

# KEN SCHMIDT



## **“Ready, Fire, Aim. The Banking Industry Sprays Bullets, Misses Target Completely.”**

Ken Schmidt, Behind The Mic, August 18, 2011

It was in spring of 2010 that a coalition of the nation’s largest banks launched a highly capitalized public relations campaign aimed at improving America’s general disdain for their industry. The need was obvious and the investment was — they apparently felt — necessary to restore faith in one of the world’s most important bedrocks and put a human face on their hugely maligned and misunderstood industry.

Well, I’m a realist. I believe the list of industries that have thrown a ton of money at public facelifts and came out looking like champs is miniscule. Those bankers waiting for the switch to be thrown so Americans will come racing in ready to kiss, make up, and do business will grow very old waiting. Ad campaigns and political lobbying are going to restore America’s faith? Please.

Here’s the deal: I don’t do my banking with an “industry.” I do mine with the bank that happens to be closest to my house. That’s the way it’s done for the majority of Americans. Banks, after decades of presenting themselves to the world as commodities, are, in fact, precisely that. And when it comes to choosing partners in a commodity environment, convenience carries a ton of weight. When the market was rocking, that was more than enough to keep bank floor traffic humming.

If I’m a bank manager, I realize that the people and businesses of my community are my current and target customers. I know I have very little to gain from huge industry campaigns (after all, they’re not promoting “my bank,” they’re promoting the Wall Street behemoths). I know that my community’s faith in banking needs to be restored, or at least improved, and I need to increase the size of my customer base and the frequency of their business with me.

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And I need to do this with the full realization that target customers believe my bank is no different than any of the other dozens of competitors in the town where I operate.

I'll prove it. Pick a town. Any town. Google or Bing that town next to the word "bank." Now look at the websites for those banks. Notice anything? They all look the same, don't they? Color palette (banks love blue, apparently). Language. Photos. Same. Same. Same. What message does that send? "We're all the same. Pick the one that's closest to your house." This is business as usual, and it's what bank managers need to fix. How can we expect the market to see us as different when we don't present ourselves that way? Banks, like most commodity businesses, are their own worst enemy.

Bank managers don't need to spend more money for ads in the Sunday paper (where all banks advertise in a me-too symphony that's largely ignored). They need the customers they serve – or hope to serve – to like them better than the banks they're competing against. Like-ability builds trust. Like-ability builds customer referrals. Like-ability is driven by culture, a culture bent on engaging and delighting human beings in the most life-affirming way possible. And culture is driven by leadership.

If I'm a bank manager in today's commodity environment? Oh boy! I'm licking my chops. The business is there for the taking. I'm going to rally my troops and take it.