

Convenience driven: In-store banking is here to stay

By Sandra P. Haltner

How often do consumers go into an in-store branch bank to do their banking when they were not planning to shop at the host retailer? Maybe they go in because they are looking to get in and get out faster than going to a traditional branch. Right?

Convenience is what drives most of us and saving time is what we want.

Fast service and no-fuss information

Customers expect wait time at an in-store branch to be five minutes or less and their transaction time to be five minutes or less. When this doesn't happen they may excuse the branch a couple of times, but after that they tend to move on to another bank. And you just lost a customer.

This means your employees need to be ready with brief detailed answers to customers' questions. Too much time informing the customer about your available products means the next customer is waiting.

Be sure your employees are ready to hand out one of your product information pamphlets when they answer customer questions. It can be read later when they have more time. It helps.

Showcasing products

Get the customer's attention when showcasing the bank's products. Try backlit illuminated walls for high visibility and impulse retrieval when considering merchandising approaches. Avoid the cluttered look. You don't want the customer confused and becoming

space. You have less space to set the tone and message in your in-store retail branch.

Most retail store landlords don't want to give up too much of their retail selling floor space. Be sure of what you want before you accept the square footage he or she offers and you sign the lease. Verify that the proposed layout of the retail store is easy to navigate for future customers in locating your in-store branch.

First, you need to decide what services you want to offer. Will you have someone on site to discuss loans with customers or are you planning to send them to a traditional branch? How far away is the traditional branch? This is an important decision because once the customer leaves the in-store branch, he or she may not end up at your traditional branch. Having someone onsite is a plus. And that someone needs floor space.

Second, if you do decide to accept loan applications, you need to decide how many loan officers will be needed. Some in-store branches allow for two loan officers and an office for the branch manager. Will your branch manager also be assisting customers with loan applications? These are important planning considerations when it comes to deciding how many square feet you need.

When planning the in-store branch, a lot can happen in less space. It just means details such as the sizes of desks and chairs and the proper use of overhead storage are very important issues. You can accomplish a lot in less space if you design correctly. And your customer never has to travel to another location.

One major consideration: small spaces have high use and take a lot of abuse. That means attention to maintenance and upkeep is very important. Without this you are sending the wrong marketing message.

“You can accomplish a lot in less space if you design correctly.”

You need to do your homework if your next in-store branch is to be located in a high-traffic retail environment. A high-traffic retail store may mean you need to plan for a four-station teller line in lieu of a smaller lease space that will only accommodate a two-station teller line. Be sure you negotiate the right amount of lease space with your landlord. Remember: you want customer wait time to be five minutes or less.

Customers expect quick, reliable informative service from a human teller.

frustrated trying to figure out if you offer a product he or she wants. Fresh, eye-catching, dimensional iconography leading the customer to your products works every time.

Remember, it's the get-in and get-out approach.

Maximize the design in less space

Space utilization is at a new level. Every square foot counts. You can't waste anything. This includes walls, as well as floor

Sandra P. Haltner is president of Haltner & Associates Inc., a bank design-build firm based in Houston.

Lighting, colors and signage

Lighting, colors and signage are important issues to consider in helping to maximize space. Lighting has an impact on the mood of the customer. The proper lighting can have a calming, relaxing effect as customers are waiting for service.



A well-designed in-store branch gets a lot done in a little space.

Employees will also benefit from the proper use of lighting. When employees benefit, so do your customers.

The correct type of lighting can also visually separate you from the rest of the surrounding retail areas. Remember, you are visually competing with other store services such as movie rentals, pharmacies, eye centers, etc. Lighting can help make your in-store branch a destination point.

A combination of incandescent ambient light and low-impact task lighting, used with overhead fluorescent lighting, can make the in-store branch more visual from your customers' point of view and make their path of travel a lot easier in finding

you. Your goal is to be easier to locate in a busy retail store environment.

Think color when maximizing a smaller space. Forget the old rule that dark colors close in a space. It's the way darker colors are used that has an impact and makes a statement. You are competing with a lot of color in a retail store

environment. Your goal is to have your in-store branch visually stand out.

You may want to think signage in lieu of a greeter. Some customers do not favorably receive greeters. Sometimes they consider it an intrusion on their time.

When thinking signage in lieu of greeters, think movement. Try video displays with upbeat, concise marketing messages that change and move. Video marketing displays also diminish a customer's perception of waiting in line. Now, you have accomplished two things: diminishing the customer's perception of waiting in line and getting out the bank's product messages. Not bad for five minutes.

Retail, retail, retail

If you are planning a retail in-store branch environment, then you need to start thinking retail. Retailing like your host retail store is thinking of retailing. Retail stores are always seeking better ways to serve their customers and sell their products. Some retailers are far more successful than others.

A well-designed retail-shopping environment for your in-store branch is a must. However, the best-designed in-store branch with all the bells and whistles cannot make your in-store branch successful without good customer service.

And the best way to serve customers in a retail environment is still the old-fashioned way: provide good customer service by being attentive and courteous. Your employees need to be programmed to be attentive and courteous at all times. It goes with the retailing market game. You might be surprised how inattentive some employees can be to your customers' needs. You don't want employees making customers feel like they are intruding upon their time by just being there. Remember, your customers are probably waiting in line.

To check on your employees and rate their retail customer service skills, have senior management visit existing branches – unannounced and unknown to branch personnel. More like a mystery shopper hired to see how the retail sales staff is really performing. It might be a good test to have senior management show up unannounced and find out what your customers already know. When was the last time this happened?

You want your customers' needs to be the top of your priority list, not the bottom. Increasing your customer base with an in-store branch is easy. You have a captive audience, courtesy of the host retailer.

Projections

Growth rate projections for retail in-store branches are up anywhere from 10 to 15 percent over traditional branches. The cost to build out an in-store branch is a lot less than the traditional leased-space branch.

Besides, if in-store banking wasn't a good idea and didn't make money, some of the host retailers wouldn't be pursuing opening their own banks. Maybe convenience-driven means there are profits. **BN**