

THE IN-STORE ADVANTAGE



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Thursday, February 15, 2024

Volume 29 #691

"Remember whenever you're in a position to help someone, be glad and always do it because that's God answering someone else's prayers through you." » Denny Karchner

Trust Trumps Price

I'm regularly amused by how often something one of my sisters said several decades ago pops into my mind.

She had taken her first trip to another country and encountered a shopping culture vastly different from what she was accustomed to.

She visited an open-air market. Nothing had listed prices, and the answer to the question, 'How much is this?' began with the vendor sizing you up to determine what he could charge.

I remember her saying, "I couldn't wait to get out of there. You felt like you were being cheated on anything you bought. I don't want to have to negotiate over the price of a Coke! It's exhausting."

Her words popped into my head last week when a tree service owner rang our doorbell.

He noticed we had a large palm tree that was damaged in a windstorm that should be taken down. It wasn't an emergency but needed to be addressed.

The guy walked around, sized up the job, and gave me a number that was considerably

Saving Relationship

I recently had an informative working lunch with the head of retail banking for a multi-state community bank.

During our conversation, he mentioned a concern he has about the number of one-product customers he sees at his organization.

Reviewing his data, he found that 2/3 of the new customers coming into their bank are only opening a checking account.

Now, he realizes that there will be a certain percentage of customers who only want a basic checking account.

But the fact that such a high percentage of new and existing customers have nothing else - no savings account, bill pay, credit card, line of credit, or are even signed up for mobile banking - suggests his bankers are not engaging with customers.

He said, "I feel we're too often simply order-takers. A customer knows they want a checking account, and we just leave it at that. I think they're just happy a person is opening any account and not looking for ways to provide other products or services that would best serve that customer."

higher than I was expecting.

We've had similar jobs done before for less. Even factoring in inflation of recent years, it seemed high.

When I told him, "I think I may just put the job off until spring," he replied, "Well, okay... how about this? You tell me what you think is fair."

I told him, "If you give me a price, then that's the price. I don't bid these jobs."

He immediately said, "I tell you what..." and then offered to do the job for a little over half of what he had quoted one minute earlier. I now trusted him less than before.

Now, do customers hope they are getting a great deal? Sure. But what they really want to know is that they're being treated fairly.

A wise banker once told me that we need to proactively work with customers to help them avoid unnecessary fees.

However, he warned that if you then waive a legitimate fee incurred or change your deal, you weaken trust.

Retroactively altering your agreement hints your pricing or fee was unjustified.

Their trust in you going forward can be diminished.

When our teams have a strong working knowledge of the what's and whys behind the rates and fees we charge, their ability to convey this information clearly and consistently improves.

With this, customer experiences and trust in us improve, as well.

Strive for clarity in your messaging and fairness and consistency in your exchanges.

Customers remain loyal to folks they can trust.

His comments struck a nerve.

I had just heard from a much larger bank dealing with the very same issue that week.

This larger bank has invested in a CRM system but realizes that great technology is of little use if team members lack the right perspective on deepening customer relationships.

I believe one of the key factors keeping bankers from engaging in more productive initial conversations is fear of feeling like a product-pushing salesperson.

We need to address that.

I highlighted the fact that recent surveys suggest nearly half of American households would struggle to cover a \$400 emergency expense today.

This is startling and worrisome.

While various factors play a role, a very common one is that many consumers living paycheck-to-paycheck believe that saving is simply beyond their current capacity.

When bankers pay customers the compliment of taking the time to show how realistic it is to begin a savings practice, they positively impact lives.

When they highlight and explain tools to efficiently pay bills on time, remain cognizant of their day-to-day status, and establish plans for when unforeseen needs pop up, they legitimately improve customers' outlooks.

Educating and thoughtfully helping customers is more about serving than selling.

Sales are a happy byproduct of genuine service.

Be of service today.

"Difficulty is what wakes up the genius." » Nassim Nicholas Taleb

Dave Martin, author of The In-Store Advantage, has become one of the most prolific writers in the banking industry. His keynote presentations, seminars, and podcasts have an authenticity and humor that brings teams of all sizes and seniority levels together.

For more info about having Dave or an FSI Consultant speak to your group, email Tina Coleman, tcoleman@SupermarketBank.com or call 800-992-4978.



Financial Supermarkets, Inc. • fsi@supermarketbank.com

383 Clarkesville Street • PO Box 1450 • Cornelia, GA 30531 • (800) 992-4978

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