

Deposit & Loan Growth Strategies

For Financial Institutions



September 2009
Vol. 16, No. 4

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Motivated employees can make any promotion more successful

■ A new topic for this newsletter

Today it takes three things to make your marketing campaign a roaring success:

- 1) A clever promotion
- 2) A popular product or service
- 3) Motivated employees to sell it

We’re pleased to announce that you can now find all three of these topics in *Deposit & Loan Growth Strategies*.

Our newsletter has always reported what top institutions are doing to market and promote their products and services. Now, *Deposit & Loan Growth Strategies* will also report how institutions motivate their employees to sell these products, using incentive plans and sales contests.

These sales strategies are important, of course, because online services are quickly eroding the personal contacts you have with customers.

Every face-to-face sales opportunity you get is now critically important.

To take advantage of these opportunities, you need a team of trained and motivated employees who can sell your products and services—or make referrals to employees who can.

Fortunately, you’ll now get the ideas to help you do this in *Deposit & Loan Growth Strategies*.

We appreciate your business and are pleased to provide this added value to you, our readers.

Three ways to close more sales

■ Don’t hesitate to ask for the business

Here are three ways employees can fine-tune their sales presentations to close more sales:

1) Ask for the business.

Many times, all it takes to close a sale is to ask the question, “*Now that you know how our debit card can help you, would like to go ahead and open a new checking account?*”

It’s amazing how many employees will tip-toe around this question without actually asking it.

2) Tailor your presentation to the personality of each customer.

Some people respond to a high-tech presentation, while others want a personalized, low-tech approach.

Employees need to quickly decide the best approach, and then use it.

3) Always do what you promise.

For example, if you say you’re going to get back to a prospect on Thursday, make sure you do it. Customers want to do business with those they know will deliver. Before committing to a long-term relationship, they’ll want to see some short-term performance to judge you by.

SWEEPSTAKES PROMOTIONS

A “Super Savers Sweepstakes” helps this Maryland institution increase core deposits

Direct deposit and club accounts help build savings habits

Tower Federal Credit Union (\$1.8 billion, Laurel, Maryland) has developed a “Super Savers Sweepstakes” that is reeling in core accounts.

www.towerfcu.org

During its nine-month long sweepstakes, the credit union will give away \$50,000 in monthly, quarterly,

and grand cash prizes.

To be eligible for these prizes, members are required to actively use direct deposit or open and use a Club account.

People can also enter the drawings by mailing in a 3 X 5 postcard to the credit union that lists their name, address, age, telephone number, and the name of the prize.

“We want our members to recognize the importance of saving as well as of coming to us with their credit union business on a regular basis—be it deposits or savings,” explains Patricia Wagaman, Manager/Advertising & Public Relations.

Two years of success

This is actually the second year that Tower has run its sweepstakes promotion.

Originally launched in 2008, the promotion was designed to help members develop good saving habits.

And according to statistics provided by Tower, it was an overwhelming success.

(Continued on the following page)

“Super Savers Sweepstakes” Life Cycle Brochure (Outside)

SAVE \$ WIN \$

\$10,000 GRAND PRIZE
 50 More Cash Prizes • Up to \$2,500
 Drawing End of Year
 With direct deposit to a Tower account OR saving in a Club account every month.

\$2,500 FIRST PRIZE
 42 More Cash Prizes • Up to \$1,000
 Drawings Every Quarter
 With a \$100 minimum direct deposit every month.

PLUS! Get up to a **\$125 CASH BONUS*** with a new direct deposit!

\$500 FIRST PRIZE
 17 More Cash Prizes • Up to \$250
 Drawings Every Month
 Save \$25 minimum in a Club account every month.

See towerfcu.org for Super Savers Sweepstakes rules and additional details. Sweepstakes starts 4/1/09 and ends 12/31/09. A qualifying direct deposit of a \$100 minimum or a \$25 minimum (non-IRA) Club account deposit in Dec. 2009 required to be eligible for Grand Prize drawing; \$100 minimum direct deposit in last month of quarter (June, Sept., Dec.) required to be eligible for quarterly drawings; \$25 minimum (non-IRA) Club deposit required to be eligible for that month's monthly drawing. Prize winnings are subject to taxation.

*Cash Bonus: Accounts receiving a direct deposit prior to 12/31/08 are not eligible for cash bonuses. A qualified direct deposit is defined as a recurring direct deposit of \$100 minimum in the same month of a paycheck, Social Security or pension payment electronically deposited to a Regular Checking account. Multiple deposits within the same month can not be combined to meet \$100 minimum requirement. Eligibility requirements for a Regular Checking account must be met to qualify for Cash Bonus. Checking account must be in good standing. Members are not eligible for more than one incentive to set up direct deposit or open a Regular Checking account. First direct deposit must post to account by 12/31/09 to be eligible for Cash Bonus. Cash Bonus subject to taxation. Cash Bonus payments will be made within 6 to 8 weeks following verification of qualified recurring direct deposits. Offer ends 12/31/09; may be withdrawn at any time. Checking account annual percentage yield is 0.25% effective 1/1/09 and is subject to change. Visit towerfcu.org for details.

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NCUA
 Member FDIC

SUPER SAVERS SWEEPSTAKES

\$10,000 GRAND PRIZE

I'm saving for my next step

What are you saving for?

Source: Tower Federal Credit Union (Laurel, MD)

SWEEPSTAKES PROMOTIONS

For instance, core deposit average balances increased by \$36.2 million, which exceeded the credit union's goal for the campaign by 29 percent.

Additionally, members opened over 12,000 new Prime Share, Club and checking accounts.

Overall, the 2008 Sweepstakes promotion contributed to a growth of \$118 million in Tower's total savings balances, which was an increase of 9 percent over the previous year.

The new 2009 Super Savers Sweepstakes was designed to build on this success.

For example, each quarter during this year's sweepstakes, members who set up direct deposit into either a checking or Prime Share savings account and make a deposit of at least \$100 each month are automatically

entered to win a quarterly cash prize.

These three quarterly cash prizes include one 1st prize of \$2,500, one 2nd prize of \$1,000, one 3rd prize of \$500, five 4th prizes of \$100, 15 5th prizes of \$50, and 20 6th prizes of \$25.

Wagaman notes that direct deposit is a good money management tool that can help members increase their checking and saving balances.

"Research shows that people who use direct deposit save an average of \$90 more per month in their account compared to those who do not."

She adds research also shows that people who set up direct deposit have a higher comfort level with their financial institution because they know they are getting good service and want to be with that institution longer term.

"We hope we are meeting members' needs with direct deposit and that they are building up more loyalty and trust in us to satisfy all of their other financial needs."

As an added incentive for members to set up direct deposit, those who open a new checking account and set up direct deposit to that account during the sweepstakes get a \$125 cash bonus, and existing checking account members who set up direct deposit receive a \$100 cash bonus, explains Carla Ohler, Marketing Communications Writer.

Sweetening the pot

"We wanted to sweeten the pot for members by offering a cash bonus for direct deposit," says Ohler.

(Continued on the following page)

"Super Savers Sweepstakes" Life Cycle Brochure (Inside)

SUPER SAVERS SWEEPSTAKES

I'm saving for a new deck

"I bought a programmable thermostat and set it to turn on a half-hour before we arrive home from work. For every degree lower, I save 3 percent on my electric bill—a savings of about \$96 per month. The thermostat costs less than \$100 and has already paid for itself."

\$10,000 GRAND PRIZE

Last year's SUPER SAVERS SWEEPSTAKES was such a success, we're doing it again!

Tower is giving away **\$50,000 in cash prizes** to encourage you to save big—and win big.

Whatever you're saving for, Tower is here to help you reach your goals. Perhaps it's a dream home, new baby, retirement nest egg or next semester's tuition. Or maybe you just want to be prepared for the "what ifs" in life—car repairs, medical bills or unexpected expenses.

Tower Helps You Save! Tower Helps You Win!

Save big, win big with SUPER SAVERS SWEEPSTAKES. For details, visit towerfcu.org, stop by a branch, or call the Member Service Center at 301-497-7000 or 800-787-8328.

I'm saving for a rainy day

"I save by going to matinees. A regular adult ticket for a prime time flick is about \$10. Matinees cost about \$7. If you go to the movies every week, that's an annual savings of about \$150—just by seeing the same movie at a different time."

\$10,000 GRAND PRIZE

Win up to \$500 with Club Savings

Save in a Tower Club account with a \$25 minimum deposit each month and you're automatically entered in the SUPER SAVERS SWEEPSTAKES monthly cash prize drawings and \$10,000 Grand Prize.

Win up to \$2,500 with Direct Deposit

Direct deposit \$100 minimum to your Prime Share or checking account each month and you're automatically entered in the SUPER SAVERS SWEEPSTAKES quarterly cash prize drawings and \$10,000 Grand Prize.

- **PLUS:** Earn a \$100 Cash Bonus* for setting up a qualifying direct deposit to a Tower Regular Checking account.

- If the Regular Checking account is new, you'll receive an additional \$25 Cash Bonus.*

Win the \$10,000 Grand Prize

Save in a Club account or set up a qualifying direct deposit. Either way, you're automatically entered for a chance to win the Grand Prize at the end of the year.

Note: Sweepstakes winners will be notified by personal letter only. As with all member communications, Tower will never request account or other financial information for any reason through unsolicited e-mails or phone calls.

SUPER SAVERS SWEEPSTAKES Club Account Application

Please use black ink only.

- Yes, I want to open a Tower Club account.**
(Deposit a **minimum of \$25** to be eligible for the SUPER SAVERS SWEEPSTAKES.)

- I authorize Tower to transfer \$_____ into my new Club account from one of my current accounts:

- PRIME SHARE REGULAR CHECKING
 MONEY MARKET REQUEST CHECKING

- I have enclosed a check for \$_____ to be deposited into my new Tower Club account.

Please name my new Club account:

(Up to 20 characters)

MEMBER ACCOUNT NUMBER _____

PRIMARY MEMBER NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

SIGNATURE _____

Please mail your completed application to: Tower Federal Credit Union, Attn: Member Service Center, P.O. Box 123, Annapolis Junction, MD, 20701-0123; or fax it to 301-497-8930.

Club account owners will automatically be the same account owners currently listed on your Prime Share savings account. If you would like to change or delete account owner(s), contact the Member Service Center or visit a branch. You can also open a Club account online at towerfcu.org in Home Banking.

Source: Tower Federal Credit Union (Laurel, MD)

SWEEPSTAKES PROMOTIONS

“We know that direct deposit has so many benefits and we wanted to give an extra incentive to members to use it.”

Ohler adds that the cash bonus incentive for direct deposit has been incredibly popular. “It’s increased direct deposits, and it’s one of the reasons we’re seeing so many being set up now.”

Wagaman says the direct deposit cash bonus is an attractive offer for members because, unlike the Super Savers Sweepstakes, it immediately gives them a reward.

“Everyone is a winner by setting up good savings habits so we gave the direct deposit cash bonus a little more emphasis this year.

“We were very pleased to give more and more cash bonuses away and promote them because we know members respond to that.”

A “You Name It” club accounts

Each month during the sweepstakes, members who deposit at least \$25 into a Club account are automatically entered to win a monthly cash prize.

The nine monthly cash prizes include one first prize of \$500, one 2nd prize of \$250, one 3rd prize of \$100, five 4th prizes of \$50, and 10 5th prizes of \$25.

The credit union’s “You Name It” Club accounts allow members to choose a name for their club account and they can change this name at any time.

Members can open up to 13 different “You Name It” Club accounts. There is an initial deposit of at least \$5 for each Club account. Dividends earned on the account are at the same variable rate as the credit union’s Prime Share savings account.

Members can set up automatic transfers from their Prime Share or checking account to their Club accounts, to better manage their money and grow their savings

“We have a lot of fun with the Club account,” says Wagaman.

“We’ve found to our delight that for

years members have taken hold of our ‘You Name It’ Club accounts and have come up with wonderful names.”

For instance, some of the names members have chosen for their accounts include, “Date Night Out,” “My Diamond Ring,” and “Can’t Touch This.”

“We promote the Club account as a way to manage your money,” says Wagaman. “It helps manage members’ finances by allowing them to put money in different Club accounts for whatever their situation is, all while having the same saving rate for their different goals.

“We’ve learned from members and employees that the Club accounts help with specific goals for your money—it’s not just one account where you might not track it as well.”

Ohler notes that members are also opening Club accounts for more serious expenses, such as medical bills or car repairs.

“But it’s also a way to save for specific fun things, like a vacation or dance lessons that you always wanted to take, so it runs a wide range of account names and purposes for our members,” says Ohler.

A \$10,000 Grand Prize

In January, all of the members who made a minimum \$100 direct deposit and a minimum \$25 deposit into their Club account every month during the sweepstakes, including the month of December, are automatically entered into the grand prize drawing.

The grand prize drawing this year is for \$10,000. The grand prize also includes one 1st prize of \$2,500, three 2nd prizes of \$1,000, five 3rd prizes of \$500, 11 4th prizes of \$100, and 30 5th prizes of \$50.

Wagaman notes that one particular perk of the Super Savers Sweepstakes is that it provides members with a lot of opportunities to be a winner.

“You have many ways to win as long as you keep making a \$100 minimum direct deposit and a \$25 deposit into a club account.”

For this year’s Super Savers Sweepstakes, the credit union promoted four different life cycles of savings and created brochures to speak to each of these demographics.

Here are the four different life cycles included in the Super Savers Sweepstakes:

1) “I’m saving for my next step.”

This life cycle focused on younger members, such as those graduating from college. The brochure for this life cycle incorporated the color purple, and the visual featured a smiling young woman in a cap and gown.

2) “I’m saving for a new addition.”

This life cycle targeted a young couple saving for a new life addition, such as a house or a new baby. The brochure for this life cycle incorporated a light green color, and the visual featured a young couple holding their child and sitting in front of their home.

3) “I’m saving for tomorrow.”

This life cycle was aimed at a middle-aged couple saving for retirement. The brochure for this life cycle incorporated the color blue, and the visual featured a middle-aged couple sitting in front of mountains.

4) “I’m saving for my best years.”

This life cycle was geared toward a retired couple enjoying their best years. The brochure for this life cycle incorporated a dark green color, and the visual featured a retired couple riding bicycles and laughing.

All of the promotional materials for the Super Savers Sweepstakes incorporated one of these four life cycles. “We’re hitting different targeted segments of our members who would fall into one of these groups to show that all of us can save for something,” says Wagaman.

Buttons and Sharpie pens were made available in the branches for employees and members to wear. The buttons said, “I’m saving for _____.”

Employees and members can use

(Continued on the following page)

SWEEPSTAKES PROMOTIONS

the Sharpie pen to write what they are saving for on the blank line.

“Every branch person personalized what they were saving for and wore the buttons around the branch,” says Wagaman.

Ohler says that the “I’m Saving For” buttons encourage dialogue between employees and members about the sweepstakes and what they are each saving for, and also perhaps help them connect on a more personal level.

“At Tower, we are very focused on helping and maintaining relationships with our members, and the buttons

have been a great way to help promote that,” says Ohler.

The “I’m Saving For” buttons were also shown on the promotional materials for the campaign. For example, they were included on each of the four life cycle brochures.

Wagaman says the credit union has been tracking this year’s sweepstakes month by month and during each month of this year’s sweepstakes so far, the credit union has been ahead of last year at the same time.

Wagaman says the credit union will

most likely continue offering a direct deposit incentive for members.

“We think the direct deposit incentive is reaching members, so we do feel that we will always have an incentive program for opening up checking and setting up direct deposit.”

Source: *Carla Ohler, Marketing Communications Writer; Patricia Wagaman, Manager/Advertising & Public Relations, Tower Federal Credit Union, Laurel, MD; phone (800)787-8328; e-mail patricia.wagaman@towerfcu.org.*

“Super Savers Sweepstakes” Life Cycle Brochures

As explained in the story above, Tower Federal Credit Union (\$1.8 billion, Laurel, MD) used colorful brochures targeting four different life cycles to promote its “Super Savers Sweepstakes.” Three of these life cycle brochures are shown below.

For instance the brochure at left is for the “I’m Saving For A New Addition” life cycle, the brochure shown in the middle is for the “I’m Saving For Tomorrow” life cycle, and the brochure at right is for the “I’m Saving For My Best Years” life cycle. The fourth brochure, which is for the “I’m Saving For My Next Step” life cycle, is shown on pages 2 and 3.

The image displays three vertical brochures for the "Super Savers Sweepstakes". Each brochure has a distinct background color and a photo of a family. The top half of each brochure contains the text "SUPER SAVERS SWEEPSTAKES" and "\$10,000 GRAND PRIZE". The bottom half features a circular graphic with the text "I'm saving for" followed by a blank line and a specific life cycle goal. Below the photo, the text "What are you saving for?" is written in yellow.

- Left Brochure (Green background):** "I'm saving for a new addition". Photo of a family with a young child.
- Middle Brochure (Blue background):** "I'm saving for tomorrow". Photo of a middle-aged couple.
- Right Brochure (Dark Green background):** "I'm saving for my best years". Photo of an older couple, one on a bicycle.

Source: Tower Federal Credit Union (Laurel, MD)

EMPLOYEE INCENTIVES

Here are 10 ways to motivate employees to sell accounts

■ Practical strategies you can use

A successful checking promotion can pull people through your doors and onto your Web site.

But if you want to hit a marketing “home run,” you’ll also need a team of motivated employees to help you sell the product.

Here are 10 proven strategies that can help motivate your employees to sell checking accounts:

1) Run “dual” incentive programs. Motivation programs really catch fire when prospects and employees can both earn incentives. For example, to help generate e-checking sales, you could offer your prospect a \$25 gift card and your employee a \$10 gift card each time a qualifying account is opened.

2) Try not to exclude people. For example, some programs only pay incentives if sales are made to new customers. While we can understand why an institution might want to do this, it will lower total sales. An alternative approach is to make your incentive program as inclusive as possible.

For instance, you might broaden your program to include customers if they open or add new money to an existing account.

Or, you might pay your customers an incentive for referring a family member or friend to your institution.

By making your promotion as inclusive as possible, you increase incentive opportunities for your employees, plus boost your total sales.

3) Piggyback with a holiday or special event. This is an excellent way to draw more attention to your promotion.

For example, if you promote a premium checking account in November or December, a Christmas Shopping Gift Card would make an ideal customer or employee incentive.

And, if you’re promoting a e-checking account in June, any tie-in with a promoted green event—such as a community shred day—will only enhance the exposure and sale of your checking product.

4) Offer a chance to win bigger prizes. One way to increase the effectiveness of an employee incentive program is to increase the amount of the cash incentive that you’re offering.

For example, you might raise it from \$10 up to \$25 or more.

Another option is to give new employees a chance to win a much larger incentive—such as \$500.

You can easily do this by simply entering each employee into an end of contest drawing, where each sales equals one chance or ticket to win.

Or, you can print “scratch-off” cards that contain chances to win cash prizes. Simply give a card to your employee for every sale that they make and watch your checking sales grow!

5) Track individual improvement. One way to improve checking sales is to periodically “change up” your incentive program.

For example, instead of paying incentives based upon total sales, you could pay an extra incentive that is based upon on personal sales improvement.

To illustrate, let’s say your new account rep “Lauren” is averaging 20 sales per month during the first two months of your checking promotion. Knowing this, you could offer Lauren an extra \$50 incentive if she beats her personal monthly average by 25 percent or more during the third and final month of your program.

In other words, if Lauren makes 25 or more sales during the last month, she earns the \$50 prize.

(Continued on the following page)

CD AVERAGES (APY)

	Current	Last month
3-month	0.92%	0.90%
6-month	1.31%	1.29%
1-year	1.74%	1.66%
2-year	2.10%	1.96%
3-year	2.32%	2.25%
5-year	2.81%	2.64%

Source: www.bankrate.com

CHECKING (APY)

	Current	Last month
Interest checking	0.57%	0.63%

Source: www.bankrate.com

SAVINGS (APY)

	Current	Last month
MMA	1.66%	1.20%
MMA (\$10,000)	1.17%	1.23%

Source: www.bankrate.com

TREASURY BILLS

13-week (investment rate)	0.152%
26-week (investment rate)	0.259%

Source: www.publicdebt.treas.gov

STOCK INDEXES

Dow Jones Industrial Average	
Current	9,313.24
NASDAQ	
Current	1,972.12

EMPLOYEE INCENTIVES

And to make sure no one is “sandbagging,” don’t announce this extra promotion until the day it begins!

6) Use a leader board to track sales. Since you’re already tracking individual sales, why not make an online “leader board” to identify your top performers?

Most employees who excel in sales thrive on personal recognition, and this is an excellent way to give it to them. Which employees are atop your leader board right now?

7) Offer an e-checking package. Today institutions are scrambling to get new sign-ups for e-statements, direct deposit, mobile banking, bill pay, and other e-services.

Packaging these services together with a new or existing e-checking account will give your employees something to sell that they can really get excited about.

This is obviously a great package you can offer prospects, but it works equally well as a “step up” account for existing customers. Plus, it can drastically reduce your operating costs!

8) Encourage customers to ask questions. When your customers and employees begin a dialogue, good things are going to happen—which is why many institutions take that extra step to encourage “talking points.”

“Ask Me About” Button



One good way to initiate conversations is to have your employees wear “Ask Me About” buttons, such as the one shown below at left.

For example, the button might say, “Ask Me About Our Free Checking Account,” or “Ask Me About Our Travel Club,” or “Ask Me About Our Student Accounts.”

Additional ideas to help spur conversations include counter signs, free coffee and doughnuts by a product display, or “theme” decorations in your lobby.

9) Encourage your employees to ask questions. Of course, conversations are a two-way street and can also be initiated successfully by your employees.

Here are four specific, rehearsed “talking points” that your employees might use to sell checking accounts:

- Have you heard about our new club account?
- I’m wondering if you’ve had a chance to try our new bill pay service yet?
- Did you know that we now offer mobile banking services?
- I think your business might benefit from remote deposit; would you like to know how?

10) Repeat winning programs.

No matter how you plan or prepare for a promotion, it’s a given fact that some promotions will work better than others.

It’s also a fact that the best promotions—the ones that generate the most sales and activity—will also be the ones your employees like best.

So, whenever you have a successful promotion, you should always try to “roll it out again.”

For instance, if it works in the spring, try it again in the fall. If it worked for your club account, try it with your rewards account.

Which successful checking promotions should you be “rolling out” again?

PRIME RATE

Prime Rate	
current	3.25%
one month ago	3.25%
one year ago	5.00%

Source: www.bloomberg.com

MORTGAGE RATE AVERAGE

30-yr FRM	
current	5.26%
one month ago	5.33%
one year ago	6.26%

15-yr FRM	
current	4.70%
one month ago	4.81%
one year ago	5.77%

5/1-yr ARM	
current	4.54%
one month ago	4.59%
one year ago	5.92%

Source: www.bloomberg.com

NEW CAR AVERAGE

48-month New Car	
current	7.35%
one month ago	7.90%

Source: www.bankrate.com

CREDIT CARD AVERAGES

Standard	
fixed-rate	13.46%
variable-rate	11.28%

Gold	
fixed-rate	12.12%
variable-rate	9.89%

Platinum	
fixed-rate	11.19%
variable-rate	11.74%

Source: www.bankrate.com

NEWSLETTERS

Would you like to improve the look and delivery of your institution's newsletter?

■ Try asking readers what they think!

Blackhawk Community Credit Union (\$307 million, Janesville, Wisconsin) is redesigning its newsletter and is letting members decide on the new front page.

The voting for the new look of the credit union's quarterly newsletter, The Messenger, can be done on the credit union's Web site and in its branches. The voting form provides members with three different front pages of the newsletter to choose from.

Three templates to choose from

Members have until the end of August to vote and the winning newsletter will be sent out at the end of September.

"I wanted to get some ideas from the membership because the newsletter needs a facelift," says Donna M. Wagner, Marketing Director.

Wagner explains that the newsletter makeover is part of an overall re-branding process to give the credit union a more consistent marketing image.

She adds that the newsletter voting will get members' input in this process, which will hopefully make them feel more ownership to the newsletter and to the credit union.

"Members might not realize it, but they are helping with that re-branding," says Wagner.

All three of the new front-page templates that members can choose from have been updated to reflect a more colorful and branded masthead. Each of these three templates also includes an article index, which had not been included on the previous template.

The credit union's newsletter is currently available in both paper and electronic editions, and covers news and upcoming events as well as topics related to financial education.

For example, recent articles included a story about how to use

credit cards wisely and what high school and college graduates should know about financial management.

Recently, the credit union switched from sending the newsletter out with statements to sending it as a self-mailer.

This way, members can look forward to receiving the newsletter separately in the mail, says Wagner.

A design agency helps with the layout of the newsletter and a local printer takes care of the printing and mailing.

(Continued on the following page)

Marketing Piece For Newsletter Voting

You decide...

Your newsletter is getting a makeover!

We are introducing a new look and feel, while keeping costs down and protecting our environment. Vote for the new look you like best and we'll use the design in our next issue. Vote online at www.bhccu.org or right here at your local branch!

Remember, you can also receive the member newsletter electronically. Visit your personal home banking site online today to sign up to receive the newsletter electronically via email.

Your financial partner, today and tomorrow.™

Source: Blackhawk Community Credit Union (Janesville, WI)

NEWSLETTERS

Environmentally conscious changes

Wagner adds that the credit union is making some environmentally conscious changes with the printing of its redesigned newsletter. For instance, the newsletter is printed with vegetable-based soy ink and the paper is from a Forest Stewardship Council (FSC) certified partner.

www.bhccu.org

The newsletter has a slightly smaller page layout to accommodate more efficient printing layouts with less waste.

The credit union is also encouraging members to receive the newsletter electronically, which they can do by signing up for e-Statements.

This way, they receive a notice with their statement when the newsletter is available. Or, they can sign-up to automatically receive the newsletter via e-mail.

In the credit union's last newsletter, there was a message to members about the newsletter voting and the environmentally-friendly changes.

The message also informed members they could do their part in helping the environment by signing up to receive the newsletter

electronically.

"We're trying to drive more members to receive the newsletter electronically and are also promoting online banking and e-Statements," says Wagner.

And the winner?

Over 50 votes have been tallied for the new look of the newsletter, with choice "B" slightly ahead of choice "C" says Wagner.

She says this particular template would work well with a quarterly photo contest the credit union is rolling out next year to the membership.

For example, if choice B wins, the three pictures on the front-page template could feature each contest winner's photos.

"It's another part of getting members to feel like they have more ownership and getting them to feel like it is really their newsletter," says Wagner.

"This has been a fun project, and the membership has responded positively, so I am encouraged to try some new things down the road."

Source: Donna M. Wagner, Marketing Director, Blackhawk Community Credit Union, Janesville, WI; phone (800)779-5555, ext. 1105; e-mail dwagner@bhccu.org.

LOBBY COMPUTERS

As explained in the story at left, Blackhawk Community Credit Union (\$307 million, Janesville, WI) is encouraging members to receive its newsletter electronically in an effort to promote its e-services.

"We are looking at the number of e-mails we have for e-Statements and it's more than we thought but it could be better," says Donna M. Wagner, Marketing Director. "To save on operational costs of mailing the newsletters, getting more to sign up electronically only makes sense."

A tool to view e-newsletters and e-service demos

To get more members to take advantage of its electronic services, the credit union is setting up three computer stations in one of its branches starting fourth quarter as part of a remodeling project.

"Members will be free to come in and do their online banking and look at the newsletter online," says Wagner.

She says the computers will provide demonstrations to members, such as "Press F1 and learn about e-Statements" or "Press F2 and learn about online banking."

Staff will also be on-hand to sit down one-on-one with members at the computer stations and get them more comfortable with the credit union's electronic services.

For instance, if an employee finds that a member is standing in line to review a copy of their statement, he or she might say, "Come with me over to this computer and I'll show you how to see your statement from home," explains Wagner.

An invitation to try bill pay

Once the computer stations are up and running, the credit union is also planning on inviting members in once a month for online bill pay demonstrations.

"Members will bring in their bills and we'll show them how to go online and set up their bill pay," says Wagner.

Deposit & Loan Growth Strategies

For Financial Institutions



PUBLISHER..... DAN R. SIEFER
EDITORSHERÉ SIEFER KRUSEMARK
ASSOCIATE EDITOR DANA SIEFER
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 Phone (712)660-1026
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Deposit & Loan Growth Strategies is published monthly for \$429 per year by Siefer Consultants, PO Box 1384, Storm Lake, IA 50588.

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EMPLOYEE SALES PROGRAMS

This institution is making a shift to more employee-based incentive programs

■ Employees earn points for the products and services they sell

The Independent Community Bankers of America recently included First Bank and Trust Co. (\$450 million, Duncan, Oklahoma) on its elite list of 400 top performers for the second year in a row.

www.1stbanknet.com

Hal Pennington, SVP, says his bank earned this honor because of its superior financial performance and also because of its motivated and trained staff.

A good strategy during a tough economy

“During a tough economy, banks aren’t seeing the same kind of growth and customer retention as what we’ve experienced over the past few years,” explains Pennington.

To help counter this drop in business, Pennington says his bank has backed away from traditional marketing over the past 18 months. Instead, they now spend much more time training and motivating their employees.

“We have incredible internal resources that help us to deliver a more direct, personal level of customer service,” he says.

“Part of our new culture is that we’ve stopped using the word ‘sales’ and instead continue our focus on needs.”

This needs-driven environment is being fueled by an all-inclusive front line employee incentive program.

“We’ve found that employees respond extremely well to financial incentives and that this program is helping us to deepen current relationships.”

All bank products and services

are open for sales incentives. The bank assigned a point system to each product with the highest points assigned to products and services deemed most valuable and profitable.

Each point equates to a dollar amount. Front line staff earns points throughout the month and incentives are paid monthly.

Pennington explains that in order to get to the point where employees were comfortable and knowledgeable enough to make money from the incentive plan, the bank needed to deploy extensive training.

“Lunch and Learn” employee training sessions

“Training played a huge part,” says Pennington. “We developed a one-day course on sales and products for all employees.

The employee training sessions examined customer service issues, expectations, and how to effectively interact with customers.

“We did lots of role playing and worked closely with the employees so that they understood how to handle customers in a variety of situations.”

Pennington says that other situations included phone calls and follow-up with customers.

In addition to the one-day training sessions, the bank hired outside consultants to conduct special customer service training sessions.

“These sessions focused on how to pick up customer cues and how to understand what those cues mean and how they translate to what we are promoting.”

The bank also established a monthly luncheon meeting for employees at its 10 locations.

This “lunch and learn” session encourages employees from different disciplines throughout the bank to conduct training in their area of expertise.

From mortgages and personal loans to deposit products and e-services, employees meet and gain in-depth knowledge of one specific bank product.

“We bring in lunch and conduct the lunch bunch meeting via video conferencing so all branches receive the same training.”

The extensive training and meetings have paid off.

“Our incentive program has been very well received and has been a great way to track progress.”

Mystery shopping and award banquets

“We also have a mystery shopping program to help us assess our customer service levels and determine which areas need more work and which areas we are succeeding in,” says Pennington.

Another factor contributing to the bank’s momentum is an annual banquet where employees are honored and recognized for their sales and service accomplishments.

“The banquet is a huge deal and it gives us a chance to recognize and reward our top performers who are chosen by their peers,” notes Pennington.

“There’s always a lot of thank-you’s and plenty of recognition.”

He says that the bank plans to implement a program that will further the efforts to deepen customer relationships in 2010.

“We are currently finalizing a customer rewards program that will offer tangible incentives to customers for adding more products and services.”

Source: Hal Pennington, SVP; Nicole Smith, Production Information Specialist, First Bank and Trust Co., Duncan, OK; phone (877) 976-2265; e-mail: nsmith@fb247.com.