

ALL CHANGE

- Retail Banking

Despite a turbulent few years, retail banking continues to display a keen interest in redefining the role of its physical high street presence, adding value through innovative retail spaces and improved in-store communication.

In recent years, retail banking has been made the shift from a typical banking hall experience to more “store-like” environments. Up and down the UK, there are now endless examples of relaxed and engaging branch environments that have put an end to the dour atmosphere, long queues and impossible opening hours that once typify British banks. “We’ve seen banks like Metro Bank and Virgin Money take this even further,” says Marc Allot, creative director of creative communications agency, Vista. The brainchild of American banker Vernon Hill, Metro Bank was the first new British bank for more than 100 years when it opened in central London back in 2010, and it, like Virgin Money, has been pulling out all the stops to lure customers from the so-called “Big Four”.



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The latest in-store concept from Virgin Money perhaps pushes the boundaries further than most – part of its relentless quest to reinvent and enrich the banking experience. Its sixth Virgin Money Lounge, only a short-walk from Piccadilly Circus, opened its doors in August. Designed by London based design consultancy allen international, it offers full banking facilities to customers in a strikingly designed banking area. Given Virgin’s history in aviation, the lower floor has been designed in the style of the interior of an airliner with real airline seats, overhead lockers and floor lighting to guide the way. The generously spaced seats can be arranged in cinema style to face a big screen, or easily swivelled to face each other for informal meetings. The aircraft theme extends to a children’s playroom – equipped with a range of traditional and interactive games to keep the young ones entertained. Speaking at the launch of the new store concept, Jayne-Anne Gadhia, Virgin Money’s chief executive said: “Our Lounges offer a perfect example of how we are different to other UK banks and how committed we are to

delivering a unique and brilliant service to our customers.”

In addition to the traditional banking facilities, the Haymarket Lounge plans to use technology to enable customers to hold real-time video conferences with specialist advisers in other Virgin Money locations – including sessions to enable an advised mortgage application to be completed as well as lifestyle financial reviews. The store also lets customers ‘loungue’, watch TV, or browse through a range of Virgin Money information on a huge interactive touchscreen display. As part of Virgin Money’s ambition to make ‘everyone better off’, Lounges are also available on request for use by the local community for events, charity meetings and fundraising activities. “It’s a joy to work with a bank that has a vision of the future which is not tied down to traditional thinking in this time of new technology and the connected shopper, says Michael Allen, allen international’s founder & group CEO. ““Once again Virgin Money is leading the way with their foresight and vision to launch an experience that



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challenges traditional preconceptions of the relationship between bank and customer.”

Recently, NatWest-owner Royal Bank of Scotland has also explored innovations of its own, including experiential window displays – winning Gold for Best Temporary Short Run Display at the 2014 POPAI Awards for its Platinum Select campaign. As part of the campaign, each window installation included a live, water filled bubble tank and ‘floating phone fishes’ – supporting the launch of its new account with a retail activation designed to capture customers’ imaginations and encourage them to venture in-store and sign up. “We felt that injecting humour and a sense of wonder into the installation would capture the attention and aspirations of NatWest customers, new and existing, as well as obviously sell the benefits of the account,” says Allot, whose team created the installation. As well as helping to smash the sales targets originally set by NatWest, the Fish Tanks also saw a flurry of activity on social media.

Technological advances in financial services, meanwhile, have simplified the processes involved in managing your

accounts – an extensive branch network is no longer essential – and the customers will for greater online accessibility is strong. “It’s a sector that is in permanent structural transition,” says Gale. “There are still too many branches. A bank’s physical presence remains valued by customers, but online banking is rapidly eroding the traditional model. As a result, there is a real balance to be struck in the role and design of high street branches to reconcile rapidly changing customer behavioural dynamics.”

With the surge in popularity of mobile and Internet banking, customers are now able to do so much from the comfort of their own home, or on the move. As a result, their needs within the physical retail space have changed. NatWest’s retail installation to promote the benefits of its mobile banking app marked a new and innovative first for British banking. As part of the campaign, the bank rolled out eye-catching ATM surrounds as part of a wider media campaign that included national TV advertising. In-store displays were laden with mobile phone-shaped leaflets with instructions and registration advice to communicate its ease of use and convenience for the modern

family. “We are seeing more automation, less teller staffing and more advisory roles,” says Allot. “Customers will research online for loan deals and mortgages - then look to have conversations either face-to-face or on a call with an advisor to ask questions that have arisen as part of their online experience. Credit, savings and current accounts require less human interaction and so many apply and switch online.”

Online banking has presented banks with other, new challenges, too. Whilst great strides have been made in recent years to improve service efficiency and convenience, in some ways banks have become victims of their own success. “Customer expectations about on how long it takes to open a Current Account are very different from reality,” says Nick Gale, founder of digital activation agency, Realisation. “In order to ensure that the procedure is fully compliant with FSA regulations the procedure can take up to one and a half hours – some customers expect to complete this in 20 minutes.” It led to Gale’s team introducing a sales support App for one of the high street’s leading banks – designed to both expedite the process and ensure compliance.

So in this new world of retail banking, which approach has greater currency – clarity of message of the right environment? “Banks are still recovering from the lack of trust from customers and working extremely hard to fix this by communicating messages of transparency, honesty and usefulness in-store,” says Allot. Service is always a challenge - across all sectors - and retail banking is no exception. “There’s now less ‘serving’ and more advising. We know from working extensively in this sector that this is something banks are determined to get right and taking very seriously,” he adds.

Keen to established NatWest as a friendly, customer-centric bank, one of its most recent retail campaigns saw it give window displays a playful, fun aesthetic. Bronze nominated in this year’s POPAI Awards, the moving window installation featured a series of multi-coloured hands mechanically waving to passers-by – encouraging customers to say “hello” to simpler, clearer and fairer banking. “Environment is important in that it forms part of the brand make up, product, communication, environment and people. But it’s vitally important for banks to have a clear proposition,” says Allot. “Simplicity is key. Customers have become much savvier in recent years and are looking for value across every sector. By being clear in their proposition, banks are finally beginning to develop a strong product range that is easier to understand and delivers real value.”



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