

Customer Acquisition & Growth Program from Deluxe

A Case Study for Deluxe

Every financial institution is on a continuous quest to grow their customer base. What varies greatly is the approach they take. Those who can't be sure their marketing dollars are attracting customers with the propensity to maximize revenue and profits could be wasting their money.

Keeping the Connections Coming

For three years running, a mid-sized (\$1.4 billion) credit union (CU) in the eastern United States has relied on Deluxe to help them:

- Acquire new checking accounts and balances
- Gain new households at key lifecycle stages
- Provide consistent communication that keeps the CU top-of-mind among prospects

Their goals have consistently been achieved, even during one of the worst economic downturns in history and a significant marketplace expansion, largely because of their partnership with Deluxe.

CU's successful acquisition strategy involves reaching high propensity households with a series of direct mail campaigns. The response rate for prospects and customers is 0.83 percent.

Focusing on List and Lift

CU's outstanding results don't happen by accident or luck. Deluxe uses its proven, proprietary analytic model to create a list of households that:

- Are likely to respond to CU's offer
- Have revenue and profit potential

The work doesn't stop with the creation of a great list. Deluxe systematically searches for ways to increase lift in every list it creates. Each time a mail file is created, a random sample is set aside as a control group. The performance of the control group is then compared against the performance of those who received a CU mail piece. This exercise also determines whether the list could benefit from changes or enhancements.

Deluxe's analytic model will help answer the tough questions - how many pieces to mail, what might have happened without the mailing and which new segments to test, such as indirect auto.

"Deluxe manages our acquisition program like a well-oiled machine," said CU's Director of Marketing and Sales. "Under Deluxe's direction, we bring in five times more accounts than we would without their expertise."

Lift over Control = 437.65%

Without Deluxe



1

or

With Deluxe



5.37

Let's get you connected.



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Reaping Rewards

Marketing dollars are always tight, so they must be allocated to areas that deliver the most value. CU receives thorough, accurate metrics so it can track its return on investment and justify future campaigns.

“Our Deluxe marketing strategist is phenomenal in her knowledge—and it shows in our results and ROI,” CU’s director of marketing and sales said. “Plus, we feel like she’s always looking for ways to deliver more value.”

Deluxe’s marketing strategist provides analyses and perspectives on response, lift, cross-sell, market saturation and ROI after each campaign. This data is used to enhance the acquisition strategy going forward.

After its last mail drop, CU learned that even with expenses, including a \$100 gift incentive, it is acquiring new customers at a cost well below the industry average for credit unions its size.

Cultivating Relationships

With Deluxe taking charge of acquisition, CU’s marketing team is free to focus on strategies for onboarding new customers, cultivating profitable relationships, and gaining lasting loyalty. With the help of Deluxe, CU is connecting with customers from acquisition to retention.

Let’s get you Connected!

Start connecting with households who can maximize your revenue and drive your profitability. **Contact us today at www.deluxe.com/thrive or by calling 1-888-633-5893.**

“Not only have our acquisition figures been impressive, but the continuous stream of targeted communication has helped us increase awareness in new geographic locations”

— Director of Marketing and Sales for CU.

ROI Matrix

Total acquisition cost per checking account	ROI for checking only	ROI for checking + cross-sold accounts
\$156 ¹	114% ²	256% ²

¹Including incentive

²Based upon lifetime value