

EXPERT INSIGHTS



Delighting Your Members in the First Critical 90 Days of Membership

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As if we didn't know already that member relationships are made or broken in the first 90 days, along comes new research to show that the first 90 days of memberships are more critical than ever before.

According to a recent BAI study, 60 percent of all cross-sales happen within the first 30 days of a consumer's relationship with a financial institution. Another 13 percent of upsales happen within the next 60 days. *A full 73 percent of all member accounts are upsold in the first 90 days.*

What's more, the researchers found that attrition is 200 percent higher in the first 90 days than at six months and beyond. With more and more credit union boards listing net member growth as one of their key indicators of success, many of us are looking for new ways to stem member loss as well as to grow membership.

The fact is that all credit unions need a clear strategy for new members beyond the typical welcome packet or postcard mailing series. We're not talking about telemarketing calls at dinnertime. Just simple quality calls to make sure members understand how to use the bill pay feature or to see if the credit card was delivered on time.

In the BAI study, the most common reason for consumer defection in the first six months was a lack of understanding of the features and fees associated with accounts. The second most common reason was the consumer getting the wrong account to meet his or her needs. Both of these issues can be cleared up with a *single* phone call.

RESOURCES:

Constance Anderson & Associates offers the following tools and training to strengthen your 90-day onboarding program:

The Personal Account Representative training program offered in partnership with the Credit Union Executives Society (CUES)

In this comprehensive two-day course, credit union account representatives learn the process of onboarding new members in the first 90 days and building the relationship beyond 90 days. Available on-site or as a train-the-trainer program. Includes testing and national designation.

Customized online new member survey

See the new member experience through your members' eyes. Test brand strength and obtain leads for building account relationships.

In my dream world every credit union would have adopted a 90-day “triple play” contact plan:

- ◆ The single—This gets you to first base. Build the relationship by calling the member and thanking them for doing business with you. Ideally this would be done by the person opening the account in the first place. Indirect borrowers and overflow could be handled by the call center and by tellers.
- ◆ The double—If you did this one you'd be way ahead of most of your competitors. Simply call the new member to make sure everything is okay. Explain features and benefits as needed. This call can be done by the membership originator or routed to call center reps with great stores of product and procedure knowledge.
- ◆ The triple—By now you know whether the new member wants to hear from you again or not. If signals are positive, mention an additional product or service that would improve the member's financial life. This call should be made by the relationship manager or call center reps who are able to connect with people over the phone.

To increase accountability and measure brand effectiveness, I recommend following up with an **online survey for every new member** at 90 days of membership that includes the following questions:

1. Why did you choose the credit union? (This will give you an idea of your primary brand value proposition.)
2. Would you recommend the credit union to your family, friends, and co-workers? (This will measure the strength of your onboarding process.)
3. What financial service needs will you have in the next twelve months?