dialogue purposefully, not casually), and a sense of belonging (forming a community by increasing interactions with readers) (p.10).

**Social Media** – LinkedIn was ranked the most-trusted social media platform for millennial B2B professionals and the subsequent leverage of organic content on it. The increasing engagement helps internalizes the audience’s relationship with the firm. Social media for B2B audience is an awareness play, not a conversion game (p. 14, 33).

**Webinars** – they are being boosted by the reality of the pandemic. Both registration data and records of webinars should be archived and examined by attendance, the depth of engagement, or other relevant metrics (p.35).

**Emails** – there has been an increasing number of daily emails due to COVID-19. This can lead to email fatigue and a sharp drop in open rates, let alone further engagements. The concern of cybersecurity has also risen. Every day, Gmail blocks more than 100 million phishing emails (p.35-36).

**Voice Enablement**– Brands need to think about how they want to sound, rather than just look. Voice-enabled technology like consumer voice searches, voice assistants and more are under development (p.8, 42-43).

## Communication Technology

## Measurement Technology

**Artificial intelligence (AI) technology** – language and sentiment analysis are tools to identify what information is useful, and what data point is actionable, as well as positive, negative and neutral opinions, euphuisms and deceptions. However, If AI is set in a biased way for analyzing information, the result will become decisive because it is directed by human opinions (p.7-9, 44).

**Learning new tools** – Having a mentor to teach with live applications can enhance a learner’s understanding the significance of a data point, and the rationale behind an interpretation. An experienced mentor can translate data into stories (p.40).

**Effectiveness** – Subject matter experts rated the effectiveness of using the technology tools (1-5, from the least to the most effective): The average score was 3.9, translating into 78% effectiveness.

# Long-term Relationship

**Building relationships through human interactions** – 34% of consumers view their friends and/or family as the top sources to talk with about financial knowledge. Financial institutions are also navigating “community-minded” experiments. For instance, Capital One’s Café facilitate conversations with their customers in relatively natural, relaxing settings, akin to a Starbucks (p.17-18). The aversion to phone calls and the preference for in-person interactions of young customers. This is critical as they tend to stick with preferred financial firms as they age, and presumably, gain more assets to invest (p.13).

**The primary objective in B2B communication**– B2B marketers see their primary goal: boosting sales or converting customers, followed by putting the emphasis on building relationships with new customers (p.21). However, 50% of B2B marketing decisionmakers encounter the issue of having too much marketing content seemed “fluffy and jargony” and nearly 48% reported the content as irrelevant to the pain points, challenges or responsibilities (p.21-22).

In 2019, there was at least 150% growth in the number of Account-Based Marketing (ABM) in B2B, a marketing strategy focusing on creating personalized engagements to win over a target client. (p.16-17).

B2B audiences prefer to receive messages that are professional without the corporate speak. Messages that are appealing to them should meet their needs, awaken their curiosities, and engage them with a human level of interactivity (p.30).

**Being transparent** – Ned Segal, the Chief Financial Officer of Twitter said “And if you bring them along and help them understand the thinking behind these things...you want people to all be looking at the same metric”, describing the importance of making communication principles clear, so as to be as predictable for people as possible (p.20).

**Two agents of change** – disintermediation, and granularity.

Disintermediation: the elimination of intermediaries between consumers and products or services.

Products and services are becoming granular: focusing on a customer need, a gateway for communicators to design shorter, more direct messages with less in a way of dense information. (p.23).

Long-term Relationship  
Trust

# Two Risks of Abusing Trust Due to Over-Reliance on Technology



**Stepping over the line** – “The biggest change is that people are going to start receiving financial help before they even realise they need it”

“...you may think you're accommodating and anticipating clients' needs, but if they feel that you stepped on the line then it's going to be problematic.”

Continually distributing content that is designed based on AI prediction of the audience's needs in the future will make them feel irrelevant, and even worse, feel forced to buy into a future created by others (p.11,44).



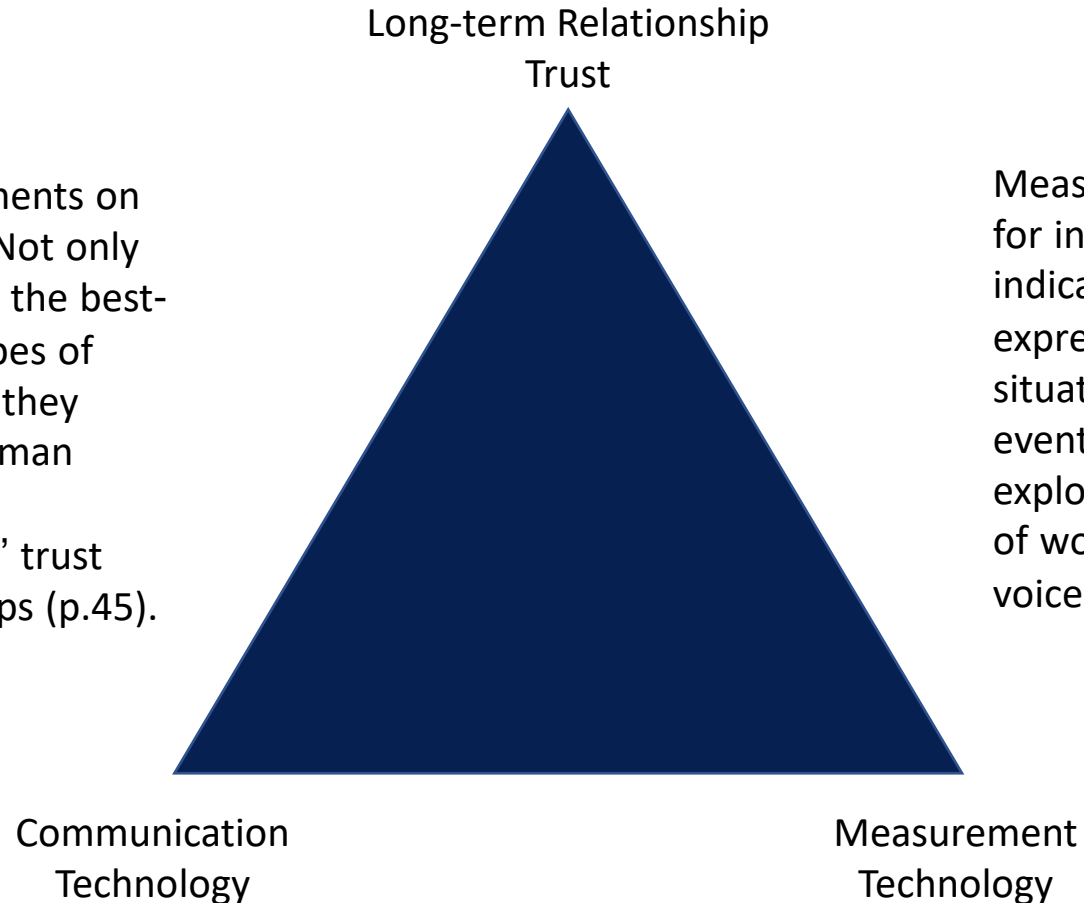
**Being accused for greenwashing** – Having a brand's voice speak louder than its actions is another risk, especially in an issue like sustainable investment or Environmental, Social and Governance (ESG) investment where financial firms can be labeled “greenwashing”.

This is the case where some companies have spent more on public relations about their corporate sustainability efforts than on the sustainability initiatives themselves (p.44).



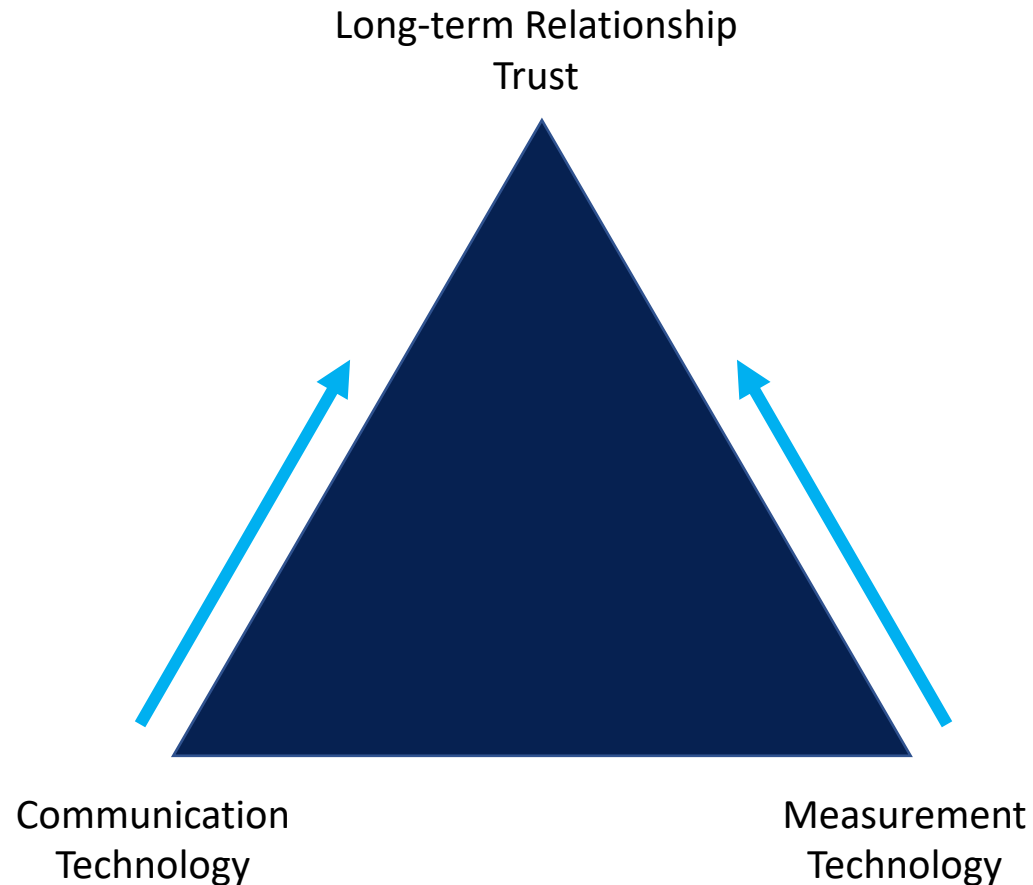
# Examining the Correlation of the Three Components

Financial communicators' deployments on the two technologies are critical. Not only do they have to figure out what is the best-fit platform to transmit certain types of messages, but, more importantly, they must insert the face-to-face or human interactive element in digital communications to win audiences' trust and to build long-term relationships (p.45).



Measurement technology should be applied for insight into human feelings, using indicators such as body language, facial expressions, and eye movements in situations like video conferences and virtual events. This extends to the technological exploration of emotions behind the choices of words in text or the sound/pitch of voices in audio conversations (p.46).

# Applying the Triangular Model



There will be a shift of focus from evaluating click rates and conversion rates to capturing and understanding the audiences' feelings and attitudes, which will be more valuable in reflecting the effectiveness of building trust and deeper ties throughout financial communications (p.46).

As the two arrows illustrate, if communication technology and measurement technology respectively get closer to “trust and long-term relationship” on the top of the triangle, the two technologies can work together in a seamless manner because they are getting nearer to each other as the illustration shown the next page (p.45).

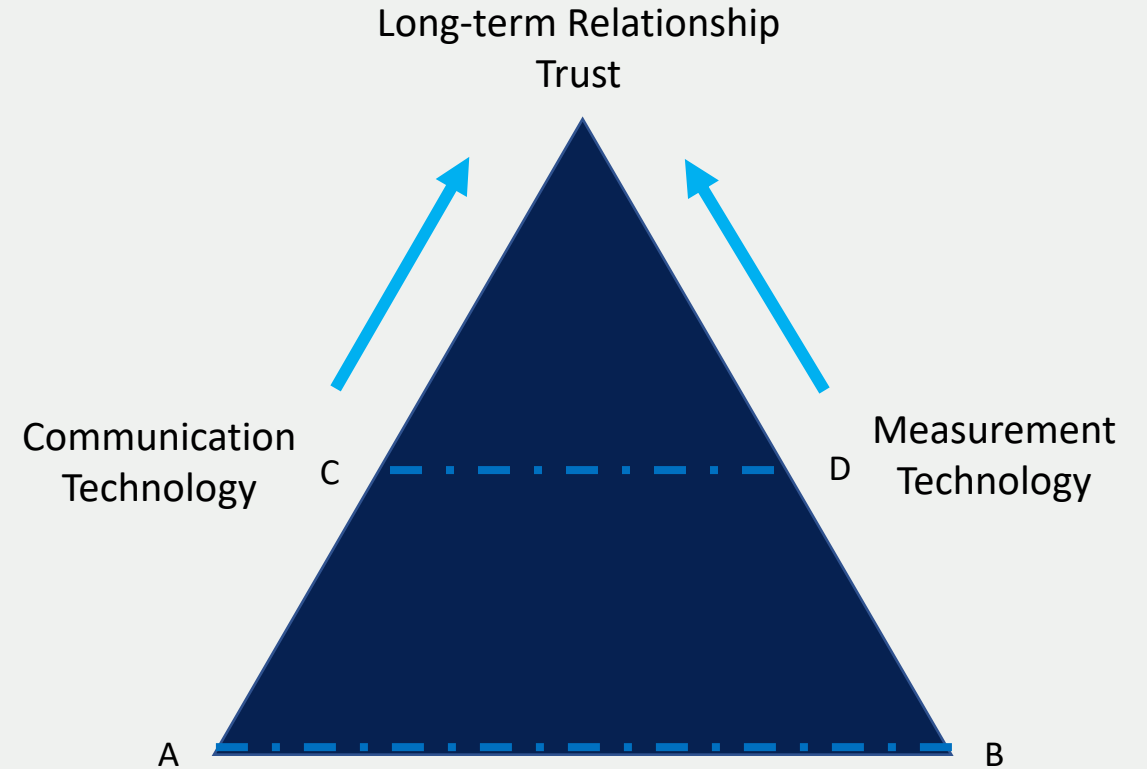
# Applying the Triangular Model

$$\overline{CD} < \overline{AB}$$

The movements in which communication technology moves from point A to point C; measurement technology moves from B to D. The distance between point C and D is shorter than A and B.

As both technologies stretch forth from the base angles to the vertex angle, they can work in one accord to cultivate trust and be in a strong position to facilitate a long-term relationship with the audiences (p.46).

Financial communicators can apply this model to their communication strategies, in concert with the adaptation to changing technology.



# Conclusion

Trust is the distilled essence in this relationship economy, and it should be internalized in every touch point of communication.

The philosophy of the Triangular Model of Financial Communication can move along with the development of future technology. The correlation among the three components can be realized in the financial communication strategies of the future, as well as today.