

FOCUS

ON FINANCIAL SALES, SERVICE & MARKETING

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HOW TO RETAIN YOUR BEST CUSTOMERS. The 80/20 rule--80% of your profits are from 20% of your customers--is closer to 90/10 in banking today. This means that retaining your top customers (10%-20% of your most profitable customers, not necessarily your largest customers) is of critical importance to your bank. What do these customers want and how do you keep them happy? The answer varies by company or individual, but there are many common expectations.

One point of contact: Your best customers want one person to handle most banking and financial needs. While they appreciate a team of experts, they do not want the run-around or the hassle of multiple layers of management throughout your organization.

Responsive service: Many, if not most, of your bank's better customers do not visit the bank in person. Rather, they do business primarily via email and telephone. They expect the phone to be answered by a human being and they expect their request to be implemented as soon as possible. In other words, they expect and appreciate swift service.

Expertise: Most people do not think of a banker as being as savvy as other professionals they depend upon (CPAs, investment advisors, lawyers, etc.). Yet, they will respect their banker if they view him or her as a trusted source of information. While bankers must sell and cross-sell, they must first earn the respect of the customer by providing needed information the customer cannot obtain elsewhere.

Professionalism: An air of professionalism is important--especially with high-value customers with a low tolerance for excuses and non-performance. The banking staff should project a professional appearance, a can-do attitude, and a quiet confidence in their capabilities. In other words, people like to work with people like themselves.

Value: Customers perceive value in different ways. While some are sensitive to service fees, most successful people also understand that your bank must make a profit. Generally, these customers view value as a combination of quality service at a fair price (considering fees paid, interest paid and interest earned). However, they do object to a myriad of irritating nickel-and-dime service fees.

Excellent products and services: Your best customers can do business anywhere--from Merrill Lynch to private or professional banking divisions of larger banks. Therefore, they expect you to have competitive products and services that will meet their deposit, investment, loan and other needs.



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