

CUSTOMER SERVICE

by [Steve Brown](#)

On a recent JetBlue flight we had the privilege to sit next to their "Customer Experience Executive." Now to start, we were awed right off that bat that the company even thought about having someone dedicated to the customer experience. When we questioned her, we were even more impressed.

When we asked how the company was doing these days, she talked about their customer satisfaction scores. In fact, for almost every question that was asked, she framed it in terms of the customer. OK, we get it - she is in charge of the customer experience, so we discounted the answers and pressed more. "What is the Jetblue experience that you talk about?" we asked.

This executive went on to explain that the JetBlue experience is "what" the customer sees from start to finish. These experiences are mainly a function of the attitude of its employees, something called "Jetitude." Catchy, we thought. Even more catchy was the definition of the 5 behaviors that compose "Jetitude:" 1) Always be in blue, 2) Be personal, 3) Attempt to solve a problem right away, 4) Be engaging, and 5) Be thankful to every customer.

OK, we started to believe, but we needed more proof that JetBlue was more than talk. "No offense, but this sound like a marketing department on Red Bull," we challenged, "where is the action?" There, she pointed to the back of the seat in front of us. It said: "STRETCH! You're in an EVEN MORE LEGROOM seat" She went on to point out that we paid \$50 for the exit seat (a great exercise in customer segmentation) and the airline wanted to make sure they reinforced the value.

She was absolutely right, how many times have you seen a loan close or a deposit collected and it feels like the end of the process? In thinking about it, our CRM system is even structured to end an opportunity at the close of a sale. JetBlue's note on the back of the seat was a way to reinforce value on an ongoing basis. They got our extra money, now they wanted to make us feel good about the purchase. We should do that with our bank clients, we thought. We made a mental note to rethink our post-purchase process to ensure that our bank clients feel good about their decision to do business with us (thank you for your business, by the way). In addition, the bright blue note served as a marketing message to the passengers in other rows.

We were now entranced and wanted another example. The executive said, "Security, did you notice the TSA agents?" No, we said. "That is not uncommon, but if you did they all have upgraded padded seats, padded mats to stand on and their break room has free drinks." We thought the airport paid for that. She went on to explain how they normally do, but JetBlue negotiated to pay extra to make the TSA Agents happy. This is a higher level of customer service, we thought. Investing in the TSA agents, she explained means that the agents should be happier and more likely to deliver a good customer experience. "Even though the TSA agents aren't our employees, they are part of the experience" - impressive.

JetBlue has consistently ranked in the top 5 for all airlines in customer satisfaction in all 7 categories of the JD Power ratings. Usually, JetBlue has the number one spot for value airlines. JetBlue has the highest Net Promoter score of any airline (a measure of customers likely to give referrals) and most importantly, is one of the few airlines that have made money in the past several years (profit is up

50% for 2Q). While community banks deliver superior customer service, our JetBlue experience proved that we might have room to kick it up a notch and get a little "Bankitude."

BANK NEWS

Profits

US Bancorp posted a 63% rise in profits to \$766mm, following higher interest income and fee revenue. Morgan Stanley revenue rose 53% to \$7.95B with sales and trading revenue more than doubling and pushing earnings to \$1.96B from \$149mm last year. M&T Bank's net income jumped 3X to \$176mm from \$41mm a year ago as net chargeoffs fell \$56mm to \$82mm. Comerica swung to a \$69mm profit from a \$16mm loss a year prior. Loan loss provisions fell from \$312mm to \$126mm while total interest income dropped 14% to \$476mm.

Wells Fargo Checking

The bank announced they will add a \$5 per month charge on their checking accounts to offset FinReg impact.

Permanent

The FDIC reminded bankers yesterday that the Dodd-Frank Act permanently raised the deposit insurance limit to \$250,000 and made it effective retroactively to 1/1/2008.

CU M&A

Wings Financial Federal CU (\$2.7B, MN) and City-County Federal CU (\$4.71mm, MN) have entered a merger deal. This follows Wings merger announcement last month with Highgrove Community Federal CU (\$39mm, MN).

Stress Test

The results of the 91 European banks that are required to undergo another stress test will be out tonight. US banking regulators are watching the market's reaction to those bank that fail (we know several have).

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