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# CUNA Mutual Group's Loan Generation Marketing Program



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

Strong market competition, lower than desirable loan margins and a still struggling Florida economy have made it critical for Pen Air Federal Credit Union to expand its loan portfolio. Thanks to a long-term commitment to CUNA Mutual Group’s various Loan Generation Marketing campaigns, the credit union’s been able to recapture loans—and grow other categories—with minimal staff time or oversight.

During one particularly successful period from September 2012 to April 2013, the credit union ran five campaigns: Universal Auto, Credit Card Acquisition, Credit Card Recapture, Personal Loan, and Auto Loan Recapture®. The loans recaptured from these campaigns, together with “halo” effect loans in other categories and non-interest income from products like Guaranteed Asset Protection (GAP), have generated an impressive \$4.52 in interest for every \$1 invested.

“Our research shows that 8.73% of our loan production during this time period came from these programs, which attributed to 13.99% of the total loan dollars,” said Pamela Hatt, director of marketing at Pen Air. “In a one-year period we generated a net return of \$195,000 (between recaptured loan interest, “halo” effect loan interest and non-interest income). Over the lifetime of the loans captured, we have the potential to earn \$13.82 in interest for every \$1 spent on marketing.”

The various Loan Generation Marketing campaigns go out monthly, but the same product offer does not get mailed to the member more than twice a year on a staggered schedule. Members could receive mailings in multiple categories based on their credit score, lending history, etc., but the program is designed so they’re never inundated with multiple offers at any one time.

“Having a comprehensive, multi-mailing program helps keep us top of mind with our members throughout the year,” Hatt said. “Every time we connect with members, it’s one more opportunity for them to consistently experience the value and reputation of our credit union and to understand the many ways we’re watching out for them and providing better opportunities to manage their finances.”

Hatt especially appreciates the data that she can tap into through the Loan Generation Marketing program. “Too often the marketing department is only seen as an expense. Being able to track results helps prove we’re a revenue source for the credit union.”

She also appreciates that the program is both turnkey and flexible. “We can choose to work with the provided letter templates—making the process entirely turnkey—or we can edit to reflect changing needs or marketing programs. In the past we tended to send out the standard letter; now we’re making an effort to tie it to our current campaigns. For instance, our next Auto Loan Recapture letter will incorporate information about our GAP product.

The letters reflect our branding standards and are perceived by members as coming directly from us.” Hatt reports that program service and support is excellent—“It’s above and beyond any other vendor I work with”—and sees the program as a great tool for credit unions of any size. “It can operate with almost no effort from your credit union, which is especially valuable for very small credit unions. I highly recommend it.”

**Pamela Hatt, Director of Marketing  
Pen Air Federal Credit Union  
Pensacola, Florida  
\$1.2 billion assets; 94,082 members**