


Presentation materials and video replay will be provided within one week.

Have questions? Use the questions panel  – we'll field them as we go and during the Q&A recap at the end of the call.



## Taking the Mystery Out of the Consumer Experience

Proprietary / Confidential

# Today's Panelists



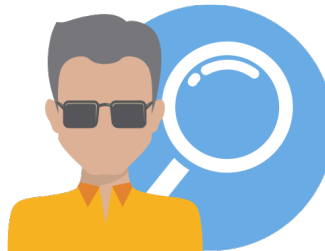
**Linda Schrock**  
Research &  
Mystery Shop  
Director











**Stephen Nikitas**  
Senior Strategy Director

# Agenda

- Industry Insight
- The Value of Mystery Shop
- Program Services
- Competitive Comparisons
- EnGauge Reporting
- Q&A



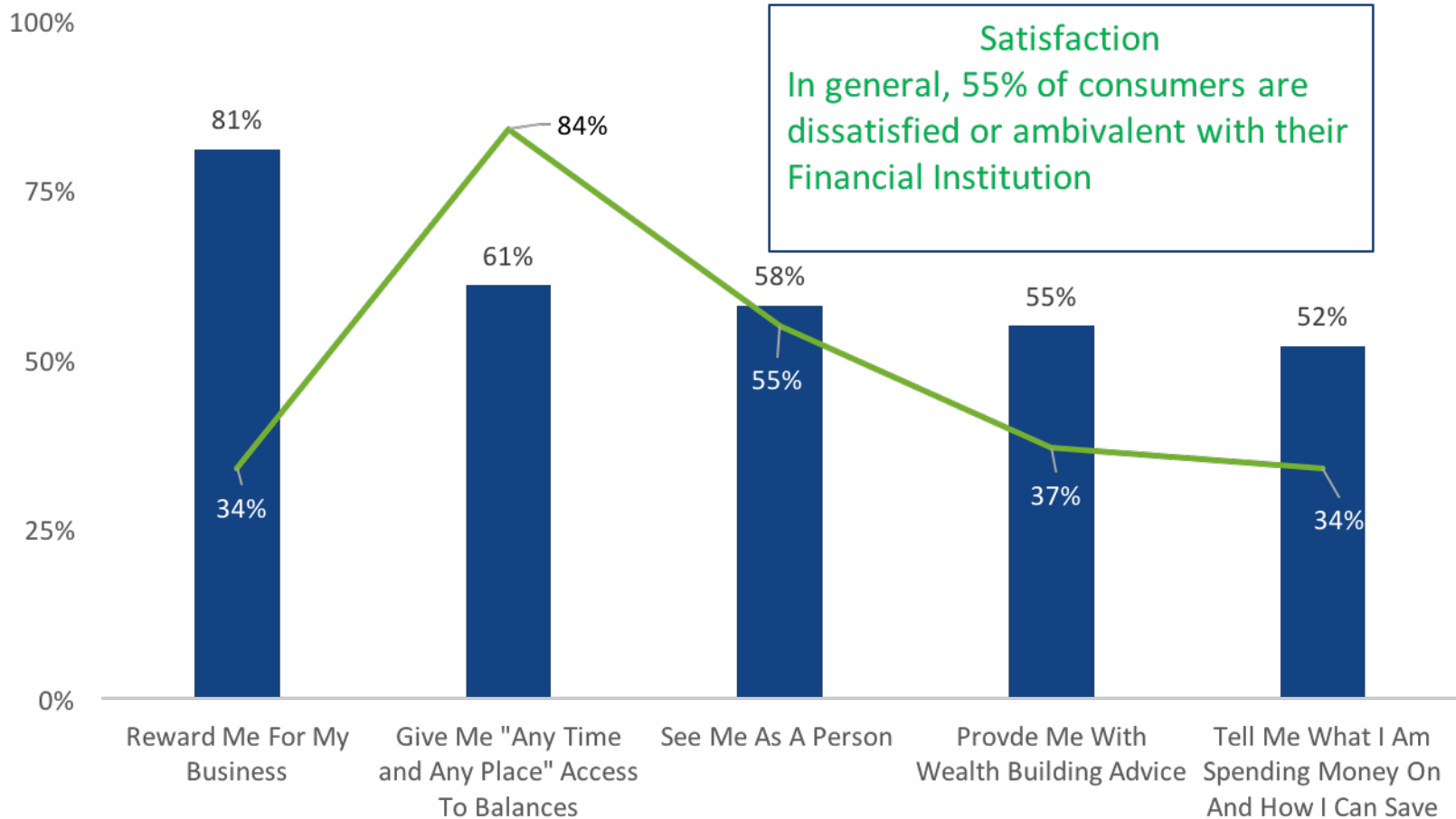
# Financial Institution Priorities for 2017

Priority	2017	2016	2015	2014	2013
Cross-sell and deepen relationships	1	1	1	1	1
Grow loans	2	2	2	2	2
Increase adoption of digital channels	3 	7	7	6	N/A
Acquire new customers/members	4 	3	3	3	3
Grow deposits/checking accounts	5 	4	4	5	6
Build and strengthen brand awareness	6 	8	5	4	4
Grow/Increase business banking	7 	5	6	N/A	N/A
Attract younger account holders	8 	6	9	7	4
Reduce attrition	9 	10	N/A	9	N/A
Expand/Grow new markets	10 	9	8	8	7

Source: Financial Brand – 2017 Digital Banking Report

# What are Consumers Looking For?

## The Top 5 Ways My FI Could Improve My Lifestyle

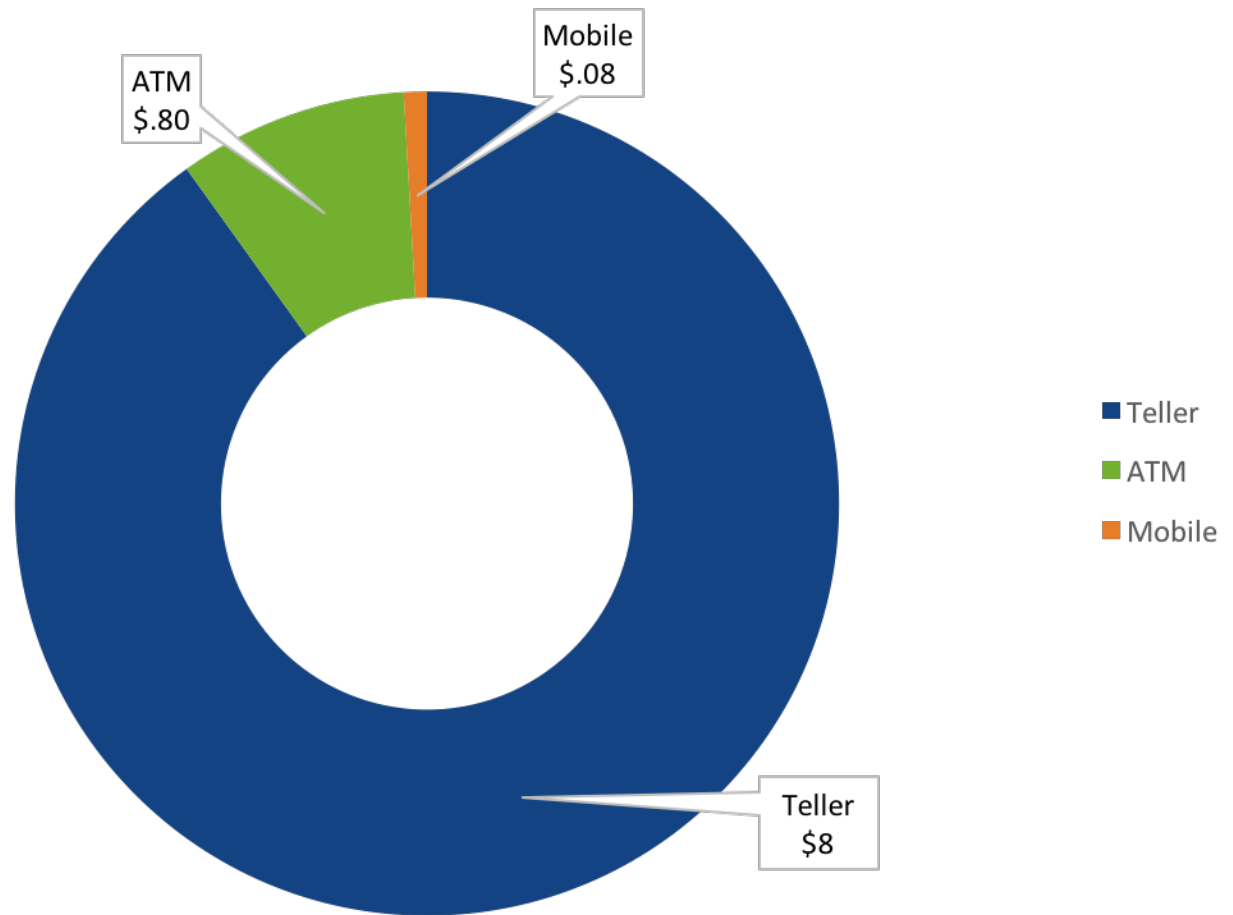


Source: CGI – Understanding Consumers In The Digital Era

# The Costs for Transactions

## Cost To Make A Deposit

Branch transactors are 12% more likely to recommend their FI



# The Value of Mystery Shop

# Address Challenges With Mystery Shopping

## Sales/Service

- Develop, implement, enhance or evaluate corporate culture
- Differentiate from other financial institutions
- Measure consistency in service delivery
- Compare performance against peers and competitors

## Growth

- Retention and/or growth of the customer base
- Increase in product/service penetration (cross-selling)
- Reduce lost fee income





# Gain an Edge with Competitive Intelligence

## Understanding the external business environment

- Minimizes decision risk and reduces uncertainty about external developments
- Benchmark other organizations
  - Rates
  - Processes
  - Marketing activities
- Identify potential best service practices used by competitors





## Program Services

# Why Harland Clarke Mystery Shop?

**22+ years experience solely within the financial services industry**

**Customized** and **unbiased** approach to service measurement

Designed to **align with financial institution initiatives** and **objectives**

**Detailed reporting and timely insights** delivered from professional shoppers

**15,000+** shoppers within the Harland Clarke database system – shoppers instructed on sales and service information

**Consultation to take action** based on real data

**MPSA member**

**Online delivery and interactive data**

# Experienced, Professional Shoppers

Shoppers recruited through the national MSPA (Mystery Shopping Providers Association)

Three-to-12 months experience in shopping with financial institutions

Community-based

Option to recruit from current account holders

## Training

- Client-focused
  - Understanding the organization
  - Shop criteria and scenarios
  - Service standards
- Mystery Shopping expectations and experience
- Sales and service training
  - Understanding probing questions
  - Features and benefits
  - Cross-selling

# Effective Evaluation Methods

Evaluations follow a sales and service format; individual questions may be fully customized to meet your specific needs

## In-person/In-branch

- Facility
- Teller
- Customer service representative

## Telephone

- Branch calls
- Call center
- Back office calls

## Website

- Consumer-focused
- Ease of use, response time

## Other Shopping Services

- New customer experience audit
- Competition shopping
- Live chat

# Mystery Shop Deliverables

## In house

Analysis of current skillsets among designated employees

In-person branch evaluation and alternative delivery system feedback

Measurement of sales process improvement

Certificate of excellence for qualifying employees

+ Individual results available only to specific branch and staff member evaluated

## Competitive Comparisons

# Mystery Shop Deliverables

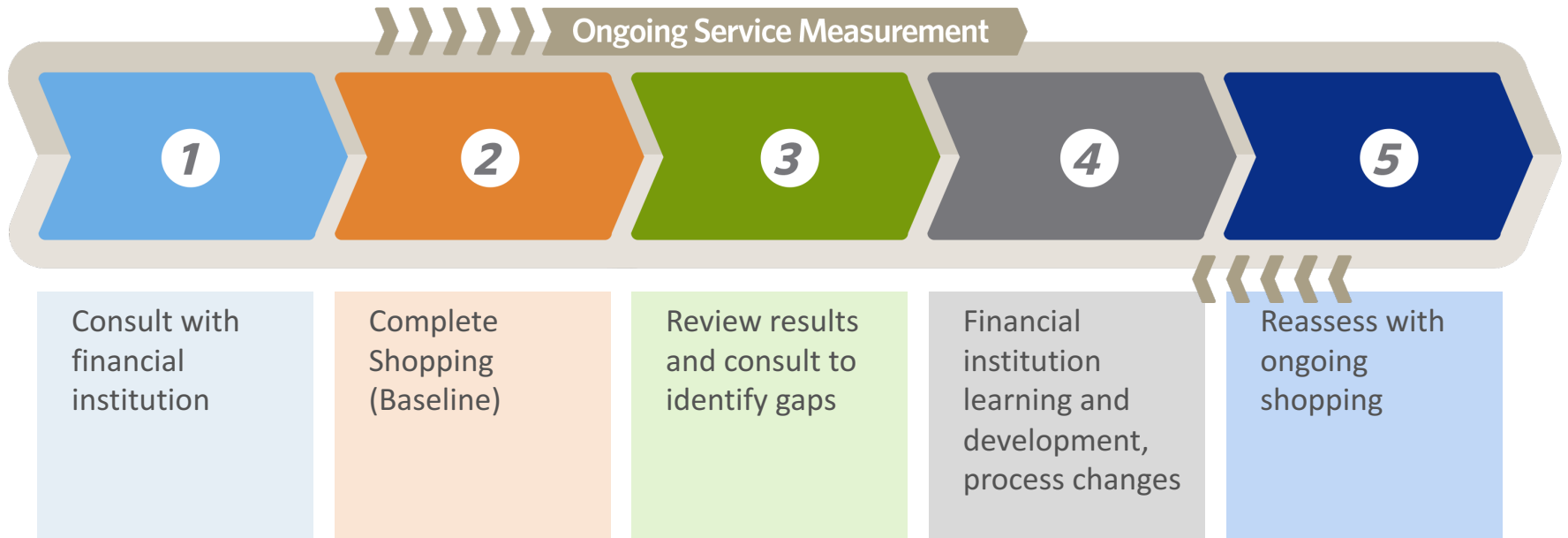
## Competition Shops

- Account opening process, collateral received, onboarding process
- Merchant Services knowledge and referral process
- Marketing tactics to acquire new accounts
- SBA loan application process
- Customer experience
- Marketing of new/updated products

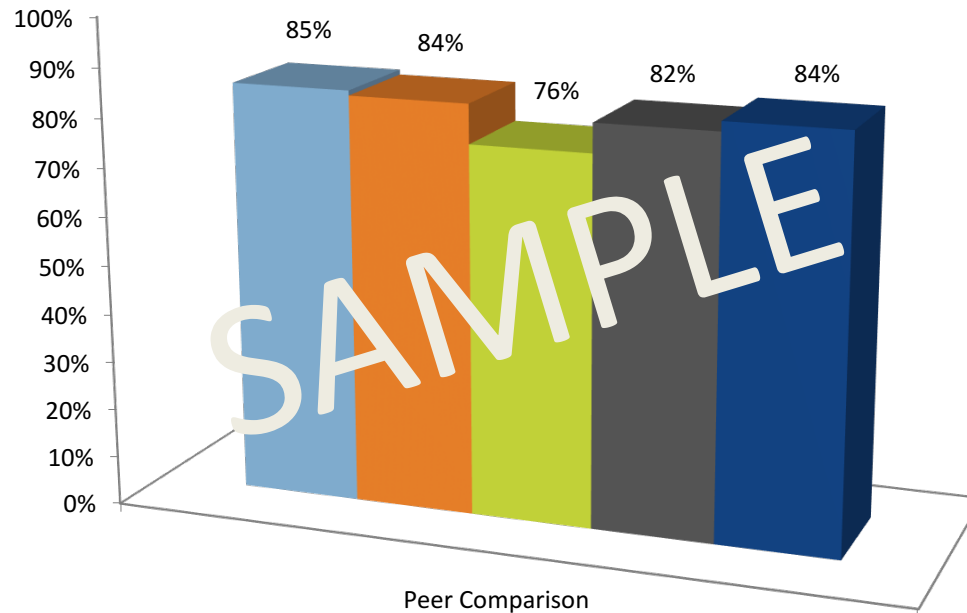
+ Individual results available only to specific branch and staff member evaluated



# Implementation Process



# Sample Peer-to-Peer Comparison



## Sample financial institution's overall score compared to four peer financial institutions

Evaluation forms with the same type of questions

Peers financial institutions chosen based on:

- \$357M - \$519M in assets
- 13 – 29 branches

# Sample Competitive Comparison – Areas of Success

Sample leads in product knowledge, ability to establish credibility and direct consumers to the right products/services

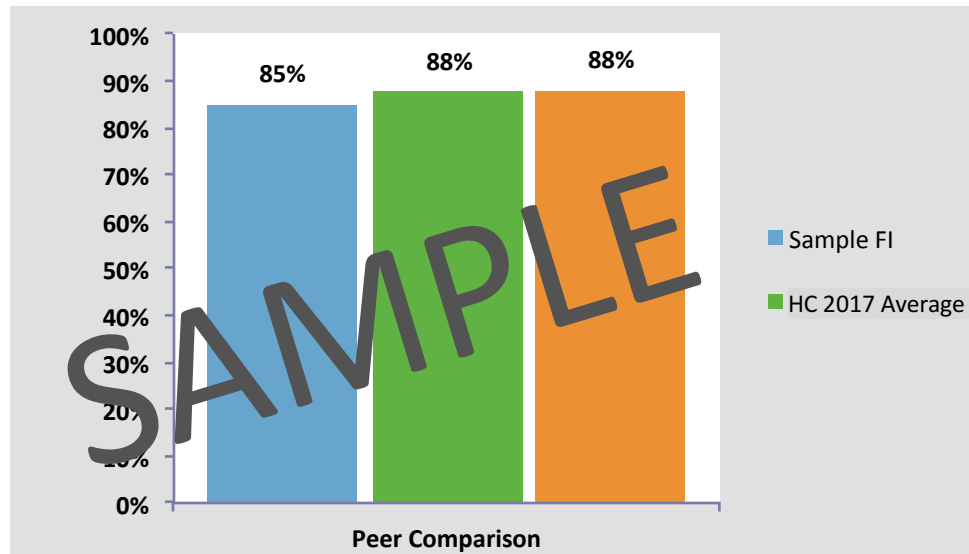
Questions	Sample FI	FI 1	FI 2	FI 3	FI 4
Did the employee have a positive attitude, smile, and offer a friendly greeting to build rapport?	100%	90%	100%	92%	92%
Did the employee use a request to serve statement?	100%	83%	67%	92%	86%
Did the employee listen to understand and acknowledge your inquiry?	100%	100%	100%	92%	100%
Did the employee describe the features of the product so that you understood?	100%	100%	100%	92%	94%
Did the employee describe the benefits of the product so that you understood?	95%	60%	83%	85%	76%
Did the employee cross-sell products and services based on your stated needs?	95%	73%	58%	85%	90%
Did the employee thank you for coming in or offer a positive closing statement?	100%	93%	92%	85%	90%
Was your request handled in an accurate and efficient manner?	95%	97%	100%	85%	98%

# Sample Competitive Comparison - Improvements

Questions	Sample FI	FI 1	FI 2	FI 3	FI 4
Did the employee introduce themselves to build rapport?	61%	60%	8%	69%	67%
Did the employee ask your name or account number?	61%	23%	33%	62%	45%
Did the employee ask probing questions to qualify your needs?	66%	80%	75%	54%	65%
Did the employee ask for your business?	76%	60%	92%	77%	69%
Did the employee use your name at least once during the conversation?	42%	40%	8%	46%	45%

- Employees introducing themselves helps establish a comfort level and build rapport
- Asking for and using consumers' names will personalize conversations and provide reassurance their needs will be addressed
- Using open- and closed-ended questions will allow employees to present appropriate products specific to consumer needs
- Restating the advantages of doing business with financial institution aids employees greatly in closing the sale, leading to new accounts opened and applications filed

# Sample Competitive Comparison



## Harland Clarke Industry Average

- Data spans over a thirteen year time frame (more than 250 new baseline clients) - delete

## Harland Clarke 2017 YTD Average

### Conclusion:

- Sample financial institution is comparable with the Harland Clarke Industry Average and the 2017 YTD Average when discussing switching financial institutions and/or new checking accounts
- Review the areas of improvement comparison chart to help your teams better understand what it takes to obtain a 100% score

# EnGauge Reporting

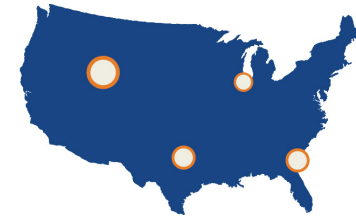
# EnGauge Reporting



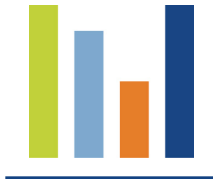
View and download reports in multiple formats

Search

Search for employees or branches across the organization



Visualize performance geographically with mapping tools

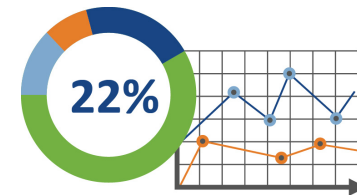


Easily chart monthly and average performance scores

Sign in with your username and password

[Forgot password?](#)

Control and distribute data to all levels of the organization



Quickly find data via multiple drill down paths

# EnGauge Reporting

## **24/7 online access**

- Log on anytime using secure web-based tool

## **Real-time shopper feedback**

- Review financial institution's mystery shopping entries as soon as they are finalized
- Quickly identify and respond to customer service strengths and weaknesses

## **Interactive data analysis tools**

- Analyze graphs and charts to identify trends and performance comparisons

## **One-click drilldown**

- Instantly access details organized by branch, employee, function or question

## **Intuitive user interface**

- Use easy-to-navigate interface to save time with at-a-glance data organization

## **Detailed observations**

- Assess shopper narratives for a descriptive account of experiences



# Why Harland Clarke Mystery Shop?

- Strong organizational support
- Financial institution focus
- Customizable programs and forms
- User-friendly, advanced online portal that delivers enhanced flexibility for reporting and analysis



# Q&A Wrap Up

Type your question in the questions panel 

## Linda Schrock

Director, Research & Mystery Shop

## Stephen Nikitas

Senior Strategy Director

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Presentation materials and video replay  
will be provided within one week.

Thank You!

