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Branch Makeovers Promote Customer Interactions

By Marc Margulies and Bruce S. Weisberg

LIK Group contributed rendering



The design of a relocated Middlesex Savings Bank branch in Millis encourages customer interactions with specialized customer service representatives

Twenty or maybe even 10 years ago, most people went to their local branch bank on a weekly basis – to deposit or cash a check, withdraw cash, inquire about their balance, access their safe deposit box, buy traveler's checks or savings bonds, or catch up with their neighbors and friends.

In 2011, with the prevalence of electronic banking, the function of a branch bank is very different. The traditional brick-and-mortar branch is not becoming a thing of the past. But its purpose has and will continue to change dramatically, and bank designers and managers need to respond with innovation and vision.

A branch bank is a symbol of that institution's commitment to the communities that it serves. Retail banking is an incredibly competitive business, and many depositors view it as a commodity. One of the few distinguishing factors from one bank to the next, given the very minor differentiation in rates and financial instruments offered, is a bank's convenience and the quality of its customer service.

Studies show that convenience is among the leading factors consumers look at when contemplating where to bank. Convenience today and in the future includes locating bank branches near other businesses and services that consumers use on a daily or weekly basis.

The branch location itself has become a way to demonstrate each bank's attitude and commitment towards the community. The cosmetic design of the space expresses that statement very clearly – large and sleek, or small and friendly; cosmopolitan and global, or local and responsive; contemporary or traditional. The feel of the space should build upon the distinctive values and communication style of the institution – its "brand vocabulary." Those expressions should serve as a framework with which the architects and interior designers can bring the brand to life in the physical environment of the branch.

Interior Design Branches Out



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With the decrease in the number of traditional “teller” functions also comes a decrease in the number of traditional tellers and teller windows. As a result, customers are looking for more specialized customer service representatives (CSRs) and financial advisers. Managers and CSRs must now focus more time on assisting customers with training on the bank’s online capabilities; the lobby areas and managers’ offices must be fully technology-enabled for that function.

One of today’s challenges is to make sure that the teller line doesn’t look understaffed, and that the bank doesn’t feel empty, even while the lobby and number of teller positions have to be sized appropriately to handle the busiest days and times. One solution is to be flexible about expanding the variety of transaction types that can be accomplished along a teller line – customer service assisted debit/credit card PIN number validation or change, for example.

Another clear trend is the effort to re-direct customers to ATMs, online and mobile banking, and ultimately a variety of other new electronic delivery channels, so that tellers can deal primarily with more complicated service requirements. This creates the need for a new kind of space – what was previously a 24-hour-accessible vestibule has become an electronic banking foyer. This space, along with the rest of the bank, has evolved into an important platform for marketing – using multi-media communication – about the bank’s capabilities and resources to a targeted and involved audience.

The retail branch bank is an important platform for sharing information about the bank’s capabilities with the public, and as such, plays a key role in any bank’s business strategy. It serves as a unique platform for generating deeper relationships, because face-to-face interaction is uniquely suited to the exchange of complex, confidential information that depends on a high degree of trust.

Each channel has its own strengths: Web delivers high amounts of information in an easily browsed fashion, and phone permits exchange in an anonymous fashion from home. Only the branch, however, permits the easy back-and-forth that facilitates a sense of partnership between the customer and their banker.

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