

USBanker

July 2005

Beyond Business as Usual

Five Common Mistakes Of Branch Building

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DESPITE PROCLAMATIONS THAT THE INTERNET WOULD make branch banking obsolete, the Federal Deposit Insurance Corp. reports that the number of bank offices has grown eight percent in the past 10 years, and the average number of branches per institution has risen to 9.5 from six. As technology, globalization, new entrants and consumer mobility alter the competitive landscape, branches need to be dynamic retail selling centers.

Today's successful design teams know that branches must give consumers a reason—beyond a convenient location—for choosing one bank over another. A branch needs to be inviting. Just like other retailers, banks should intrigue customers with additional products and services to get a bigger share of their wallet. Given this experiential mandate, common design errors jeopardize successful branch development and profitable branch operation:

Mistake No. 1: Working without a model. It is essential that everyone on the design team understand the financial institution's business and operational model. All key internal decision-makers must agree on this model, be it providing quick in-out service, building relationships over time, or emphasizing transaction migration versus teller interaction. Agreement evolves out of effective ideation regarding the brand's attributes. What are the bank's aspirations? Determine how effectively the brand expresses itself through naming; visual presentation in graphics, packages, and media design; environmental issues including interior design, and merchandising/visual display options; and structural considerations as they affect links between architecture and brand strategy.

Mistake No. 2: Assuming one product fits all markets. A financial services branch needs to connect with the local community. This goes beyond customizing a product to a population segment or translating collateral. Financially astute branches examine every touchpoint and avoid a one-style-fits-all approach. A branch that goes after small businesses in one sector differs from one that pursues seniors in another sector.

Determine what customers will experience in the branch. What are the sensory impressions? What does the customer see, hear, read, think, feel or do? Analyze how the design appeals to the hearts and minds of customers and non-customers alike.

Mistake No. 3: Overlooking new communications technologies. Two-dimensional displays and paper brochures no longer suffice in this increasingly technological retail world. Many customers use computers, cellphones, and PDAs to check their finances, news, weather and sports scores. When they walk into their bank branch, they want to feel as if their bank is technologically advanced. As they walk through the branch, their impressions reflect their experiences.

Strategically placed plasma or LED screens provide customers with content from several sources: cable television, the Internet, and advertising and marketing campaigns. But with so many content options, there is a tendency to try to present too much information. Before placing digital messaging throughout a branch, define goals for information to be provided, customer education, and customer entertainment. Technology-savvy customers visit a branch for face-to-face contact with bankers and financial advisers. Digital messaging allows the bank to meet their high-tech expectations while retaining the personal touch. It also enables bank marketers to customize products and services.

Mistake No. 4: Skipping branding homework. Finding a branch's positioning "voice" begins by identifying current practices and determining where changes will allow the bank to use a unified voice and reinforce its unique brand. Conduct due diligence by visiting branches, competitors' branches, retailers in the marketplace and by reviewing marketing materials and advertising campaigns. Analyze how to make a consistent brand message resonate with a local or niche population. Common visual and verbal languages are part of a consistent, branded customer experience, while images, materials, and messages may appeal to different customer groups and geographies. A successful brand will evoke an association, an emotion, and an expectation in the customer's mind.

Mistake No. 5: Ignoring integration. Build upon powerful external advertising and direct-mail campaigns by translating brand at the retail level through signage, communications, and even staff behavior and appearance. Develop a strategy that ties back to the business model and ensures a consistent voice, streamlines messaging inside the branch, integrates human interaction, and positions the branch as a 3-D billboard.

BrandPartners provides an integrated approach to customer environments through brand translations, business strategy, design-build services, retail display and in-branch communications products and services, from concept and design through implementation and training.

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