

# insights



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Are you choreographing your customers' experience?

Many financial services organisations recognise that sales potential amongst their existing customers is huge. Most customers have many unexplored financial needs and even loyal customers buy relatively few of their core financial products from their main provider. Data shows that relationship penetration (product holdings per customer) can range from as low as 1.2 to as high as 3.5.

At the same time most organisations believe they are serving their customers well and providing the products they need. Setanta's recent experience suggests that paying greater attention to *choreographing the customer experience* can pay off handsomely in both sales and service results.



## So, what is choreography?

Imagine watching a top class musical and wondering how it had been put together so slickly. If you asked the director to explain what was going on, he could articulate clearly what he was trying to achieve for his audience. Words, steps, music, props and stage sets would be co-ordinated precisely to produce the experience the director wanted. Discipline and artistic expression are harnessed to produce the pleasurable experience the audience expect.

Now compare that with standing in a typical branch and asking similar questions of the branch or area manager. The chances are that the answers would not contain anything like the same clarity. Managers would probably have difficulty describing what they wanted their customers to experience. Few managers at any level would think about the need to choreograph their staff's conversations, hand-offs, environment and teamwork. In short, it's doubtful whether they could describe *what good looks like* for their business.

From a customer's viewpoint the experience of phoning or visiting a branch can seem random and illogical. And the experience is generally far from pleasurable. Unlike creating a West End musical, crucial elements (technology, application forms, sales processes etc.) can

appear disjointed - and designed from the bank's point of view. Little thought is given to what it all looks like from the customer's perspective.

To design and execute an experience that consistently exceeds customer's expectations requires different thinking. Senior and field managers need to improve their ability to analyse branch performance from the customers' point of view and choreograph it accordingly. Their previous experiences will not have equipped them for many of the activities that this involves:

- Determining the existing 'performance point'. How memorable is the present experience? How consistent is it? What needs to be changed?
- Observing and testing key processes from the customers' viewpoint. Managers should 'regularly walk in their customers' shoes'.
- Defining the ideal sales process - from the marketing department through the frontline to the back office.
- Rethinking and stress testing key processes from the customers' *and the staff's* point of view.

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- Building a detailed interaction model for all important customer touches.
- Involving key front and back office functions in their review. The actions of marketing, product managers, service centres, premises, technology all impact on the customer experience.
- Integrating all delivery channels so staff everywhere deliver the same experience.
- Equipping line managers to recognise and

ensure their people deliver the experience needed. This usually means a much greater hands-on involvement in observation of customer interactions, leading by example, 'watch me' style coaching, dress rehearsals of key interactions in the branch and 'certification' that the standard of the performance is of the highest quality.

- Making branch staff into a professional cast whose team work is a key success factor in raising sales and service levels.



## Why is choreography so important?

Creating memorable experiences is critical to realising a step change in results with existing customers. The impact of moving, say, from two products per customer to three, is dramatic on revenues and profits.

Customers can't usually describe *what good feels like* but they quickly know when an experience is not up to their standards. As their expectations rise and tolerance of disappointment declines, their dissatisfaction leads to resistance to further purchases. Good choreography reduces the chances of this and increases customers' willingness to engage in further productive dialogue.

- Account opening is a great example of where major opportunities exist yet are so often missed. Well choreographed conversations and processes can routinely produce multiple

product sales. At the same time, staff can educate customers to use self-service alternatives.

- Achieving a significant uplift in product penetration (thus satisfying more of customers' needs) builds relationships.
- Improving how your organisation is perceived by customers can be a painfully slow process. One bad experience can significantly harm any good work already done.
- Initiatives intended to make life easier for staff to service customers better often make things worse - particularly when related to new technology. Staff struggle to cope in an increasingly stressful world and most customers are suspicious that changes are for the organisation's benefit and not theirs.

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## What's the pay off?

A well executed choreography will ensure that life is easier for front line staff and thus for customers. Results that organisations have achieved include:

- A 20% increase in sales was reported by a senior executive of a UK building society who had recently implemented a simple choreography in their branch network. They believe this figure represents only the beginning as staff recognise the new way of working helps to meet customer expectations and achieve sales and service goals.
- One major bank which tried to increase the use of self service technology by having staff demonstrate the benefits found that sales also happened to grow by 11% during the same period. Puzzled at first, they realised that the simple process of getting staff to interact more closely with customers produced more conversations around needs and solutions. This accelerated the bank's efforts to choreograph all the main experiences which customers have in branches.

Organisations that are thinking differently and shining the spotlight on the fine details of their customer experience are realising the benefits to be had by all - customers, staff and the organisation.

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## About us...



**Setanta Performance** is an international consulting firm that helps financial services organisations to achieve superior sales and service results. We use innovative, collaborative methods that help integrate people, technology and processes to produce measurable improvement in business results. Current clients include Banco Comercial Português, Britannia Building Society, Nationwide, Royal Bank of Scotland and Visa. Issues where we have made major contributions include:

- Designing sales processes
- Improving operational efficiency and effectiveness
- Migrating transactions
- Improving sales productivity of small business banking
- Recognising lifestyle tribes
- Creating and cultivating productive online communities

### Authors



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