Mining Gold in Your Own Back Yard Unlock Your Hidden Branch Potential

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For more than 35 years GRFI's Regression Modeling has helped financial institutions select profitable sites for Branch Banking.

Determining Optimum Branch Potential
Those clients are utilizing our Modeling Techniques to identify and extract the Optimum Dollar Potential from their systems.

Average Untapped Upside Potential
Experience has confirmed that on average any system with 10 or more facilities has an upside profit potential of at least 20%. During a period of tight margins these opportunities are beneficial in achieving higher levels of profit at virtually no additional costs.

In larger systems of more than 20 units, we often find trade areas with untapped potential in the 40% range. Larger systems see combined profit increases in the 25-30% range.

Pinpointing Areas of Key Potential
These new found sources of Gold are there for the taking and, best of all, do not require large amounts of Capital to realize the add-on profits.

Many larger systems have their own staff to identify the opportunities and develop strategies to extract the gold from their existing systems. GRFI is now making the necessary Assessment and Implementation Tools available to clients on a lease basis.

GRFI Trains Client Personnel
We train client personnel in the application of the tools and monitor their performance in order to maximize effectiveness and new profit potential. We supply clients with all 12 model variations (by environmental classification) to maximize the accuracy of the data being generated.

How is the Additional Potential Identified?
GRFI's Regression Modeling identifies specific untapped product-service potential that could be realized through new or renewed sales efforts and/or marketing techniques.

GRFI Modeling data allows the user to determine aggregate market potential by product, on both a dollar and index basis, so that the bank can set realistic share goals and objectives for each Trade Area-Site evaluated.

Trade Area Factors Dominate Regression Analysis
Trade area factors which positively or negatively affect the via-bility of the market include: trade area density, trade area quality, population growth, age profile, and household income factors. The relative strength of the market within our regression model accounts for an estimated 60-75% of the existing facility-market potential.

Competitive Elements Impact Potential
In addition to a strong market and a good location, the extent and type of competition is extremely important when determining market/site potentials. Negative competition factors range from 15-40% of the model score.

Site and Special Advantage Factors Dominate Delivery Potential
The remaining points of the evaluation score are derived from Site Factors and Special Advantage Factors. Site Factors include street placement, traffic, ingress/egress, visibility and parking. Special Advantage Factors account for a large draw potential, such as proximity to a primary or major destination, local "landmark" locational reference and/or proximity to a major traffic artery or interchange. These factors must be positively in line if optimum results are to be achieved.

GRFI Ltd. Regression Model a Barometer for Determining Business Potential
A point score is generated from the four model factors. This point score is used to project optimum deposits, fee income and related financial product sales and revenues for the subject facility. GRFI's projections simulate the revenues of an operating financial institution within +/- 7% accuracy.

Financial Impact of New Branch Operations
With business potential data in hand, GRFI runs a Breakeven, Payback and Capital Recoup Analysis to simulate future branch operations and forecast revenues for the facility. Comparing refurbishing and operating expenses against newly projected revenues, revised operating strategies can be planned for realistic and manageable timelines and resources.

Prioritize Development Opportunities
With the projected revenues from one or more potential sites, optimum development strategies may be implemented to maximize and prioritize profit potential. ◆