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Service Differentiates You from the Competition

Organizations providing quality service grow twice as fast and gain improved market share by an average of 6% per annum, according to a study by the Strategic Planning Institute. That same study revealed service leaders can charge 9-10% more for their products or services than average companies.

According to a Forum Corporation study, 7 out of 10 customers said they left a business because of poor service – not price or quality.

Delivering service that people find distinctive determines whether you win and keep customers. Things like responsiveness, technical knowledge or skill, and professional attitude can give you a competitive edge. “A financial institution is a service business. And it’s service that distinguishes the ordinary from the best,” maintains Lynn Giuliani, president of Progressions, Inc. (Bellingham, WA).

Most financial institutions offer a similar array of products. Pricing is similar, too. “The distinguishing measurement is how people perceive your service,” Giuliani says. “A smile and a pleasant exchange while processing the customer’s request accurately is the bare minimum. If you want to be considered extraordinary, you must deliver the extraordinary.”

“Extras” That Wow People

Little things mean a lot to most people. Those little “extras” can differentiate your branch. Giuliani offers these examples:

- Consistently call the customer by name.
- Congratulate customers on special events. People often share important life events through conversation. Notice special announcements about customers in your local newspaper. Send occasion cards for new baby, wedding, anniversary, special trip, graduation, new job, promotion, retirement, etc.
- Recognize the customer’s anniversary with your institution. Send a “thank you” card to show your appreciation.

- Look for articles of special interest to your customer and share them.
- Stay open convenient hours for customers to do their banking.
- Hold Customer Appreciation Days with refreshments and small gifts.
- Say “thank you” often and do it with a genuine smile...thank you for choosing our institution, thank you for your business, thank you for the referral, thank you for opening a new account, thank you for your patience, etc.
- Offer to hand deliver checks and documents to the customer’s place of business. Busy professionals and business clients particularly enjoy this extra convenience.
- Prepare paperwork in advance when possible, so customers don’t have to wait so long. Of course, you still need to follow proper ID procedures before closing transactions.
- Call customers at their homes when CDs are close to maturity date. Make them aware of any special promotions. Customers will appreciate the reminder.
- Sponsor community events. Personally invite customers to events that your institution sponsors.
- Help with community-related questions. Occasionally customers bring up questions about senior citizen issues, home care, housing, etc. They will ask if you know anybody who can help. If employees are involved in community groups that can help, put customers in touch with these people.
- Call new checking customers two weeks after they open their accounts to make sure they’ve received their checks and if applicable, ATM/debit cards. Ask if they need any other products or services. Follow up gets new relationships off to a good start.

Enhance the Customer’s Financial Position

“The real meaning of service is helping people,” Giuliani says. “Extraordinary service providers go way beyond just taking orders. They look for ways to enhance the customer’s financial position. This means being proactive vs. reactive.”

When serving an existing customer, pull up his or her profile. That will show all the products and services the customer has with your institution. “Proactively look to see if the customer is in the right fit,” advises Giuliani.

EXAMPLE:

Customer is using a VISA card for major expenses such as household repairs or college tuition. If the customer owns his/her home, an equity line of credit offers a lower interest rate and a possible tax write-off.

Ask open questions that encourage people to share their values and plans. Find out what's important to your customer. Then offer the best products and services to fit their needs, values, and goals. Using open questions, Giuliani suggests:

- ✱ Set up the conversation as this helps take the edge off the discomfort or nosy factor.

“Do you mind if I ask you a few questions, so that I might be able to help your financial position through the products we offer?”

- ✱ Ask the customer to do some forward thinking.

“Do you have any plans in the next six months to a year where I may be able to help you with a banking product?”

- ✱ Encourage the customer to discuss major life events that may be imminent.

“Are you looking at anything special like home expansion, a wedding, college tuition?”

Support Life Stages

Because customers' lives change, so do their financial priorities. Extraordinary service providers recognize and support an individual's different life stages. Giuliani offers these examples:

→ **Going to college.** Federal Stafford Student Loans and PLUS Loans (for parents) can help with expenses. Look for ways to make it easier for students to handle their finances such as a no-fee student checking plan, ATM/debit card, online banking, and bill payment. Students need reliable transportation, so they may need a car loan. A credit card with a low limit can offer emergency funds and help the student establish good credit.

→ **Getting married.** Couples usually need a joint checking account, so remember to offer online banking and bill payment. Travelers' checks, ATM/debit cards, and credit cards can help with honeymoon finances. Leaving the single life behind also means increased responsibilities to plan for the future that can include IRAs, savings accounts, insurance, and investment services.

- **Buying a house.** Besides a mortgage loan, home buyers can benefit from

direct payment, insurance services, and online banking. Bill payment can make it easier to pay utilities and other bills. If the customer is selling a house and won't be purchasing another one immediately, he or she may need a short-term CD to reinvest proceeds from the sale.

Progressions, Inc. (www.progressionsinc.net) specializes in sales, service, and leadership training for financial institutions. Lynn Giuliani provides classroom training, ongoing coaching and mentoring.

Giuliani has over 25 years of experience in the financial industry, working in both banks and credit unions. She has spent the last nine years in her own consulting practice.

In October Giuliani is scheduled to speak on the "Top 10 Ingredients to Create a Service Culture" at the Washington Bankers' Association Conference in Seattle (WA) and at the CUNA Advanced Branch Operations Conference in Tempe (AZ). To contact Giuliani, call 1-360-733-6557 or e-mail progressions@hotmail.com.