

SHOUTING A MESSAGE CAN BE RISKY

by [Steve Brown](#)

There is a relatively recent development at some gas stations in the US. At the self-service gas pump, once the flow of gas into your car begins, a sound box on the gas pump begins to shout at you. Hey there, don't you want to come in the store and buy a 72 ounce soft drink and a burger? Get three full weeks of calories for only \$1.99! There is a mute button on the box, but it doesn't function of course. In fact, the button is most-often utterly physically destroyed, as people have used tire irons or whatever tool is available in their car to make the thing shut up. The box certainly is durable though, because it keeps on talking until you drive away.

Maybe it is time for banks to install something like this at their drive up windows or to keep employees like the one above awake at their desks. It could be an easy way to increase branch traffic. Imagine a box shouting, "Come in and take out a loan today" or "Don't you need a safe deposit box to protect your valuables." Seems to us that people would flock into the bank, if only to shout at you and that offers a cross sell opportunity! Granted, it might not be the best marketing approach if it prompts people to bring in sharp objects, but it got us thinking. So much so, in fact, that we went online to find the source of this marketing and look at the logic is behind this concept.

All the promotional information from the marketing firms for gas pump advertising refers to having a "captive audience" for 3 to 5 minutes. Well maybe it isn't so crazy to try and advantage of the amount of time you interact with customers. Couldn't bankers apply some of the same logic? After all, there are some similarities. For instance, the customer has already decided to do business with the gas station because they have pulled up to the pump and the same holds true for bank customers. For those who come into the bank, captive time is spent perhaps at the teller window or with another customer service representative. Your staff probably knows how to make people happy and comfortable, so why not try to sell them something (albeit without a shouting box)?

For those who do the majority of their banking online, getting a message of other products across is fairly obvious. Make sure your web site is user-friendly, easy to navigate, communicates your brand, what you do, what you want to promote and where you do business. We have discussed this quite a bit in this publication and all are effective for banks.

For a customer just using your ATM machine, you also have an opportunity to market. Use the attention of that customer and don't overlook that opportunity. Most banks have at least some promotional material as a customer logs in to the ATM, if nothing else than thanking them for doing business with the bank. To generate the most opportunity, make sure the message is positive. Thanking customers, letting them know you serve small business owners and individuals in the community and that you are a community bank so you do things more personally are all good ideas. Be sure to ask customers to tell you how your bank can serve them better and encourage them to come into the branch to see the difference a good banking experience can be.

Unfortunately for the box approach at the gas station, most people don't appreciate it when someone or some thing shouts at them. That doesn't mean banks can afford to let opportunities go by to catch customer attention. After careful thought and artful implementation, your bank can communicate

your message and brand in a way that is beneficial to customers and the bank alike. You also can do it without shouting.

Related Links:

[PCBB 2013 Executive Management Conference](#)

BANK NEWS

M&A

Glacier Bancorp (\$7.7B, MT) will buy North Cascades National Bank (\$346mm, WA) for \$29.3mm in cash and stock.

M&A

Bryn Mawr Bank Corp (\$2.0B, PA) will buy MidCoast Community Bancorp (\$278mm, DE) for \$33mm in stock.

Securities Fraud

Bank regulators have charged Darrell McAllister, the former CEO of failed Bank of Choice (CO) with fraud, alleging he directed employees to call customers to get them to cash in CDs and exchange it for preferred stock (said the stock had no risk of loss).

England

The Bank of England has told UK banks they will need to raise about \$38B to increase capital levels.

Quick Update

Bankers should know the median home sales to list price ratio is 97% nationally; the housing market is an estimated 50% back to full recovery by historical standards; home prices have risen this year in 92% of markets tracked by CoreLogic; there are about 1.8mm homes on the market (lowest in 10Ys) vs. about 9.5mm at the peak of 2008; the median time a home is on the market is 71 days vs. 99 days last year; the median home price at the end of last year was \$180,000 vs. \$221,000 in 2006; and homeowner insurance premiums have climbed nearly 70% over the past 10Ys.

Multifamily

CNNMoney reports 31% of renters expect to buy a home within the next 2Ys vs. 22% in Jan. of 2011.

Construction

Banks should note the Federal Highway Administration says 70,000 bridges across the country are "structurally deficient" and need to be replaced. This might be an opportunity for some of your customers and a loan for you.

Home Sale

Studies find 90% of buyers say they now look online first to find home listings.

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.