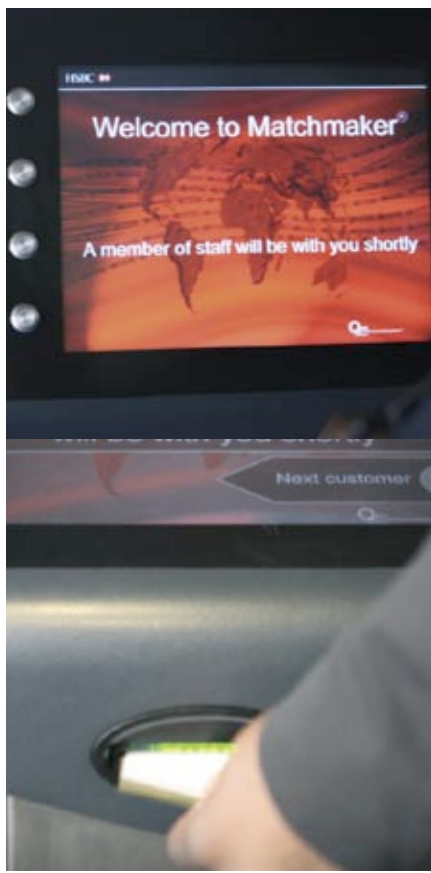
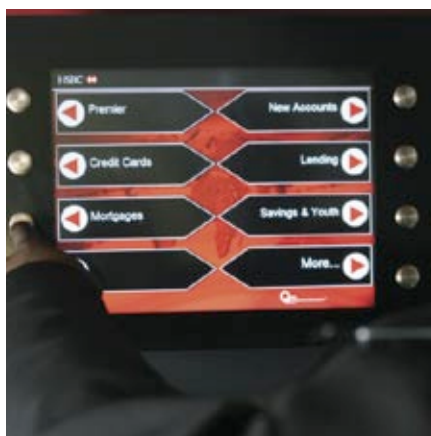




**HSBC IMPROVES BRANCH CUSTOMER
SERVICE WITH Qm's MATCHMAKER® SOLUTION.**



INITIALLY HSBC
PILOTED THE
MATCHMAKER®
SYSTEM IN 20
OF ITS BUSIEST
BRANCHES
AND HAS
SUBSEQUENTLY
IMPLEMENTED IT
IN MORE THAN
100 OUTLETS



BACKGROUND

IN THE HIGHLY COMPETITIVE WORLD OF RETAIL BANKING, CUSTOMER RETENTION IS ONE CORNERSTONE OF PROFITABILITY. CUSTOMER RETENTION STRATEGIES CAN TAKE MANY FORMS FROM IMPROVING THE OVERALL EXPERIENCE WHEN CUSTOMERS VISIT A BRANCH THROUGH TO MANAGING A REQUEST FOR SPECIALIST ADVICE AND SERVICES MORE EFFICIENTLY.

Handling enquiries smoothly and efficiently in a busy branch environment is critical if banks are to enhance the overall customer experience and ensuring an appropriately qualified member of staff is available to deal with a customer query often makes the difference between success and a walk away.

Leading global bank HSBC recognised there was a chance to improve the way it managed non-transactional enquiries within its UK branch network and turned to queue management specialist Qm Group to help it drive innovation, reduce waiting times and improve customer service. This case study looks at how HSBC has deployed Qm's Matchmaker® solution in 100 of its busiest branches and has plans to roll it further afield in future.

CUSTOMER CHALLENGES

With more than 1,700 branches across the UK, HSBC is a true leader in retail banking. In common with all UK banks it offers a counter service designed for transactional activity such as deposits, withdrawals, bill payment and general enquiries. Central to the bank's overall customer proposition is the delivery of a broad spectrum of financial services products beyond current accounts that span everything from mortgages and loans through to insurance, savings and credit cards.

In common with many retail banks, the start point for the sales process of such products is the point at which a customer walks into a branch in search of advice.

This immediately presents a number of challenges to a bank which, if they address them correctly, are likely to secure a sale, but if they fail to deal with the customer successfully, this will impair relationships with existing customers and cause prospects to walk down the high street to another bank.

In more detail the key challenges can be summarised as:

- On arrival in a branch the customer is unsure where to go or what to do to secure the information they need. This situation is exacerbated if there is a large queue for counter services and the customer may be reluctant to wait simply to get information or advice with the result that they are likely to go elsewhere. Such a scenario has a secondary negative impact for the bank because customers with general enquiries join the counter queue with the result of increasing the overall queue length which can deter other customers from joining the queue
- Assuming the customer decides to join the queue for counter services or general enquiries which is the most common course of action, they will receive service at the counter. However, counter staff are there to process customers as efficiently as possible as opposed to selling products, which means counter staff call upon back office colleagues to deal with product enquiries and sales and this throws up two immediate issues
- Availability of someone to see the customer to deal with their requirement
- And importantly, availability of a staff member who is appropriately qualified to advise the customer on their requirements and process the sale.

A recognition of these four issues coupled with the fact that HSBC realised the issues were potentially having an impact on the handling of counter customers and more seriously potentially resulting in lost sales opportunities drove them to look for a solution.

THE SOLUTION

In a bid to address this need HSBC turned to queue management specialist, Qm Group. Qm Group is the UK's leading independent queue management specialist and is the company that invented the "Cashier Number Three Please" electronic call forward solution which is found in banks and retailers across the UK. Every month more than 30 million customers pass through Qm Group's queue management systems.

The decision to implement a system is one of many innovations HSBC is building into its branch network as part of a £450 million investment programme to create a distinctly different and more positive experience for customers.

Two areas of focus of this investment programme undertaken by HSBC are to ensure as much space as possible is devoted to customers, and to give customers more control and options for how they conduct their banking. The deployment of the Matchmaker® solution was designed to address this latter objective.



“WE ARE DELIGHTED
WITH THE
RESULTS OF OUR
IMPLEMENTATION,
PARTICULARLY
THE RESPONSE OF
CUSTOMERS.”



HSBC is also investing heavily in the latest banking technology, installing 600 next generation 'smart' deposit devices, as well as 1,200 'Express Banking' kiosks, which allow customers to pay bills, transfer funds and obtain statements, and a further 500 new fee-free Automatic Teller Machines.

As Richard Newland, head of retail design at HSBC points out, "In the past, much of the space in bank branches was devoted to administration and processing work. A lot of this is now processed centrally, enabling us to devote more space to customers and give more personal service."

The solution used to address HSBC's needs was Qm Group's Matchmaker® system which allows the bank to:

- Reinforce a professional meet and greet process – where the customers' requirements are filtered on arrival and they are given a precise guide to waiting time before an adviser will be available
- Ensure that only those staff members with appropriate qualifications are allowed to deal with the specific customer enquiry
- Alert staff members of customer requirements
- Make appointments for customers so they can return at a later time if the specific adviser is busy
- Ensure that those customers who do not require counter services are filtered to prevent them from joining a queue unnecessarily.

The system works by having all of the qualifications and areas of expertise of staff logged into a database.

When a customer arrives in the branch a greeter will ascertain their requirement and use a touch screen terminal to establish availability of an appropriate adviser. The system checks the availability by qualification and time for sales staff and this allows the greeter to either allocate an adviser immediately or inform the customer of the necessary waiting time. If the customer agrees to wait (and they always do) then they are issued with a service receipt that shows their waiting time promise.

Critically the system informs the adviser of the nature of the enquiry which allows them to bring the appropriate literature and documentation with them.

Initially HSBC piloted the Matchmaker® system in 20 of its busiest branches and has subsequently implemented it in more than 100 outlets.

THE BUSINESS BENEFITS

The system went live in 2006 and HSBC estimates it has already helped reduce customer waiting times by as much as 20%.

Richard Newland, said "The system made the branch more efficient and gave managers more control because they could programme it at the beginning of the day to assign various duties to specific staff members."

"We are delighted with the results of our implementation, particularly the response of customers who have been impressed with the user-friendly nature of the system, the way our staff interact with them and, of course, the reduction in the time it takes for us to serve them."

"It's not just about waiting times. It is about putting the customer at the centre of what we do, rather than expecting the customer to fit with what we think they need."

As well as matching customer need to staff resource more efficiently, the system has also played a key role in maintaining compliance at all times by ensuring only those staff with appropriate qualifications deal with specific types of customer enquiries.

"Equally important is the fact that the system helps HSBC stream customers more efficiently and this reduces the need for unnecessary queuing for counter services with the knock on effect that it improves the efficiency of that area of the bank's operations as well."

Mr Newland concluded: "Gone are the days when your bank dictated how, where and when you did business with them. You went to a branch between 9.30am and 3.30pm Monday to Friday and you stood in line, whether you were withdrawing £20 or wanted to apply for a mortgage. Today, customers are looking for more control and greater convenience and efficiency to meet their banking needs, and our branches are designed to do just that."



Qm *Valuing the waiting experience™*
GROUP

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