



Needs to Leads—or How to Succeed in Banking by Putting Some Teeth into Your Sales Training

It's an old marketing axiom that if you want to know what a customer is thinking, you should ask. But how do you ask in a way that engages the customer, provides deep insight into the customer's life stage both present and future? How do you get your customer to share thoughts about his/her money in motion—while generating actionable leads for every branch in your system? And how do you get your branch colleagues to work those leads to capture sales-ready opportunities as well as to lay the groundwork for relationship building and long-term future potential?

A recent Financial Brand [article](#) talks about the need for banks to become more customer-centric with cross-selling efforts and offers suggestions for using reputable modeling techniques to make inferences about a customer's likely needs based on demographics and psychographics. That approach works, and in our experience, always lifts response.

There is another, more precise and actionable technique that is quite refreshing in its simplicity. Needs to Leads blends research, the customer experience and sales conversations. It strikes a careful balance between an extensive customer profiling effort and lead generation. *"We are very clear in customer communications that the information we receive is used to help the Bank become more of a trusted advisor,"* explains Mary Bonaccio, Director of Client Services at [The Verdi Group](#), the agency that developed the program. She continued, *"Whether we present the profiling request in email, electronically, or in a printed piece, we open with something like, 'We appreciate your helping us learn more about you. The more we know about your goals, the better we can help you achieve them.'"*

Three quarters of your customers have recently or will experience a life event that may create a need for your products or services.

Engaging customers in a conversation about the events in their lives can open the door to significant sales opportunities. Home improvement, retirement, buying/selling a home and changing jobs are the leading events on the minds of customers. Our findings have shown that at any given time, the majority of customers have recently experienced, or are planning a significant life event. The following infographic shows the percent of customers expressing a given life event, along with the obvious solution that can help initiate a sales conversation.

LIFE EVENTS HIGHLIGHT SELLING OPPORTUNITIES

% Experiencing

19%



HOME IMPROVEMENT



Home Equity Line/Loan

15%



RETIRING



Investments

13%



CHANGING JOBS



401(k) Rollover

12%



BUYING/SELLING HOME



Mortgage

7%



CARING FOR PARENTS



Trust and Estate Planning

Source: Composite Proprietary Data.

What would you do if you knew you are that customer's trusted advisor?

If a customer considers you a trusted advisor, how would you treat that person? Would you make sure to contact that customer more frequently to see what more you could do for him/her? Would you invite the customer to the branch for a quarterly one-on-one meeting to make sure he/she is on the path to meeting his/her financial goals? Would you ask about his/her family members by name?

In a recent Needs to Leads program, nearly three quarters of respondents Strongly Agree or Agree there is someone at the Bank they can count on to be their Trusted Advisor.

A green rounded rectangle containing the text '74%' in large green font and 'Strongly Agree/Agree:' in smaller black font. To the right of the percentage, there is a quote in black font: 'There is someone at the Bank I can count on as my Trusted Advisor.'

74%

Strongly Agree/Agree:

There is someone at the Bank I can count on as my Trusted Advisor.

Source: Proprietary Data.

Selling is a transfer of trust.

Jack Hubbard, Chief Experience Officer of St. Meyer & Hubbard and author of the article, [*Trust-Based Selling...the New 5Cs*](#), suggests that, *"conversations that build trust are based on the banker asking questions knowing the customer has the answers."*

Having customers tell you what they need sets the table for the assigned branch representative to create a customer focused follow-up strategy. Any salesperson, no matter what he/she is selling, always finds it easier to continue a dialogue with a customer, than start one from scratch. Collecting stated needs and life events from customers gives the branch team a huge tailwind for tailoring a conversation that makes customers feel that the bank understands them and is acting in their best interest.

One bank that has had success with the Needs to Leads program is First County Bank, a \$1.4 billion community bank based in Stamford, CT. Karen Kelly is the Chief Marketing Officer at First County Bank and has used this approach annually for five years. *"We've had great success with this program, with an average of 100 customers per branch telling us exactly what they need from us. And at least 10% will go on to open a new account within a few months. That represents a significant revenue increase for the Bank from a single effort. The payback on this program has been very satisfactory."*

Training is key to success.

Many banks today are struggling to help their platform personnel develop more of a sales culture. Needs to Leads works best when the bank has incorporated a sales conversation process that works in concert with marketing initiatives.

First County Bank brought in [St. Meyer & Hubbard](#) to coach the bank's staff to maximize the value of these leads. *"Opportunities generated by Needs to Leads provide help to bankers to apply their learning to life,"* indicates Hubbard. *"The leads are based on the lifestyle information the customer has provided, and range across the entire banking portfolio of products and services. When we know a customer has told us he/she is concerned about retirement, thinking of refinancing his home, and planning for college, we can help the bank's people construct a sales approach that puts the customer in the center of the banker's thoughts and naturally into a discussion of products that exceed the customer's needs."*

TYPICAL *NEEDS TO LEADS* RESULTS

14%

Average response rate

100

Average # leads/branch

40%

Lift in account openings
vs. non-responders

Source: Composite Proprietary Data.

Built on trust: perfect for community banks.

While Needs to Leads has the potential to work for any bank, its success depends on the relationship the bank has with its customers. Customers of a community bank are often comfortable sharing their lifestyle events with the bank—events behind the major financial decisions we all confront—marriage, divorce, home ownership, having a baby, college, inheritance, retirement, and estate planning. These are the drivers of financial needs—and when a bank understands its customers' true lifestyle needs, it is in a good position to provide financial solutions both short- and long-term.

The banks that understand their customers and have made the effort to become a trusted advisor in the financial area are best suited to capitalize on the Needs to Leads program. First County Bank is a good example of this type of community organization. *"We are a locally based institution—located in lower Fairfield County, CT, and our people and our customers live and work here,"* said Karen Kelly. *"We have made an effort to become a trusted advisor to our customers, and that has included bringing in St. Meyer & Hubbard to help us instill the appropriate performance culture based on trust. The Needs to Leads program, with its many leads has dovetailed perfectly with the training from Jack and his team."*



Mary Bonaccio is Director of Client Services for The Verdi Group, a marketing firm with expertise in the financial sector. The Needs to Leads program has been implemented and tested over the past 25 years not just for the banking industry, but for many other organizations large and small, including B2B and B2C. This program consistently produces customer response in the range of 10 to 18%, with ROI directly attributable to the program of at least \$5.00 for every dollar spent. Mary can be reached at marybonaccio@theverdigroup.com

Needs to Leads is a product of [The Verdi Group](#).