

Credit Union **BUSINESS** *NEWS*

BRANCHING

How the In-Branch Experience Can Better Meet Members' Post-Pandemic Needs

By Sue Dowd, SVP of Retail Strategy at Miller Zell

Long before the COVID-19 pandemic, credit unions and community banks have been undergoing transformations to improve the customer experience and keep up with growing consumer demands for banking digitally. However, the need for physical branches remains alive and well as people crave the personal touch and advice they receive from talking face-to-face with a professional.

A November 2019 Adobe Analytics study found that 75% of customers



said physical branches matter and that 70% of respondents had visited a physical branch at least once in the past month. Digital and mobile bank self-service offerings are more popular for quick transactions like transferring funds from one account to another or paying bills. But even GenZ'ers and Millennials rely on physical branches to apply for mortgages, loans and to get documents notarized.

Similar to what other businesses are experiencing, banking in the age of a pandemic is now and will continue to take on a new face. Hand sanitizers, sneeze guards and signage promoting social distancing will likely be mainstays but could progress and look different than today. And interestingly, pre-COVID plans to refresh or renovate branches are now in many cases being accelerated or altered to meet changing needs.

Let's take a look at some industry changes taking place and what credit unions should consider to maximize the in-person, in-branch experience.

Go beyond the short-term fix

Deemed an "essential business" during shutdown orders earlier this year, credit unions and banks were exempt from having to close. Although some temporarily or permanently shuttered the doors, most financial institutions that kept their physical locations open put their foot on the gas pedal to enact measures that protect employees and customers alike.

These quickly implemented initiatives have included appointment-only lobby visits, health screening measures for employees, and increasing sanitary measures even at the branch drive-through. It's now common to see plexiglass barriers that separate employees and customers, signage to promote social distancing, strategically placed hand sanitizers and tellers donning masks and rubber gloves.



Initially, credit union members simply wanted to feel safe and might not have cared that a photocopied sign with current operating hours was taped to the front door. But as time goes by, they will expect safety measures that feel more professional – not like a hastily put together afterthought.

The "grace period" will soon be over and customers will have higher expectations for the in-branch experience.

Look outward for ways to improve

It's important to consider what responses are working well in other industries and think about how to incorporate ways to meet the customers wherever they are.

Take, for example, the [Rock & Roll Hall of Fame](#). When it reopened a few months' back, professional and unique signage throughout reminded visitors to stand two guitar-lengths apart rather than the standard six feet. This safety measure went from generic to intentionally on-brand, incorporating the signage into a choreographed visitor experience.



Similarly, financial institutions can make an impact by going the extra mile with full color front-door signage that can professionally affix to windows without tape, and or creative floor decals to promote proper social distancing protocols. Invest in modular barriers that give employees and members a sense of protection without feeling as if these new measures are a haphazard add-on. And for new post-COVID branches, incorporate these measures as a natural part of the design environment, such as installing carpeting with subtle stripes every six feet in lieu of floor decals.

Additionally, it's crucial to think of unique and perhaps less-conventional ways to attract people back into the branch. Credit unions can take inspiration from retailers that are offering free Wi-Fi or exterior-facing digital screens entertaining shoppers waiting in line to enter. While digital content has been king for the in-branch experience for some time, now is a great time to lean into the medium to entertain or educate members who may be waiting in longer lines than normal.

Financial institutions should think, too, about providing popular retail-like offerings like the buy online pickup in store (BOPIS) approach. For example, branch staff could meet customers outside for quick transactions, providing convenience with a personal touch in an open-air environment.

Walk in your customers' shoes

To better understand the customer experience, banking leaders should take a field trip to their own branch. Start by pulling into the parking lot and determining whether the branch and its drive-through is open or closed without leaving the car. How professional does the signage displaying operating hours look? Is it clear which safety measures are being enacted, such as masks requirements or temperature checks?

Upon entering the branch, how are customers being greeted? Does it look safe to enter for financial advice or open a line of credit? Should shared bottles of hand sanitizers be replaced with automatic, touchless options



that are branded to look like part of the branch? Are there long, socially distanced lines with lots of bored customers?

It's crucial, too, to understand current customer choreography – the steps they must take to make a transaction – and decide what might need improvement. For instance, think about whether members would feel comfortable in a private, closed-door setting that has been a longstanding norm for conducting personal financial business. Perhaps booths adequately spaced apart to afford some privacy and would make people feel safer.

By experiencing your branches from the perspective of the customer, it will help you more easily identify the true pain points they are experiencing and determine what changes need to be made.

Combine safety with customer experience to thrive

This skinny is this: physical branches have their place in a post-COVID world. But those that only deliver financial transactions rather than curated experiences are destined to lose wallet share.

For credit unions and community banks to survive and thrive in a post-pandemic world, they must adapt with the times and rethink how to best deliver services to their members. A few months ago, consumers might not have cared about signs taped on doors and walls announcing changes in operating hours or other quick-fix measures aimed at ensuring safety. But to stand out among competitors, short-term fixes should be replaced by long-term measures that will integrate wellness initiatives into the customer experience.

Financial institutions should also look to other industries and consider adopting popular formats like BOPIS and consider changing their footprint to accommodate social distancing within the branch walls.

And finally, by experiencing their physical footprint in-person through the lens of their members, bank leaders will be able to better see what's working and what needs improvement. There's no doubt that expanding and improving digital channels is a crucial initiative going forward. But so, too, is rolling out the proverbial red carpet to members and potential clients and making physical branch changes that point to safety. Because offering a safe, superior experience is surely one of the best ways to stand out among a competitive marketplace.

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As a retail strategist for Miller Zell, Sue uses her deep experience with financial institutions and retail environments to help her banking clients express their brands in their physical spaces, considering the customer experience at every touchpoint. Sue frequently finds herself mystery shopping, curating store tours, and serving up points-of-view upon request.