THE STRATEGIC REFRESH

TURNING YOUR BRANCHES INTO GROWTH DRIVERS

OUR BUSINESS IS BUILDING YOURS

LaMACCHIA GROUP

INTRODUCTION

WHY MODERNIZING BRANCH SPACES IS ESSENTIAL

In an era of digital transformation, the role of physical bank and credit union branches is evolving. While digital banking has surged in popularity, research shows that physical branches remain a critical touchpoint for customer engagement. According to a J.D. Power study, **78% of banking customers still visit branches annually, and 60% of customers prefer in-person interactions for complex financial needs**, such as mortgages or investment advice.

What this tells us is that as the world becomes more digital, consumers are still searching for that human relationship. **Studies conducted by Bankrate show that nearly 50% of consumers experience financial anxiety, and 69% feel more at ease when discussing financial matters with a human rather than a digital interface.** Trust is a key aspect of consumer retention, and understanding what makes a financial institution trustworthy to consumers provides a much needed competitive edge in the financial industry.

TRUST IS A KEY ASPECT OF CONSUMER RETENTION, AND UNDERSTANDING WHAT MAKES A FINANCIAL INSTITUTION TRUSTWORTHY TO CONSUMERS PROVIDES A MUCH NEEDED COMPETITIVE EDGE IN THE FINANCIAL INDUSTRY.

TRUST STARTS HERE

IT'S IMPORTANT TO EXAMINE YOUR BRANCH to determine if it's up to the task of engendering trust. Outdated branch designs can hinder customer satisfaction and operational efficiency, leading to missed opportunities for growth and loyalty. Refreshing branch spaces not only enhances the customer experience but also modernizes operations to align with the demands of today's clientele.

KEY QUESTIONS TO ASK

- What is a consumer's initial reaction to your branch?
- Are they being welcomed into a clean and updated space?
- Is someone greeting visitors upon arrival and providing needs-based direction, or are they left fending for themselves? (Are they getting the human touch?)

THE BUSINESS CASE FOR REFRESHING BRANCH SPACES

Modernizing physical spaces isn't just about a fresh coat of paint or trendy furniture- it's a strategic investment that can transform customer experience, making every visit more intuative, personalized, and engaging. At the same time, it can boost operational efficiency and elevate brand perception, showcasing your commitment to innovation and customer-centric service.

BETTER SPACES, HAPPIER CUSTOMERS (AND MORE LOYAL ONES TOO)

When it comes to banks and credit unions, customer experience matters. A study from Financial Brand found that **a refreshed branch environment can increase customer satisfaction by up to 33%.** That's not just a feel-good stat—it's a clear link between design and loyalty.

FCNB BANK, SULLIVAN, MISSOURI refreshed their branch to create a space to educate and interact with their customers. Branded wall coverings throughout the space create a welcoming environment.

INNOVATE TO ENGAGE

AIR ACADEMY CREDIT UNION, HIGHLANDS RANCH, COLORADO

The incorporation of a touch-screen at the self-service desk enables members to view current rates, learn about services, and loans. Other screens throughout the branch are used for promotional messaging in high-visibility areas.

BRANCHES THAT OFFER INTERACTIVE, PERSONALIZED EXPERIENCES don't just impress; they retain. **In fact, they enjoy a 20% higher customer retention rate.** And if you're looking to future-proof your growth, consider this: **75% of millennials are more inclined to visit branches that offer engaging, tech-forward spaces.** Think touchscreens, self-service tools, digital kiosks—the kinds of things that make banking feel less like a chore and more like a choice.

OPERATIONALLY SPEAKING

EFFICIENCY GETS A MAKEOVER, TOO

It's not just customers who benefit from a branch refresh– the staff do too. **Updated layouts and integrated technology actually works harder and can cut transaction times by up to 40%**, simplifying workflows and reducing friction on both sides of the counter.

TECH THAT LENDS A HAND

Self-service kiosks, ITMs, and digital tools can increase the sales efficiency of front-line employees. Deloitte reports that branches equipped with modern tools and layouts see a 15% increase in cross-selling opportunities. This means that better conversations lead to stronger relationships and more relevant products sold. How's that for a win-win?

FOOT TRAFFIC & BRAND LOVE, NEED WE SAY MORE?

A refreshed branch opens the door to more foot traffic, literally. **Research from Placer.ai shows that modernized branches see up to a 25% increase in walk-in traffic**. But as we have stated above, it's not just about getting customers in the branch, it's how they feel once they get there.

Investing in a redesign can garner a 30% improvement in brand perception. Customers are more inclined to associate your bank or credit union with innovation, relevance, and trust. Opportunities to use those spaces with ties to the community such as local artwork or cultural values, deepens the connection even more.

DIAMOND CREDIT UNION, READING, PENNSYLVANIA *(Below)*

Diamond Credit Union set out to reimagine the member experience. The integration of ITMs was a large focus, giving members the opportunity to work with staff if needed, or take a more independent route. Brand identity took a front seat in the transformation, applying their bright colors throughout the branch in casework, LED screens, and ceiling fixtures.

NEXT GEN BRANCHES

KEY ELEMENTS OF A SUCCESSFUL BRANCH REFRESH

When a branch refresh is done right, the space becomes more than just a place to handle transactions—it becomes a hub for connection, education, and community. **So, what does it take to get there? Let's break down the key elements that turn a good refresh into a great one.**

TECHNOLOGY INTEGRATION

- Incorporate impactful digital signage, interactive displays, and AI-driven tools to engage customers and provide real-time assistance.
- Use behavioral analytics to optimize branch layouts and personalize customer interactions.

LOCALIZED BRANDED DESIGN

- Reflect the community's identity through design elements while maintaining a cohesive brand presence.
- Highlight sustainability initiatives, such as energy-efficient lighting or solar panels, to appeal to environmentally conscious customers.

FLEXIBLE & MULTI-PURPOSE SPACES

- Create adaptable spaces that can accommodate financial consultations, community events, and educational workshops.
- Emphasize open, welcoming layouts that encourage interaction and exploration.

NEXT LEVEL GROWTH

THE ROI OF BRANCH REFRESH PROJECTS

Let's talk numbers—because while a refreshed branch may look beautiful, it's the return on investment that really matters. And the results speak for themselves as banks and credit unions that invest in modernizing their branch consistently see a strong payoff.

On average, **financial institutions report a 20–30% boost in customer engagement after they refresh their branch.** This is measured by more foot traffic, length of visit, and increased meaningful interactions.

Even better, **many banks and credit unions see a 10–15% increase in revenue within the first year**. This proves that how your customers feel within your branch directly correlates with their decision to explore additional services.

CUSTOMER ENGAGEMENT

20 - 30%
INCREASE

REVENUE

10 - 15%
INCREASE

ALDEN STATE BANK, EAST AMHERST, NEW YORK

(Previous page)
After a brand refresh, Alden State Bank transformed their branch to include branded colors, updated teller lines, a modernized flow, and a community-based coffee shop that's focused on local workforce development that employs high-risk teens.

BUCKEYE STATE BANK, COLUMBUS, OHIO

(Above)
This refresh was not just physical, but created a deeper connection to the values of Buckeye State Bank and their community. The design blends the bank's mission, customer focus, and branding into the space, creating welcoming atmosphere.

NEXT LEVEL GROWTH

LET'S NOT FORGET THE WORKING EFFICIENCY

Operational efficiency improves too—and in ways that directly impact the bottom line. As we stated before, According to Deloitte, branches that incorporate self-service tools, such as interactive kiosks or digital check-in stations, along with optimized floor plans, can **reduce operating costs by up to 25%**. These improvements help streamline everyday transactions, minimize wait times, and free up staff to focus on higher-value activities like financial consultations or cross-selling opportunities. With less time spent on routine tasks, branch employees can deliver a more personalized experience, while management can allocate resources more strategically. It's a win-win: lower overhead, better service, and a more agile, responsive branch environment.

OPERATIONAL SAVINGS
^25% INCREASE

STATE SAVINGS BANK OF MANISTIQUE
Manistique, Michigan

THE TAKEAWAY

IN CONCLUSION

Refreshing your branch isn't just about design aesthetics—**it's a business strategy.** When banks and credit unions invest in smarter, more engaging spaces, they position themselves for stronger customer relationships, more efficient operations, and a brand that differentiates itself. But perhaps the biggest win is a distinct competitive edge in today's digital landscape. Mobile apps and web-based services are here to stay, but the physical branch remains a powerful brand touchpoint.

ABOUT THE AUTHOR

From initial concept to final construction, **La Macchia Group is dedicated to helping financial institutions evolve their spaces to meet the demands of today's consumers and position themselves for future success.**

La Macchia Group's comprehensive approach encompasses strategic planning, branding, architectural design, construction management, and technology integration. We tailor each project to reflect the unique needs and goals of our clients, ensuring that every space we create is both functional and reflective of the institution's brand. By focusing solely on financial institutions, we bring a deep understanding of the industry's challenges and opportunities, enabling us to deliver solutions that are both innovative and effective.

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