

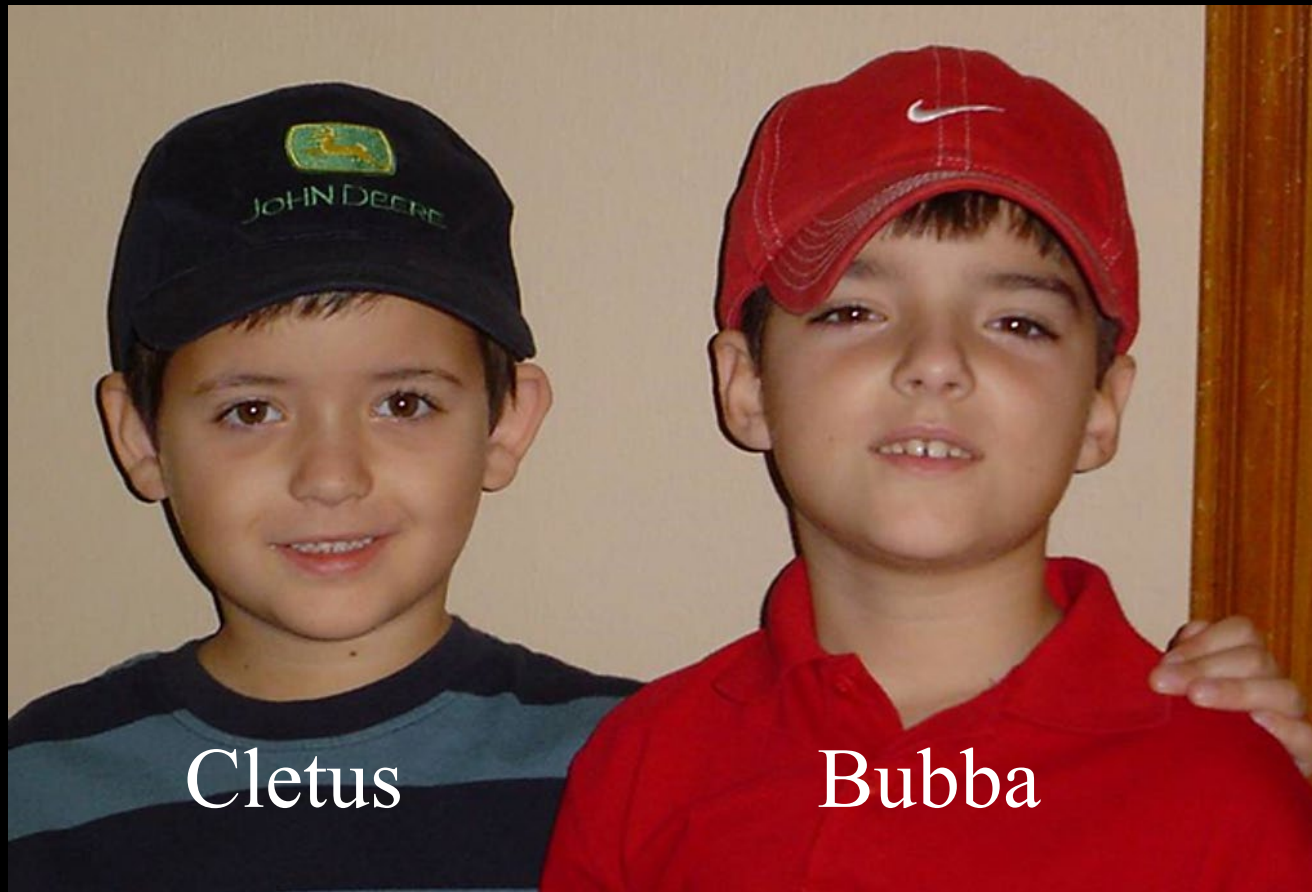
# Remaining Relevant in a Digital Banking World



The thoughts and opinions expressed by Dave Martin today are his and do not necessarily represent the thoughts and opinions of Virginia Bankers Association, the Belmond Charleston Place, CDC, NIH, FDA, FBI, CIA or Kiwanis Club of Charleston.

**Equal Housing Lender, Member FDIC**

Okay...  
Here's the  
obligatory pictures  
of my dudes.



Cletus

Bubba



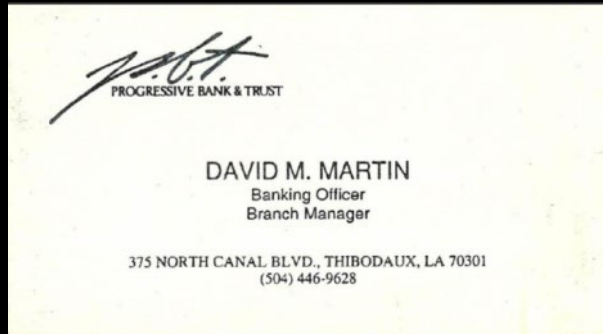
Jessy

Abe

Person who doesn't want to be in my slides.

1994

(Another accidental  
banker)





**Advantage**  
by Dave Martin

# Financial Supermarkets, Inc.

Volume 1, Number 1

June 1, 1995

**Imagination is more important than knowledge.**  
*Albert Einstein*

The above quotation sits just to the left of my computer. When a new challenge appears, I put my faith in the fact that old Albert was usually right, except on his choice of barbers.

Financial Supermarkets, Inc. has asked me to join their team as the Director of Marketing and Training. I feel honored and humbled. Change can be exciting and downright scary at the same time. It all feels very familiar, however. The week leading up to my supermarket branch opening was one of the most exciting and frightening experiences I can remember. I'm sure most of you can relate to the thoughts that crossed my mind: Am I ready for this? Is the community ready for this? Do I know enough to manage a supermarket branch? Will our marketing ideas really fly? Can I possibly avoid using the public restroom? (You know you've thought that also.)

Supermarket banking's role in transforming the banking industry continues to evolve and expand. However, the story was a little different in 1983. When you get the opportunity, ask Mr. J. Alton Wingate to share some of the comments he received from colleagues and friends back in 1983 when he decided a supermarket was where his bank *needed* to be. There is a saying that "the pioneers take the arrows," and Mr. Wingate can tell you that a heck of a lot of "arrows" were fired at him and his idea. Fast forward twelve years and you find Financial Supermarkets, Inc. member banks stretched out all across the United States. Those of you who are new to a market with this concept can relate to the doubts cast your way. Stay focused. You *are* in the right place. You *will* succeed.

Dave Martin is Director of Marketing and Training for Financial Supermarkets, Inc.

I am excited to have the opportunity of working with other supermarket bankers every day. Every day, we are learning better ways of selling to, servicing, and retaining customers. Every day, we become more of a force in the banking industry. Every day, your competitors get a little more nervous. With all due respect to our buddies in traditional branches...this is where the future of banking is taking shape!

You are a member of the FSI family network. Together, we have a unique opportunity. Better ideas are being born every day. It's part of my job to share them with our network. We have many great banks and talented people in our FSI family. We intend to call upon the wisdom of 12 years of supermarket banking, the best and latest industry advancements, and the brilliance that lies in the imaginations of each of you.

I look forward to visiting with you bi-monthly through *The Supermarket Bank Advantage* letter. We're going to have a lot of fun together! Until next time, remember that YOU are *The Supermarket Bank Advantage* of your bank!

**Supermarket Bank Tip:** Keep eye catching signs and displays on and around your branch. A Supermarket Bank Branch can act as a billboard for the entire bank. Every day, step out into the store and look at your branch from the perspective of a customer.

**When nothing seems to help, I go and look at a stonecutter hammering away at his rock perhaps a hundred times without as much as a crack showing in it. Yet at the hundred and first blow it will split in two, and I know it was not that blow that did it—but all that had gone before.**

*Jacob Riis*

(Keep hammering guys!)

bankmechanics  
Member of the FSI Family

THE **advantage** letter  
BY DAVE MARTIN

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VIEW ARCHIVE

"A good half of the art of living is resilience." *Alain de Botton*

### Knocked Down, Not Out



There are times in which it is a bit harder than others to focus on writing columns. This week has been one of those times.

The destruction brought by Hurricane Ida to South Louisiana has been rattling. Yes, people from my old hometown(s) are accustomed to storms.

It comes with the territory and most folks with an authentic Cajun accent have at least a few hurricane stories to share. They're (mostly) all true.

Many have a way of telling harrowing stories, yet with a sense of humor.

Most of my family and lifelong friends are located in areas not often mentioned on national news. They bore the very worst of Hurricane Ida's 140 mph winds for hours.

One of my best friends rode the storm out on a large supply boat moored in Bayou Lafourche. Through sassy telephone service, he texted me updates over a ten-hour period throughout the storm.

After a day of updates of truly frightening scenes, he texted late in the evening, "BTW we saw a cow today swim across Bayou Lafourche. A cow."

I heard his dry humor in that line and smiled. He didn't want to forget the cow story. His humor was intact.

Hurricanes of any size can be life altering events. Major hurricanes always are.

Ida was that for hundreds of thousands of the most decent, salt-of-the-earth people you'd ever want to meet.

If your life depended on the next person you run into being a nice, generous person, you'd like your odds if you were standing in south Louisiana.

And if you were standing there now, you wouldn't find folks waiting for someone else to do the things that have to be done.

Cajuns aren't big on complaining about many things outside of NFL refs.

With the 2020-2021 pandemic, I've spent the better part of 18 months being asked to speak and write about resilience.

The people of Lafourche and Terrebonne parishes are in the process of teaching a master class that puts whatever I preach to shame.

You get knocked down. Get up as best you can.

Once you do, help others around you. Try not to complain. It saps your spirit.

Humor and goodwill have energy in them that complaints do not.

Take a minute, even in the middle of hardships and uncertainty, to be grateful for the ability to overcome them and emerge stronger and more

### Culture Before Money



There have been a handful of topics that have dominated what bank leaders have wanted to talk about in recent times.

Thankfully, the requests for "keeping people engaged on a Zoom call" have finally slowed.

I'm not sure if we've figured it out...or just given up. (That's mostly a joke.)

Recruiting and retaining quality new hires has risen near the top of leaders' topics of interest.

I've made the point to several groups of late that when I see a local chicken wings restaurant offering busboys \$15 an hour and a \$500 signing bonus after 3 months, I know we're in strange territory.

Don't get me wrong. Busboys are vital.

In our market, however, these positions have never offered that hourly rate.

There is an almost unprecedented premium being paid now for people who are willing and able to reliably show up and competently perform any number of entry level jobs.

The busboy position is one that I have paid a bit more attention to than usual this summer. With a couple months between semesters, my older son decided he wanted to find a short summer gig.

When a restaurant in town quickly contacted him, I figured he would start that day.

He ended up meeting with the manager the next day and the assistant manager the day after that.

Yes, two half-hour interviews for a busboy role. I was intrigued.

When I asked my son what they talked about, he said, "Well, mostly our families...and soccer."

What then struck me was when he told me of how long some of the team had been there. Many had been there for five years or more. That's amazing retention for a restaurant.

Hearing that, I suspected it wasn't because of money, which was less than the wings place.

Over the course of two months and some crazy 12-hour workdays, my son never once complained about the job.

Whenever I'd ask how it was going, he would say, "Everyone is really nice. I like this place."

Once, we ate there during one of his shifts. People came out of the woodwork to introduce themselves and tell us how happy they were that he was on their team.

When he had to return to school, the manager told him, "You'll always be welcome here." Not surprisingly, he hopes to "help them out" on breaks from school.

It's become his "work family."



## Dave Martin

Consultant and Founder



Dave Martin is a consultant specializing in retail banking strategies, including in-store branches. He is the founder of the retail bank performance company bankmechanics.



### EMPLOYEE PRODUCTIVITY

#### Pandemic is bringing out the best in bankers

Helping their customers adjust to digital banking and pay crushing bills are just a couple of ways community bankers are reaching out.

By Dave Martin  
July 2



### DIGITAL BANKING

#### Don't underestimate the power of branches post-pandemic

Digital banking has ramped up during the coronavirus lockdown but customers will seek somewhere to go as offices reopen. A branch could provide that safe haven.

By Dave Martin  
June 4



### CRISIS MANAGEMENT

#### Crisis mode provides another lesson for banks, not a life sentence

Coronavirus has taken bankers out of their comfort zone. But they should view adaptations they've made in confronting the pandemic as a chance to hone their emergency response skills. Not a permanent new normal.

By Dave Martin  
May 7

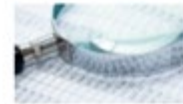


### COMMUNITY BANKING

#### Banks can stand among the economy's first responders

Lenders can offer deferred payments and capital on digital banking to help small businesses and consumers get back on their feet.

By Dave Martin  
April 2



### CRISIS MANAGEMENT

#### Bankers need to come at this crisis from a different perspective

The coronavirus is changing how consumers interact in branches and banking online. Bank leaders should be prepared.

By Dave Martin  
March 22



### COMMUNITY BANKING

#### Don't fear big-bank competition. Lean into it.

The best community banks leverage human-facing services with new technology to beat the big-banks in their markets.

By Dave Martin  
March 2



### EMPLOYEE PRODUCTIVITY

#### Gridiron lessons for bank managers

Want a winning team at your bank? Take some tips from LSU's head coach Ed Odoms on empowering leaders.

By Dave Martin  
February 7

# bankmechanics

Providing tools to engage, inform, and motivate bankers.

[Pop The Hood](#)[Dave Martin](#)

## Good people win.™

Branches and the employees they house are not simply the sellers of bank products. Branches and employees are themselves some of a bank's most important products in an increasingly technology driven industry. Bankmechanics is dedicated to the philosophy that bank and credit union employees - the moving parts of their organizations - are the last true differentiators in the banking industry. "Good people win." is not simply bankmechanics' slogan. It's a statement of fact and a core strategy for success in the evolving banking industry. Bankmechanics assists organizations in building productive "Market Hard - Sell Soft" cultures within and around their branches. Bankmechanics does this through dynamic speaking engagements, onsite consulting services, sales development seminars, training podcasts, and innovative marketing tools to keep a bank's branches relevant to customers and driven by engaged, informed, and motivated employees.

[Our Beliefs](#)



First, can we  
acknowledge something?

There are lots of folks  
out there who hate  
only two things:

1) Change

2) The way things are

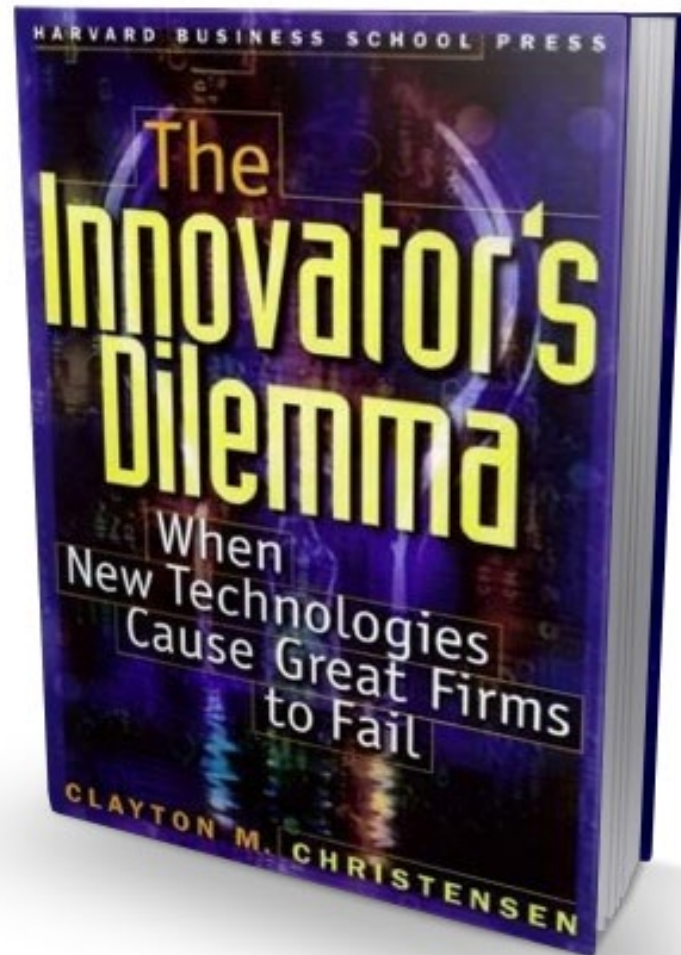




Okay, no one truly knows the future... but let's ponder a few things.

Evolution does not mean elimination.

Failing to evolve almost guarantees elimination.



Clinging too long to the business models that brought you past success will almost assuredly lead to your demise.

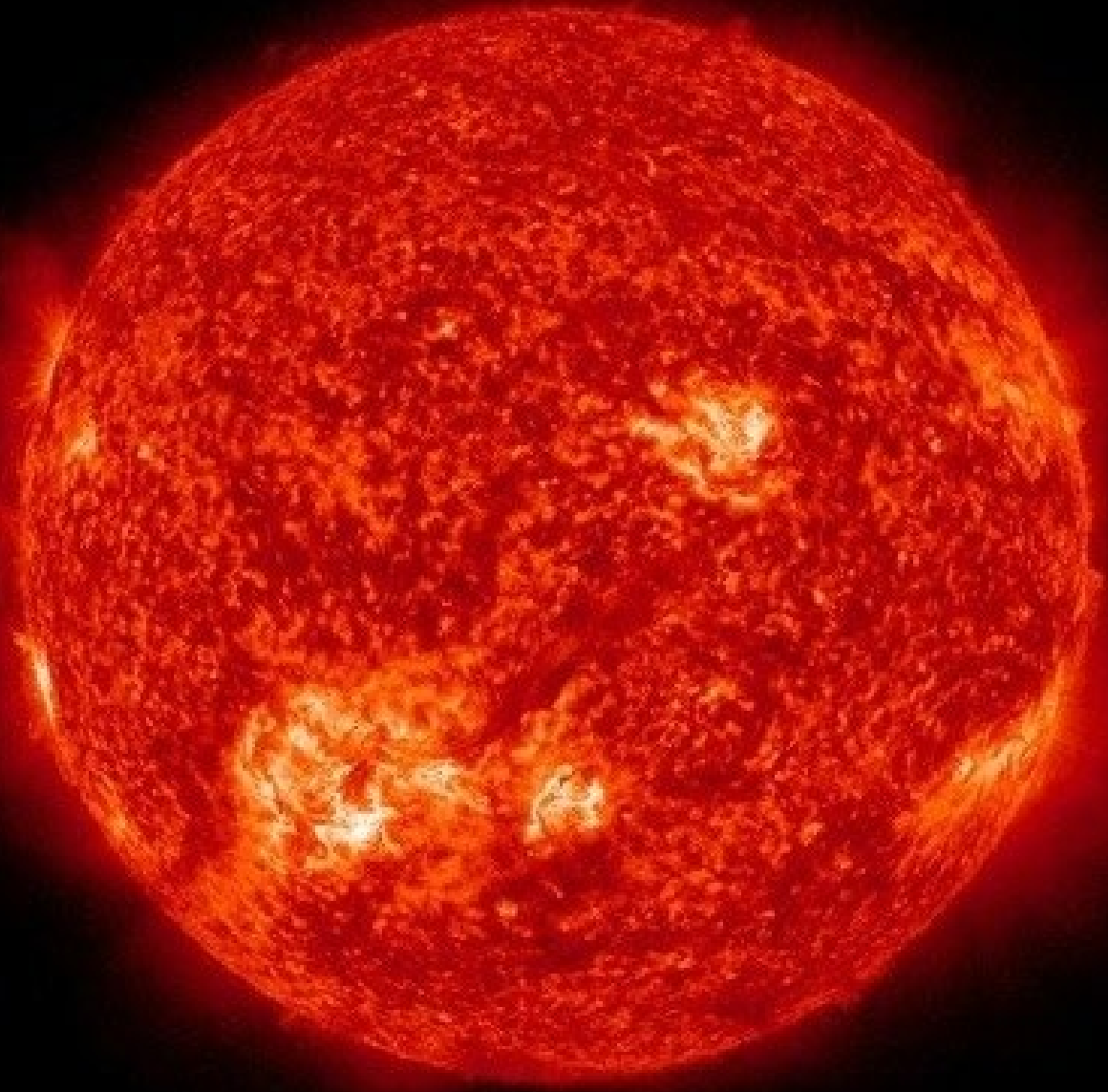
I personally do not believe that very many banks AT ALL have made structural changes during the pandemic that they weren't either planning or were already doing, anyway.



Some of these “experts”  
have been telling us that  
branches are going away  
for...oh... 20+ years now.

# Newsflash:

The future is...uh... a long  
time.







**Number of bank branches in the U.S. in 2001:**

**88,000**

**Number of bank branches in the U.S. in 2021:**

**102,000**

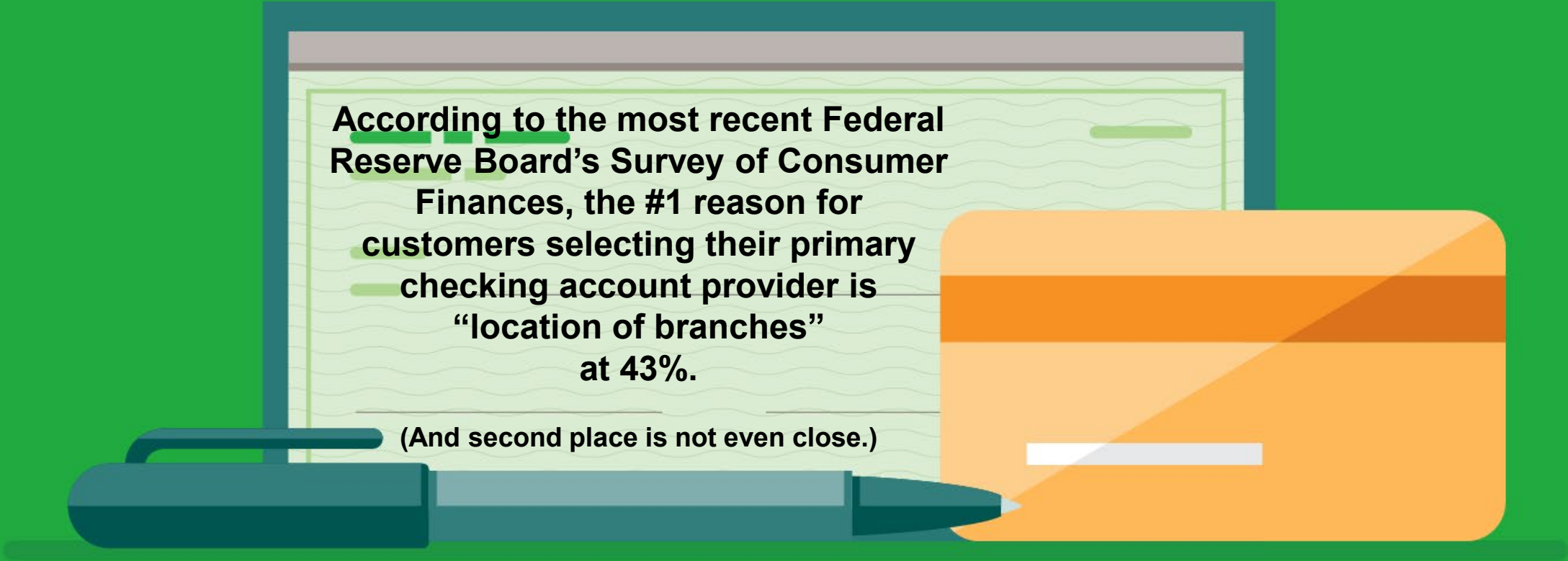
Source:

**Peak number of branches was in 2010 at 113,000**

In **2001** the US hosted 1 branch  
for every **1,200** households.

In **2021** the US hosts 1 branch  
for every **1,230** households.

Source:

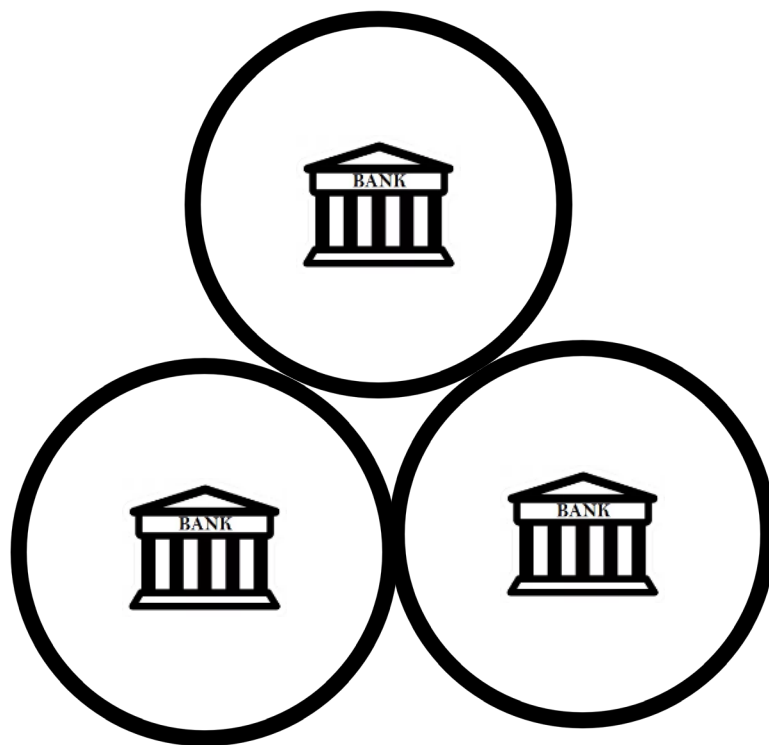


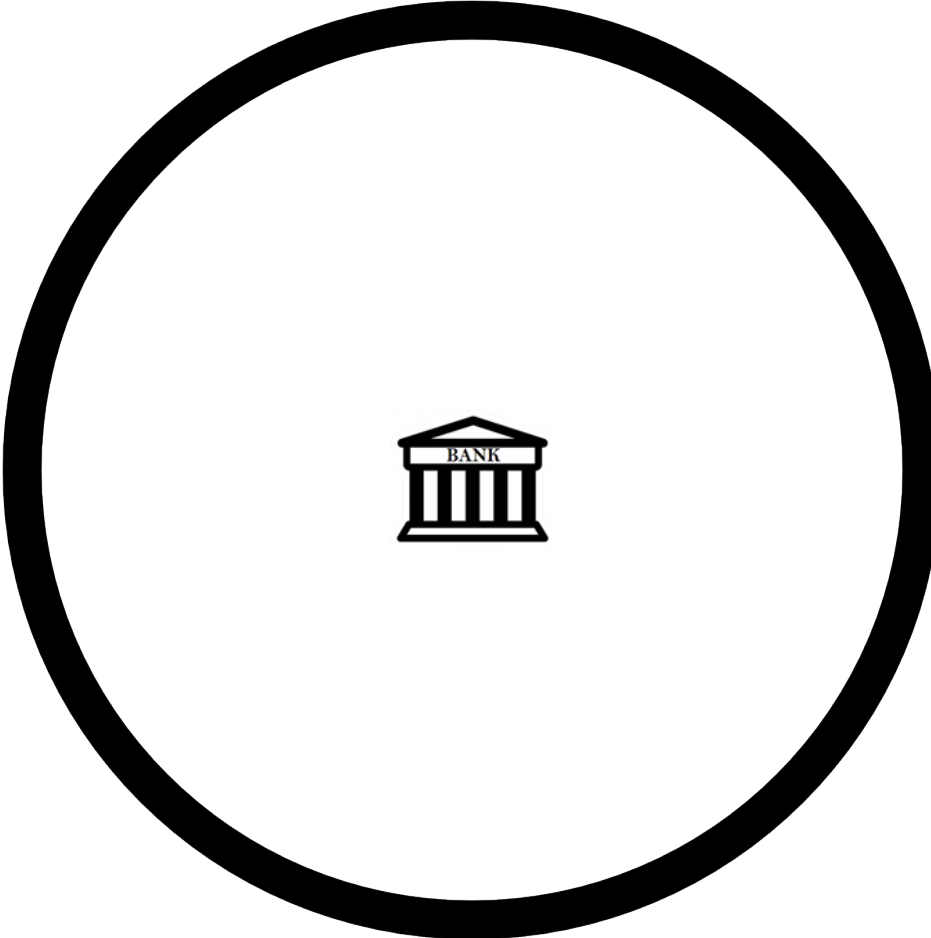
**According to the most recent Federal Reserve Board's Survey of Consumer Finances, the #1 reason for customers selecting their primary checking account provider is "location of branches" at 43%.**

**(And second place is not even close.)**

**What do we consider  
convenient... enough?**









# Okay, these PhD's call it "gravity fields"

## Podcast A glimpse at the role of the bank branch after the pandemic

By Perry Crossman July 01, 2020 09:14 AM



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Wei Ke, partner at Simon-Kucher & Partners, shares research and analysis from a recent consumer survey on branch versus digital banking behaviors after the coronavirus lockdowns are over.

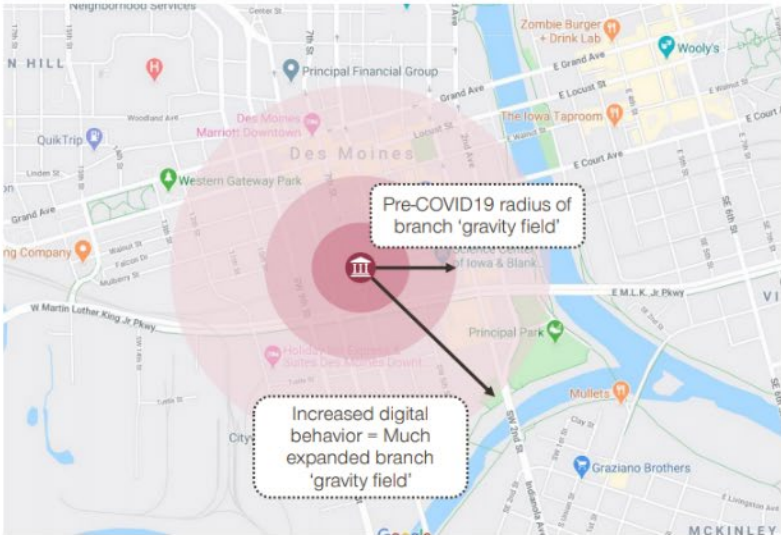


## Customers are willing to travel longer distances to the nearest branch of their primary bank if it offers best-in-class digital capabilities in return

**SIMON • KUCHER & PARTNERS**  
Strategy & Marketing Consultants

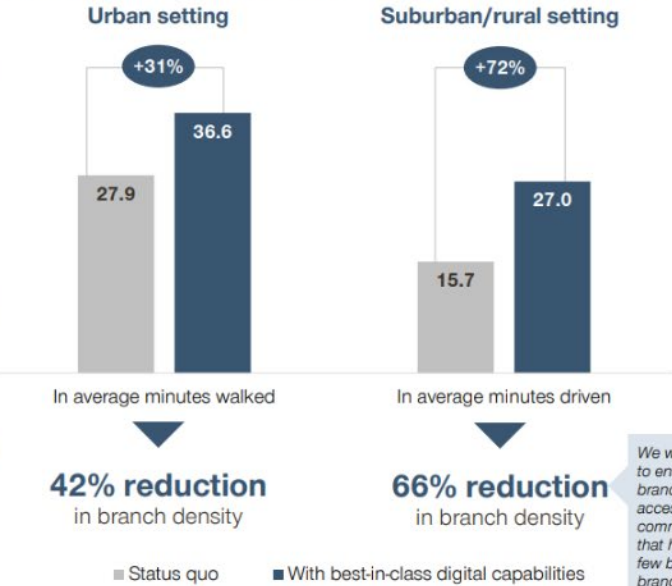
Willingness to travel longer distances translates to significant thinning of branch density in theory

**Branch 'gravity field':**  
How much business within X radius of a branch can be captured



Source: Simon-Kucher & Partners Resilient Distribution Strategy Study, n = 1,071

## Increase in travel time tolerance to home / work locations as a result of best-in-class digital capabilities

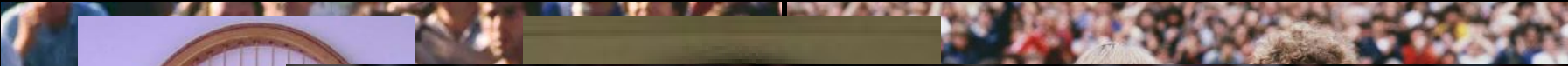


*We will need to ensure branch access to communities that have very few bank branches to begin with*



A close-up photograph of a hand holding a smartphone. The phone's screen is illuminated with various financial data visualizations, including a candlestick chart at the top, a line graph with multiple colored lines (red, green, blue) in the middle, and a bar chart at the bottom. The background is a blurred crowd of people, suggesting a busy public event or market. The overall lighting is dim, with blue and purple hues from the phone and background lights.

**These things aren't going  
anywhere; and are  
becoming more central to  
our lives than ever.**



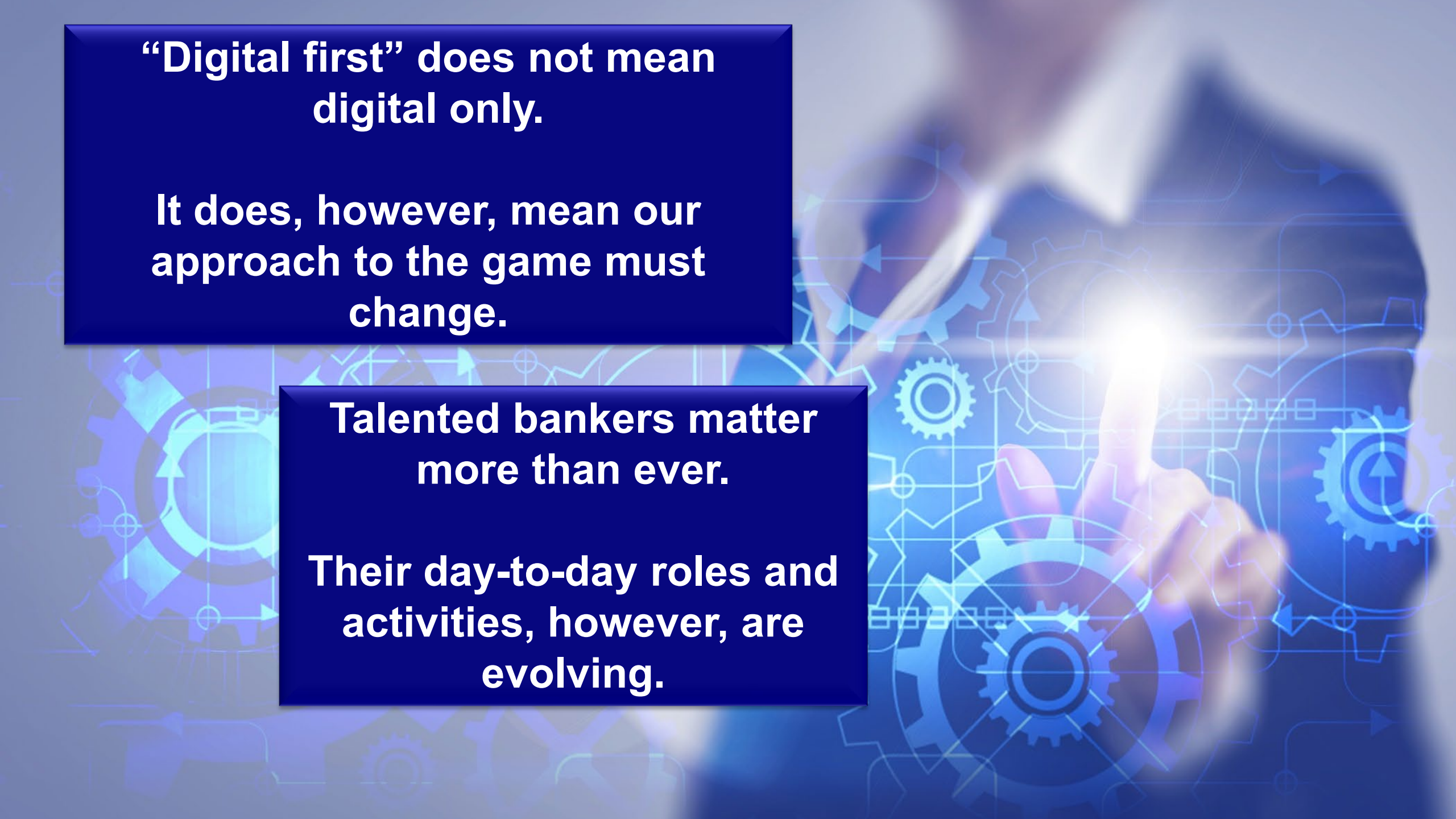




*Self-service was once perceived as something banks did **TO** customers.*

*Now, it is something banks do **FOR** customers.*





**“Digital first” does not mean digital only.**

**It does, however, mean our approach to the game must change.**

**Talented bankers matter more than ever.**

**Their day-to-day roles and activities, however, are evolving.**

People do not visit  
branches.

People visit bankers.

*Our customer contact personnel are evolving into the vital human interfaces of increasingly on-line operations.*

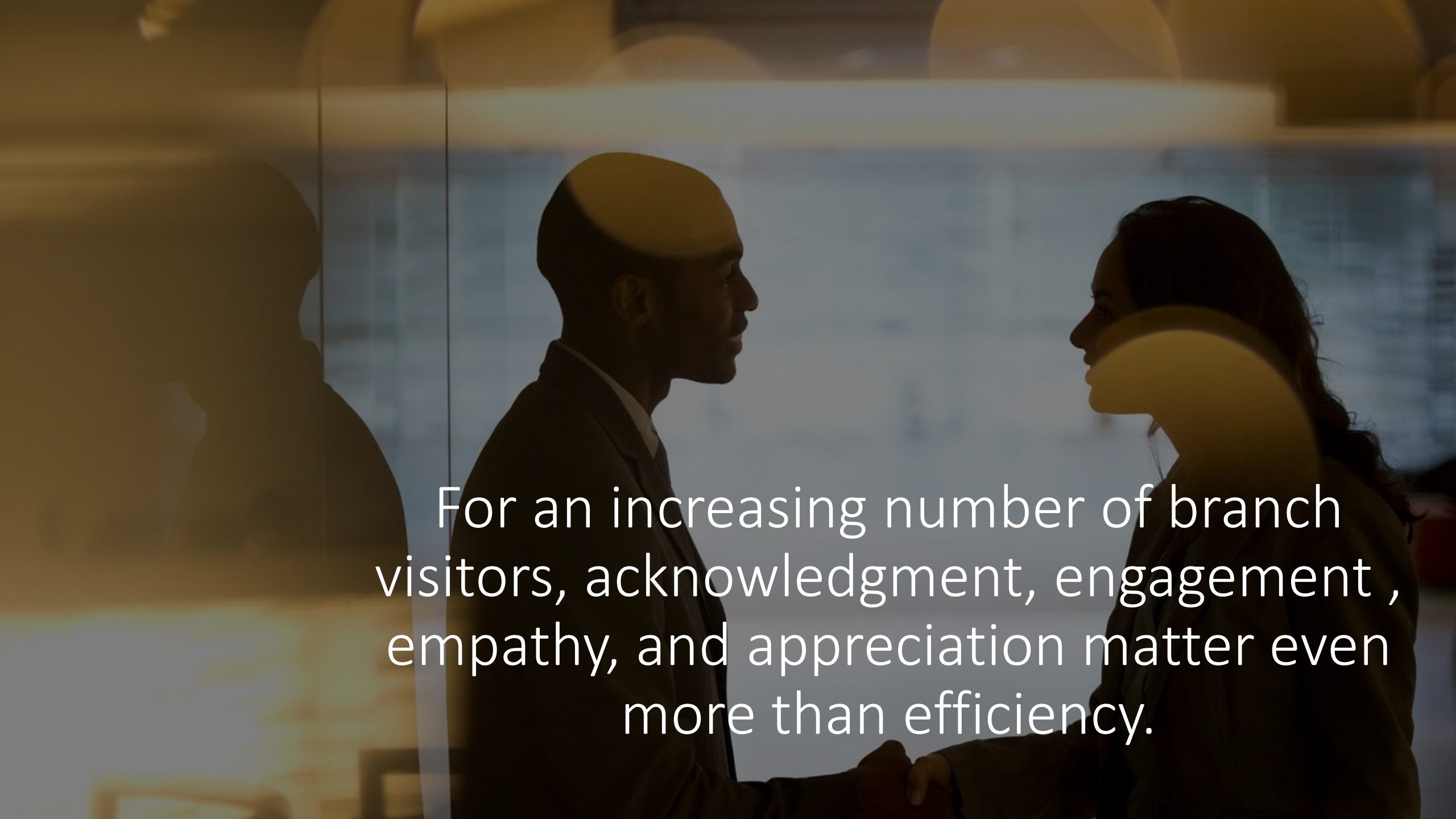




A photograph of a modern bank lobby. The space is bright and open, featuring large windows on the right side that offer a view of the outdoors. In the center, there is a dark, circular kiosk. To the left, there are several service counters with glass partitions. The walls are light-colored, and there are two mounted animal heads: a dark one on the left and a white one with horns in the center. The floor is made of light-colored tiles. An orange text box is overlaid on the top right of the image.

**As the number of annual branch visits have gone down, the impact and value of each individual visit has gone up.**

**Any customer giving you the opportunity to serve them in person is giving you the opportunity to truly solidify a relationship.**

A silhouette of a man and a woman shaking hands in a brightly lit office. The man is on the left, wearing a suit and tie, and the woman is on the right, wearing a dark jacket. They are both facing each other and shaking hands. The background is a bright, out-of-focus office space with a large window or glass wall. The lighting is warm and golden, creating a professional and positive atmosphere. The text is overlaid on the image in a white, sans-serif font.

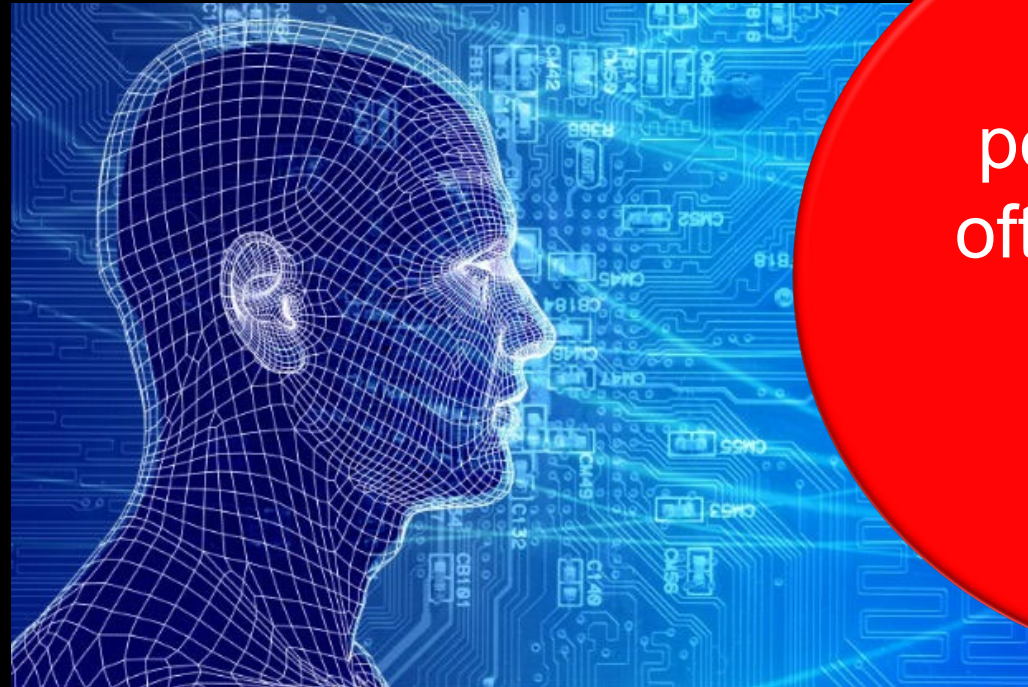
For an increasing number of branch visitors, acknowledgment, engagement, empathy, and appreciation matter even more than efficiency.



Are your lines worth waiting in?

“You have to help people learn. In our world, we know that change itself hits the same part of your brain as the pain center.”

Tim Parsey



Your top performers are often the people who resist change the most.

The following  
statement shouldn't  
be controversial.

**“Sales” is oxygen.**

Every organization you  
respect has a **growth**  
culture.

A woman in a beige blazer and a man in a dark suit are shaking hands. The woman is on the left, wearing a silver watch and a ring. The man is on the right, wearing a red and white striped tie. The background is a plain, light color.

# **The 10 Word Philosophy For A Successful Sales and Service Culture**

**Market Hard,  
Sell Soft**

**Make A Friend,  
Earn A Customer**



# What do people like talking about?



Themselves

Kids/Grandkids

Pets

Hobbies/Sports Teams

Jobs



# Fact:

Most folks have never in their lives  
been personally asked for their  
business by a banker.

Most have a bank.

Most do not know a banker.

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### Ask the Experts INDUSTRY ISSUES EXPLAINED

Q: What can be consumer quest overall about cr

## Successful Salespeople Get Rejected More than Others

by DAVE MARTIN  
APR 2, 2013 10:00am ET



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- (3) Comments
- Tweet 32
- Share 490
- Like 190
- +1

I found myself in an impromptu coaching session with my 12- and 14-year-old sons last week that had me reflecting on chats I regularly have with (slightly older) branch bankers. In this case, we were standing outside of a grocery store to sell fundraising coupon books for their Boy Scout troop.

I smiled while thinking of how certain challenges stay with us from childhood and throughout our careers.

As I helped them set up a small card table, my younger son wanted to move it as far back as possible, against a display of ferns. I suggested, "We're not here to build a duck blind. The goal is for people to actually see us." Once we had our posters taped up and a big American flag propped behind us, we were ready for action.

Or so I thought. As I prepared to step away, my older son said, "Uh... I don't think I want to do this." The younger quickly agreed with him. Truth be told, it was nice to see them in total agreement on anything. But this wasn't the kind of brotherly accord I was looking for at that time.

When I asked why, my younger Willy Loman explained, "If we try to sell them things, we might bother people."

I kidded, "You guys bother each other all of the time. You're good at it." Both then admitted that what they were really nervous about was getting face-to-face rejections.

#### RELATED

- Use Your Branches' Empty Spaces to Promote Small Businesses
- Do Your Branches Drain or Recharge Relationships?
- Are Your Bank's Branches Billboards or Backdrops?
- The Time Has Come to Embrace Change at Your Bank
- To Succeed, Bank Managers Must Play a Team Game
- Is It Safe to Kill Fannie and Freddie?
- Niche Lending Gains Allure
- Are Banks Being Scapegoated Over Student Loans?



The best sales folks realize rejection isn't necessarily a sign that they're bad at their jobs, but instead a sign that they are actually out there doing their jobs.



If you haven't dealt with failure or felt rejection in some time... you might not really be in the game.



Question:

Who in your market(s) puts more business cards into circulation each month?



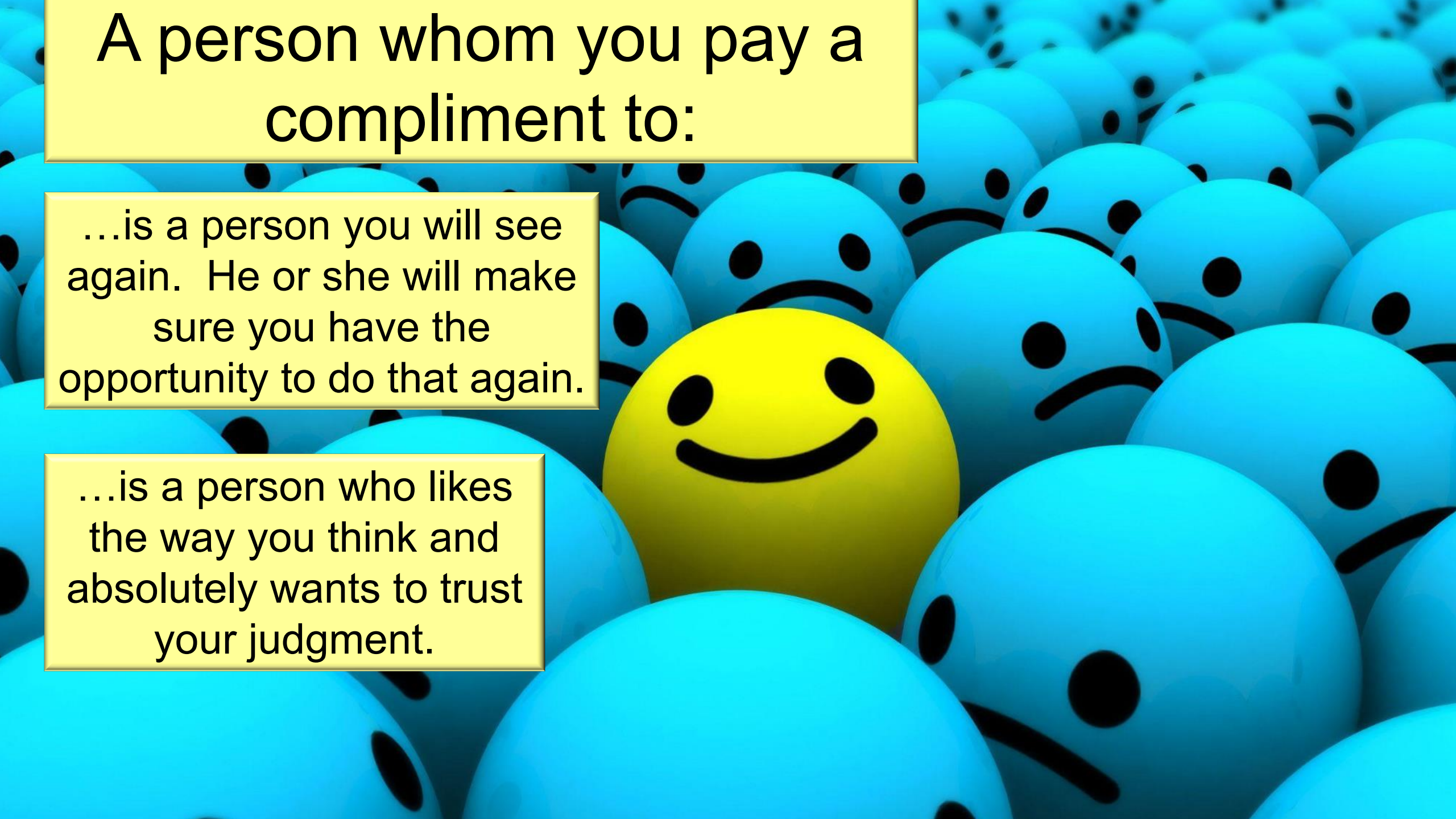


**Question:**

**What do your parking lots, landscaping, and drive-up facilities look like right now?**

# Paying Compliments





A person whom you pay a  
compliment to:

...is a person you will see  
again. He or she will make  
sure you have the  
opportunity to do that again.

...is a person who likes  
the way you think and  
absolutely wants to trust  
your judgment.

Don't allow yourself  
or your team to stall

Dealing with  
turbulence





**Attention Leaders:  
Never  
underestimate the  
importance of  
*thespian* skills.**

**Also: Always  
remember that lack  
of communication  
communicates  
plenty.**

Our direct supervisors provide  
the prism through which we  
tend to see our company and  
our future with it.





Everything is hard...



until it's easy.

A long, straight road stretches towards a bright sunset over a flat landscape. The sun is low on the horizon, creating a golden glow across the sky and the road. The road is flanked by grassy fields. The sky is filled with soft, orange and yellow clouds.

**Congratulations.  
You're in the game.**

**There are millions  
on the sidelines who  
would trade places  
with you today.**



UNION JUSTICE AND CONFIDENCE



**Most of the biggest  
“problems” you have  
today are associated  
with things you once  
only daydreamed  
about having.**



Good people win.™



[Dave.Martin@bankmechanics.com](mailto:Dave.Martin@bankmechanics.com)