

UNIVERSITY OF NEBRASKA FCU GROWS AUTO LOANS WITH SER TECH!

Credit union uses Trigger alerts to capture loans from members actively shopping elsewhere.



University of Nebraska Federal Credit Union (NUFCU) runs a successful indirect auto lending program, but credit union management wanted to generate more loans inside its own shop.

Vice President of Marketing Dena Noe explains the \$103 million credit union's bifurcated auto loan strategy, "Most of our auto loans are coming from CU Direct. The other source of our loans has been Ser Tech's Fetch Auto Loan Recapture program."

NUFCU has been running Ser Tech's Fetch Auto Loan Recapture prescreen marketing program since 2011. The prescreen marketing program has been successful in supplementing NUFCU's indirect program by directly targeting and offering members who would benefit from refinancing their auto loans with NUFCU.



Dena Noe - VP of Marketing
University of Nebraska FCU

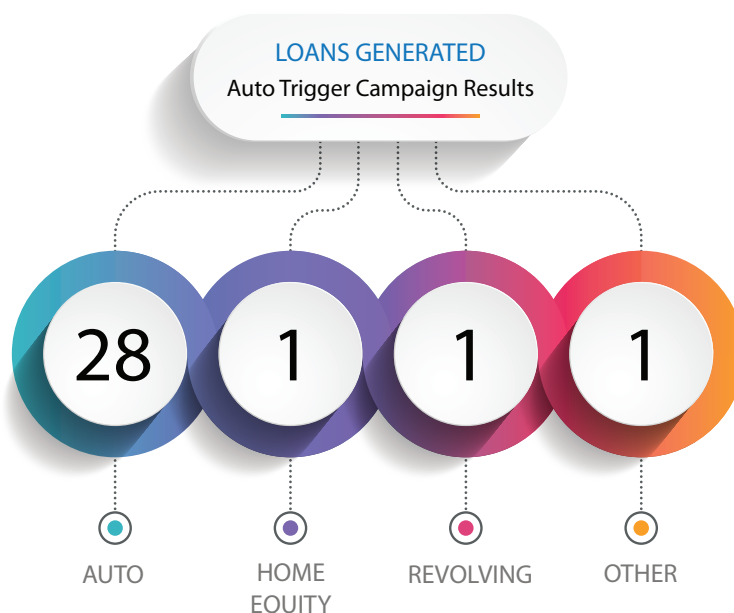
Given the positive return-on-investment of the prescreen marketing program, Ser Tech Sales Manager Andrew Dawson suggested Noe consider Fetch Marketing's Responsive Triggers Program to further enhance its auto loan opportunities. The trigger marketing program allows credit unions to monitor members on a daily basis for any loan inquiries. If a member is actively inquiring about a loan, Ser Tech sends a loan offer to the potential borrower on behalf of NUFCU within 24 hours of the credit inquiry. Ser Tech also provides daily reports to clients disclosing which members have inquired and been sent an offer. Importantly, this allows NUFCU to reach out to its members to communicate its services while the car buyer is still shopping.

"We wanted to increase in-house loans, so Triggers made sense. It's difficult to get members into the branch to get pre-approved anymore, given that many are already at the dealership," Noe laments. She continues, "Trigger email marketing really works around that."



The reporting that provides which consumers were offered on the trigger program are "worth their weight in gold. If the data was not good to start with, it wouldn't work," Noe adds. NUFCU smartly incorporates follow up phone calls into its marketing process, which Ser Tech recommends as a best practice.

University of Nebraska FCU's Trigger Auto Inquiry campaign generated 31 new loans – three of which loans of another category derived from the marketing contact.



Best Practices

"The follow up is critical," according to Noe. She explains that NUFCU loan officers are trained to examine the member's entire financial profile to better tailor and extend offers for auto as well as other loan types. Noe states her credit union has a higher than average products-per-member ratio than its peers because front-line employees have the acuity and take the time to talk to members to fully understand their needs.

Including an incentive in the offer also maximizes effectiveness. NUFCU has offered \$100 cash back to borrowers for car loans in previous promotional campaigns. The credit union recently changed the offer to 1% cash back on the loan amount, which significantly increased conversion rates.

Noe adds that NUFCU does not email its membership frequently, so when a marketing piece is delivered from the credit union, members know it's worth their time.

ROI

The most important consideration for marketing professionals and marketing spend is return-on-investment. University of Nebraska FCU's auto triggers campaign generated **\$7.58 for every \$1 invested** in just the first year! If all of NUFCU's underwritten loans from the program go to full term, the ROI could reach as high as **23x**. **The program took just two months to break even.**

Further, the credit union **closed on a remarkable 12.3%** of the trigger offers sent by Ser Tech, and those loans had an average balance \$3,005 higher than all other loans reported during the campaign period.

"The most important statistic to me is the ROI," Noe says. "I'd love to do a big, branding campaign, but you don't get conversion out of that. And our budget is such that we can't afford it." Noe's sentiment reinforces the need for targeted, affordable and effective marketing.

Return on Investment



Interest Income Generated

| LOAN TYPE | AFTER YEAR 1 | AFTER YEAR 2 | FULL TERM |
|-----------------------|-----------------|-----------------|-----------------|
| Auto Loans | \$20,162 | \$36,102 | \$61,754 |
| Halo Loans | \$743 | \$1,245 | \$1,911 |
| Total Interest | \$20,905 | \$37,446 | \$63,665 |

Why Ser Tech?

Ser Tech was able to differentiate itself from its competitors. Noe comments that companies have come calling, looking for the credit union's business. NUFCU is quick to recognize that the competition does not provide Ser Tech's level of service. "We get calls from others, but Ser Tech has done it right. For us, they're a partner that understands our needs."

Ser Tech is able to manage budget requirements with its clients. Campaigns have no minimum costs or offer requirements as compared to competitive options. Ser Tech can adjust the volume of offers prior to fulfillment to maintain cost integrity as well as manage the client's available resources to follow up on program leads. Ser Tech works with NUFCU to execute a volume that is manageable for their team. Noe comments, "It's really important in credit unions to understand that every dollar counts."

Until recently, Noe represented the entire marketing department. She arrived at the credit union a few years ago from a background in banking, where auto loans were less of a priority as compared to mortgages, HELOCs and business loans. Noe recognized how helpful it was to leverage Ser Tech's services to enhance and outsource the auto loan program.

"I've been very happy with everything Ser Tech has provided. They are a really great partner to work with," Noe says. Noe adds, "The Ser Tech team has been very responsive. The great thing is it's kind of on auto pilot."

Ser Tech's Fetch Triggers and Prescreen marketing programs have been such a success that NUFCU plans to run a prescreen HELOC campaign later in 2019. The credit union has an attractive offer planned of 2.99% on a 12-month HELOC and is already looking forward to capitalizing on the offers sent indicating, "that (contact) list is going to be primo!!"



Contact a Ser Tech Account Executive today to learn more about how triggers and prescreen marketing can help your financial institution keep loans at home!



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