



How Do You Build/Grow a Business... By Growing Loyalty

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From Good to Growth

How customer loyalty can grow your bank

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Marketing Promotion



Sticky Products

- “Offer Sticky Services and Your Members Will Find it Hard to Wave Goodbye”
 - Credit Union Service Provider
Blog Headline

What is Loyalty?

loy·al·ty

/ˈloɪəltē/ 

noun

the quality of being loyal to someone or something.

"her **loyalty** to her husband of 34 years"

- a strong feeling of support or allegiance.

plural noun: **loyalties**

Legendary Corporate Loyalty



Local Corporate Loyalty



Rallying for ... A CEO?





The Value of Loyalty

- Reduced Defections
- Increased Spending Per Customer
- Lower Cost to Serve
- Less Sensitive to Price
- More likely to Refer

Industry Disruption

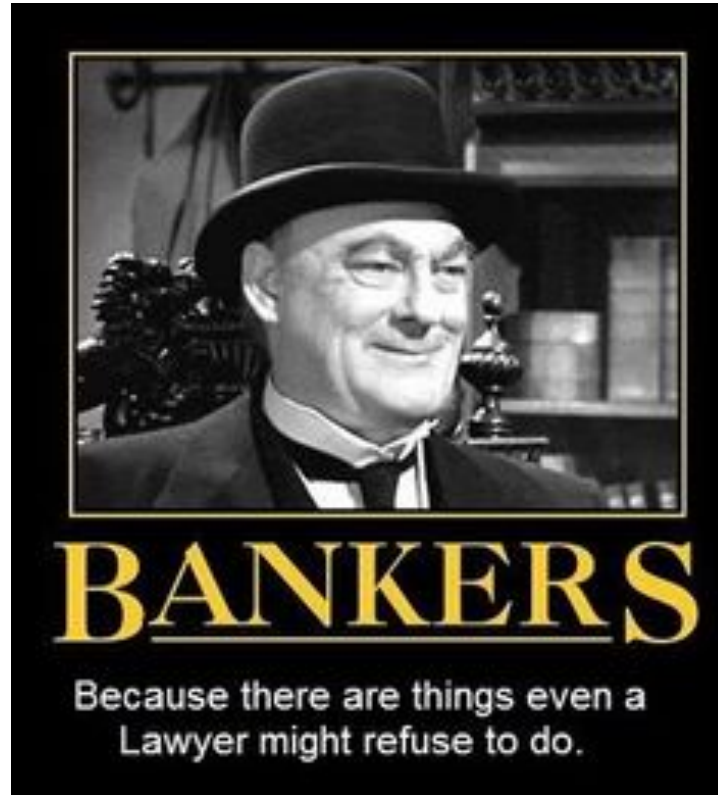


Most, Least Liked Industries

- Computer, 69%
 - Restaurant, 60%
 - Internet, 60%
 - Pharmaceutical, 35%
 - Oil & Gas, 34%
 - Federal Gov't, 25%
- % Indicates Positive Responses

-
- Banking, 37%
 - Placed 18th out of the 25 industries rated

It's A Wonderful Industry





Banks Behaving Badly

The “Bad Cents” List



The Bad Cents List

Three Categories:

- Revenue
- Communications
- Bank Think

Out of Order

- Processing payments from the largest amount to the least amount

Revenue

Recurring Pain

- Implementation of a continuous overdraft fee

Revenue

Double Dip

- Charging a fee – on top of the interest rate – to access cash reserve

Revenue

Asterisks and Fine Print

- This is a great audience*

* As of 1:12 p.m., May 23, 2016

* This adjective may be withdrawn at any time and substituted for another of equal, greater or lesser value

Communication

Referencing the Fine Print

- *“Yes, sir. We disclosed this to you at the time of the account opening. It was in the document you received.”*

Communication

Alphabet Soup

- Using acronyms such as “RDC” in customer communications

Communication

Punishing the Majority

- Promotions that are more focused on preventing fraud than rewarding customers

Bank Think

Jump Through Hoops



Bank Think



Isolation

- Limiting internal conversations to compliance, risk and profitability

Bank Think

Bring the Customer Inside



Bank Think



Best Practices

- The industry is turning the corner
- Here are some leaders ...

Say Grace

- Huntington Bank provides customers with a 24-hour grace period to avoid an overdraft fee

Best Practices

Speaking of Huntington ...



Best Practices

Make A Wish

To view this email as a web page, go [here](#).



**Make a birthday wish
to help a homeless child,
and we'll make it come true.**

Best Practices

What Frost Believes

- We wouldn't say anything in this size print that we wouldn't say **in this size**

Best Practices



Summary

- There's an opening for a great bank
- Real customer centricity is possible
- Ask: Does this give off a “Bad Cent”?
- The closer you get, the greater the loyalty



Thank You

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