

FOR IMMEDIATE RELEASE
February 1, 2011

Contact: John Tschohl
(952) 884-3311
E-mail: quality@servicequality.com
Web: www.customer-service.com

WHERE ARE THE ROLE MODELS? Vernon Hill at Metro Bank is Extraordinary

By John Tschohl

They are athletes, Nobel Prize winners, and heads of state. They are role models who inspire others not only to follow in their footsteps, but to do better, dream bigger. But, where, I ask you, are the customer service role models? Where are those people who have made providing customers with the best service possible not only a priority but an art?

Sadly, they are few and far between. That doesn't mean they don't exist, however. In fact, the most customer-driven executive I have ever had the pleasure to meet is Vernon Hill, founder of Commerce Bank in the United States and, most recently, of Metro Bank in the United Kingdom. Banks are notorious for bad service, but Hill set a standard that no bank in either country has ever been able to replicate. He changed the banking industry in the United States—and now he's doing it in the United Kingdom.

Since I founded the Service Quality Institute in Minneapolis, Minnesota, 39 years ago, I've dealt with clients and businesses throughout the world. I've preached the importance of customer service through several books and in speeches to thousands of employees around the globe. And I have never met anyone who comes close to Hill; he is the master of customer service.

If you have ever doubted the power of customer service, consider this: Hill started Commerce Bancorp in New Jersey in 1973, when he was just 27, with \$1.5 million in capital and just nine employees. By 2007, Commerce was the 18th largest bank in the United States, with more than 500 branches and 15,000 employees. Hill sold Commerce Bancorp the following year for a whopping \$8.5 billion.

How did he do it? How was Hill at such a young age to take on some of the giants in the industry? He did it by realizing he was in the customer service business, not the banking business. He referred to his branches as stores and designed and decorated them more like retail stores than banks. He offered customers and noncustomers, alike, use of free coin counters. His employees

handed out lollipops and dog biscuits. And he scoffed at “bankers’ hours,” keeping his stores open seven days a week to better serve his customers. Hill proved that, if you build your business around the customer’s experience, you can own the market.

In 2010, three years after selling Commerce Bank, Hill took his customer-service strategy to London, where he opened the first new bank in that city in more than 100 years. The new bank was an instance success, opening 3,000 accounts during its first month of operation. Hill credits his success in banking to his customer service model. While testifying before Parliament’s Treasury Committee in December 2010, he said he sees his bank as a retailer “that happens to sell bank products.”

“They often call us the anti-bank bank,” he said. “We do things in a reverse way. We care about service. We care about convenience. We care about hours. We care about call centers with human beings. It’s almost the anti-banking view of life.”

Hill said his banking model in Great Britain, as it was in America, is to “build customers as fans. Great companies build fans who stay with the company and recommend [it] to a friend,” he said.

Hill is predicting that, within 10 years, Metro Bank will have 10 percent of the market in the United Kingdom—and more than \$31 billion in deposits. Given his focus on customer service, I don’t doubt him for a minute.

John Tschohl, the internationally recognized service strategist, is founder and president of the Service Quality Institute in Minneapolis, Minnesota. Described by USA Today, Time, and Entrepreneur as a customer service guru, he has written several books on customer service and has developed more than 26 customer-service training programs that have been distributed and presented throughout the world. John’s monthly strategic newsletter is available online at no charge.