

FILL INS

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Brand Marketing & Loyalty

Most bankers agree that brand strength is a key ingredient in selling products, cross-selling and attracting customers. Strengthening brand value can increase market share, provide protection against competitors, and raise profitability.

But many U.S. banks face big challenges in developing their brand strength, such as increased competition from both traditional competitors and new “non-banks” that are selling similar services (savings, credit, and investments). Additionally, consumers and small businesses are increasingly bombarded with dozens of brand messages every day, making it difficult for banks to reach the right customers with the right messages.

Though many financial services companies invest significantly in building their brands, few have, in

our opinion, been able to differentiate themselves or build strong emotional bonds with existing and prospective customers. When you’re differentness is that you are greener, or more local (localler?) than the other guy it is hard to make that message stick. Most often it is because everyone else is saying exactly the same thing. In the wealth management world, pushing outsized performance against benchmarks is the same kind of fool’s errand as you end up defining the conversation and attracting to your institution only those customers most interested in benchmarks and performance.

Where and how should banks invest to leverage and strengthen their brands to drive customer loyalty and growth? Use your marketing to create and shape demand. Meet unaddressed consumer needs, focusing only upon those needs. It would be wise to

address the usability of your products (how the customer experiences them) rather than the features that you have spent so much creating.

A recent conference of portfolio managers addressed this topic in a talk given by Eugene Fama Jr. He compared the run-of-the-mill mp3 player with the ipod. Showing that one of these was simple and easy to use in every possible way, while the other, the no-name mp3 player was inherently complicated. I had never thought of why I used the ipod platform rather than the other (being notoriously cheap, and the apple product being considerably more expensive). But after the talk I got it. The apple ships ready to use, fully charged, and with no instructions or customization needed. The mp3 can be infinitely customized, but also must be

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Loyd Pohl, CEO, Pohl Consulting • Michael Dixon, President, Robert H. Franke & Associates

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assembled and charged, after purchase.

To further address the “brand” position Mr. Fama addressed the retail purchase experience. The apple store (we know the one on Michigan Ave, but you may prefer the one on 5th Ave.) was open and easy to explore, with the product on the shelf to touch and play with, compared to the usual big box retailer where all of the packaging is screaming for attention and the staff is “pushing” whatever they learned about in their morning stand up meeting. There is no comparison from a client experience level that the i-pod is a simpler and more fulfilling experience, and it drives the customer to be a user, and to build their life around the product (this is very “sticky” to use a bank marketing term).

The obvious question is, which of these experiences are you creating for your customers. Are you making it easy to understand and use your product, or are you needlessly complicating the buying experience. We know many groups that have multiple surveys which must be completed by the client in order to “assess” risk tolerances and select the best allocation strategy (from many charts and graphs) out of the multiple competing products before an account can be opened.

We think it is time to take a lesson from the most successful marketing and branding companies, and develop a client focused (not client dependent) model. By making it easy for the client to become a customer, and then by further making it easy to be delighted with the usability of the service so that the client remains satisfied for years to come.

Lowest Common Denominator

by MICHAEL DIXON

A client recently offered the opinion, “I don’t get much out of trade association meetings because they are always pandering to the lowest common denominator, the cowardice of their members.”

Initially taken aback, our consultant replied that it seemed to be an awfully harsh judgment. “Not at all,” he continued. “How else do you keep your membership growing unless you are consistently middle-of-the-road?”

If you’re too conservative, those members who want to move rapidly will drop out, not seeing value in what you provide. If you’re too cutting-edge, more conservative members will feel left behind and they will leave. As an object lesson in this brand of thinking, consider all of that bad “reality” TV shows we’ve seen over the last decade; since it is still on, it’s fair to assume that someone is watching it.

Back on point: Our client makes an interesting argument. Not long afterward, our office received the monthly four-page newsletter from one of the plethora of banking associations. The topic of this month’s issue was “Geographic Expansions Cause Banks to Re-Examine Corporate Identity Strategies.”

This article spent four pages discussing the importance of picking a name that would provide good brand association and definition for your regional or national bank holding company. It droned on and on about how clients perceive different words and different names in different

ways. It even quoted very authoritative individuals, one of whom carried the title “Director of Naming.”

Now, we don’t know about your office, but we have never selected a vendor for any product or service because the name was appealing. While we wouldn’t put our money in “Fred and Ethyl’s Bank and Storm Doors,” we wouldn’t hold the name against them if they came well recommended and earned our trust with a professional sales position. But this shows the kind of insulated bubble that can happen when decisions are made in a vacuum. All sorts of meaningless theoretical exercises go on that fill time for the executives performing them, but ultimately there is no correlation to the customer or prospect on the street. We won’t even go into our lecture on the bill-rate of the meetings where the “findings” are discussed.

While these meetings are going on, it is safe to say that, customers are not getting enough attention from their representatives; some say they have never been called on. Customer service people come off as indifferent at best, untrained at worst. Small business owners constantly remind us that most financial services companies are geared to the larger organizations and are virtually disinterested in them.

Get out of the bubble. Make sure your staff are calling, on prospects, clients, and potential referral sources. Make the products easy to understand and easy to use. Verify that your marketing materials appeal to the market segment(s) you wish to reach, not to you and your Board. These actions will do more, than a great new name, pitched to you by a “Director of Naming” anyway.

WHAT’S NEW?

June 2009

RHF&A President was a guest of the Federal Reserve Board of Governors in their private briefing regarding the stress test of the largest 19 banks. Major topics included the impact that this test would have upon banking exams in the future, as well as, application of these tests to community banking institutions as they attempt to repay TARP Funds.

A Chicago based retail bank has retained RHF&A to address retail training as part of a system wide branding campaign. Retail sales and sales management training will be completed this summer in order to position the branch personnel as client focused assistants.

It is a sign of the times but we are involved in several acquisition / divestiture projects with various financial services businesses. Interesting dynamics because, among other issues, none of them are what would be called “arms length transactions”.

Not everyone is cutting every expense – We are actually conducting several Prospecting and Follow Up Discipline workshops for various Commercial Lending groups and Wealth Management Groups. These are organizations that are determined to capitalize on the new business opportunities that exist in their market.



JUNE STAFF ARTICLE

by Eric E. Timm

TRUSTCOMPARE

“The Perils of Hip and Edgy”

I was in the car last Fall when I heard a commercial on the radio. At a county fair contest, kindly old Ethel Herbert announces that the secret to her pumpkin growing success was none other than Frank’s Redhot® Sauce. I was stunned to hear this woman, sounding very much like my grandmother, proudly proclaim “I put that [BLEEP] on everything”.

From the backseat came the voice of my son, (who, at 10 years of age, is fascinated with the nuance of profanity and is secretly hoping it is available as a college major) “Dad, just what did that commercial mean?” I had no answer for him because I could not believe what I had just heard. So many thoughts were running through my head that he was spared the usual lecture about the evils of profanity.

This 15 second radio spot staggered me on several levels. Was I finally getting so old that I did not consider this as hip and edgy? Had I lost my ability to judge hip and edgy (or, more accurately, could I ever judge hip and edgy)? And finally, had I really just heard an ad where the advertiser referred to their own product as [BLEEP]?

The more I thought about this last point the more incredulous I became—and angry, as I realized my business school marketing classes had failed to teach me the strategy of self-denigration. In my mind’s eye, I could imagine the advertising meeting where a hip and edgy agency executive first broached the idea to Frank and his red-hot marketing staff that the path to increased sales starts with calling their product—a food product at that—[BLEEP] on the radio. What was Frank looking for? Did the all-important

18-24 year old demographic believe that hot sauce was a stodgy product? Did the results of a focus group study proclaim hip and edgy as the Holy Grail of hot sauce marketing? Regardless of the intent I question if anyone spent a lot of time analyzing the message of this campaign, especially when considered at its simplest level.

The moral of the story? That I cannot honestly say, because there are so many lessons to be identified from this commercial. I will, however, put forth my two favorites for your consideration (and both are highly applicable to our industry).

The first moral is that you should strive to build your sales skills to the point where you can convince a client to pay you for the privilege of referring to his product as [BLEEP] on national radio. If you can achieve this you have reached the pinnacle of salesmanship and can likely sell anything.

The second, and most probable, moral is that in your efforts to reach a wider demographic you need to keep your head. Avoid letting some young turk talk you into a strategy that could potentially alienate your entire current customer base in your quest for an under-served niche. A measure of common sense and a clear idea of your objectives might be the real key to increased business. While it is important to try to attract younger clients, you should be careful lest you sacrifice your hard-won reputation and image on the altar of hip and edgy.

Listen to the radio spots yourself at <http://tinyurl.com/lojoq2>. Frank’s Redhot Sauce is a registered trademark of the Reckitt Benckiser Group plc, and is in no way affiliated with Pohl Consulting and Training, Inc.

EBA, An Advanced Course

by MICHAEL DIXON

While teaching our 4 day relationship sales course recently I was brought up short when a student said, “Oh, that personal conversation, that’s the EBA part.”

Of course I was pleased because this student, who was not a client of the firm, knew our jargon and could use it in a sentence. Unfortunately, he used it WRONG! And you all know that it is risky to tell a paying customer that in fact, “NO, that is not what the personal conversation is.” But, I felt I really should. You see, one of the core concepts that we have taught in our classes over the last three decades is that of the EBA or emotional bank account. What exactly had our young friend gotten wrong? Well let’s start at the beginning.

The EBA is comprised of:

- *Empathy* – demonstrating to the customer that you care enough to truly attempt to understand how he feels about things that are important to him
- *Logic* – proving your ability to assimilate the facts and circumstances of his situation and find creative solutions
- *Ethics* – being perceived as someone who deserves the privileged position of confidante

Just as with a regular bank account, an emotional bank account is subject to “deposits” and “withdrawals.” When you are viewed as helping and being involved in the customers circumstances, you are making deposits. But, when you are perceived as selling or being distant and not interested, you are making withdrawals. The trouble begins when your withdrawals exceed your deposits on a consistent basis. In the terms of a banker, this is a moment of being NSF in your EBA.

Relationship selling requires you to have enough information about your customer to make recommendations that fit and really solve his problems. And to get this level of information it is critical that

you first develop a significant EBA account. It is important to remember that “digging” for facts is an intrusive behavior for most of us. You must always consider your customer’s perception. Is he comfortable with you? Is your emotional bank account large enough to ask personal questions? Have you earned the right to probe?

EBA is also not merely a skill to be demonstrated in selling. A big part of the perceived value of your services will be continued calling on your customers and continuing to increase your EBA balance. In other words, repeat the relationship selling process as part of your service delivery discipline.

Nothing will improve the quality of your relationships more than a continuous program of retention calling that focuses on solving more and more of the customers’ problems while reinforcing the value of all of the previous solutions you are providing. To achieve this goal you will need to continually increase your EBA balance.

The more careful readers among you will already know what my dilemma was that awful day in front of the class. Nowhere in this definition is a discussion of “personal” stuff, or non-financial matters. Demonstrating empathy, ethics, and logic, is not a matter of being “personal” with the prospect. It is a matter of being human. It is just as important to demonstrate your empathy, ethics, and logic, on matters of business and money as it is when discussing the clients family and personal life. In fact, it seems that in these turbulent times in the market, an empathetic ear would be a really good thing to have when discussing risk tolerance and willingness to ride out more volatility.

The moral of the story, be careful not to fall into simplistic understandings of critical relationship concepts.



“I HATE SPUNK!”

Those famous words were spoken by the character Lou Grant in the premiere episode of the Mary Tyler Moore show back in 1970. While trying to make a great first impression during a job interview, Mary stands her ground against the personal questions being asked by Mr. Grant. Tiring of the poor communication between the two, Lou boldly walks around the desk and utters those famous words, “You know what? You got spunk!” Mary responds in a proud, yet modest gesture but quickly melts when Lou changes demeanor and yells, “I hate spunk!”

This is a great reminder that sometimes what we as employees perceive as a great attribute may not be so great in the minds of our boss or customers. I clearly remember during my years in healthcare often being corrected/trained while on the job. Wanting to make sure that my boss didn't think I made the judgment calls in error, I would constantly defend myself. Explaining why I made certain choices seemed like a confident, smart response on my part. One day in a slightly heated exchange my employer firmly said, “Laurie, just stop! Stop defending yourself all the time. What I want you to say is – I hear you, I understand, I'll try to do better.” That was an ah-ha moment for me not unlike that of Mary Richards in the old show. Defensiveness was my version of spunk. I saw it as a good thing, the boss saw it as a distraction from my training and a waste of time.

Ask yourself, what is your “spunk” and how can you change it? What behavior do you frequently display that is not a match for your coworkers, employer

and most importantly your customers? After conducting numerous surveys over the years in a variety of industries, I have found consistency in the top five areas where critics speak up.

The answers will not surprise you.

1. Not being an active listener
2. Insincere greetings and communication
3. Appearing to be uninterested or not wanting to help find answers
4. Unclear communication/made to feel stupid
5. Waiting

As a manager, I watched many employees grow and improve over time. Those that rose to the highest ranks of our organization were ones that always welcomed feedback regarding their strengths and weaknesses. It was always interesting to me how staff could mold and change their behaviors to match the needs of the business, as long as they were given the information with specifics. For any leaders who may be reading this article, make sure you take the time to fully communicate necessary changes on the part of your staff. They cannot read your mind and unless you share the specific “spunk” you would like changed, it is difficult for others to respond.

Biography of our guest author:

Laurie Guest, owner of **Career Café**, is a professional speaker and trainer from Dekalb, IL. For more information visit her website at www.careercafe.biz or call toll-free **866-977-7325**.

Three Steps to Managing Enterprise Wide Projects

by MICHAEL DIXON

More and more of our time lately has been consumed assisting with broad multi-department projects (think CRM, or RFP for core operations systems). And, though we have prided ourselves on helping manage departmental projects for years, it has become apparent that some ground rules for these sorts of things would help everyone, including our consultants.

Here are is a set of three easy guidelines to use when entering into an enterprise wide project:

1. Sit down with all the managers (not representatives) involved – and do it before you finalize the project schedule. Make sure everyone signs off on the schedule, so that later on, nobody can say the deadlines took them by surprise. Meeting with all of the responsible heads ensures that responsibility starts at the very top level.
2. Set up weekly status checks. This doesn't have to be anything fancy, but get it onto your calendar every week. Even if it's a two-minute conference call, reminding them of a "project status report" via e-mail, checking in once a week can help eliminate any problems before they derail the project.
3. Be ready to solve unanticipated problems. Very few projects run 100 percent smoothly. Very few departments can accurately predict their workload one month in advance. When problems come up in one area, all parties are going to come to need to be flexible. Understand that circumstances change and be ready to come up with solutions, not blame.

2009 Managers' Forum

Attention Trust and Investment Managers: Could you use a "brainstorming" session with experts and peers? Are you ever at a loss about the best way to resolve any issue? We all need inspiration, help or support somewhere along the line. Our annual **2009 Managers' Forum** is unlike any other conference you might attend. Scheduled for the end of September, here's why this is the most valuable conference you'll attend this year:

- You're meeting in an informal but structured setting with other managers from across the country who have encountered the same challenges you have, sharing ideas and asking questions of one another.
- Discuss subjects of importance to you while listening to qualified speakers – ask specific questions and get specific answers from people who have shared the same experience.
- Share revenue, staff, profit and growth numbers with top performing managers from across the country.
- Participate in the "Idea Exchange" where everyone gets 15 to 30 "new" ideas.
- Find out what your peers are doing – and why.

A registration form is enclosed. It does fill up early so get yours in today!



THE LAST WORD
with LOYD POHL

“Interesting Times!”

After much thought and discussion we have determined the best word to describe the current environment. Now this is technical consultant’s terminology so we hope you understand:

It is “*WEIRD*” out there!

Weird things are happening! Very successful organizations are acting like there is no future. Formerly successful organizations are in serious trouble. Rational people are making irrational decisions. Rational people are working for irrational organizations.

But in the midst of all this weirdness there are some very positive things happening. Strong organizations who envision a future are finding opportunities to acquire businesses or books of business that otherwise wouldn’t be available.

We are helping organizations acquire (or divest) Trust books, advisory books, brokerage books, Corporate trust businesses, insurance agencies and mortgage operations. Yes, in the midst of an extremely profitable refi boom, a few organizations are selling that business. Why? Capital, of course. Great opportunities!

We are finding that the processes and knowledge we have gained over the years is helping clients engaged in such projects. But a word of caution: All of our (and the industries) “rules of thumbs” are in question now. Those questionable rules include:

- Valuation multiples
- Buyer decision making processes and dynamics
- Seller decision making processes and dynamics
- Organizational responses to defecting Relationship Managers
- Regulator responses to various issues
- Staff dynamics (how they react to change and other stimuli)
- Client dynamics (how they react to change)

We and our clients are responding to these new (or questionable) rules with caution but by and large the processes we use have led to successful transactions. But remember, these are Weird times. (*Sorry again for the consultant jargon.....*)


Chief Executive Officer

Relationship Sales Workshop
November 10 - 13, 2009

Time is running out to register participants for our open-registration Relationship Sales Workshop in Lisle, Illinois for November 2009.

The next session of this workshop will not be until May, 2010 so, if you have people that need to get through it, get those registrations in now! A registration form is included or go to www.pohlconsulting.com!

RELATIONSHIP SALES WORKSHOP REGISTRATION FORM

Please send the completed registration form and a check for \$1095* (lunches included in base price) for each workshop participant to:

Robert H. Franke & Associates
1555 Naperville Wheaton Road, Suite 116
Naperville, IL 60563

*Early discount registration price of \$995 if registration and check are received by October 5.

Please enroll me for the following area in the November 10-13, 2009 Sales Workshop:

(Your case assignment and planning materials will be based on the area you select)

_____	Private Banking	_____	Institutional Investment
_____	Retail Banking	_____	Employee Benefits
_____	Commercial Banking	_____	Personal Trust
_____	Investment Rep / Advisor	_____	Insurance Agent

_____	Registrant	_____	Nickname		
_____	Title	_____	Department		
_____	Company				
_____	Street Address**				
_____	City	_____	State	_____	ZIP
_____	Telephone ()	_____	Fax ()		
_____	E-Mail Address				

** NO P.O. Boxes **PLEASE!** UPS cannot deliver material to post office boxes.

Hotel Reservations:

You can make your hotel reservations in three ways. Please check your preference:

- | | |
|--------------------------|--|
| <input type="checkbox"/> | Online at www.hilton.com . In their online registration section, select "Illinois" as the state and click on "reservation" for Hilton Lisle/Naperville. Select "Rate of the Day" and be sure to enter the special three-character Group Code RBH to make you sure you get our discounted room rate before it expires. |
| <input type="checkbox"/> | You can also make your reservation by phone at either 1-800-HILTONS or directly to the hotel at 1-800-552-2599 . Again, be sure to use the special Group Code RBH to get our discounted rate. |
| <input type="checkbox"/> | Or, if you prefer, you can provide us with all of your credit card, arrival and departure information to make your reservation through us. |

Only fill out the section below if you want us to make reservations for you!

Please take care of my hotel accommodations: Yes

Arrival date: _____

Departure date: _____

Type of Room:	Single	Double	Non-smoking	Smoking
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Credit card #	_____	Exp	_____
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_____ Visa / MC / AmEx

You can also download two maps of the area – one showing what dining and entertainment options are available locally and the other showing your transportation options from both major airports – at our website www.pohlconsulting.com.

The workshop begins promptly at 8:00 AM; we suggest you arrive the evening before.

Cancellation Policy: Cancellations accepted up to **30 days** prior to Workshop with a **\$50 Service Charge**. Substitutions only accepted thereafter.

Pohl Consulting and Training, Inc.

Robert H. Franke & Associates

www.pohlconsulting.com

1555 Naperville Wheaton Road, Suite 116, Naperville, IL 60563 800/677-7432 630/305-8450 Fax: 630/305-6123

MANAGERS' FORUM

September 27-29, 2009
Hilton Lisle/Naperville
3033 Corporate West Drive
Lisle, IL 60532

Please send the completed registration form and a check for \$395* (all meals included) for each workshop participant to:

Robert H. Franke & Associates
1555 Naperville Wheaton Road, Suite 116
Naperville, IL 60563

*The cost for non-sponsoring vendors wishing to attend is \$1095 per person.

Please enroll me for the Managers' Forum September 27-29:

Registrant _____ Nickname _____

Title _____ Department _____

Company _____

Street Address** _____

City _____ State _____ Zip _____

Telephone () _____ Fax () _____

E-mail _____

** NO P.O. Boxes **PLEASE!** UPS cannot deliver material to post office boxes.

Hotel Reservations:

You can make your hotel reservations in three ways. Please check your preference:

- _____ Online at www.hilton.com. In their online registration section, select "Illinois" as the state and click on "reservation" for Hilton Lisle/Naperville. Select "Rate of the Day" and enter the special three-character Group Code **RMA** to make sure you get our discounted rate.
- _____ You can also make your reservation by phone at either **1-800-HILTONS** or directly to the hotel at **1-800-552-2599**. Again, be sure to use the special Group Code **RMA** to get our discounted rate.
- _____ Or, if you prefer, you can provide us with all of your credit card, arrival and departure information to make your reservation through us.

Only fill out the section below if you want us to make reservations for you!

Please take care of my hotel accommodations: Yes

Arrival date _____ Departure date _____

Type of Room: Single Double Non-smoking Smoking

Please list Credit Card # for room guarantee _____ Exp _____
Visa/MC/AmEx

You can also download two maps of the area – one showing what dining and entertainment options are available locally and the other showing your transportation options from both major airports – at our website www.pohlconsulting.com.

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