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MONEYBEAT

The Fifth Third Difference: Get A Job With Your Bank Statement

By **MATTHIAS RIEKER**

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Fifth Third is reinventing the proverbial toaster: It is offering customers something extra, but instead of helping them make breakfast, it wants to help them find a job.



REUTERS

The Cincinnati bank said it would offer its retail banking customer free access to online job search software called Job Seekers Toolkit, through NextJob Inc., a firm that provides training for those in the employment market. The service provides help with resume and cover letter writing, networking and interview skills, and also assesses career directions for those who do have a job. Fifth Third has tested the program since Memorial Day, and 300 customers have already signed up.

Fifth Third is already offering a more comprehensive job-search coaching program to homeowners who are delinquent because of unemployment. It started offering that service in February, but declined to say how many borrowers participated.

It only said that about a third of those who participated found a job. The idea is to reduce losses from delinquent mortgages by getting borrowers back to work.

Other banks are looking to adopt the program, even banks larger than Fifth Third, NextJob Chief Executive John Courtney said. He wouldn't disclose details, but said "more than one is close to moving forward."

The praise Fifth Third got for the homeowner job-search coaching program got the bank thinking about expanding it. Already, Fifth Third received more kudos for Tuesday's announcement to broaden the coaching effort: Sen. Sherrod Brown (D., OH) said in an email statement the Job Seeker's Toolkit demonstrates Fifth Third's commitment to Ohio.

"By connecting Ohio workers with the resources to find and secure a job, Fifth Third is serving its customers and improving the financial stability of Ohioans," said Brown, who, as chairman of the Senate Banking Subcommittee on Financial Institutions and Consumer Protection, isn't known for going easy on banks.

With the U.S. unemployment still above 7%, and higher in some of its key markets of Michigan and Illinois, the bank hopes that helping with job searches will make customers more loyal to the Fifth Third. "We would expect this to improve our reputation," said spokesman Larry Magnesen.

Banking products are generally a commodity—and as much as banks have tried to differentiate their checking accounts and credit cards, they still look largely similar.

So for decades, banks have thought about other ways to set themselves apart from their competitors. The free toaster upon opening a bank account has been as much a symbol of banks' customer recruitment efforts as it has been ridiculed.

Many banks have replaced it with cash—J.P.Morgan Chase & Co. offers some customers \$150 for opening an account. Banks have also tried to improve customer service to get ahead, with mixed success at best.

Some banks tried to do something extra, from serving coffee and handing out dog treats to combining banking with dry cleaning. The latter effort, by Wells Fargo & Co. in the 1990s, has long been abandoned.

Bank names on sports stadiums remain a popular tool to help improve branding, but many consultants say it has little effect. And after the industry faced a great deal of collective blame from customers and legislators around the country for their role in the financial meltdown, Fifth Third wanted to offer something that ties banking to what the economy arguably needs the most: More, or better, employment.

For now, the Job Seeker Toolkit isn't used to attract new customers. Existing checking, savings, credit card, or mortgage customers are alerted to the program when they log into their online banking. The bank might soon offer it as part of its Student Checking package for college students.

But Fifth Third is considering using it as a marketing tool.

Critics might argue the product doesn't help customers to pay their loans and avoid banking fees. Some say the focus should be on providing tools to manage finances, and improving financial literacy. The program could upset unemployed customers who have already racked up overdraft fees.

"This is certainly a step into the right direction," said Seamus McMahon, the head of financial serviced consulting in North America at Capgemini Consulting. "But if you are not consistent with your message, this kind of brand extension can backfire."

Fifth Third's new effort "is an innovative way to be close to their customers," NexJob's Courtney said. "If you really want to help your customers in their job search, you want to help them early. That can avoid employment gaps. It can make a big difference."

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