

THE ART OF POSITIONING

# bancography

BRANCH PRODUCT RESEARCH BRAND

## BRANCH STRATEGY

Institutions must understand the financial implications of each branch addition, closure, and consolidation, as well as the appropriate configuration for each proposed location.

Bancography offers one-off branch studies, custom network optimization services, branch-staffing models and *Bancography Plan*, our market analysis and branch planning software tool, to assist institutions with examining their branch networks.

For more information, contact us  
at (205) 252-6671 or  
[info@bancography.com](mailto:info@bancography.com).

## Branch Network Optimization

Bancography's clean slate approach helps you optimize your branch network by identifying expansion opportunities, overlaps and consolidation opportunities, and branches underperforming relative to market potential.

Supported by rigorous demographic and financial modeling, our process yields efficient branch networks aligned with the opportunity available in each of your institution's market areas.



### The process:

#### > Define guiding principles

- > Target market segments
- > Growth expectations and parameters
- > Distribution philosophy
- > Views on competitors
- > Financial benchmarks: ROE, ROI, IRR

#### > Define submarkets

- > Plot competing branches, retail concentrations, and employment centers and define submarkets for review
- > Produce demographic and competitive profiles of each submarket

#### > Build demand estimates

- > Balances for checking, savings, money market, CDs, consumer loans, equity loans/lines
- > Deposits and loans for small businesses
- > Commercial middle market demand for deposits, operating and equipment loans, and real estate loans
- > Wealth management balances for retirement accounts, trusts, mutual funds, loose securities, insurance

#### > Determine likely penetration

Evaluate competitive density and relative strength of existing competitors to forecast likely penetration of each product in each submarket

#### > Service model recommendation

Specify appropriate physical model: branch, drive-in, in-line and corresponding staff levels

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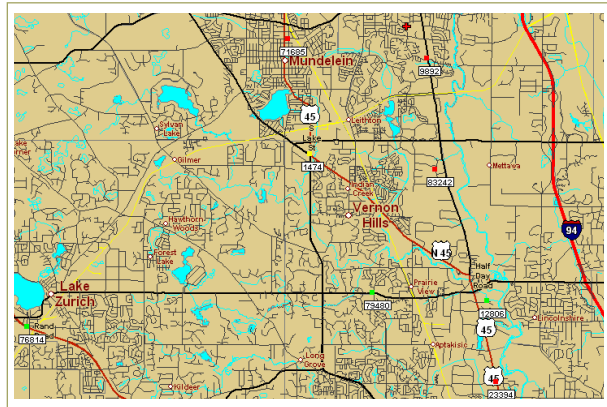
BRANCH PRODUCT RESEARCH BRAND

## ABOUT BANCOGRAPHY

Bancography provides consulting services, software tools and marketing research to financial institutions to support their branch, product and brand positioning strategies. For the branch network, Bancography offers custom network optimization services in addition to *Bancography Plan*, our market analysis and branch planning software tool.

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## Branch Network Optimization continued



### > Financial models

Bancography will develop an interactive database that will run financial projections for all submarkets.

- > View full financial projections for every submarket
- > Run alternate scenarios and re-rank markets
- > View demographics for each submarket
- > See qualifying / non-qualifying submarkets as red / green lights on a map with zoom, print, and copy capabilities
- > Database resides with the institution

### > Gap analysis

- > Compare current distribution to projected optimal network and compare current performance to projected market potential.
- > Identify remedies including new branches in unserved submarkets; reconfigurations and sales improvement strategies in under-performing submarkets; and closures in over-served submarkets.

### > Recommendations

Outline de novo branching strategy based on the geographic clustering of the top-ranking submarkets.

- > New branches, prioritized by region
- > Closures, consolidations, relocations
- > Land bank
- > ATMs
- > Compare competing networks to optimal franchise to identify acquisition candidates

**Contact Bancography for pricing**