

Butch Cassidy and the 21st Century



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AT FIRST GLANCE, the bank branch at Grand Central Terminal in New York was deserted. On closer inspection, there were eight people working, all of them hidden behind desks or Plexiglas panels. Customers came in and out like scared mice. The bank was sad. There was a Butch Cassidy fence; on one side, the bank's private, secure area with some visibility to the public, and then the corral for the general public on the other.

Bank robbery was the driving force in retail branch bank design through the end of the 20th century. Today, robbing banks is not about the stick up, but about cyber crime. It's done by techies and other bankers, not Bonnie and Clyde, or Butch Cassidy and the Sundance Kid. The bank stick-up scene immortalized in countless movies still happens, but the crime is more pathetic than mythical. Surveillance cameras document the crime from multiple points of view and the chances are excellent the criminal gets caught and convicted.

Branch design is still thought of as retail. E-Trade on Madison Avenue even won a store of the year award from this magazine in 2001, only to be closed about a year later, a victim of both 9/11 and changes to the world of day trading. The branch was innovative with coffee shops, lecture halls and lots of interactive displays. The year it opened, E-Trade sponsored the Rolling Stones on tour and tried to do a deal with Target. It was all extremely cool and extremely flawed.

Bankers like to talk about technology, and the ATM and online banking have revolutionized the industry. Many of us only walk into a branch when we have to. Yet there is an inherent conflict that has ramifications to the commercial design industry. The overwhelming majority of American wealth is in the hands of people who are 55 and older.



How many of us over age 55 know how to deposit a check using our smartphones? More of us might, if there was someone teaching us.


Financial literacy is at an all-time low. Interview a teenager about how a checking account works and balancing a checkbook, and they'll have no idea; it's a 19th-century art form. What we know is that so many sales of bank products beyond the basic credit card, checking and savings accounts are sold in the lea of life events—getting married, having kids, moving, etc. The natural place for that education to happen is in a branch. Just like the Genius Bar at the Apple store, sometimes we just need some face-to-face help.

Most retail merchants and bankers have recognized the need for cathedrals, churches and

chapels. The flagship (cathedral) has become a well-accepted exercise: a place to inoculate the existing and potential customer with the brand. In banking, it is the churches and chapels that need the work. The American mainstream branch needs to get smaller and more nimble. While some form of teller services need to be retained, the Butch Cassidy fence has to go.

At a Brazilian branch bank in a shopping mall, a human concierge greets the customer. The concierge can help with an ATM transaction, or escort the customer with consulting needs to a small conference room where they can teleconference with the appropriate bank services expert. Technology and a two-person staff, assisted by a friendly robot, translate into a cool space, a small footprint, effective operating and labor costs, and hours that conform to the other stores in the shopping mall.

The chapel is both the remote ATM and online services. We visit chapels once we have converted. We run in and run out. We are comfortable doing the things we know how to do: pay bills, check balances. In 2017, I have never deposited a check with my smartphone. For the modern banker, I'm still an old codger. Butch and I have made it to the 21st century.

Branch banking desperately needs a retail makeover. What happens if real merchants like Walgreens or Walmart recognize that offering banking services to their existing customers might prompt shopping synergies that are in their interests and layer into their need to build e-commerce functionality? Citibank, Bank of America and Chase can finally get some real competition. 

PACO UNDERHILL IS THE FOUNDER OF ENVIROSELL AND AUTHOR OF THE BOOKS "WHY WE BUY" AND "WHAT WOMEN WANT." HE SHARES HIS RETAIL AND CONSUMER INSIGHTS WITH *DESIGN:RETAIL* IN THIS BI-ISSUE COLUMN.