

Product Profile

Branch Design Effectiveness Assessment

What is a Branch Design Effectiveness Assessment?

Customers still demand that their financial institution have a brick and mortar presence but their expectations for the types of services and the way in which these services are provided has changed.

While there is a small and growing portion of the market that prefers to bank exclusively through self-service channels, the largest segment of consumers are mixed channel users who typically use alternative channels for service and information, but continue to rely on branches for sales. A recent Forrester Research report projects that almost 70 percent of new accounts will still be opened in person at a branch for at least the next few years.

Although consumers have embraced many of the new distribution channels, it is clear that branches will survive for some time. But many consumers are dissatisfied with their branch experiences and bankers find their facilities are out of date with contemporary trends in retailing. Align FSC believes that the industry has a significant opportunity to leverage the potential of the branch “stores” for sales and service, particularly as consumers look to build relationships with financial services providers that they feel they can trust. Banks must also leverage the value of the investments they have made in the branch delivery channel to attract and nurture desirable customer segments.

Why a Design Effectiveness Assessment?

Savvy financial services executives realize that the branch is much more than just another delivery channel – it can be a differentiating factor in gaining new customers and retaining and growing existing customers. A Design Effectiveness Assessment helps you understand how to optimize your branch facility to create a customer experience that:

- Forges an emotional bond between your brand and the customer that translates into tangible sales
- Maximizes your investment to complement your marketing, sales and service strategy.

What are the Align FSC deliverables?

Your institution will be provided with a comprehensive and independent examination of your organization’s marketing environment as it relates to the physical facility.

Align FSC’s Design Effectiveness Assessment includes:

- An examination of all aspects of your branch facilities’ environment including a detailed site review of each location.
- An assessment of your branch sales and service environments relative to your corporate goals and objectives, target market needs and preferences and competitive positioning.
- Delivery of a practical “Facilities Design Roadmap” that sets forth design recommendations, priorities, timelines and estimated costs for maximizing your investment in each branch.

Align FSC works collaboratively with you to:

- Identify problem areas and opportunities to optimize the sales and service environments.
- Understand quantitatively and qualitatively which customer segments use the branch and in what ways.
- Determine the effectiveness from a customer-centric perspective of the existing sales and merchandising functionality within the branches.
- Establish for each branch, where appropriate, a specific and prioritized list of changes and upgrades to improve the effectiveness of the branch environment.

What is the Align FSC engagement process?

Align FSC’s Design Effectiveness Assessment includes three major components.

- Data Collection:** To start, Align FSC will meet with your management team to gain an understanding of the internal perception of the branch environment and specific goals and objectives. Next Align FSC will examine your current branch environment in detail, including:
- Observing branch activity, particularly during peak business hours.
 - Photo documenting the existing conditions of each branch.
 - Observing and documenting the manned sales and service positions as well as all unmanned channels (ATMs, internet stations, etc...) available within the branch.

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Branch Design Effectiveness Assessment (Continued)

- Observing customer flows to identify how customers enter and exit the branch, how they move within the facility (i.e. where they sit, stand, wait and/or queue during sales and service transactions)
- Identifying by type and location all sales and merchandising display fixtures and materials, and documenting how they are observed and used by customers.
- Identifying under-utilized areas of the branch.

The data gathered from the observation of branch activity will be coupled with market data for each branch trade area (which includes Align FSC market demographics and competitor information along with any existing data you provide) to establish a baseline for what aspects of the branch are delivering the desired results and which areas need improvement.

Analysis: In the next phase, Align FSC will analyze all the data to determine the effectiveness of the current environment from the customer's perspective as well as the perspective of the financial institution. Specifically,

- Does the branch clearly convey your brand and corporate graphic standards? How well does the branch support your brand promise and identity?
- What are the market characteristics of the branch trade areas and how do they relate to the branch design and configuration?
- Is there a clear organizational structure to the facility? How are the sales and merchandising zones currently organized and managed?
- What are the most effective sales and merchandising elements currently used?
- How visible are the current sales and merchandising displays? Are they contributing to and supporting sales efforts?
- What voids exist within the branch? How can these areas be better utilized?

Conclusions and Recommendations: In the final phase, Align FSC will provide you with practical design recommendations to improve the sales and service environment and ensure consistency.

Align FSC will facilitate a half-day, on-site presentation of its findings and a roundtable discussion with key executives and management and discuss in detail the Facilities Design Roadmap.

Specifically Align FSC will deliver:

- **Branch Survey Documentation** which includes the detailed survey of the existing facilities, a complete demographic profile, interior and exterior photos and a design schematic and documentation of current fixture placements.
- **Facility Tune Up** with recommendations for a short-term plan of action outlining specific upgrade options for each location that can be executed quickly and at a low cost. Examples may include:
 1. Changes to the height, lighting, or location of existing elements to improve their visibility and impact.
 2. Modifications to the way existing elements are used by the branch to improve their focus and effectiveness.
 3. Removal or relocation of specific elements to improve focus and eliminate clutter.
 4. Recommendations on what specific types of supplemental elements can be added at specific places to broaden the reach of sales and merchandising efforts.
 5. Ideas and recommendations concerning other minor changes that would improve the general appearance and presentation of the branch.
 6. Concepts and recommendations concerning enhancing directional, departmental and branding elements within the branch.
- **Facilities Design Roadmap**, which is a comprehensive design plan for each location along with estimated costs for implementation and associated benefits.