

CO-OP Preferred Success Stories

A Webinar from CO-OP Financial Services



Be There Be More

CO-OP Presenters



MICHELLE THORNTON

Senior Product Manager
CO-OP Financial Services



RYAN ZILKER

B2B Marketing Manager
CO-OP Financial Services

A black and white illustration of a giant, hairy ape-like creature wearing a hard hat and holding a large crane, standing in a city of rubble. The creature is the central focus, towering over the city buildings. The background shows a city with a large circular building on the left and a tall skyscraper on the right. The scene is filled with smoke and debris, suggesting a scene of destruction or a post-apocalyptic setting. The overall tone is dramatic and ominous.

BIG DATA IS COMING!



Be There Be More

What is CO-OP Total Revelation?

What Do We Do With It?



Use Total Revelation portfolio analytics

TO

- Understand member behavior and preferences
- Shape relevant marketing messages
- Monitor credit, debit and ATM usage and risk
- Track fraud and understand it


Customize to your credit union's needs

TOTAL REVELATION FEATURES THREE PRODUCT LEVELS:



Match your credit union's specific needs to the level that will help you achieve portfolio maximization.

What It Lets You Do



Welcome, Julie Keller [Logout](#)

Viewing Institution: [Change](#)

Reports
Portfolio Analytics
My Card Manager
System

Overview

Charts

Transaction Analysis

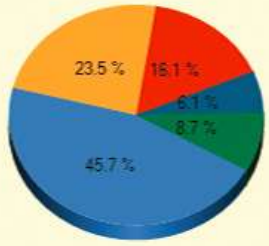
- Transaction Trending
- Analysis Per Card
- Merchant Category Analysis
- Top Merchant Locations
- Usage Distribution
- Usage Distribution Trend
- Average Volume Per Card
- Average Spend Amount
- Top Card Groups
- Overall Card Usage
- Issuance Performance
- Activation and Usage Lag

[Options](#)

Transaction Analysis (July 2010)

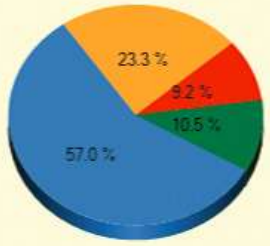
Spend

\$27,815,021.17



Volume

679,274



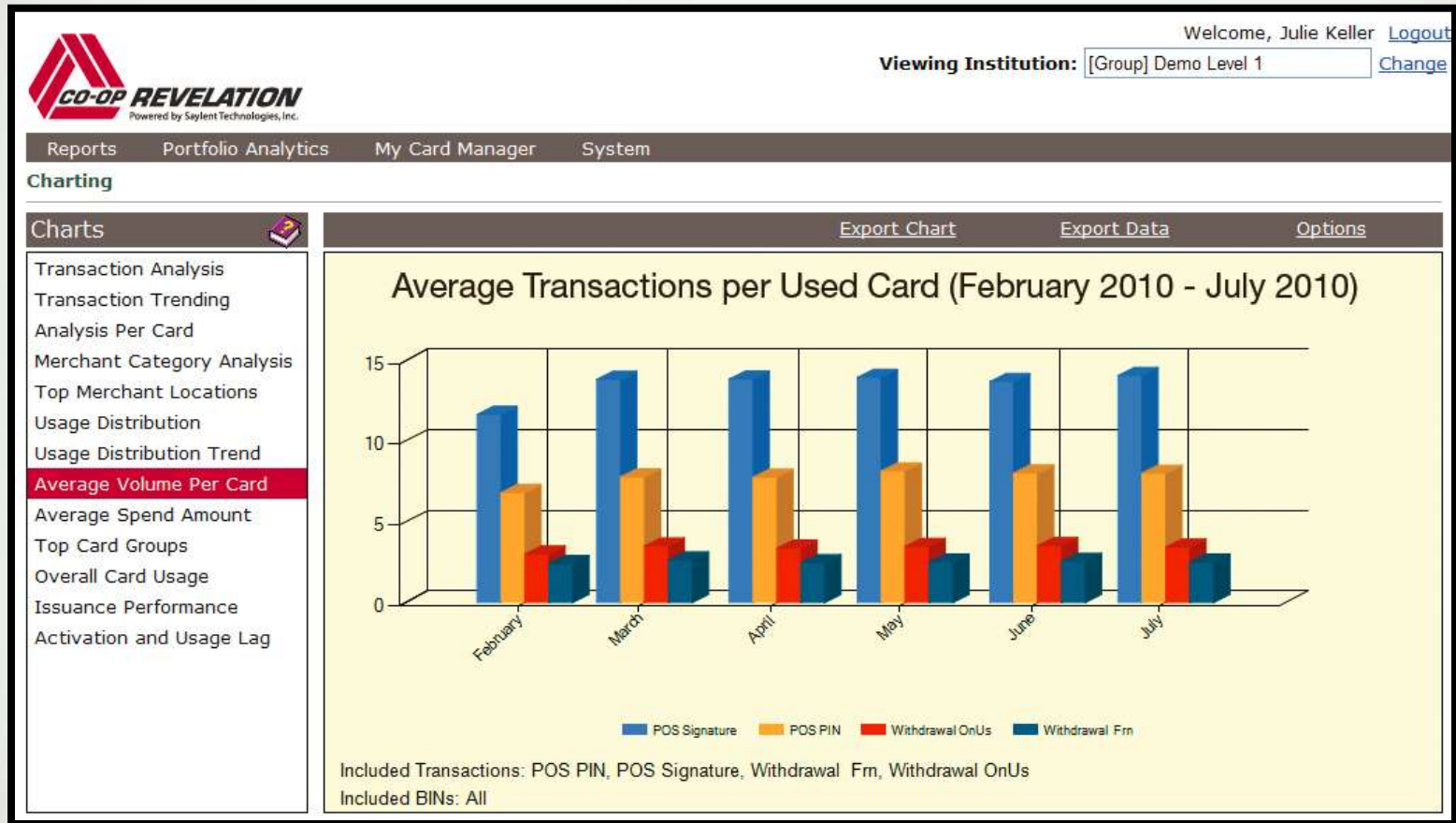
- POS Signature
- POS PIN
- Withdrawal OnUs
- Deposit OnUs
- Other

- POS Signature
- POS PIN
- Withdrawal OnUs
- Deposit OnUs
- Other

Included Transactions: All Except - Pre-Authorization


Included BINs: All

What It Includes



What It Lets You Do

- Issuer analysis
- Acquirer analysis
- Targeted marketing programs
- Drive performance
- Measure network profitability
- Compare performance



Powered by Sylet Technologies, Inc.

Reports Portfolio Analytics Business Analytics Portfolio Advisor My Card Manager System

Overview

Report Card (March 2011) 1 5 0 New Alerts Benchmarks

	POS PIN	POS Signature	Withdrawal
Average Transaction Count Per Card	8.46 (365/734)	15.78 (153/649)	4.08 (128/766)
Average Transaction Amount	38.91 (475/734)	39.89 (155/649)	100.59 (462/766)
Average Spend Per Card	329.13 (578/734)	629.57 (130/649)	410.74 (363/766)
Total Interchange	12,978.54 (135/734)	72,292.32 (64/649)	-10,150.10 (672/766)
Total Transactions	54,787.00 (132/734)	156,908.00 (62/649)	30,160.00 (84/766)
Total Cards Used	6,477.00 (112/734)	9,942.00 (63/649)	7,386.00 (97/766)

[Hide Detail](#)

What it includes:

- Portfolio analytics
- Business analytics
- ATM analytics
- Portfolio Alerts
- Benchmarking

What It Does For You

- Gives you the expertise and resources of outsourced consultant
- Determine cardholder segmentation strategies
- Build profitability analyses
- Develop and manage marketing campaigns, and more...

2013 Q2 Turnkey Campaign post card front



What It Includes

- Think of this as having a consultant on staff
- Analysis of anything you can imagine
- Includes CO-OP Preferred

2013 Q2 Turnkey Campaign post card back

Earn when you Spend!

Starting May 1st, if you use your <financial institution> debit card ending in <8888> at specific merchant types including restaurants, gas, and grocery stores, you can earn a \$20 cardholder selected grocery gift card.

Spend \$750 or more and earn a \$20 cardholder selected grocery gift card
(28+ National Grocery Chains)

Hurry - the offer is good May 1st - 31st.

Your Card Here

Your Logo Here

Your Street Address
Your City, ST ZIP

PAID
PROVIDENCE, RI
00001

John Sample
123 Main Street
Somewhere, RI 00001
[Barcode]

Offer valid for debit card pay (every week between May 1st - 31st, 2013). Cardholder's debit card spending will be subject to financial institution's limit, and a max \$50 cardholder selected grocery gift card redemption credit per card account will be issued after the offer period ends. Purchases must be made at the following participating merchants: Costco, Safeway, Target, Wal-Mart, Food City, Kroger, Publix, and others. Excludes gas stations, restaurants, and other merchants. Offer ends 5/31/13. See website for details. © 2013 National Grocery Chains. Look for the offer after period ends. Offer information card available at 800-877-8777.

What is CO-OP Preferred?

What's is CO-OP Preferred?



XXXX XX, 2013

Dear <NAME>,

Our newest CO-OP Preferred turnkey marketing campaign (shown below) runs May 1-31, 2013. It's called the "Everyday Spend" campaign and it lives up to its name. It uses the robust analytics of CO-OP Total Revelation® to identify members who spend less than \$200 at targeted merchant categories. The campaign rewards these members with a \$20 gift card for raising their point of sale transactions to \$750 in merchant categories they're already visiting, such as restaurants, gas stations and grocery stores. The campaign allows you to:

- Expand merchant category spending
- Promote higher interchange earnings
- Target both PIN and Signature cardholders
- Offer a reward to your cardholders for using your card on everyday purchases
- Reap the long-term benefits of these everyday spending categories, which are habit forming

Remember that CO-OP is offering a one-time only waiving of the CO-OP Preferred marketing fees during 2013.

Visit www.co-opfs.org/EverydaySpend to register or learn more.

Sincerely,

Jackie Schauerlein
Vice President, Relationship Management

Corporate Headquarters | 8582 Haven Avenue | Rancho Cucamonga, CA 91730 | 909.792.0002 (t) | 909.441.0079 (fax)
Eastern Corporate Office | 21948 West Nile N.W. Road | Suwanee, GA 30076 | 404.792.0727 (t) | 404.545.6922 (fax)
CO-OPFS.006

CO-OP Preferred provides quarterly targeted and fully managed marketing campaign, designed to improve debit portfolio performance.



What's in it?

CO-OP's complete management of your campaign includes the following services:

- Identification of the target group within CO-OP Revelation
- Creation of the campaign
- Development of direct mail creative
- Customization of direct mail with your CU logo
- Management of direct mail and incentives
- Analysis of results
- Fulfillment of incentives
- Presentation of final results to you

2013 Q1 – LUNCH ON US Campaign

Q1 Grow transaction volume and create “Top of Wallet” debit card usage

- Target members who do only 1-5 POS signature transactions per month, incenting them to use their cards more often
- Incentive: Lunch on us

KEY DATES:

- January 18 Q1 sign-up deadline (level 1)
- January 25 Q1 sign-up deadline (levels 2 & 3)
- March Q1 campaign in market



HAVE LUNCH ON US!

Enjoy lunch on us at your favorite restaurant just by using your debit card!

Your Logo Here



IT'S A DELICIOUS DEAL!

Starting March 1st, when you use your <financial institution> debit card ending in <8888> as credit, you can earn up to a \$20 cardholder selected gift card at over 40 leading restaurants.



Make 15 purchases
earn a \$10 gift card

Make 25 purchases
earn a \$20 gift card

Your Card Here

Your Logo Here
For More Details
Visit Us At: [Link]

PAID
Processed by
Merchant ac

Just swipe and sign!

Hurry - the offer is good March 1st - 31st.

Siba Sample
123 Main Street
Somers, RI 00003
[Barcode]



Be There Be More

2013 Q2 – EVERYDAY SPEND Campaign

Q2 Merchant category expansion

- This campaign is designed to grow the amount of transactions at profitable merchant categories—restaurants, gas and grocery
- Target cardholders performing \$200 or less in POS spend
- Incentive: \$20 grocery gift card

KEY DATES:

- | | |
|------------|------------------------------------|
| ■ March 15 | Q2 sign-up deadline (level 1) |
| ■ March 22 | Q2 sign-up deadline (levels 2 & 3) |
| ■ May | Q2 campaign in market |



Make Every Day Spending More Rewarding

Just use your debit card this May and earn a \$20 Grocery Gift Card

YOUR LOGO HERE

Earn

Starting May 1st, if you use your <financial institution> debit card ending in <8888> at specific merchant types including restaurants, gas, and grocery stores, you can earn a \$20 cardholder selected grocery gift card.



Spend \$750 or more and earn a \$20 cardholder selected grocery gift card

(2+ National Grocery Chains)

Your Card Here

Your Logo Here

Your Street Address
Your City, ST ZIP

PRINTED
ON RECYCLED
PAID
PROVENANCE IS
RESPECTED

John Sample
123 Main Street
Somewhere, RI 00001



Hurry - the offer is good May 1st - 31st.

Offer valid for 4800 card use every week between May 1st - 31st. Cardholder's bank card spending will be billed to the associated bank account. Offer valid for 4800 cardholder selected grocery gift card transactions made with the card on or after the offer period ends. The bonus amount will be credited to the account on the following business day. Offer valid at participating merchants in the United States, Canada, Mexico, Puerto Rico, and Guam. Restrictions apply. See terms and conditions for details. Subject to credit review. Offer ends at 11:59 PM on 5/31/13. © 2013. All rights reserved.

Remaining 2013 Q3 and Q4 Campaigns

Q3 Low signature spend

- This campaign will boost revenue by incenting low spenders to spend more with your card
- Target cardholders performing \$250 or less in POS signature spend
- Incentive: \$10 or \$20 gas card

KEY DATES:

- | | |
|-----------|------------------------------------|
| ■ June 21 | Q3 sign-up deadline (level 1) |
| ■ June 28 | Q3 sign-up deadline (levels 2 & 3) |
| ■ August | Q3 campaign in market |

Q4 Mid-tier spend

- This campaign will take mid-tier cardholders and incent them to use your card more, helping your card become top of wallet
- Target mid-level spending members, incenting them to perform \$1,250 or higher in POS signature spend
- Incentive: \$25 gift card

KEY DATES:

- | | |
|----------------|------------------------------------|
| ■ September 20 | Q4 sign-up deadline (level 1) |
| ■ September 27 | Q4 sign-up deadline (levels 2 & 3) |
| ■ November | Q4 campaign in market |

Is it right for you?

CHALLENGE

I need to increase my interchange profitability and replace lost revenue.

SOLUTION

High-yielding, targeted campaigns with demonstrated ability to change behavior increase transaction volume, average spend and interchange.

Is it right for you?

CHALLENGE

I want to increase debit card usage among certain cardholders.

SOLUTION

CO-OP interprets your existing cardholder data and markets the most relevant messages to the appropriate underperforming cardholders.

Is it right for you?

CHALLENGE

I want to better manage my debit portfolio with limited resources.

SOLUTION

Fully managed support minimizes your involvement in campaign administration. So you can implement offers that resonate with your members, while saving time and resources.

Is it right for you?

CHALLENGE

I want to continue to build my member loyalty.

SOLUTION

Increasing debit card usage strengthens your brand and encourages members to rely on your credit union as their primary financial institution, enhancing loyalty.

Saylent Presenters



LAURENSNOW

Manager – Marketing Services and Analysis
Saylent Technologies Inc.

How do the CO-OP Preferred Campaigns Work?

Let us be your tour guide...

CAMPAIGN EXECUTION

Saylent Technologies, Inc

- Portfolio segmentation-Builds Campaign target market in Revelation
- Creative development of Direct Mail Post Card
- Campaign Construction in Revelation
- Incentive Fulfillment
- Results Measurement
- Manage vendor relationships (print, mail, incentive)

Credit Union

- Provides custom assets (logo, PMS colors, etc.)
- Approve/scrub mail list
- Approve creative and live proofs

Revelation

- Mechanics of campaign management
- Incentive qualification
- Results stored

Portfolio Segmentation

Identify segments of growth opportunity with demographic and transaction-based filtering

- Card Status
- Issue, Activation, or Expiration Date
- BIN
- Cardholder age, location
- Named Transaction Type: POS (PIN, SIG, or PAVD)
volume, spend, interchange amount
- Merchant Categories
- Etc.

Direct Mail

Direct Mail Postcard Creative Development

Template
Direct Mail
Piece



Custom
Direct Mail
piece

Campaign Construction

Saylent manages the Campaign construction within Revelation

- **Date Range**
 - Ex. 8/1/2013-8/31/2013
- **Campaign Card Group**
 - CU approved and scrubbed
 - Post office processed for NCOA (National Change of Address)
- **Metrics for Measurement**
 - To vary by campaign, most often POS PIN and SIG transaction activity
- **Incentive thresholds**
 - 1 or multi-tier
 - Spend amount or volume (count)

Incentive Fulfillment

Revelation

- Campaign identifies cardholders that qualify for the incentive based on the campaign incentive threshold criteria
- List of qualified cardholders available in Revelation

Saylent

- Manages fulfillment process
- Process to vary slightly among campaign incentives
 - Generally a Reward Certificate with unique PIN and website redemption

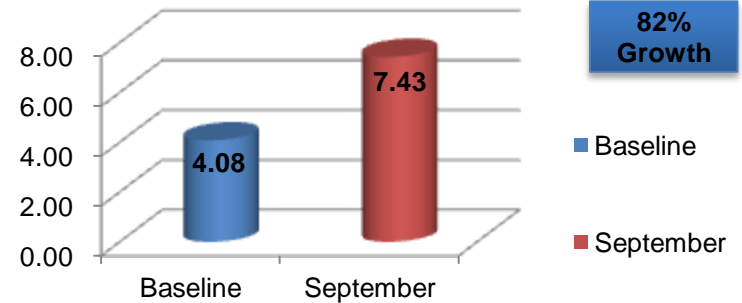
Results Measurement

Immediate Campaign Impact

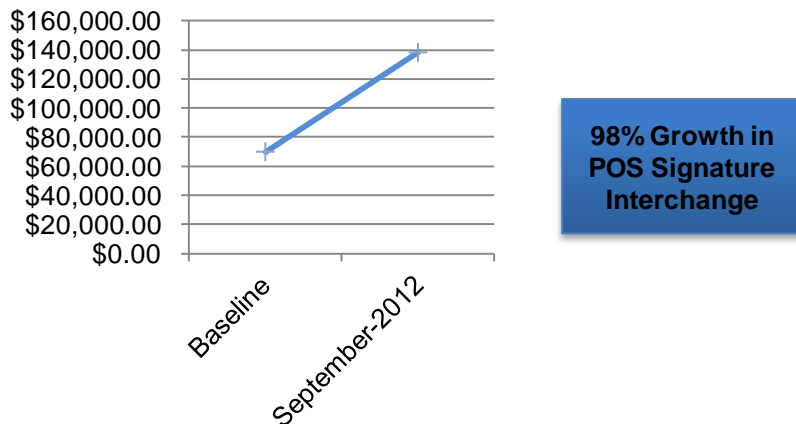
Comparing Baseline Month → Campaign Month

- Transaction Count increase by 82% per card
- POS Sig Spend increase by 236%+ per card
- Interchange growth among the campaign group 98%

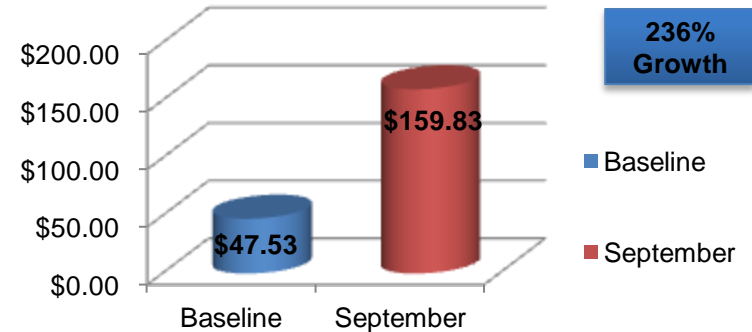
Average Signature Debit Trans Per Card



Interchange Sum Signature Debit



Average Signature Debit Spend Per Card

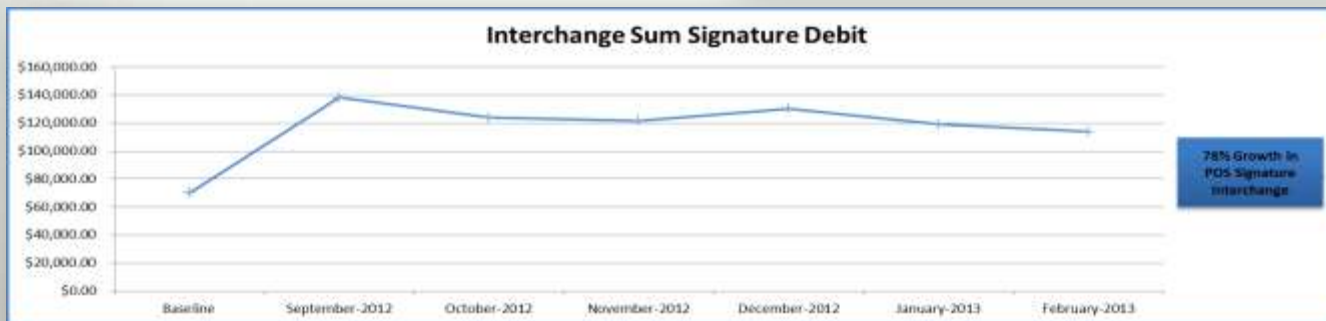


Results Measurement

Sustained Campaign Impact

After 6 months...

- Transaction Count by Card sustained 87% growth
- Average Spend per Card increased sustained 250% growth
- POS Sig Interchange 78% sustained lift
- Average breakeven occurs between 2-4 months



Timeline of Events

- Estimated ROI and campaign conversations
- Campaign sign up deadline: 5-6 weeks before campaign in market
- Financial Institution custom pieces due: 4 or 5 weeks before campaign
- Custom postcard Proofing: 4-5 weeks before campaign
- Final postcard Proof deadline: 4 weeks before campaign
- Final Mail list (scrubbed and approved) due: 3 weeks before campaign
- “Live Press” Proofing: 4-5 days before mail drop
- Mail Drop: 2 weeks before campaign
- Campaign period: Month of TBD
- Campaign Reporting: Within 2 weeks of campaign close
- Fulfillment: 2-4 weeks post campaign
- Ongoing Campaign Reporting: 3, 6, & 12 months

Credit Union Success Stories

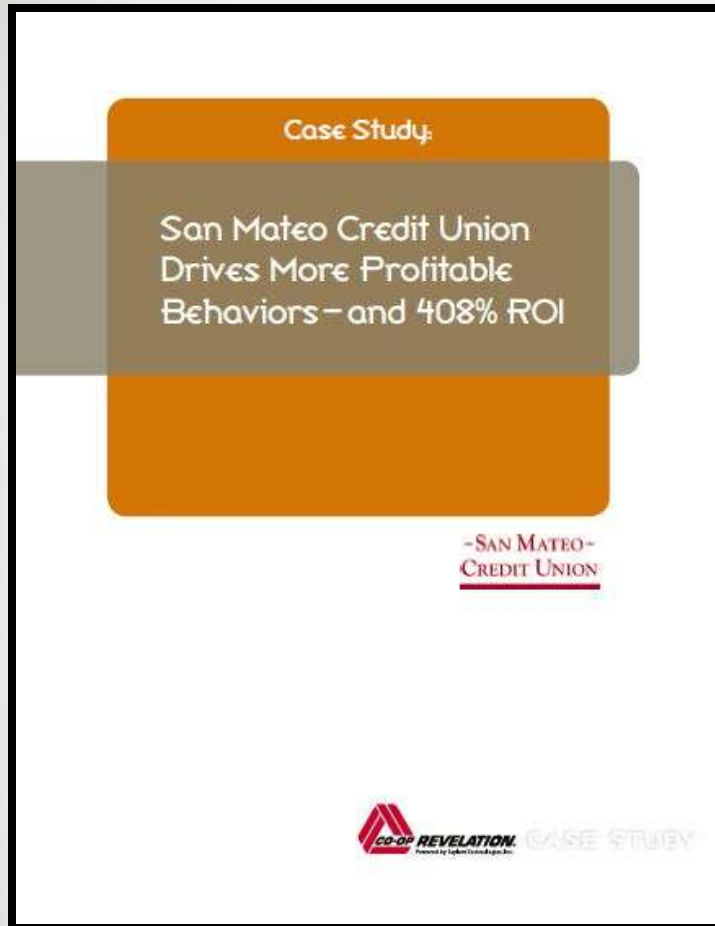
San Mateo Credit Union



San Mateo Credit Union located in Redwood City, California has 75,000 members, and \$713 Million in assets.

~SAN MATEO~
CREDIT UNION

San Mateo Case Study



BEN LEE

Marketing Program Coordinator
San Mateo Credit Union

San Mateo Credit Union

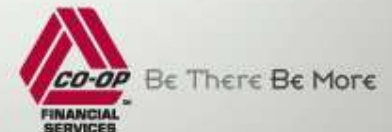


BEN LEE

Marketing Program Coordinator
San Mateo Credit Union

~SAN MATEO~
CREDIT UNION

350 Convention Way, Redwood City, CA 94063
(650) 363-1725
www.smcu.org



Q&A

THANK YOU



Be there. Be more.