

DELIVERING RESULTS



FACING CHALLENGES

CO-OP Financial Services' credit union clients had cardholders that had been issued debit cards but were not using them, costing the credit unions lost interchange revenues and the overhead of maintaining cards that were not being utilized. These cardholders were not fully engaged with the credit unions and, as a result, represented potential flight risks.

The credit unions were seeking a cost-effective way to incentivize cardholders to activate and use their cards. CO-OP needed to ensure that the return to its credit union clients would outweigh the costs of this kind of initiative compared to an institution running a similar program in-house.



PROVIDING SOLUTIONS

CO-OP partnered with Saylent to initiate a marketing campaign to select cardholders from CO-OP's base of financial institutions. Using CO-OP Revelation powered by Saylent, a card portfolio optimization and marketing solution, Saylent segmented and analyzed the target market from each credit union that participated in the Revelation program.

The target group included 4,805 cardholders with newly issued debit cards across 16 distinct financial institutions. The targeted cards were ones that were issued but not active, with no purchases made in 30–60 days. Saylent developed a direct mail postcard campaign and incentive to encourage card activation and use. Cardholders who made five or more purchases with their debit cards during the month of March qualified for a \$10 iTunes gift card.

Leveraging Revelation, Saylent delivered a highly targeted campaign for these particular cardholders, tracked the cardholders' behavior during the campaign, and fulfilled the reward offered to qualified cardholders upon the campaign's completion. With Saylent acting as a true extension of the credit unions' marketing departments, institution staff could focus on other initiatives, driving more productivity for the business.

"It's easy, members love the incentive, and increases revenue for the Credit Union. Why wouldn't you sign up?" – Cindy Burgermyer, Marketing & Communications Director

POWERFUL INSIGHTS. PROFITABLE OUTCOMES.

Credit unions achieve better service and bigger bottom-line results by relying on Saylent's turnkey marketing program run through CO-OP Revelation.

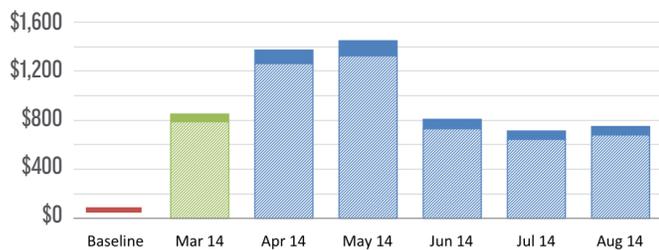
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Of the group targeted, 6.64% activated and used their debit cards five times or more, thus receiving the iTunes gift card. The incentive qualifiers continued using their debit cards post-campaign as well, with a six month transaction volume per card average of 22.12 and a six month average card spend of \$905.72, generating an estimated interchange revenue of \$7.94 per card over six months.

The remaining 4,486 cardholders that tried for the incentive and did not achieve qualification during the campaign period had not only been activated, but continued to contribute significantly with an average 8,763 transactions per month over the six month period. This halo effect contributed over \$628,000 in spend, and nearly \$6,000 in estimated interchange revenue total over the course of 6 months.

This demonstrates the impact that a focused, relevant promotion – particularly one that offers even a low cost incentive – can have on influencing member behaviors, driving benefits for both the cardholders and the credit unions.

TARGET GROUP AVERAGE DEBIT SPEND PER CARD (POS PIN, SIG & PAVD)



- BASELINE
- CAMPAIGN PERIOD
- POST-CAMPAIGN PERIOD
- TARGET GROUP
- QUALIFIED GROUP

CO-OP Financial Services (CO-OP) is a Credit Union Service Organization serving more than 3,500 credit unions around the country. CO-OP allows credit unions to serve their cardholders with payments products that would otherwise be only available to larger financial institutions. These services include ATM processing, shared branching, call center, and debit and credit card processing, as well as many more complementary products.

Saylent provides financial institutions with data analytics software and services that improve profitability and product innovation by delivering smarter, deeper, actionable insights on the financial behaviors of consumers and businesses. With Saylent's solutions, financial institutions are empowered to drive new revenue streams and increase loyalty by delivering programs and solutions that their customers and members desire.

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