

"Never allow a person to tell you no who doesn't have the power to say yes." » Eleanor Roosevelt



Don't Be Surprised

I've recently written and spoken a bit about the fact that 2021 saw the largest net number of bank branch closures in history.

Consolidations eliminated in the range of 4% of total branches.

Knee-jerk responses to that reporting tended to be that it is yet another signal of the pending obsolescence of branches.

Believe me, there are many "experts" who have been boldly (and wrongly) predicting the imminent demise of branches for well over two decades.

As the number of basic teller transactions handled by branches falls each year, the same pundits brush off their heretofore wrong predictions. This year will likely be no different.

Something I and folks on my side of the argument have made for years is that the value of a branch to the average customer goes far beyond its ability to process teller transactions.

Now, that said, that ability is a primary reason a nontrivial segment of customers chooses their bank(s).



It's How You Handle It

I was reminded this week of a mantra that I included in hundreds of seminars "back in the day."

There was a long stretch in my career in which I primarily conducted classroom-based trainings.

When making the case for the importance of proactively friendly gestures in bank branches, I would ask a fill-in-the-blank question.

That question was, "People like doing business with people they know and (blank)."

Almost without fail, the first answer shouted out would be "trust."

While that answer is sensible, I suggested that trust was something that typically took time to build. It's hard to think of things you can do today to instantly get folks to trust you.

I then suggested that the most actionable answer was "like." People like doing business with people they know and like.

I often followed by asking these groups what they could do today to get customers to trust them.

Branch access remains a driving factor for why most customers choose and choose to stay with an institution.

I often see raised eyebrows when I acknowledge the shrinking of the industry's number of branches and still suggest that branches remain the centers of their banks' universes.

The simple fact is that technology continues to decrease the need for many trips for basic transactions or relatively simple problem resolution.

With this, the capacity of each individual branch has risen exponentially.

The potential service area and target markets of each branch has increased dramatically. We can do more with less.

I recently read that the last Boeing 747 will roll off the assembly line this year. That plane was long the gold-standard for high-capacity, long haul airliners.

It has an iconic 4-engine design.

Newer airliner designs with comparable capacity and flying ranges have 2 engines.

By the logic some use to argue pending branch obsolescence, moving from 4 engines to 2 engines suggests that engines aren't nearly as important to planes as they were in the past.

That's silly, of course. So is the argument that branches are less vital to banks than in years past.

As with plane engines, we simply can do more with less.

But make no mistake, branches and helpful bankers power our institutions today and will into the future.

The answers usually came slowly and preceded with a "Well..." or "Uh ..."

When I then asked what they might do to get customers to like them, ideas and suggestions flowed freely. You could quickly fill a page with the gestures and practices that came forth.

What I always noted was that bankers tended to smile and put themselves in a better mood simply by talking about making nice gestures to customers.

Folks tended to list simple acts like warm greetings, smiling, using their names, asking how they were doing, paying compliments, etc.

Others frequently suggested things like giving lollipops to kids and/or treats to their dogs.

I thought back to this recently when reading a finding by a Harvard researcher. He found that 95% of our decisions take place in regions of the brain where emotions and intuition originate.

These decisions are greatly influenced by how we "feel" about a place or person or experience.

Simply, we are not as purely rational as we may like to believe when making most decisions.

We are subconsciously inclined toward places, businesses, situations, people, etc. who make us feel valued...or safe...or good about ourselves.

Pay attention to how often people smile and thank you and your team for nice gestures each day.

The more of these you witness, the more probable it is that they'll feel good about sticking with you.

"If everything seems to be under control, you're not going fast enough." » Mario Andretti



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