

## Shopper Alert™ Helps Credit Union Drive Loan Growth and Achieve Cost Objectives

### *Shopper Alert Success at at a Glance ...*

- *The loan program generated a **7% response** over eight months at a cost of **less than \$75** per loan funded.*

#### **Background**

Like many other financial institutions in today's economy, HAR-CO Federal Credit Union, a mid-Atlantic credit union with \$200 million in assets, was looking for new programs and tactics to help generate new loans across its existing member base.

#### **Challenge**

The credit union had several loan programs in the market that were performing well. According to Jim Meehan, HAR-CO Federal Credit Union's CEO, "Because of excess liquidity and declining yield from investments, we were looking for a program to really help accelerate the growth of our loan portfolio."

Part of the challenge was to generate as many new loans as possible at an attractive cost per loan acquired. The credit union needed, therefore, to be sure it offered loans only to members who met its credit qualification criteria.

The credit union also needed a solution that would not tax its limited marketing staff and resources. The program needed to be turnkey and not only target potential new loan members, but manage the direct mail program as well.

The goals of the program were:

1. Identify members at or near the buying stage of the loan purchase buying cycle
2. Focus on the most productive loan products to generate the new loan volume needed to impact the institution's financial performance — mortgage, auto and consumer loans
3. Only market to creditworthy members
4. Meet loan acquisition cost objectives

