

Transcript of CUES 122: How to Better Engage Members at the Critical Moment of Account Opening—an Interview with Andy Saner

October 2021

By Andy Saner

Lisa Hochgraf 0:04

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Thank you CUES Podcast listeners for tuning in. Fall is a busy time of year, and we hope that these shows are useful to you while you are listening on the go. As you know, on the CUES Podcast you can hear from a wide range of cross-industry experts discussing trends and topics relevant to you.

My name is Lisa Hochgraf, and I'm senior editor for CUES and its *CU Management* magazine. I will be your host today.

Before we welcome our guest and jump into today's topic, we have a commercial from one of our sponsors.

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Today we'll be talking about member engagement and specifically how to engage members with products and services when they are opening an account online. Our guest, Andy Saner, says account opening is a moment when members are in a buying mood. So credit unions need to make the most of this opportunity to match them with appropriate offerings.

Senior Vice President of Product Engineering and Data Services at CUES Supplier member Harland Clarke, a Vericast business, Andy leads technology teams that create outstanding customer experiences. Andy and his teams partner with sales, delivery and production to provide a seamless experience for their credit union clients and, ultimately, their members.

Andy brings with him to today's show a deep background in technology and operations. Before joining Harland Clarke in 2018, he was the senior vice president and director of strategic banking for MainSource Bank. This work included responsibility for digital banking and the context center. And he also held the role of director of operations at the bank and oversaw day-to-day operations, including document management, printing, facilities and bank processing.

Notably, our guest is passionate about helping credit unions ask their members and potential members the kinds of questions that will reveal their true needs at whatever stage of life they're in, so the credit unions can better serve those needs.

I think you're going to be impressed at how much you're going to learn from this conversation about engaging members during online account opening.

So let's get started.

Welcome to the show, Andy.

Andy Saner 3:24

Hi there, Lisa. Good to be here.

Lisa Hochgraf 3:27

To help our listeners get to know our podcast guests a little bit, we often start by inviting them to share a professional quote or a mantra that they live by. Do you have such a quote or a mantra to share?

Andy Saner 3:39

I do. It's relatively simple but has proven to be effective for me. And it's, it's really just be curious and inquisitive. I have found that that has helped me really better understand and, and learn so much throughout my career. And specifically one of the areas I've really worked hard to master is the art of asking questions. It's a skill that, like anything else, gets improved over time. And so as a leader, whether in sales, whether in operations, asking good questions, leads to good information, good data. It helps that curiosity and being inquisitive and just helping to find great ways to adapt and learn more.

Lisa Hochgraf 4:18

I love that Andy. You know, I'm, of course, a journalist and magazine editor. I ask a lot of questions in my day. And that's how we find out great stories from the people that we're working with.

Andy Saner 4:28

Absolutely.

Lisa Hochgraf 4:29

So I'm looking forward to talking with you today about engagement with members. It's so important, especially as the digital realm becomes ever more present in our lives. So let me start off by asking you: What are some times that credit unions try to engage members with additional products and why does the moment of account opening consistently turn out to be the best time to do so?

Andy Saner 4:53

Well, so, as probably your listeners know, there's lots of opportunities to engage their members and find opportunity to provide them the products and services that meet their needs best. What I think we've learned, what I've certainly learned over my career, and it's, it's substantiated with some good information, is that at account opening, you have a willing and an open buyer, if you will, right? Your member has already made the decision. They want to open the account. And so at that point, it's, it's the opportunity to really ensure that you're matching them with the best products and services to make that account the most effective vehicle for them for their financial needs.

It also is the time where you're collecting information. I don't know about you, but you're right in the world we live in, you give your information on so many things, right, whether you're signing up for an app or going to the doctor, you know, a rewards card at your local grocery store. And so giving that information once and allowing that to be the the only time I have to do that is really a good experience for me because then they can leverage that to do all the other things they need to do. Same thing here during an account opening process. You're giving a lot of your confidential information, a lot of your personal information to open the account. If they can take that same information at the time of account opening to, for example, sign you up for online banking, for getting you set up with e-statement, for getting you a debit card. They don't have to ask some of that information later and make that process even longer.

Deloitte actually did a study just about two years ago. And they found that when you match a member with products or services at account opening, 32% of the time, those become more profitable members to you as a credit union, then when not. That's a 30% lift in your profitability. And so that's that's a benefit to the credit union. Another study that I saw, which actually came from CUNA, they were saying that member satisfaction is 48% higher when they are matched with their products and services at account opening as opposed to later on. And the No. 1 reason given was because they they got the advantage and the benefit of that product day one. They didn't have to wait. They didn't have to learn about it two, three, six months into an account relationship to understand the benefit. They were getting that benefit from the time of the account opening. So it's just one of those times in your member's lifecycle where you get a unique opportunity. They're in kind of a buying mood and you also get a get a chance to leverage the information in the data that they're sharing to really benefit the matching cycle that takes place.

Lisa Hochgraf 7:23

I love those numbers. Those are great supports to the idea that working with a member when they first open the account is a wonderful time to talk to them, essentially about the opportunities they have with the credit union. We try to do that with CUES membership too. When someone joins CUES, we have a list of things that we talk to them about because we want to find out more about them and try to help serve their learning needs, in our case.

Andy Saner 7:44

Sure, exactly.

Lisa Hochgraf 7:45

So Andy, you've told me that using a guided approach to product selection at that moment of account opening when as you say, and I like this very much "they're in a buying mood" is really a lot better than if they just kind of do it when they want to do it.

Andy Saner 8:00

Yeah, so let me let me first start off by saying for those listeners that maybe aren't aware, a guided approach would be leveraging a tool or some form of technology, maybe even it's just a placemat. Some some credit unions have effective use of just a static placemat that help guide you through the account opening process, not only to ensure compliance and regulatory needs for the account opening are being met, but there may be opportunities during that that questioning that open up avenues to product matching.

So a guided approach really is just what it sounds like a guided approach to walking a member, a new member or an existing member if they're opening up a secondary account, through opportunities that may match or suit the needs of that account best. And so the reason guided product selection methods have become so much more popular--and like I said, some are low tech, or just a simple placemat or a piece of paper, some are getting much more high tech with digital matching and the opportunity for data to really help drive that matching process--the reason they become more successful or more prevalent is because it does an effective job of two things: introducing products and services to the member during the time of account opening, which we just mentioned was a good time to be doing so, but also creates an awareness, making sure that the credit union employees don't forget some of those critical opportunities or benefits of products that could be available. So it's just a tool like any other tool that we have at our disposal, but during account opening, it does provide a bit of a pathway, a framework, if you will, for matching up products and services with the account member during that account opening process.

Lisa Hochgraf 9:37

So you've just talked about kind of a menu of ways that credit unions could do the product selection with someone that's opening a new account. Talk to me a little bit more about digital now that we're well into the pandemic era where digital has become so important. How does digital play a role in making the account opening experience better?

Andy Saner 9:59

So digital really starts, and you heard me mention it maybe even my last response a little bit, but digital really starts with data. And so the data and the advancements in data collection, data management, the engineering of data, that capability has continued to grow to a point that it's now allowing, I mentioned low tech versus some high-tech options for that data to be consumed and used in these digital systems that help with a more automated, more efficient, more even effective guided selection process. The data around not just you as an individual member, or a customer in front of you, but how their specific information matches up with the success of other members in your database. So if someone opening that is a brand new 18 year

old opening up their first checking account, if you're looking across your entire member base, the likelihood of hey, this member is more apt to need a debit card than checks, and it's the best time to sign them up for a statement, then, as soon as you start putting in the information about the member their their demographics, their geographics, where they're located, so and so forth, it starts taking that data in and matching it against the products and services that best have traditionally best met that demographic's needs. So the digital aspect is great.

And then what really happens is not only does that become a an effective tool, again, in account opening face to face in store kind of opening, but also online, it translates into the proliferation of these online account opening systems and their extensive capabilities to match you up with products and services during account opening.

Now I'm using debit card, e-statement online banking because they're simple things to match up with. But in a more complex member relationship, you may be able to match them up with some wealth management, some auto lending opportunities, credit cards. And so those take a little bit more data, in addition to credit scoring, and the like to really match a member to the best products and services.

So digital has just been an extension, what started as a placemat, a piece of paper, got to be somebody writing down some information. And then that same person the the credit union employees that, hey, you know, the last 10 of these that I've opened, I found that these people really benefited from this product. And that's just all getting put into databases. It's the proliferation of products and services is so great now, it really helps make sure that you're not over selling, and not not putting people into products they don't need, but rather ones that really can help them and really get them to take benefit, full benefit of the credit union account.

Digital is fascinating, all the recommendations we get when we're out shopping online, and what you're describing of using the data to help match a new account opener, if you will, to the products and services of the credit union they might need sounds like it could work really well. On the flip side, though, credit unions are all about people helping people. So where are the people in this picture? How do credit union employees contribute directly to the success of guided account opening?

That is a, it's a really good dichotomy of experience, right? Because the online digital experience is designed to be effective and efficient, quick, if you will. credit unions, and rightfully so really value, the high-touch component that they bring to their member base. And so, just because you have a digital offering doesn't mean you don't want to be able to provide high-touch, good quality, in-person customer service, I think I would actually go back to my opening mantra, when you've got employees that during the time of account opening are inquisitive and they're curious, you're asking questions, you're learning more about that member's needs and what they have to have. You've got a tool in front of you that's assisting you but doesn't have to 100% drive you. And you understand through that relationship through those questions by by really getting a better understanding of what it is the account is meant

for or that the interaction is meant for by the member, then you gain insight into the member's needs and what he or she has worked in the past, potentially what hasn't worked in the past. Maybe they're open to trying something different in managing their money or a different vehicle for payments and the like. You're learning that during some of that account opening stage.

And it really does two things, right? It, it helps you match up better the products and services. But it also deepens that relationship. That's really what we're all after. You work so hard to get the new account opportunity by matching them up and showing and creating value for those members, both of the products and services but also that relationship. It creates a deepening, long-lasting engagement that really becomes not only profitable for the credit union, let's be honest, that's part of it. But the other extent is that you really feel good about helping your members serve their needs.

Again, I've been in the industry for almost 15 years now. And one of my former leaders talked a lot about how it's a noble profession, financial institutions, you know, in the work that we provide. You're getting people into their potentially their first home, the first time that they buy a car, student college loans and being able to further their education. Maybe they're they're taking a lifelong trip for the first time and they're needing just a little bit of help getting through that. It's it's really kind of a unique opportunity where you meet people at the point they may need you most. And so that high-touch, having somebody in person asking questions and learning more about the individual is still a really, really key component for the account opening and engaging the account opening member.

Lisa Hochgraf 15:27

All through this discussion, Andy, I've been thinking about how years ago, when I first started writing about credit unions, we wrote a lot about indirect lending, and how people would go to the dealer and they would get their loan there, and then credit unions would never hear from them again, and how to deepen the relationship with a member that just had that one loan with the credit union was a point of a lot of discussion. And this kind of reminds me of that. So I can see why trying to do a lot at the very beginning makes a lot of sense. On the other hand, there's going to be the one that gets away, there's going to be the one that got the indirect loan even still, right, and we need to try to find a way to follow up with them. What would you say is the best way to reengage account holders? They've already opened an account. They would benefit from additional products from your credit union.

Andy Saner 16:13

So you're very right, at least I mean, you you have to be careful not to over I mentioned previously oversell because it is an account opening, it's not a soup-to-nuts kind of opportunity. You're trying to match them up with the most beneficial products and services at the time of account opening. Maybe that is just simply checks. Maybe that is just simply a debit card. That's great, that's definitely a good start. But to your point, once you've gotten the member into your credit union, you want to be deepening that relationship and finding ways to engage them even beyond the account opening process. Just because you didn't sell them something where they

didn't take a product offering at account opening doesn't mean that you won't get another chance to do so.

But again, I'm gonna go back to some of the data aspects I'd mentioned before. And that's where you can often tell that as a relationship grows, months of account balance information, usage and transaction data, it starts to create some profiles, if you will, of members that maybe have benefited from some of those lending vehicles. Maybe it's simply a credit card for a new account holder. Maybe it is an offering where you've noticed they've they've had a large influx of money into their accounts. Maybe that's an opportunity to find a wealth management vehicle for them that might suit their needs. Maybe it's some refinancing of debt, because you can see that they've got several loans and consolidating that is actually going to provide them a benefit for reduction in not only payments, but also complexity of their financial situation.

Using that data and creating data-driven campaigns that target those groups of individuals is a great way to really deepen the relationship by offering them not just all products, not just that kind of smorgasbord, but a much more, you know, surgical approach to the kinds of offerings you think fit best with that member. Again, I'll hearken back to the leader I had mentioned or referenced earlier. And he would, he really had us focused on what he would call building a fence around your members. Obviously, as we all do, right grass is greener on other side of fence. But if you can keep people from looking, or at least enjoying the pastures that they're in, you get a chance to deepen that relationship. You don't lose so many members because they find that vehicle or that opportunity, product, service elsewhere when you could have been providing it to them all along.

So it's really important that you don't just open the account, whatever you get opened at that time is all the all you focus on, you continue to engage those customers. There's so many new channels that create really good, focused, personalized communications. That can be simply email. Certainly, that's one that's been out there for a while. Direct mail, actually, during COVID continued to be a really effective channel. And it's high-touch, especially for younger generations, believe it or not. They have found that the touch and feel of postcards and letters that is personalized and has a touch and feel to it, they enjoy getting mail, right? It's something that those of us are a little bit older kind of take for granted. But a younger generation hasn't enjoyed that kind of an experience as much. And then there's really some great new channels out there: social media, SMS, text, even contact center outbound calling for some of your high-value clients with a personalized communication message, just touching base, inviting them to join a webinar, educating them about other things, small-business needs, the list goes on and on. But the point being: just getting the account opened and adding that member to the credit union, that's a huge start, right? That is that you can't do all the other work without that. But don't forget that once they've joined, their needs are going to evolve, they're going to change just like all of ours do. So engaging them using the data as best as you can within your environment or finding a trusted third party that can assist, there are a lot of great ones out there, that can help you and assist in that are really, really important ways to continue to deepen the relationship after the account is opened.

Lisa Hochgraf 20:03

Thank you so much for all of this insight. Andy, before we go, I'd like to ask you if there's anything we didn't talk about today that you think would help our listeners on their journey to better engage members and potential members.

Andy Saner 20:15

Yeah, I thought about that, Lisa, as I was sharing some of the comments earlier. I think the two things that stick out are the environment we live in has changed. High-touch, personalized communications are really going to continue to be a welcome vehicle for a lot of our members and even our employees, right? We can't forget that a lot of them need that same kind of high touch and personalization. Likewise, it's going to be more important that we're secure and compliant in how we're doing a lot of this work. And so far be it for me to step into the security realm. But I do think that's an element that our members are now expecting more than ever, that they expect secure data management. They expect compliant use of their data. So making sure that you're following those steps, making sure that you're getting the opt-ins as needed, continue to be super important because you don't want to over communicate or oversell unnecessarily. That will turn members off as much as anything. So you know, I think the evolution of the environment, and really taking ownership of that data and that experience really ensure long-term success for not just the credit union, but the members that you've brought in as well.

Lisa Hochgraf 21:24

Wonderful. Andy, thanks so much for being on the show today.

Andy Saner 21:28

Yeah, this has been great. Thanks for having me.

Lisa Hochgraf 21:32

Thank you for taking time out of your busy schedule to listen to today's episode of the CUES Podcast, and many thanks to Andy Saner for being such a knowledgeable guest.

We also want to extend our deep appreciation to Harland Clarke, a Vericast business, for being a CUES Supplier member and for sponsoring today's guest.

Harland Clarke has also been the sponsor of CUES' quarterly Advancing Women online publication, helping us to provide information and inspiration for current and aspiring female credit union executives and those who support them.

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