

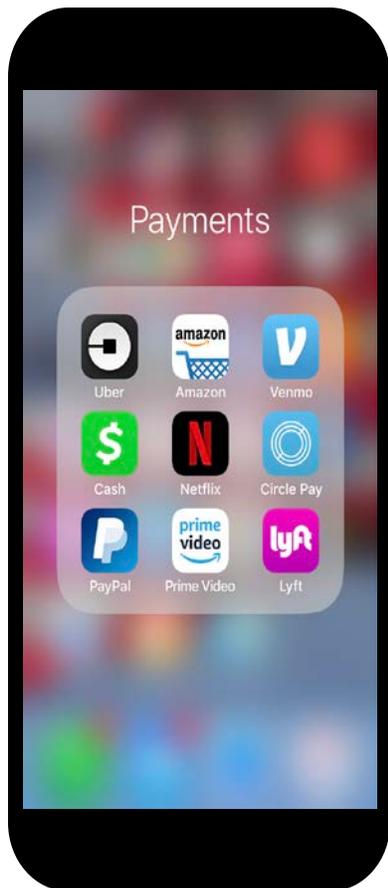
Credit Cards: The Default Status You Actually Want

Credit cards are a tough market due to all the competition from big banks, fintech and others, but it's also a critical one for credit unions for a number of reasons, Ser Tech Account Executive Steven Mathias advocated during our Credit Cards & Personal Loans Ready for the Holidays webcast last week.

Credit card spending is on the rise as consumers shift more toward online and mobile payments. Americans have the highest revolving debt in history, Mathias said, and there is no reason credit unions' credit cards can't compete with the rest. Credit union credit cards are a great product for consumers, featuring lower rates, and few and lower fees. Additionally, cards provide the credit union with a near-daily branding opportunity when users pull it out of their wallets, keeping the credit union top of mind, not to mention the interchange, fee and interest income.

"It's not just a new technical world; it's a new consumer world." –Steven Mathias

But, Mathias added, "With the holidays approaching, are you the default card?" Amazon Prime has 100 million members, so it's a good bet the vast majority of your members are also Amazon Prime members. He added Amazon Prime member's average annual spend is \$1300, but Mathias



said he personally feels like that's low and it will depend upon your field of membership. Consider providing rewards linked to making your credit union's card the default card in their Amazon account, as well as fintech, such as Venmo and Popmoney.

Everyone talks about integrating with fintech, Mathias noted, but credit unions are already integrated through their cards. "Your card is already integrated with every one of the payment systems....You just have to let [the members] know," he said, and Ser Tech can help you get that message out. ([Click here to learn more.](#)) Once you make sure you're the right card for your members, Mathias exclaimed, "Be the card of choice!"

To view a recording of the webcast, [click here.](#)

Credit union cannot afford to be passive on this point. Integrated a sales as service mentality is crucial. "In this new world," he advocated, "you've got to be out there selling what you've got to your members. It's not just a new technical world; it's a new consumer world."

And that means seamless, so when you're also looking at your personal loans as we head toward the holidays, ensure the

borrower experience goes as smoothly as it possibly can, from the time they apply for the loan to placing the money or card into the member's hand. "People don't talk about getting what they expect..." Mathias pointed out, "Do people talk about their experience at your credit union?" If it's not special they're not going to feel the need to come back nor recommend you to their neighbors, so do everything you can to earn that valuable word of mouth marketing. Credit unions can't compete with the marketing spend of banks like Capital One, but they can compete on the member loyalty and referral field.



DeLynn Byars, SVP of marketing at First South Financial CU, concurred. "I'm a department of one, so finding partners like Ser Tech is very important, because turnkey and speed of execution is very, very important."

First South Financial needed new leads for the staff, so she turned to Ser Tech for their credit card campaigns "because we knew we had members out there with other credit cards and we wanted to recapture those members." Ser Tech's campaigns are often the No. 2 converting lead generator for the credit union's credit cards.

"It's very turnkey, and you can be as hands on or hands off as you want," Byars added. But the staff follow up is essential, she advised. She said their staff likes the Ser Tech campaigns because they give the staff a reason to reach out to members. The campaigns are particularly helpful for onboarding indirect members to encourage them to use more of its offerings.

Byars concluded, "We've really enjoyed working with Ser Tech over the years," and invited her colleagues with questions to contact her at dbyars@firstsouth.com

Mathias agreed, "You have to be in front of your members. Your competitors are, or at least they're trying to be."

And credit unions have so much to offer! "Use your business model to exploit your advantages. Your not-for-profit. You're local," Mathias suggested as themes for credit union marketing.



Emphasize local efforts like a 5K support and local lending to demonstration you actually care about the community you serve. “You don’t have to change anything other than to get that message out.”

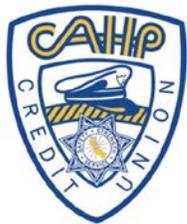
Ser Tech can help you get the message out! [Click here to learn more.](#)

Even though it’s less sexy than its digital brethren, direct marketing is highly effective. Mathias reported, direct mail earns a 12% response rate and rising based on new targeting techniques, earning your credit union a higher ROI on its campaigns. Credit unions love to tout their services, but, “if you never sell something, they’re never going to see the great service you provide,” he said.



“This program has generated \$4.52 for every \$1 invested. It has been a clear winner for our credit union.”

– Pamela Hatt, Director of Marketing



“The service provided is outstanding only to be matched by the products themselves.”

– Kevin Myas, VP of Lending



“I tell other credit unions about Ser Tech and our success with the programs all the time!”

– Dana Noe, VP of Marketing