

# Beware of the Middle Ground

Many people will pay a lot of money for a few items or services that are important to them without thinking twice. However, these same people will take an unreasonable amount of time to comparison shop for items such as toothpaste! Basically, the old saying about being “penny-wise and pound-foolish” has become an accepted reality. The implications of this new mindset are enormous to those of us who work in the financial industry. What it comes down to is this: North Americans will pay top dollar for the luxury items and services that matter the most to them. So, it is important to make sure we make our services matter and that they are viewed as important items in our clients’ lives.

## **The High End and the Low End will THRIVE**

Those who have staked out the high end and the low end of the marketplace for their respective products or services will most certainly do well. The Rolexes and Porsches of the world will continue to have a steady stream of clients willing to pay top dollar for their products. Doctors are also getting into the act, no longer looking to be all things to all people, but rather being all things to some people.

Conversely, the WAL-Marts and COSTCOs of the world will continue to thrive as this same group looks for good deals on the various commodities of their lives. Where things start to get slippery is if you are a company or professional in the middle ground.

## **The Middle Ground Creates No Loyalty**

When you are a middle-tier service provider it means that high-end consumers do not feel they are getting the exclusive service they want – because they aren’t – and you can’t realistically offer it because you are charging middle of the road prices. As a middle-tier service provider you also aren’t satisfying the group of low-end consumers who pursue low cost service solutions. So, the question becomes exactly who does the middle-tier service provider service and what exactly is their competitive advantage?

Financial professionals need to foster a select group mentality, with their best clients not only to survive, but to THRIVE in this competitive industry. This program revolves around this exact approach and ties in with the trend discussed above: people are willing to pay for quality.

If our clients do not perceive you and the Credit Union as their indispensable financial representative and institution for life, and if they do not have that *select group* feeling, it is only a matter of time before they find someone and somewhere else that will offer those things to them.

Your clients are no different than you when it comes to the desire to simplify their life. It is easier to engage in one-stop-shopping with you and the Credit Union than it is to work with a variety of different service providers for banking, lending, savings, insurance and the like. The latter creates too much paperwork, details and people to remember and overall hassle-factor. If we deliver value as the go-to-provider for financial solutions, we don’t have to be the lowest cost provider. Clients will value and appreciate the service you provide.