

A NEW, LEVEL PLAYING FIELD IN UK RETAIL BANKING SALES PRODUCTIVITY

FOR IMMEDIATE RELEASE

London, 08 September 2010 - The gap between the top and lowest performing UK retail banks dramatically narrowed in terms of advisor sales productivity, according to research released today by benchmarking and best practice company, Finalta. There is a new opportunity for sales leadership in UK Retail Banking.

During 2009, there has been a dramatic reduction in performance differentials between branch advisors in UK retail banks. Looking at mass market personal bankers, the highest performing bank's advisors sold on average 47% more than the lowest performer in 2008; however, this gap was reduced to just 18% in 2009. A similar trend is observed for mortgage advisors and financial planners. Finalta believes this diminishing gap can be attributed to more standardised sales management practices; improved incentive schemes; and the impact of the market downturn.

This level playing field therefore creates a new opportunity for market leadership. Finalta believes that achieving this will require three main actions:

- **Better conversion of customer meetings into sales.** Advisors in most banks have increased the number of customer meetings but not conversion rates. Improving this will require better quality CRM leads, greater advisor competence and branch manager leadership.
- **Removing inefficiencies in the sales process.** UK advisors spend just over a third of their time in customer meetings while best performing banks in Europe achieve closer to 50%. Streamlining branch sales processes will unlock this potential.
- **More customer-centric sales cultures.** While banks are making progress in shifting from a product based sales culture to a customer-needs based one, there remains significant work to do. Greater focus on issues such as sales quality, customer repurchase rates and relationship tenure will accelerate this shift.

Russell Shore, Finalta Director, commented:

"There are significant opportunities in most banks for step changes. The next market leader must deliver more and higher quality customer meetings, through better sales processes and a more customer focused sales culture."

Data is drawn from Finalta's sixth annual Sales Productivity Benchmarking and Best Practice Study, in which most of the leading UK banks participated.

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A copy of Finalta's Viewpoint: The Opportunity for Leadership in UK Sales Productivity is available upon request. Graphics also available.

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