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Bank of Ireland Group
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Bank of Ireland
BOIG Information Classification - Red

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Introduction

- Sales & Marketing experience
- Citibank
- Alliance & Leicester
- Merrill Lynch
- Bank of Ireland
- Frontline management roles
- Passionate about delivery at the front line

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Section 1:
Sales Practices & Training Issues

Bank of Ireland Group

- The biggest sales challenge for branches: the localised management of the sales process
  - Head Office regional management
  - Branch Managers
  - Front line staff
- Also: there is the problem banks have in 'Understanding Sales'
  - It is not just the efficient administration of a loan application
  - It involves getting the right people
  - Selling the right products
  - In the right way
  - And managed properly!

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Section 1:
Sales Practices & Training Issues

- The problem with recruitment and selection
  - It tends to be based on “competency management” (the way people carry out processes)
  - Does not consider the ‘natural’ profile of people (their skills, communication and behaviour style, motivations, etc)
  - This is a vital part of a successful sales person’s profile
  - HR selection processes often ignore these things
- Sales education is not a classroom process
  - It should not be a ‘conveyor belt’
  - Needs to involve ‘experiential learning’ – not chalk and talk!
  - It needs to be continuous
  - Many recruits leave training with very little idea of how to <u>really</u> do sales

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Section 1:
Sales Practices & Training Issues

Bank of Ireland Group

- "Branch Manager" management often inadequate in banks
  - In most banks the Branch Manager is significantly under-valued and under-trained
  - They are not just sales people – they are leaders and role models
  - They need to be valuing & nurturing people
  - They need people & performance management skills
  - They also need a full range of branch management skills
  - But – often they are promoted simply because they were the best sales person
  - Or because they are the last man / woman standing
  - Many banks are now investing in specialised Branch Manager training

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Section 1:
Sales Practices & Training Issues

Bank of Ireland Group

- UK experience
  - Recent fashion: think like a retailer (sometimes works – sometimes not!)
  - Training on relationship management
- Are all front line sales people equal?
  - No!
  - Vital skill: their level of customer awareness
  - Targeting market segments
  - Think very carefully about their rewards & incentives
  - And about what effective sales management means…

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Section 1:
Sales Practices & Training Issues

Bank of Ireland Group

- The problems of high staff turnover
  - Why it happens
  - The damage it does: inconsistent approaches to customers, losing staff at the point when they become truly effective, the loss of relationships that take time to build
  - How to manage for success
  - Pro-active talent management

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Section 1:

… Things that go wrong in the actual cross sales activity:

- Approaching the customer
  - Remember – be gentle! Don't just go charging in like a bull
  - You know what you are talking to them about – but the customer doesn't
  - How to win over the customer's attention
- Staff not understanding the product features and benefits
  - Do staff really understand your products?
  - Or are they just experts in talking about what the products do?
  - Remember: customers buy benefits, not products!
  - What are your USPs? Have they been carefully thought through by Marketing, and have they been carefully explained to sales staff?
  - How can staff sell properly if they don't know what is special about the products, and how people actually buy them?

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Section 1:

… Things that go wrong in the actual cross sales activity:

- Lack of competitor knowledge
  - A disaster – when customers know more about your competitors' products than your staff do
  - How do you compare V the market?
  - What are your advantages?
  - If your staff are going to get the customer's trust, they need to show that they are an expert in the whole area they are discussing
  - How to improve your offering
- Not understanding customer feedback or acting on it
  - You need an internal process to evaluate customer feedback
  - Escalate key points to senior management
  - How to respond to customer feedback tactically & strategically

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Section 1:

… Things that go wrong in the actual cross sales activity:

- Talking my language
  - Are you hearing or listening to your customers?
  - Good selling always involves good listening
  - But sales people like to talk, don't they?
  - Learn how to ask the right questions – and listen to what you are being told
- Record keeping – not memory tests
  - Too often, sales people will try to memorise what the customer has said
  - They will never do it properly!
  - Staff will forget vital information through laziness
  - What to do with customer records

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Section 1:

… Things that go wrong in the actual cross sales activity:

- Lack of confidence
  - Too much confidence is a bad thing – but so is too little
  - Make sure you know when and how to close the deal
  - And when and how to ask for referrals
  - Incredible how bad bank sales people are at these things!
  - How to overcome this issue
  - Training and development
- Not being proactive
  - The job is not done when the sale is over – that's when the customer relationship starts
  - Not contacting leads generated
  - Not dealing with call-back requests

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Section 2:

Capitalising on inbound opportunities : The key lessons about "Sales from Service"

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… What to watch for

- Type of calls
  - Not every call is a 'sales' call – don't always try to turn a service call into a sales success (you will push customers away)
  - Need to think about segmentation – which types of call are you going to focus on?
  - 50% rule
  - Daily focus
- Customer "incentive" to buy
  - There must be some real and meaningful incentives for customers to take multiple products from you over the phone
  - Periodic campaigns
  - Special offers at point of sale
  - Customer loyalty programme

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Section 2:

Capitalising on inbound opportunities : The key lessons about "Sales from Service"

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… What to watch for (continued)

- To turn a service call into a sales success – you need outstanding customer service
  - Testimonials
  - Daily monitoring
- How you interact
  - Watch for customer signals (which customer type are you dealing with here?)
  - Tone of voice
  - Using their name
  - Don't ignore what they have called you to discuss! Good cross-selling provides a link between their original issue and the solution you are selling them
  - Quality notes (as mentioned)

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Section 2:

Capitalising on inbound opportunities : The key lessons about "Sales from Service"

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… What to watch for (continued)

- Questioning techniques
  - Open questions
  - Follow-up questions
  - Summarise your understanding
- Record keeping
  - Quality notes and action lists
  - Follow-up
- Mirroring
  - Paraphrasing to confirm
  - Body language

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Section 2:

Capitalising on inbound opportunities : The key lessons about "Sales from Service"

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… What to watch for (continued)

- Share best practice in a team
  - Daily catch up
  - Weekly review
  - Monthly overview
- Confident agents
  - Rewind questioning
- Simple scripts
  - Effective and powerful cross-selling prompts

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Section 2:

Capitalising on inbound opportunities : The key lessons about "Sales from Service"

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… What to watch for (continued)

- Objection handling
  - Tried and tested simple approach
  - Managing potential conflict situations
- Coaching "on the job"
  - Training log
  - Listening and observing calls
  - Call handling critiques
  - Weekly review with team leader
- Customer perception
  - Assertive and professional
  - Friendly and approachable

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Section 2:

Capitalising on inbound opportunities : The key lessons about "Sales from Service"

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… What to watch for (continued)

- Closing techniques
  - Focus on the reason for the call
  - Cross-selling potential
- Going the extra "mile"
  - Why it matters so much
- Follow up customer survey
  - When and how
  - What to do with it

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Section 3:

Effective customer management through different distribution channels, and why each channel requires different skills

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- Branch distribution
  - Vital for most banks to develop a more dynamic retail approach
- Thinking like a retailer
  - Training branch staff to be retailers
  - Formal training on relationship management
- Creating a Retail Environment

  Create retail space In branches:
  - Opportunity to browse and linger
  - Use digital signage, use merchandising and free standing service counters

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Section 3:

Effective customer management through different distribution channels, and why each channel requires different skills

Bank of Ireland Group

- But – vital to branch selling (and any channel):

  The 5 key steps to cross selling
  - Frame the conversation
  - Understand the needs of the customer
  - Satisfy the customer's needs
  - Ask for the business
  - Nurture the relationship to the next level

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Section 3:

Effective customer management through different distribution channels, and why each channel requires different skills

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- Call centre : inbound telesales – research findings
- Pros & cons of cross-selling in different channels
  - Most channels exhibit limitations in cross-sale effectiveness
  - Branch is both high cost and has little ability to identify and “route” customers
  - Direct mail is now heavily used
  - Outbound telemarketing is intrusive
  - Inbound telephone has some very positive attributes
- The future of distribution and implications for cross-selling opportunities and challenges

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Section 4:

Cross-selling and intermediaries : Strategies for banks to make it work with their intermediaries

- Intermediary distribution as a cross-selling opportunity
- Overview
- The A&L experience
  - Cross-selling not optional
  - General insurance
  - Protection
  - Current account
  - Conveyancing

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Section 4:

Effective customer management through different distribution channels, and why channel requires different skills

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- Making the most of our opportunities
- Example of cross-selling success by A&L
  - Current accounts
  - Referral process for Admin.
  - Telephone/online help
- Best practice: A&L enabling intermediaries
  - Dedicated service team
  - Dedicated sales and support infrastructure
  - Heavy investment in IT and Web
  - Key account management
  - Segmented proposition
  - Board commitment

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Summary

- Overview
- UK experience
- US experience
- What really makes cross-selling in financial services work