

2019 2ND QUARTER MARKETING REPORT

July 20 to Oct 20

In last quarter's report, we talked about focusing on our current membership and understanding their relationship with us. Below will be a breakdown of what we have started working on, any data that goes with these projects and future projects we will be working on.

Starter Savings/Teen Checking - Currently Working On

We talked about attracting younger members because it is our belief that a member will stay with us if they open an account with us at a young age. There are two processes we are currently doing:

1. We are marketing the revamped Teen Checking and Starter Savings. Since February, we have opened 41 Teen Checking accounts and 18 Starter Savings accounts.
2. We are trying to clean up old accounts that don't meet the age restriction on these accounts. We have sent letters to these members and will follow up with current accounts. Moving forward, each member that turns 18 will be sent a post card and email letting them know that they will need to move to an adult checking account.

E-Statements - Currently Working On

Currently, paper statements cost \$0.71 per mailing while E-Statements cost us \$0.26 per E-Statement sent. We have 2,160 members between the ages of 18-45 that we have an email for, that currently receive paper statements. Just converting them to E-Statements, that would be a \$972 savings per mailing and a \$11,664 savings in a 12 month cycle.

We are currently running a three month campaign, to educate members about E-Statements and provide them a way to give back to a local charity. We are donating \$5 per converted statement. We started this campaign on July 2nd, only promoting it on our website, digitally in branches, tellers receive a notification if a member in front of them fall into our target market and we will be sending out emails/social media, in turn, we will not spent any media dollars. As of July 9th, we have converted 27 members and our goal is a 10% return.

Checking Accounts/Products For 18-45 Year Olds - Future Project

We currently have 10,674 members between the ages of 18-45 and only 3,300 of them have a checking account with us. The first question we must ask: What is a 18-45 year old looking for in a checking account? There are a lot of factors we must look at, but one of the main factors is OnBoarding our lending members, which 5,211 of them only have a loan with us. A few other questions are: Do we have competitive enough products? Are we marketing our products correctly? Are we educating members on the benefits of Red Crown? We will do our research and try to find an opportunity with our members.

Members That Only Have Savings - Future Project

We currently have 8,762 members that only have a savings account, with a total balance of \$12 million and an average balance of \$1,471 per member. 2,359 members only have a savings account with a balance of \$5. There are a lot of ways we can look at this: First, we need to understand if these members have had any other products with us? Second, how are they using their savings account? Third, do we try to run a campaign to re-onboard them?

For both of these future projects, we will be working with our Innovation Team and other individuals so we can have a holistic understanding of our products and our members.

Important Numbers

Summer Skip Payments as of 7/8/19 - 645 for a profit of \$29,025.00

Online Banking Active Users as of 7/11/19 - 7,328

CUDL Email OnBoarding Program - 58% Open Rate (opening the email) and 29% Click Rate (clicking on the link in the email)

Thanks,

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