

IN THE BALANCE: BANK BRANCHES



Today's banks are redefining the in-branch experience and adapting to today's tech-savvy customer, and aiming to build deeper relationships with customers.

Text: Lyndsey Dennis

Advances in technology mean that the way people now do their banking and make financial decisions has shifted dramatically. With a large chunk of banking now done on smartphones, the banking industry is trying to define the purpose and value of retail branches.

'Most branches were built in, and for the, analogue age not the digital age. Traditional financial institutions are now faced with a strange paradigm: they need to be reactive - responding to consumers that come in with queries, tasks, chores and complaints, while at the same time they need to be proactive - full of ideas, engaging and provide trustworthy advice for big, complex items like mortgages,' says David Martin, joint managing director at brand experience and retail design consultancy, M Worldwide.

Lloyds Bank is a good example of how a bank has redefined the in-branch experience and format. Designed by M Worldwide, its Clapham Common site is highly targeted to the area's particular demographic - young, financially well-off and digitally-savvy. 'Recognition of local residents' lifestyles through personalised service was central to delivering a customer experience that deepens relationships. The branch is experiential rather than purely functional,' says Martin.

There's a mix of self-service, assisted self-service areas and intimate, flexible spaces for one-to-one conversations. A project table with fixed e-tablets and other portable devices allows for demonstrations and digital on-boarding. There is space for partnered events, such as a local business event with Google Digital Garage about SEO. The bank is opening more sites with a local focus and reduced footprint.

Skipton Building Society has unveiled a new concept in Guildford by M Worldwide, largely catering to the over 50s. The new 'Ideas Centre' concept reflects this 'anything is possible later-in-life' perspective - it's a homely place that's much more proactive, open,



and welcoming. It celebrates the fulfillment of those hopes and dreams that had to be put on hold whilst focusing on career/raising the family.

The Ideas Kitchen at the heart of the concept is a domestic setting with items such as globes and travel books that staff can use as conversation starters, combined with gestures like starting every chat with a cup of tea.

'We found our inspiration in service-based environments like airline lounges, because it's the generous gestures in those settings that count towards a positive experience. At Skipton, the tea-making ritual is one of those key gestures,' says Martin.

Swedish bank Handelsbanken has a traditional banking model based on local, long-term relationships with all of its customers. The company opened a branch on King's Road, London earlier this year, and each branch is run like a small business with experienced local teams responsible for all the day-to-day lending >

Main: Santander's Red Branch store of the future includes digital communications to help the bank engage more with the customer.

Above: Swedish bank Handelsbanken has a traditional banking model based on local, long-term relationships with all of its customers.



and investment decisions on behalf of customers. Branch staff are also given autonomy to advise and agree individual terms and pricing.

'We already know that the local community value real-world relationships with experienced bankers they know and trust,' says Kieran Costello, branch manager at Handelsbanken Chelsea. 'Our emphasis on serving the community, and building long-term relationships with our customers, makes the thriving King's Road an ideal home for the branch.'

allen international has worked on the international roll-out of Santander's next generation branches. In the UK, Santander's Smart Red branch of the future first rolled out in Sittingbourne, followed by Tottenham Court Road in London and Stretham. The space is designed to orientate the customer towards digital touch points and present them in an engaging and easily accessible way.

'We're going through a massive change in banking, certainly in terms of the physical,' says Richard Benson, creative managing director at allen international. 'There's a progression towards much more self-service and so in all the branches we've increased the number of ATMs; they are multi-functional ATMs which pretty much allow the customer to do all of their transactions through those devices.'

In Dubai, allen international has been working with Emirates NBD on six different branch formats appealing to various demographics and propositions. The digital format at Emirates Tower incorporates both physical and digital designs divided into three sections: The Digital Banking Zone, The Future Banking Zone and The Advisory Zone.

Featuring a 12m-long digital wall, the Digital Banking Zone provides self-service facilities and video connections to remote service staff. In The Future Banking Zone, the branch showcases digital innovations developed with its technology partners such as the Visa Connected Car, MasterCard Virtual Shopping Experience and SAP's Augmented Reality Real Estate & Mortgage Digital Solutions. At the heart of the space is the The Advisory Zone, boasting a contemporary, relaxed environment for customers to browse the bank's products and services, and meet with financial advisors.

Benson believes the future of banking will completely change. 'We're going to see a more rapid change than we've ever seen in the previous 10 years. Everyone's talking about using Alexa and voice activated banking. People are becoming used to things like robotics and artificial intelligence and more people are getting used to the fact that it's useful.'



Main: Designed by M-Worldwide. The Lloyds branch in Clapham Common is experiential rather than purely functional.
Above: M-Worldwide's design for Skipton Building Society provides a homely place that's much more proactive, open, and welcoming; Designed by allen international. Emirates NBD includes the Future Banking Lab, a key initiative of its digital strategy that will enable and accelerate the development of next generation digital and mobile banking services.

He says the future will be lots of different formats. 'You'll still have your flagships but less of them, and micro branches like Lloyds which is now hosting two-person branches. Pop-ups will not just be about direct marketing but convenience. The ability to be in a location where people pass through daily at different times of the year when you know there is high footfall.

'Branches won't completely disappear, but they will be very different in the future. Much more community focused, beyond banking as well,' concludes Benson. **RF**