

Inside Marketing: Consumers are Open to CUs

How can your marketing help consumers make the switch?



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March 19, 2009

CUES' Credit Union Management's Web-only "Inside Marketing" column runs the third Thursday of every month.

Bankers are regularly wearing that deer-in-the-headlights look these days. Having their brands rocked almost daily with bad news, many are pushed back on their heels, suffering from brand paralysis. The tried-and-true messages banks have relied on for years—"strength, stability, longevity and integrity"—now ring hollow with many.

With so many banks on the defensive, consumers are open to considering credit unions as never before. As a result, credit unions have a brief but very big window of opportunity to present a clear and compelling case for switching. Such a high degree of anxiety among consumers about banks means now is the perfect time to redefine what a modern credit union is—and to define it in a fresh, new way.

In other words, just shouting, "Hey, we're not a bank!" is a missed opportunity, and weakens the case to be made for credit unions. Savvy credit unions will seize this opportunity and re-present themselves strategically by packaging all they have to offer in a fresh, appealing, consistent way. For example, \$921 million Altura Credit Union, Riverside, Calif., adopted a new name, identity, and product packaging in a drive to appeal to a more diverse customer base in a much larger geographic area. The CU's new identity is based on a brand positioning that is unique in the market, focused on target customers, and communicates its core brand attributes, heritage, and values. Such a campaign may be all the motivation bank customers need to flip the switch from "bank" to "credit union."

But is your brand up to the challenge? Some consumers still view credit unions as small, restricted to a particular group, out of touch and not for them. While modern credit unions offer full services, a broad array of products, competitive rates, ease of doing business, genuine and friendly service, convenience and technological innovations, the old perception of credit unions—as the starter financial institution from which one graduates to real banking—still lingers. Your credit union brand needs to cut through the clutter and say, "Take another look. You'll be amazed at today's credit union." An example is the bold change in positioning from starter financial institution to lifetime financial partner of \$244 million Signal Financial Federal Credit Union. With these considerations in mind, here are three suggestions to help you get noticed—and get the most out of your brand asset.

1. Sharpen your brand position. Some consumers are reconsidering credit unions, and others are considering them for the first time. The question therefore becomes, does our brand clearly and consistently say what we want it to say while we briefly have their attention? Certainly maintaining the drumbeat of advertising is important. But if you already have consumers' attention, then you need to go beyond merely selling your product, and give them a clear, compelling reason to consider your credit union. You need to give them an idea of what their life might be like, what they might experience, and what they can expect as members of your credit union. Put another way: Give them your brand promise.

Not sure what your brand promise is? Then it's worth the time and energy either to create it or refresh it. Remember your brand is an asset and, like any other asset, requires careful management and maintenance to keep it sharp and performing well. A strong brand influences bank customers in the decision to switch to a credit union, especially when



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that brand is positioned correctly. \$587 million Meritrust Credit Union, Wichita, Kans., recently repositioned and is bucking the trend of going into stealth mode by aggressively going after new markets in the midst of the banking crisis.

Your brand promise should flow from your brand position—the “go-market idea” that defines your business, sets you apart from the competition, and carves out a unique space for you to occupy in the minds of your members, potential members and employees. Think of your brand position as your brand magnetic north. It’s the compass that guides everything—your credit union name and logo, Web site navigation, advertising messages, product names, phone greeting, statement stuffers, e-mail, even down to the language on the signs in your branches. In other words, everything should be aligned and consistent with this overarching idea as defined by your brand position.

If all your customer touch points are clearly aligned with your unique and distinct brand position, they will be consistent in message, voice, look and tone. If this is true, you are in a strong position to get the most out of your brand for competitive success. If not, then you run the risk of sending mixed messages to those considering your credit union, and missing the opportunity to capture their interest and convey all that a modern credit union is.

2. After you have defined your brand position, see how well you are executing on it. Perform an audit of all your customer touch points, and examine each one to see if it is in fact communicating what you want your brand to communicate—in terms of message, identity, look, tone, feel, etc. Gather samples of your advertising, direct mail, newsletters, statement stuffers, checks, brochures, Web sites, signage, plastics—everything a member comes into contact with that reflects your brand—and see if all are communicating what you want, the way you want. Ascertain whether they are aligned with your brand position. An audit is time well spent, considering the risk of making a major change without appropriate intelligence.

Often this is a shocking revelation for credit unions because touch points so easily become fragmented, and confusingly mixed, if not driven from a central organizing idea or brand position. You may discover confusion or, worse, that totally conflicting messages are being sent to the world. These harm your brand, which is the last thing you want to communicate to a nervous prospect.

3. Involve your employees and get them motivated and excited about this unique point in time. When employees understand the scope of your efforts, and that they play a critical role in the success of your endeavors, they become genuine “brand champions” in their ability and desire to support your brand position. In fact, a successful branding effort doesn’t usually happen without employees’ full and enthusiastic participation. But this doesn’t occur in a vacuum; it requires equipping them with on-brand message points, clear understanding of your brand position, and—most important—what their role and their rewards are for delivering on your brand promise. When employees feel they play a key role in your success, they are the ones who can help make your brand promise resonate with your members. A critical piece of Altura CU’s program was ensuring employees understood their role in supporting the new brand.

These three worthwhile brand-building exercises are an excellent starting point for you to consider as you face and try to get the most out of these interesting, challenging times. Consumer desire to learn more about credit unions, and the interest in them, is already there. It’s the ideal time for you to maximize your opportunities, not only to capture prospects’ attention, but also to further cement member loyalty by reminding members of the reasons they chose you over all other credit union and bank options.

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