

David Takes on Goliath: Industry Intelligence Gives Claremont Savings Bank a Winning Edge



Like most banks, Claremont Savings Bank is striving to increase their deposits and loans, which means prospecting new customers and deepening relationships with existing ones.

As an independent mutual bank working with customers throughout New Hampshire and Vermont, Claremont Savings Bank prides itself on putting customers first and keeping decisions local. The bank offers a diverse selection of retail and commercial deposit products along with specialized lending solutions. It also provides access to investment and insurance services provided through Claremont Financial Services, a division of Claremont Savings Bank.



● THE CHALLENGE

Julie Martin started her career at Claremont Savings Bank as a teller 19 years ago, working her way up to her current role as vice president of business services. She and her team handle the financial needs of the bank’s larger commercial relationships.

Like most banks, Claremont Savings Bank is striving to increase their deposits and loans, which means prospecting new customers and deepening relationships with existing ones. “We’re a smaller community bank, and we have a small geographic footprint, so we’re trying to utilize every possible strategy to set us apart from other competing banks,” notes Julie.

But when researching a prospect or customer, Julie and her colleagues often found themselves spending an inordinate amount of time trying to sift through internet search results – results they weren’t even certain were accurate.

“With so much information, it was easy to get lost in the details,” Julie explains. “We needed a way to get out of the weeds.”

● THE SOLUTION

Ultimately, what Claremont Savings Bank was searching for was a reliable resource for industry insights that could save bankers’ time, boost their confidence, and improve their close rate. When they found Vertical IQ, their search was over.

For Julie and her team at CSB, the Industry Intelligence on Vertical IQ has become an integral tool for their pre-call research and planning. “Call preparation and being prepared are so important, particularly if I’m reaching out to a brand-new prospect that I’ve never had contact with,” says Julie.

With the focused, concise Industry Intelligence she now has in her toolbox, Julie is able to save a substantial amount of time on her pre-call research. She explains: “Before, when we were solely dependent on Google, my call prep would often take me an hour or more, depending on how in the weeds I got. Preparing using Vertical IQ – and in particular their Call Prep Sheets – saves me a huge amount of time as compared to doing internet searches, which can take you in too many different directions. Now, thanks to Vertical IQ, I can feel well-prepared in just 20 minutes.”

Julie says that she and her colleagues appreciate that Vertical IQ was created by bankers, for bankers. “You can tell that they’ve been in our shoes. The content is specifically geared toward us with banking terminology as well as important topics like industries’ credit risk, trends, capital financing needs, cash flow, and common banking products.”

She likes the industry-specific terms shared on each Industry Profile as well, which enable her to speak a business owner’s language. “I once met with a car dealership prospect, and I remember one of them saying that they were pleasantly surprised that I had taken such an interest in their business – that I had used their terms and touched on industry-relevant points that no other banker had touched on for them,” Julie recollects.

Julie and her team also take advantage of Industry Intelligence when interacting with existing customers as a way to add continuous value and deepen relationships. “I like to find a timely, industry-focused news article or copy and paste the latest industry trends to send to my customer and say, ‘Hey, just saw this and thought of you. Is there a good time for me to come out and talk with you about this?’ It gives me an in to have that conversation with them – to check in on them and it be a personal visit versus just sending a generic touchpoint.”

Julie continues:

“We so often communicate with our customers through email, and it’s easy to lose that person-to-person touch. At Claremont Savings Bank, it is important to us that we keep that personal connection with our customers. Sharing industry content from Vertical IQ jump starts those conversations for us.”

Annual relationship reviews can also become more valuable to both the bank and the customer by incorporating Industry Intelligence into the discussion. “I review the Industry Profile for the customer’s niche to make sure that I am aware of any major industry changes. I look at sections like the trends, the working capital summary, capital financing, and financial insights to try to figure out what their working capital situation may be,” Julie shares.

“When I’m going out to talk with a customer to recap their year, I make sure that I bring up any interesting points I found – anything notable that has changed for their industry as a whole,” she explains. “I then share what CSB may be able to do to help address any related banking needs. I’ve found that these kinds of industry-focused annual reviews add value to the relationship from the customer’s standpoint, as well as uncover upsell and cross-sell opportunities that can benefit the bank.”

“Preparing using Vertical IQ – and in particular their Call Prep Sheets – saves me a huge amount of time as compared to doing internet searches, which can take you in too many different directions. Now, thanks to Vertical IQ, I can feel well-prepared in just 20 minutes.”

— • **JULIE MARTIN**

Vice President of Business Services
Claremont Savings Bank

● BOOSTING FOCUS, BUILDING CONFIDENCE

Bankers at Claremont Savings Bank are finding a variety of benefits to incorporating Vertical IQ throughout the sales process. Among them, using Industry Intelligence helps them focus their prospecting. “It gives us the ability to see if there is an industry that we should be going after that we haven’t been pursuing,” Julie observes.

Vertical IQ also personalizes CSB’s outreach efforts while boosting bankers’ confidence during conversations. “You can only be an expert on so many things,” Julie concedes.

“Vertical IQ makes it very easy for us to be able to get a quick industry overview or to dig deep into the industry if needed – showing us what products and services the prospect or customer might need. I like to have that Call Prep Sheet in front of me to help steer conversations, and I like to use the news articles as a personalized touchpoint. It really sets us apart.”

Julie expounds: “One of the biggest impacts of using Vertical IQ that we’re seeing is that our newer bankers are gaining the confidence to be able to go into a sales meeting with a prospect and say, ‘Okay, this is what you do, and here’s what we can do to help you.’ They have the talking points they need to feel empowered and sound very knowledgeable on a call, which has been huge for them.”





— • **A HELPING HAND FOR CREDIT ANALYSIS AND UNDERWRITING**

The credit team at Claremont Savings Bank is also finding value and time-savings by incorporating Industry Intelligence from Vertical IQ into their analysis and risk management processes.

“Our credit analysts use it for the background information they need, as well as for their annual reviews,” says Julie. “Our lenders really enjoy the monthly e-newsletters as well as the industry trends, which they share with their customers or prospects.”

Becky Cook, a commercial credit analyst at Claremont Savings Bank, says she uses Vertical IQ for the majority of the commercial loan proposals she prepares, focusing in particular on the valuable information in the Industry Overview and Current Conditions sections.

“An important component of our credit analysis is to conduct a risk assessment based on up-to-date market and industry conditions for the specific industry in which our prospective borrower operates,” Becky explains.

“Vertical IQ provides detailed and current developments for each industry with credible, professional sources and trend analysis. It’s extremely helpful in understanding the track an industry is on and how economic factors are impacting that industry. From there we can better analyze projections provided by borrowers to ensure their anticipated results coincide with industry demand, as well as assess the potential risk of downward revenue trends if there are concerning industry factors that we would otherwise be unaware of.”

The Credit Underwriting and Risks section within Vertical IQ’s Industry Profiles is also instrumental in Becky’s industry analysis, she shares. “In my proposals, I always cite the Industry Risk Rating provided by Vertical IQ, as well as the risk factors that categorize each industry such as business exit rates, cyclical sensitivity, financial summary, and the compound annual growth forecast.”

A key part of credit risk analysis is benchmarking a business against others in the same industry. Becky notes that the ability to get this type of “apples-to-apples” comparison is crucial to making informed credit decisions.

“Financial ratio analysis is meaningless unless compared to other industry peers and the baseline within each industry,” she says. “Vertical IQ is priceless in understanding how a borrower truly operates within its respective industry and how well they are performing in relation to the average industry competitor.”

Having such credit-related content right at your fingertips is a tremendous time saver for the credit team at Claremont Savings Bank. But the real benefit, from the credit perspective, is the bank’s ability to accurately gauge the creditworthiness of a business – and the resulting deals that are successfully inked. For example, Becky attributes closing a \$70,000 deal in part to her use of Vertical IQ.

She shares the details: “I had a loan proposal to prepare for a start-up food truck business. This was an industry I was unfamiliar with – one that was just emerging and gaining popularity in our area. Being a start-up, the borrower did not have historical financial data to provide and instead provided projections that I had nothing to compare to in order to determine the reasonableness of the figures.

“Vertical IQ provided Financial Benchmarks for the food truck industry, NAICS code 722330, which allowed me to see what the typical income statement accounts of other businesses within the industry amounted to in relation to revenues. I was able to adjust the prospect’s projections to better reflect the industry data and build comfort and confidence in our financial analysis to obtain approval for the loan. Today, the business is successful, but it was the tools provided by Vertical IQ that allowed us to do thorough, accurate due diligence and better assess the credit risk.”

“ Vertical IQ is priceless in understanding how a borrower truly operates within its respective industry and how well they are performing in relation to the average industry competitor. ”

— • **BECKY COOK**

Commercial Credit Analyst
Claremont Savings Bank

— • **CONTINUOUS PRODUCT SUPPORT AND IMPROVEMENTS**

In order to get the most value out of any tool, users need to understand how to use it effectively, and this is another area where the bankers at CSB note that Vertical IQ really shines. Julie and Becky both pointed out that the training opportunities provided by Vertical IQ have increased their understanding and usage of the tool.

But like any good company, Vertical IQ isn't resting on its laurels; it is continuously improving its capabilities and upgrading the content it offers. For example, a recent enhancement included the addition of Localized Industry Data to each Industry Profile – information about a vertical down to the metropolitan statistical area (MSA) and county level. This has been a boon for community banks like Claremont Savings Bank.

As Julie explains: “We’re a very small county around here, so I like that we can now see what’s really happening with an industry in our specific area. Vertical IQ’s Localized Industry Data allows us to drill down deeper and to have even more of that local focus to figure out exactly what will benefit our customers – which, of course, also benefits the bank in the long run.”

“ I like that we can now see what’s really happening with an industry in our specific area. Vertical IQ’s Localized Industry Data allows us to drill down deeper and to have even more of that local focus to figure out exactly what will benefit our customers – which, of course, also benefits the bank in the long run. ”

— • **JULIE MARTIN**

Vice President of Business Services
Claremont Savings Bank

“ Sometimes we feel like we’re the little guy on the block trying to play ball – like David versus Goliath, but with Vertical IQ, we have the Industry Intelligence we need to put us in the same arena and to hold our own. ”

— • **JULIE MARTIN**

Vice President of Business Services
Claremont Savings Bank



— • **A MEANINGFUL DIFFERENTIATOR FOR COMMUNITY BANKS**

The banking space is crowded, with other banks always trying to poach their competition’s best customers. Bankers must find a way to set not only their bank apart ... but also themselves. They need a differentiator, and this is perhaps especially true for smaller community banks that may not have the same name recognition as the bigger players.

“Sometimes we feel like we’re the little guy on the block trying to play ball – like David versus Goliath,” Julie observes, “but with Vertical IQ, we have the Industry Intelligence we need to put us in the same arena and to hold our own. We are able to differentiate ourselves from those bigger guys by virtue of making all of our decisions locally, but Industry Intelligence helps us get our foot in the door when we can say to business owners, ‘Hey, we understand that a lot of people in your industry are dealing with this issue, and here’s how we can help you overcome that.’”

Julie emphasizes that as a community bank, CSB’s bankers truly take pride in knowing what their customers do. “Vertical IQ makes it quick and easy to keep my finger on the pulse of my customers’ industries. It also gives us an edge and keeps us top of mind when we have valuable industry content we can share and say, ‘I was reviewing this and thought of you, so I wanted to reach out.’ Business owners really appreciate that.” ●

OUR SUCCESSES ARE ALWAYS CO-AUTHORED WITH OUR CUSTOMERS.

TO LEARN MORE ABOUT HOW VERTICAL IQ CAN GIVE YOUR TEAM AN EDGE, CONTACT US AT 919.787.4600 OR INFO@VERTICALIQ.COM.