



Case Study

The Results

Since inception of program in
May 2008

**New Interest
Plus Accounts** **over
9,000**

New Members **over
3,200**

**Conversion into
New Program** **30%**

**Increased
Interchange Income** **47%**

**Net monthly
account growth** **300%**

**New Monthly
Member** **over
200**

Credit Union Profile

United Federal Credit Union, based in St. Joseph, Michigan, with > 76,000 members worldwide and assets well over \$900 million, provides a vast array of financial products and services, from traditional deposit and loan products to alternative investments and financial planning services.

Challenge

Maximize revenue and incentive-based marketing activities

Summary

United Federal Credit Union needed to maintain competitive offerings to retain its leadership in the market.

As such, the credit union required a product that would increase deposits and offer interest-rate advantages to members. Specifically, an Interest Plus Checking account that included highly competitive interest rates (preferably with a higher than usual rate with higher balances), an easy-to-use debit card, and direct deposits all manageable online and in real time.

They needed to maximize enrollment in the Interest plus Checking account by existing members and attract new checking members, who once engaged have shown high retention rates. And, with minimum debit card transactions tied to it, this program could also be a way to increase interchange income.

Solution

United Federal Credit Union implemented CULoyalty to power its Interest Plus Checking.

As Interest Plus Checking account members transact and manage their accounts online and use their debit cards, they earn points and rewards which can be exchanged for a variety of items and services completely customizable and determined by the financial institution.

Account members earn a generous interest rate of 6.01 percent if they enroll in eStatements to receive their statements electronically, have one direct deposit or one electronic payment, and conduct a minimum of ten debit card swipe-and-sign purchases.

CULoyalty rewards package attracted new members to United Federal's Interest Plus Checking account; enticed existing members to enroll in the account; improved online banking adoption rates; saved the institution hard dollars by reducing paper and labor costs associated with offline transactions; and added income through increased deposits and debit card transactions.

By leveraging the credit union's capital, which was in turn paid back to members in interest, CULoyalty was instrumental in supporting United Federal Credit Union's mission of "partnering with members and sharing the benefits."

"We need to think one step ahead of our competition. With CULoyalty, we differentiated ourselves, maximized our revenue goals and incentive-based marketing activity. This product absolutely brings new members to our door and early reports show that these particular members engage in more of our services as well. Needless to say, we're happy!"

Shari Weber

Deposit and Card Services Manager, United Federal Credit Union