



Card Services

EMPOWERING YOUR MISSION

## **In-Branch Marketing: The Organic Way to Grow Card Portfolios**

Rewards programs, low rates, and minimal fees aren't enough to acquire cardholders. Not only must you have a great product, but credit unions need a top of the line acquisition strategy to generate awareness. As competition for credit cards has exploded in the past few years, successful credit unions have turned to their branches as a way to match their market leading card products with a sizzling acquisition strategy that can drive their card programs to new heights.

The branch channel is one of the most cost-effective marketing vehicles for electronic payment products. According to First Annapolis, acquiring cardholders through the branch costs \$20 to \$50 per cardholder, compared with pre-approved credit card offers issued via direct mail, at a cost of \$90 to \$110.



**United SA  
Federal Credit Union**

The \$230 million United San Antonio Community Federal Credit Union (United SA) has been strategically using its six branches to market and grow its card portfolio since 2007. After gaining a community charter, the credit union quickly realized that it had to adopt a sales culture if it was going to compete effectively against national card issuers.

United SA turned to TNB Card Services, its electronic payments processing partner, to develop an in-branch marketing strategy designed to help the credit union grow its card portfolio by attracting new cardholders.

Over the past two years, United SA has worked closely with TNB to implement quarterly promotions that have resulted in a 58 percent increase in the number of

cardholders on file and nearly doubled outstanding balances from \$6.5 million to \$12.3 million. TNB provides United SA with consulting expertise, as well as simple to implement marketing kits that contain themed promotional materials. These include themed posters, lapel buttons, tent cards and member giveaways to use to help promote the card during specific campaigns.

TNB also initiated in-branch product training for all of United SA's employees, which included a product guide to educate employees about the benefits and features of their card products. The credit union also relies on its Intranet to keep employees current on product information and to post weekly promotional results, all intended to motivate employees to reach their goals.

"We make the card promotions fun, giving employees a reason to participate by offering prizes and incentives that are of interest to them," said David Roque, vice president of operations of United SA. "In one promotion we offered a range of prizes from San Antonio Spurs basketball tickets to various store gift cards, a GPS system, and a digital camera. Employees were highly motivated by these prizes, resulting in the addition of 108 new card accounts and \$1.2 million in new credit lines."

Roque added, "Training is also a key component of the success of our in-branch promotions. We work with TNB to provide ongoing training to ensure employees are comfortable selling our cards. We also instituted a scorecard, to track performance at the individual and branch level, and we reward employees accordingly."

For MCT Credit Union in Port Neches, Texas, in-branch promotion efforts lifted its credit card accounts by 11 percent in nine months, bringing in more than 306 new cardholders. After two years of averaging seven new cardholders a month, the \$185 million MCT is now bringing in around 38 new cardholders monthly.

Working directly with MCT's executive management team, TNB developed a customized, in-depth product and sales training and incentive program for MCT's Member Service Representatives (MSRs). With a commitment from MCT's executive officers, TNB was able to work with the credit union to establish long-term incentives, tied to the credit union's strategic goals, to motivate and reward MSRs and the branch managers to cross sell its card products.

While MCT saw its new card accounts immediately double each month after launching the incentive program, the in-branch effort really took off after executing TNB's One Hot



Summer Promotion, which brought in 113 card accounts in the seven-week promotional period. The campaign offered everything MCT needed, including promotional materials, member giveaways, and employee prizes, from beach towels to MasterCard and store gift cards. Each branch decorated its lobby based on a Hawaiian theme. This kept MSRs highly involved in the promotion and made it easy for them to engage members in conversations about MCT's credit card.

Notes Sandra Duvall, MCT's director of marketing, "The in-branch program TNB put together for us has been so successful that we are planning on duplicating the ideas to help us cross-sell all of our products within the branches."

Successful in-branch acquisition strategies can be achieved by any credit union willing to commit time and resources. Training and tools to help educate staff on the value of your credit card and branch product visibility are key components to building your strategy. When coupled with performance tracking to measure results and a recognition system to reward employees, credit unions can successfully build their card portfolio through the branch channel.

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