

Satisfying Sounds

by [Steve Brown](#)

Muzak was an invention originating in the 1930s that brought piped-in music to hotels, restaurants and department stores. At the time, no one could have imagined that background music would become as ubiquitous as it has. It would be completely unnatural to go into any kind of retail space and not hear background music selected to appeal to their target customer. The idea has always been to make customers prolong the amount of time they spend in a space and hopefully also cause them to spend more money.

eBay did a study of how background music can alter shopping choices. It played a variety of sounds to test participants as they shopped online, depending on the product they viewed. Every part of the sound spectrum was covered, including crying babies and raucous highway construction noise. These latter two did what you might expect and caused shoppers to quickly reject or negatively review product choices. Meanwhile, pleasant outdoor sounds like birds chirping caused shoppers to have a positive impression of barbecue grills and outdoor product choices, but had no effect on the response to indoor board games or kitchen appliances. It's all very subtle, but in the end, it would seem that the sound environment matters in choices consumers make and their level of satisfaction.

When we walk into bank branches, frequently there is a television airing a financial news channel. Some customers may linger to see what the markets are doing, and it may give the perception of financial sophistication to have market data busily scrolling across the screen. For other people, this is not a serene scene, so it may drive them from the room (especially if the sound is too loud). Let's spend a moment thinking about what financial television portrays: it is a dynamic marketplace, changing every moment where 24/7 monitoring is required because of the risk and opportunity dynamics of the marketplace. Video of shouting traders waving in commodity pits may not deliver a backdrop of security or safety either. It may send a subliminal message which makes some wonder if the bank is a trusted place to put money.

The simple fact is that most bank depositors and borrowers don't want to worry 24/7 about their money or they wouldn't have it in a bank in the first place. If they don't equate their relationship with their bank as having anything to do with a volatile and unpredictable marketplace, why would a bank want to introduce that idea? For our money, most community bank customers likely want a stable, serious relationship with a mature professional staff to help them navigate their banking needs.

Your community bank probably has that very intent for its customer relationships. Maybe you should take a look at your lobby and see if that is what is communicated. If you have financial TV, see if it's of interest to your customers or try turning it off or changing the channel to see if it changes behavior. Stand quietly and listen...is there pleasant background music or a tin radio sound coming from the back somewhere? Or even worse, is there stern dead silence like a library, which inhibits friendly greetings from staff to customers?

We can think of some other amusing uses for environmental sounds to drive human behavior. We always dreamed of clearing a spot on a crowded beach using a boom box playing Scarlatti harpsichord sonatas at high volume. Loud music might be just the thing to quickly move cranky customers out of your complaint department. Whatever your bank's goal is for customers who visit

the branch, it is important to take a few minutes and determine if your lobby meets that objective--the key is to appeal to both the eyes and the ears.

BANK NEWS

More Digital

A report by media consulting and evaluation firm BAI/Kelsey projects online and digital advertising will climb 13.1% in 2015. Mobile local ad revenues are expected to soar 53%, while local social media revenue is projected to jump 44%. The firm predicts growth in online and digital revenues will be about a 12% compound annual growth rate through 2019 vs. about 0% for traditional advertising over the same period.

More Cash

CNBC reports the world's billionaires hold an average of about \$600mm each in cash, an 11% YOY increase.

Still Looking

A study by Rutgers University finds more than 20% of Americans who have lost their job in the past 5Ys are still unemployed and 25% who have found work have done so in a temporary job. Meanwhile, about 46% of those who have landed a job after being laid off made less than they were making beforehand.

Security Errors

A survey of IT professionals by network security firm AlgoSec finds that security configuration mistakes have caused the following issues: application outage (43%); network outage (39%); data breach (24%); failed audit (21%) or other (20%).

Competition

PayPal announced it will integrate bitcoin company BitPay into its payments platform. BitPay is backed by billionaire Richard Branson and is a digital currency business.

Mobile Millennials

A report of Millennials from Mitek Systems finds close to 90% are never without their smartphone; the same percentage say they have or would deposit money into their bank with mobile technology; 60% say that in the next 5Ys, everything will be done on mobile devices; and 54% would pay for goods using their smartphone as a mobile wallet instead of credit cards.

Customer Acquisition

A survey by FindABetterBank finds 42% of people currently shopping for a new checking account were under 30Ys old, while 18% were over 50Ys old.

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