
KEEPING CUSTOMERS HAPPY

by [Steve Brown](#)

As community bankers work to close the books on 2009 and prepare for 2010, we were intrigued by a recent report from Accenture on what drives customer satisfaction and what doesn't. Since so many bankers we know are trying to figure out how to keep customers happy, we thought you might find the information useful.

From a macro perspective, we were not surprised to see the research found customers are demanding more than ever and their perspective is that companies are not keeping pace. That combination has led to one of the highest levels of switching and further indicates customer satisfaction scoring is not a good indicator of loyalty or future business.

On the expectation front, customer attitudes have changed sharply over the past 5Ys. In fact, 42% of those surveyed said their expectations for customer service are higher than compared to 5Ys ago. Unfortunately, the percentage of customers who said their expectations were "frequently" or "always" met has fallen from 53% to 40% in the past 2Ys.

The factors customers want most from customer service representative (CSR) interaction are also not surprising. In order, they want: customer service to be easy to obtain (75%), knowledgeable CSRs (70%), faster service (61%), more options to access service (62%), specialized service (36%) and more options for handling personal finances (27%). In short, the research finds customers expect well informed and personable CSRs that are fast, efficient and don't need to refer them to someone else. How fast a CSR can solve a problem was cited by 60% of customers as extremely important.

The factors cited most often by customers as sources of frustration include: lengthy hold times, dealing with multiple people on the same issue (most people said they were willing to speak to only 2 people to resolve their problem), having to repeat information, dealing with CSRs that don't have answers and rudeness. Each of these items was found by customers to be extremely frustrating.

To keep customers happy, bankers should consider focusing on the following most cited items when it comes to customer service: providing convenient access to service (74%), training for greater product knowledgeable CSRs (67%), faster customer service (66%) and more channel options for getting service (64%).

Customers said they wanted to access customer service most often by calling (84%), sending an email (66%), accessing bank website (44%), going to the physical business location (41%), sending a letter (15%) and using live online chat (15%). Banks that offer each of these channels as a way for customers to obtain service are well ahead of the pack, since 33% of customers will follow up only once before giving up on the company.

Studies vary, but this research found 86% of customers will now tell someone around them when they have a bad experience. Even more alarming perhaps, 20% of customers will go online to Facebook or use blogs to post negative comments about their experiences. Bankers should monitor such sources to be sure they maintain a good handle on the growing importance of digital media.

Finally, when seeking out new customers, the research found people will gather information to evaluate new providers from the people they know (80%), a corporate website (69%), print advertising (54%), online or in-store information (48%), online advertising (47%), TV or radio (46%) and direct mail (29%).

To keep your customers in 2010, focus on providing quality customer service, as that is the #1 reason clients leave, maintaining pricing discipline (#2), having customer facing staff that has knowledge and training (#3) and offering customized solutions (#4). Do these things and you are well on your way to capturing and keeping customers happy in the New Year.

BANK NEWS

Facebook Giving

JP Morgan launched "Chase Community Giving," a program whereby Facebook users that follow the Bank can choose between 500k local charities to receive donation from a corporate philanthropy fund.

SBA

The 7(a) and 504 programs will receive funding for fee relief and higher guarantees through the end of February.

Unemployed Stress

A new poll finds more than 50% of unemployed workers have borrowed money from friends or family since losing their job.

Consumer Loans

Consumer debt has fallen over 5% from the year prior. Auto loans fell 9.5%, credit card balances dropped 7.3% and first mortgages outstanding declined by 5.4%. However, delinquencies rose over November. Credit cards 60 days or more past due jumped to 4.62% compared to 3.76% the same period last year, while home equity lines tipped to 3.43% from 2.95%.

Mileage

The IRS approved a new mileage rate which many banks used for expense reimbursement. Starting Jan.1, the new business rate will be 50 cents/mile.

Copyright 2021 PCBB. Information contained herein is based on sources we believe to be reliable, but its accuracy is not guaranteed. Customers should rely on their own outside counsel or accounting firm to address specific circumstances. This document cannot be reproduced or redistributed outside of your institution without the written consent of PCBB.