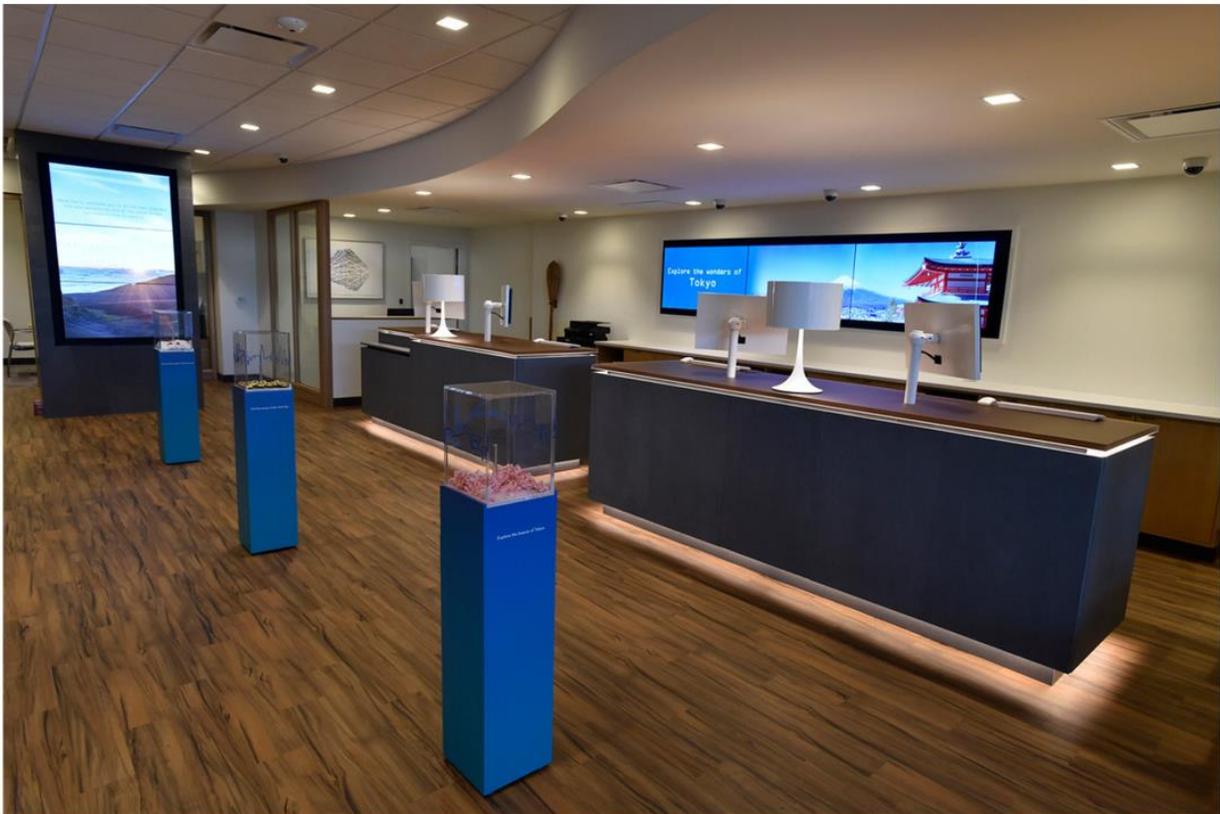


Digital, Electronic & Interactive Retail Technology for the Financial Industry

A Q&A between Solidus and Mitch Goss of Zero-In.



Mitch Goss is Founder and CEO of Solidus' strategic partner Zero-In, a leader in the world of digital signage, interactive displays, and more, for retail environments. We talked with Mitch about how this technology best applies to today's financial industry, as banks and credit unions embrace the new retail paradigm. He gave us some great insights into how to make the digital and interactive piece of the puzzle fit, by making it appropriate and effective.



We recently designed and built a branch that was strategically oriented so that stunning internal branding elements were projected out to the exterior and were noticeable to passing traffic. The branch received a lot of attention and rave reviews, and we are further developing this kind of effect for other branches. Do you have recommendations for banks/credit unions looking to make a statement that can be seen by foot and/or auto traffic from the branch exterior?

For the right branch in the right downtown area of a community there are a few options:

1. High, bright sunlight-readable displays that can be placed on the inside of the glass facing outwards, with messaging to attract potential customers into the branch. It would be short, quick-read content intended to arouse interest such as, "Looking for that great new home? Stop in today!", or, "Summer's almost here. Stop in for that boat loan!" Content that is big, bold, and right to the point. It's catchy, and it triggers for a specific event. It makes people want to stop in and investigate, or they'll decide to go online when they're home later that day to learn more. Permitting considerations may affect certain physical aspects of these displays, such as how close to the glass the screen can be, and limitations on brightness.

2. We're seeing newer technology, like video projection, that uses a rear projector to cast content onto a thin piece of film on the inside of the glass, making the glass itself into a kind of transparent digital screen. This is a "wow factor" that gives you to more flexibility on size of image, so you're not limited to standard display specs from manufacturers. When you're going to put a high bright LCD display in a window, you're usually limited to whatever the manufacturers have available, a 40", a 49", or a 55", whatever the manufacturers like Samsung, NEC and LG have off the shelf. With window projection, you have a little more flexibility on how large the image is going to be. It is somewhat transparent, and it allows imagery to be displayed on windows with no surrounding bulky frames, so passers-by can see inside the branch quite easily. It's also much more open than a normal ceiling-mounted TV on a display in the window. Another option would be a larger display such as a video wall inside the branch that is really for interior viewing, but positioned in a way so it's visible from the outside. The messaging is not directly targeted to the people outside, but is large enough to grab their attention and indicate that something exciting is happening inside.

3. Larger, outdoor LED displays, placed adjacent to an intersection, or on the front lawn, can be effective for certain communities. Signs that traditionally used to display only time and temperature are now full video displays used to promote brand, banking products, security information, weather alerts or community events, such as events happening at the local high school. For urban areas, like downtown Manhattan or Boston, you can look at larger building façade LEDs, such as tickertapes that extend around branch exteriors. With anything involving LED outside the branch, you will have to consider municipality permitting requirements and restrictions. This can include things like how often the content can change, and how bright it can be. Some jurisdictions will state that you can't have motion video, or if you have a piece of content it can only update every 10-15 seconds, so it doesn't distract drivers, or be too bright that it disturbs people.



Are there specific styles, formats, trends, and patterns in visual media you find are favored by financial institutions compared to other retail environments?

Banking focuses much more on being “hyper local” within the community served by the branch than do other industries. So in generic retail you might have technology that doesn’t focus on the branch location, but is more about branding, and the product itself. Banking tends to be more about those it serves, or non-profits that the bank works with, or local events happening over the next 30 days. Some typical topics for display would be:

- High school sports.
- Small businesses the bank works with.
- Ways the institution has contributed to local community success stories.
- Accounts of local heroism.
- Stories of perseverance, such as how someone secured their student loan and were the first in their family to go to college, all due to the bank’s community character.

Visual media in banking will often display staff members’ bios, and show how individual branch employees are involved in the community when not working at the bank. It could be a mortgage specialist who is head of the PTA, or a relationship banker that coaches the girls’ softball team. This shows the customer that the bank is there for them, that they have the same interests in mind as the customer. You also have a focus on education and financial literacy so unlike most retail, where an apparel sales visual might show a guy in a nice suit (and obviously there’s an education in there somewhere about how to wear that particular item), in retail banking there’s a lot of focus on financial IQ, which is how to make smarter financial decisions, and how to become financially healthy. There are tips on how to stay financially strong. It’s a different use of the media than you’d have in other forms of retail. All retailers want you to purchase product, but there’s an opportunity to go about it on a more human level when it comes to banking. There’s a certain quality in a message that says, “You can open up a checking account anywhere, but you should open up a checking account with us because we’re truly serving your community.”



Do you have examples of the strategies and goals for digital merchandising marketing people in banking should have, and how can they measure its success in branches?

I don't know if there's a quantitative success rate you can measure. Banking is really hard for that reason. There's no way to say "Put this in your branch and you'll increase your deposits by X%". Success should be measured based on the goal of the program, which may vary by organization. Some common goals might be:

- Reducing branch clutter and information overload.
- Green initiatives.
- Branding and product promotion.
- Enhancing the perception of being modern and tech savvy.

You could measure the success of reducing branch clutter and information overload by looking at the amount of time it takes to set up and remove in-branch static marketing material, and being able to reduce the time and cost involved in constantly managing poster placements, brochures, and table tents. Another measurement of success could be the time savings in managing the point-of-purchase print pop displays.

Green initiative could be measured by the amount of printing and shipping costs you save by being able to deliver your message digitally.

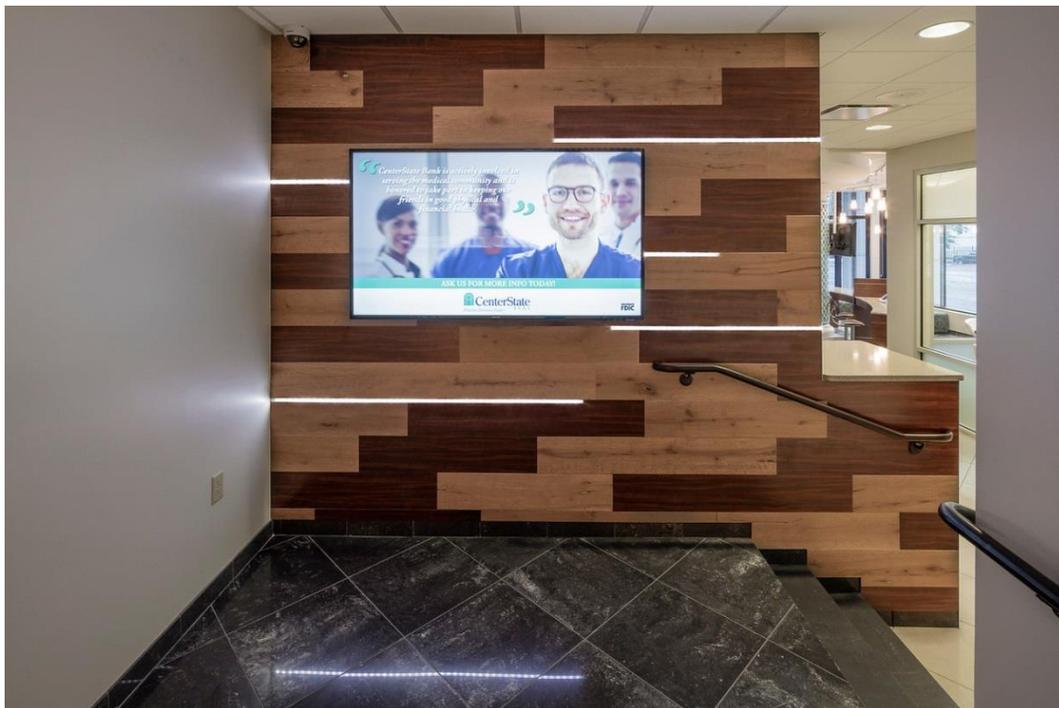
Branding and product promotion is always the hardest, but could be taken from interviews with customers (and even the branch staff when they're talking to the customers), about how did they hear about a specific product, and was it because of something they saw inside the branch on one of the digital channels.

Enhancement of perception of being modern and tech savvy is more of a looking back after the project is complete and asking are you attracting the audience you were going after. Very often right now, banks are trying to find the younger millennials, who are buying homes for the first time, or the younger entrepreneurs, and they're trying to appeal to them by saying, "Hey, we're tech savvy, we use modern technology, we understand the way you live your life and your business!", and then asking themselves if they see an uptick in the amount of loans and deposits and everything else associated with this demographic.

We know that electronic media inspires loyalty in customers, but is there a way to measure that?

Digital technology and electronic media in general inspires loyalty by building and maintaining a constant connection to the customer, and that's done with online, mobile, and also technology inside the branch. In-branch digital technology is not the only critical piece of the puzzle but it

is an important piece of the omnichannel experience. Omnichannel is one of the methods by which consumers interact with a retailer, including a bank, be it online, in the physical store, or mobile app, or by any other channel. The in-branch experience is a critical part of that omnichannel experience. So by itself yes it does help inspire loyalty, but really it's helping inspire loyalty along with all these other channels, making sure that the communication is seamless and that when you're online, and then you're on your mobile app, and then you're inside the branch having a digital experience, that you're experiencing consistent messaging, the content's seamless, and it feels like it's really fluid.



Are you seeing more compelling/entertaining forms of digital displays built around kiosks and other destination points inside branches?

In our opinion, the most successful interactive experiences are ones that are not so much self-service but are sales engagement tools. Self-service within banking is, I think, a harder sell, a harder investment to recognize, in that if the goal is only self-service then chances are that transaction could have been made outside the branch. For example, they could have gone online and checked their balance, or they could have gone on their mobile app and made a transfer, so if the goal is solely self-service it's harder to realize that investment because they could've potentially performed that activity somewhere else.

On the other hand, sales engagement means training your staff and your customer/member service representatives on how to use technology to communicate with customers or members

when they're inside the office. This can mean having a greeter in the lobby or front entranceway similar to many of the telecom stores like AT&T and Verizon. So when you walk in, you're approached by a greeter that has an iPad or is standing by a fixed interactive display, where they're checking in the customers and asking why they're visiting today. They can capture data such as name, phone number, and email, and can route you to the most appropriate professional. They can have customers book an appointment at the screen in case they don't have time to stay, or the representative they want to talk with isn't available at that moment. Customers could also watch financial literacy videos, if they have questions about a specific product. The customer representative, mortgage specialist, or greeter can walk the customer over, hit 'Play', and allow them to watch a short video segment about the product they're interested in.

Interactive displays could be wall-mounted or floor-standing, or they could even be digital coffee tables, which while being a really fun kind of conversation piece, the application itself is geared towards the same goal of engagement. We've also seen a significant move towards iPads in the last 24 months, because they are relatively inexpensive, easy to deploy, and customers/members are comfortable using a small tablet. It also provides better security when accessing personal accounts or applying for something where a larger display is inappropriate for entering or accessing private information.



We've incorporated various electronic and digital features into our work for a while now, and we've seen great results where these features are integrated into the architectural design from the project onset. What in your opinion are the most effective digital/electronic elements of a branch transformation?

There's no one silver bullet. The most effective digital elements are the ones where the staff is trained in how to use them when communicating with members or customers. So rather than just putting technology into the branch and saying 'we're done', it's about training the staff on how to answer questions and engage them with the technology, and so it becomes part of the conversation. It's crucial to ensure that the technology is not just an afterthought, but harmoniously integrating digital technology into the design, using a design-build firm like Solidus, ensures that the technology itself is almost like digital furniture, with an integrated functional purpose to the technology. Besides the functionality, which has to be very specific, it should blend seamlessly with the overall design; everything from the size, placement, and type of technology, while making sure there's not too much or too little of it. Also ensuring it's in the right place for line of sight so when you enter the branch, you're presented with technology in a place where you can easily see it without it being too overbearing. You don't want it to just overwhelm the customer or member.



The technology and content have to make sense based on where you are in the branch. So, if you're using overhead music, make sure that it is heard in a more public place such as the lobby, but isn't audible at the teller line when people are trying to make a transaction. If you have a seating area, be sure the content has a longer playlist, with regularly updated video segments so it produces a television-like experience. If you're next to a pod, or an aisle, or a teller line, the content should be much more to the point, with no audio, just short-form messaging. Interactive technology should be in a place where someone has the room to interact with it, while maintaining their privacy. Positioning a large interactive iPad in the middle of a branch where people are walking behind those who use it while they're applying for something would make them feel uncomfortable.

We have our own theories about personal tracking and enhanced messaging, but what do you see as the future of digital communication within retail banking?

In the years to come there will be deeper integration between branch digital marketing technology such as digital signage and music, and interactive screens, with a customer's personalized information. This will utilize technology such as beacons which will allow customized messaging to be pushed to a banking customer when they approach a branch or are in different parts of the branch. This could occur at an ATM, or when they're adjacent to the wealth management office, or in a larger environment where they could be pushed information about which staff members and services are available that day. Deeper integration between the onsite digital technology and the consumer will allow for more customized, personalized content to enhance the branch experience that much further.

For more information on interactive and digital, electronic and interactive retail technology for the financial industry, **contact:**

Mark Charette, CEO, Solidus
860.838.3888
mcharette@gosolidus.com



Mitch Goss, Founder & CEO, Zero-In
888.260.7291 x125
mgoss@zero-in.com



