



Heads-Up for Customer Engagements and Engaged Customers

Financial Industry Perspective



HEADS-UP FOR CUSTOMER ENGAGEMENTS AND ENGAGED CUSTOMERS

In today's banking environment, most financial institutions are trying to migrate customers to less costly self-directed channels for most transactions previously completed by a teller. Doing so, without understanding why people visit your branch is risky. According to Gallup research, "... the branch experience of today looks much different than it did even a few years ago, and banks tend to overlook the significance of just a single interaction."ⁱ

Why Are These Opportunities Critically Important?

There are two reasons. Besides the simple fact that there are fewer face-to-face customer engagement opportunities, those opportunities are also different! It is no longer just about cashing a check or making a deposit. Again quoting the Gallup research, "...banking customers are especially drawn to full-service, or 'human,' channels such as the branch when they need to conduct complex and emotionally charged tasks like opening or closing an account, applying for a loan, seeking financial advice or reporting a problem."ⁱⁱ Branches are uniquely positioned to deliver high-quality customer interactions during what Gallup calls "moments of truth," resulting in the delivery of a superior in-branch experience and positively engaged customers.ⁱⁱⁱ

What Is Needed For Positive Engagement In The Branch?

There are two baseline deliverables. First of all, customers have the expectation that they can get competent advice from a qualified advisor with the right skill set to handle their needs. Second, while processing a simple transaction may not have been the primary reason for the branch visit, customers expect that routine transaction processing will be completed quickly without distracting the staff member from addressing other, more important, needs.

IT IS A FACT THAT CUSTOMERS LIKE TO BE ACKNOWLEDGED WHEN THEY ENTER THE BRANCH. EYE CONTACT ALONG WITH A “HELLO” OR “GOOD MORNING” GOES A LONG WAY EVEN IF THERE IS A SHORT WAIT.

Banks and credit unions are addressing the first matter by expanding the role of the traditional teller to handle a wider range of transaction types and inquiries. Many in the industry refer to this expanded role as a Universal Banker. This realignment of responsibility requires a fair amount of training, usually involves

higher compensation and incentives, and may require hiring people with a different skill set.

To the second point, it is very difficult to provide a quality customer interaction on a subject of importance if processing a simple transaction on the front end takes an undue amount of time, lacks focus on the customer, and can only be completed after a long wait in the queue! This is where teller cash recyclers shine and the technology has seen widespread adoption as a result. According to a July 2014 whitepaper published by IDC approximately 52.5% of customers who were dissatisfied with their branch listed “Too slow” or “Inattentive staff” as the reason for their dissatisfaction.^{iv} Quoting from this same whitepaper, “This shows the necessity of cash automation – making use of automated teller safes, cash recyclers, and cash management solutions – to reduce costs and allow branch staff to spend more time engaging with customers.”^v

Why This All Matters...

Heads-up customer engagements matter. Branch cash recyclers enable that ‘heads-up’ transaction experience by removing the multiple redundant cash counts that delay manual cash transactions and take focus off of the customer.

There are also other proven benefits. It is a fact that customers like to be acknowledged when they enter the branch. Eye contact along with a “hello” or “good morning” goes a long way even if there is a short wait. In contrast, would-be bank robbers do not want to be recognized as they enter. Making eye contact is a proven, well publicized deterrent and is embraced by the FBI as such.

The ultimate goal is consistently delivering a better customer in-branch experience which can certainly lead to customers who become more engaged with your financial institution. Allegiance, a firm specializing in customer loyalty and engagement states that engaged customers, those who are bonded to your institution through their personal experience, increase bank profits in four key ways: 1) Engaged customers award you with a greater share of their wallet, 2) They provide a higher level of referrals 3) They turn over far less often, and 4) They provide high quality and timely feedback, positive or negative.^{vi}

The Allegiance claims are supported by the Gallup research cited earlier as follows, “In the retail banking industry, for example, Gallup research has revealed that customers who are fully engaged bring 37% more profit to their primary bank than those who are actively disengaged.”^{vii}

Customers become fully engaged in your brand making that coveted emotional connection by multiple means, via multiple channels, over time. However, prominent amongst these are the in-branch face-to-face engagements representing the aforementioned “moments of truth” that occur with less frequency today but certainly do not lack in importance. Branch cash recyclers simply allow for delivery of efficient, heads-up, customer-focused transactions and represent the gateway for those critical ‘moment of truth’ customer engagements!

Continuing the Conversation

To learn more about the impact of heads-up customer engagements along with the other benefits of branch cash recycling, please contact your Glory Account Manager.

i State of the American Consumer, Gallup, page 32

ii Ibid.

iii Ibid

iv End-to-End Benefits of a Transformed Branch Network, IDC Financial Insights, 2014, Page 3

v Ibid, Page 8.

vi The Positive Economics of Customer Engagement, LaMalfa, Allegiance, Page 3 (Note: Allegiance was acquired in early 2015 by MaritzCX)

vii State of the American Consumer, Gallup, Page 18.

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