



The Definitive Credit Union Guide

Creating Brand-Defining Member Experiences



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The New Battle for Member Walletshare

Member loyalty isn't dead, but it can no longer be assumed. Members are still loyal to credit unions that create great member experiences.

In fact, our research shows that credit unions that create seamless, differentiated experiences outperform in the credit union space in asset growth, loan growth, deposit growth, and ROA.

Your credit union can win the battle for member walletshare by following the lead of those top-performing credit unions. Read on to discover the steps credit union market leaders take to gain the hearts, minds, and walletshare of their members.

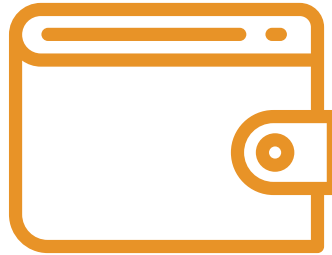
*Member loyalty isn't dead, but it can no longer be assumed. **Members are still loyal to credit unions that create great member experiences.***



Member Experience as a Competitive Advantage

Banks and credit unions are investing in the member experience because there's a very real return to the bottom line.

In fact, in an era of e-commerce and m-commerce, the member experience may be the only way to compete!



In retail banking an engaged customer is worth at least \$9500 more a year in income than an unengaged customer. **MARKEY & RICHFIELD**

Customers who say their experience at a business was easy are 94% more likely to repurchase, and 88% more likely to increase spending with that same business. **CUSTOMER EFFORT BOARD**



A 5% boost in member retention can boost income by 25% to 95%. **HARVARD BUSINESS REVIEW**



Strong ROI for Credit Union Member Experience Initiatives

Because MemberXP is credit-union specific, we're able to pinpoint the ROI for our credit union users. Our research reveals that credit unions that focus on the member experience outperform the industry.*



131%

Member-focused credit unions outpaced the industry average in **asset growth** by 131%.

MEMBERXP & NCUA



90%

Member-focused credit unions outpaced the industry average in **loan growth** by 90%.

MEMBERXP & NCUA



93%

Member-focused credit unions outpaced the industry average in **share growth** by 93%.

MEMBERXP & NCUA



77%

Member-focused credit unions outpaced the industry average in **return on assets** by 77%.

MEMBERXP & NCUA

*Based on a study of MemberXP's credit union users who ranked in the 75th percentile or better on member experience key performance indicators including ease of use, member advocacy, member education, member appreciation, and willingness to promote the credit union to others.





Getting Started

Build a Member Experience Team



Get Key Stakeholders and Champions Involved

Credit unions that have a member-focused culture get buy-in from every level of the organization.

Start by getting C-suite buy-in.

Next, get key stakeholders in the organization involved.

Then, solicit input from the member experience champions—team members from across the organization who understand the value of creating extraordinary member experiences.

*Get buy-in from every level of the organization. **Start by getting C-suite buy-in.***



Leading The Charge From the Top

According to Genesys, the most profitable customer experience programs are likely to be initiated by the chief executive.

Few programs survive without C-suite buy-in and nurturing. Without centralized leadership, efforts become siloed and the member experience becomes inconsistent.

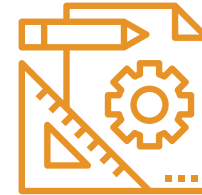


CEO **The ultimate champion**

Today's customer experience initiatives go far beyond the customer service initiatives of the past.

Member experience is, in fact, a brand positioning strategy, and as such, the CEO must be its ultimate champion.

While others might do the day-to-day work of measuring, mapping, fixing, and innovating, the CEO must give total support through all executive leadership messages.



Chief Experience Officer **Aligning all efforts**

The trend in credit unions that take the member experience seriously is to name a Chief Experience Officer who ensures the entire credit union is member-focused.

Branches, contact center, sales/service directors, and e-channel specialists might all report to this chief. The Chief Experience Officer must also have authority over support departments to ensure their internal service delivery truly supports the member experience.



Leading The Charge From the Top



CMO The steward of the brand

Because the Chief Marketing Officer is entrusted with brand positioning and strategy, any member experience program must be well coordinated with overall marketing/branding strategies.

Get the CMO's buy-in to ensure an extraordinary member experience becomes the brand's primary value proposition.



CFO Aligning budget and mission

While the CFO may not be involved in planning the member experience strategy, he or she should understand the potential ROI.

Make a strong case for the bottom line benefits of a member experience initiative to the CFO. We've included some important metrics in the first pages of this book.



CIO The tech facilitator

Since any member experience program will include technology, it's important to get the CIO's buy-in from the very beginning.

As you measure the member experience, you'll need IT's assistance in pulling member data for surveys and possibly pushing results back into a CRM or data warehouse.

“As the customer experience becomes a bigger focus of corporate strategy, more and more executives will face the decision to commit their organizations to a broad customer-experience transformation. **McKinsey Quarterly.**”



The Member Experience Project Team

Once you have C-level buy-in, assemble a cross-functional team who can provide input for your member experience initiative. This cross-functional team typically includes representatives with authority to implement the program as well as subject matter experts.



Human Resources

Marketing

Training

Branch Administration

Contact Center

e-Channels

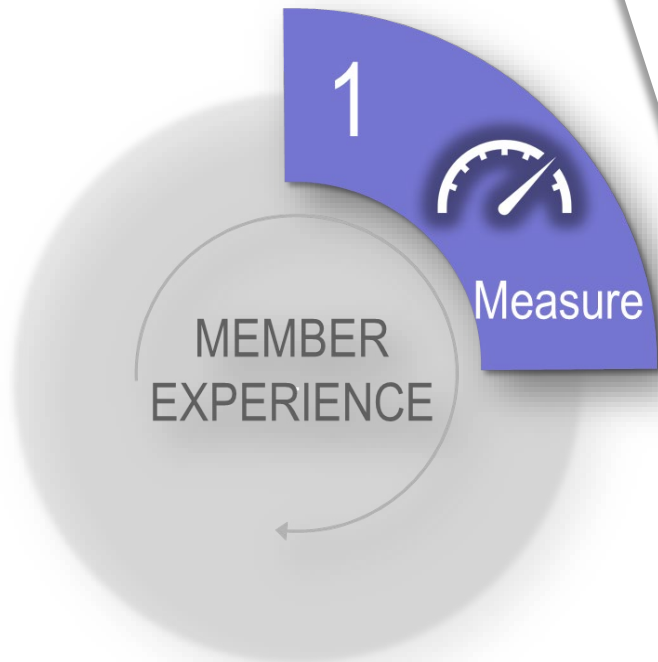
Centralized Lending

Mortgage Lending

Information Technology

Sales/Service





Step 1

Measure and Benchmark



Member Experience Metrics

Do a quick web search and you'll find there's a lot of debate about the best experience metrics. We think the ideal metrics are normed for credit union peer comparison, relevant to credit union practice and philosophy, easy-to-understand, and easy-to-gather.

The best metrics for your credit union depend on which component of the member experience you are researching: specific member journeys, overall member relationships, or your credit union brand.



Member Journey Metrics

Good metrics for measuring specific member journeys such as getting a loan include

MEMBER EFFORT SCORE INDIVIDUAL PERFORMER SCORE

The member effort score tells you about the credit union's ease of use across channels while the individual performer score gauges personal service delivery.

Member Relationship Metrics

The best metric for gauging the overall member relationship with the credit union is

WALLETSARE SCORE NET PROMOTER SCORE (NPS)*

MemberXP's walletshare score tells you how much business your members are actually doing with you while the Net Promoter Score* tells you how they feel about your credit union.

Credit Union Brand Metrics

To measure brand strength and brand position we recommend

BRAND AFFINITY QUOTIENT NET PROMOTER SCORE (NPS)* MEMBER EFFORT SCORE

MemberXP's brand affinity score can be used to gauge members' emotional attachment to your credit union brand. The Net Promoter Score* and Member Effort Score are also good brand metrics.

*Net Promoter, Net Promoter Score, and NPS are trademarks of Satmetrix, Bain & Company, and Fred Reichfield.



Member Experience Metrics Defined

Member Effort Score

The member effort score is a cross-industry KPI that has shown strong correlation with consumer walletshare expansion. It's based on a single question: "How easy did we make it for you to (get your loan, join the credit union, etc.)?" The standard scale is 1 to 7.

Walletshare Score

MemberXP's walletshare score is a measure of the percentage of a member's overall deposit, loan, investment, mortgage, and credit card balances that are held with the credit union.



Net Promoter Score*

The Net Promoter Score is a cross-industry KPI used to measure brand loyalty. It is more loosely correlated with member walletshare than the Member Effort Score but has been found to surpass satisfaction scoring in predicting member loyalty. It's based on a single question: "How likely are you to recommend the credit union to a co-worker or friend?" The score ranges from -100 to +100.

Individual Performer Score

MemberXP's individual performer score is an average of the scores for all behavioral questions posed by the credit union. It is a fair and equitable measure of employee performance making it highly reliable for performance evaluations and incentives.

Brand Affinity Quotient

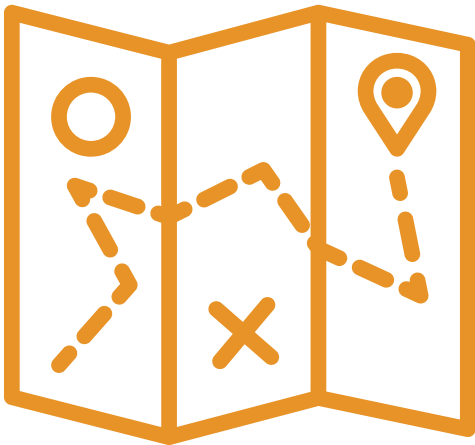
MemberXP's brand affinity quotient is a measure of members' emotional attachment to the credit union brand. It is based on a set of proprietary questions designed to measure emotional intensity.

*Net Promoter, Net Promoter Score, and NPS are trademarks of Satmetrix, Bain & Company, and Fred Reichfield.



Critical Member Journeys

Measuring and mapping member journeys can be a daunting task. We recommend your member experience team take a systematic approach by prioritizing member journeys.



CONSIDERATIONS FOR PRIORITIZING MEMBER EXPERIENCES

- To motivate, reward, retain, and coach staff, choose experiences that require high levels of employee/member interaction.
- To improve member ease of use, focus on experiences that involve electronic delivery channels.
- To generate income, focus on important experiences for profitable member segments.
- To generate income, focus on experiences involving your most profitable products or services.
- To attract and retain younger consumers, focus on experiences that involve electronic delivery channels, especially mobile.

“Only 16 percent of marketers think their organizations are delivering customer experiences that fulfill their brand promises. **CMO Council**”



Delivery Channels

Investigating the member experience across delivery channels is a critical component of measuring the member experience.

One of the biggest pain points in any consumer experience is “channel thrashing.” The consumer wants to complete a transaction in one channel, but is forced to move to another channel.

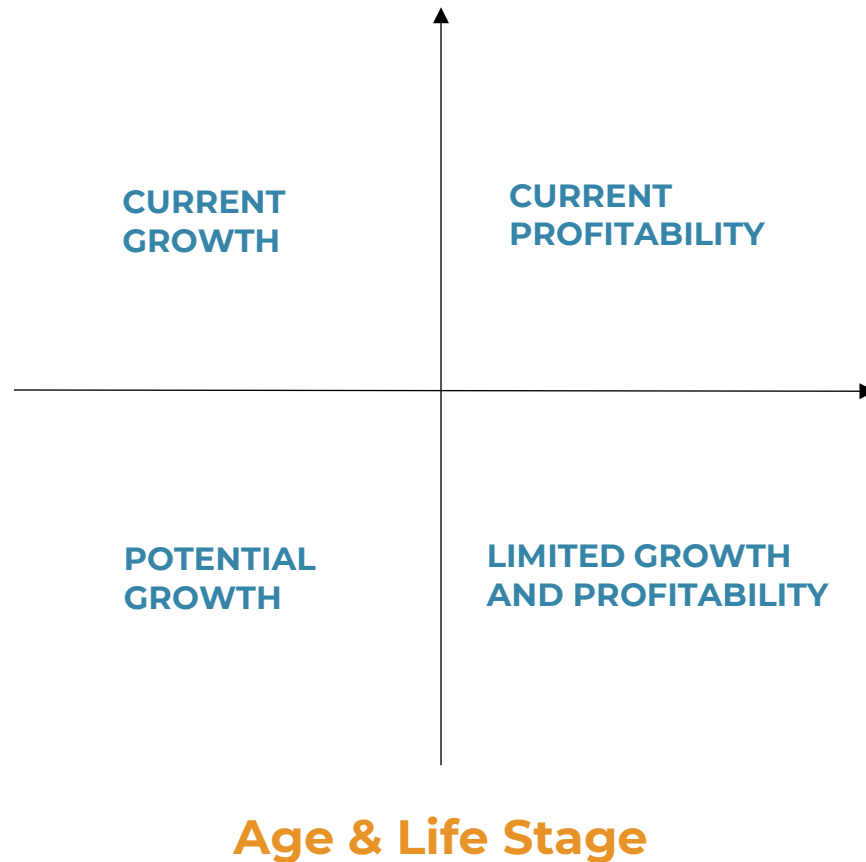
Another pain point is a poor hand-off between channels—say from an online loan app to a phone call from lending.

You’ll also want to uncover inconsistencies in performance across channels.



Key Demographic and Relationship Segments

Your strategy should include viewing the member experience through the lens of member segments that are important to your credit union in terms of mission, strategy and growth.



Listening Posts

The goal of any voice of member program is to give members opportunities to give feedback easily. However, feedback channels are not equal, even when they're automated.

Pull methods are automated comment cards and are more



likely to generate complaints. That's good for resolving individual unhappiness, but doesn't give you a true picture of your credit union's member experience.

Targeted push methods give you a true picture and can be

deployed by experience type and demographic/relationship factors

Good member experience measurement software allows you to deploy both pull and push methods and filter results based on each method.

Automated Pull Methods

- IN-BRANCH TABLETS
- RECEIPT LINKS AND QR CODES
- SMS (TEXT) SHORTCODE LINKS
- INBOUND PHONE SURVEYS

Targeted Push Methods

- E-MAIL INVITATIONS TO ONLINE SURVEYS
- MAIL SURVEYS
- OUTBOUND PHONE SURVEYS
- OUTBOUND SMS (TEXT) SURVEYS



People & Process

The best member journeys are a combination of flawless processes and great people.

Your credit union's member experience measurement software should include mechanisms for analyzing human performance as well as delivery channel and process performance.



COACHING TO IMPROVEMENT

Branch and department managers in your credit union face hundreds of urgent operational tasks every day; yet, member experience top performers have a strong coaching culture. Arm your coaches with an easy-to-use system for analyzing and coaching to team and individual performance.

REWARD AND RECOGNITION

Positive reinforcement ensures your credit union keeps top talent—one of the keys to a winning member experience. Be sure your measurement system includes an easy way to recognize extraordinary service in formal and informal ways.

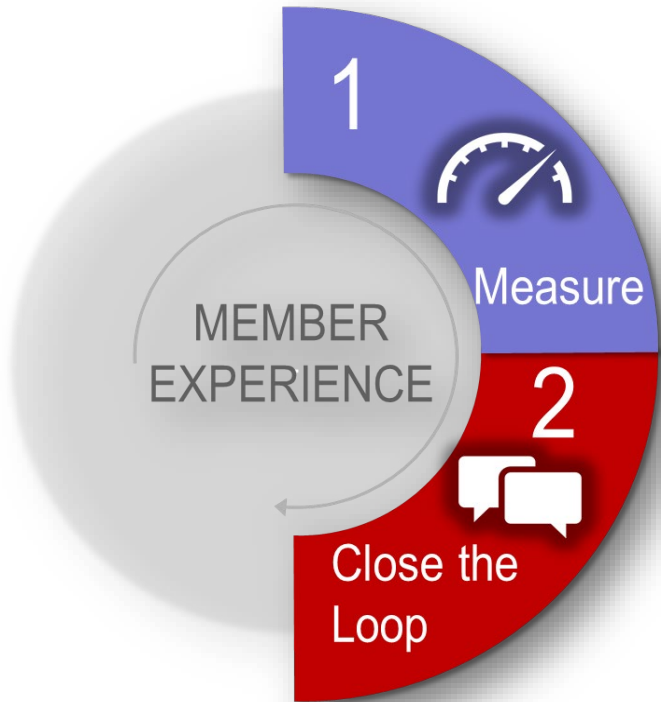


ACCOUNTABILITY

96% of credit unions in the top performer category create accountability using behavioral metrics related to the member experience.

MEMBERXP USER STUDY





Step Two

Close the Loop

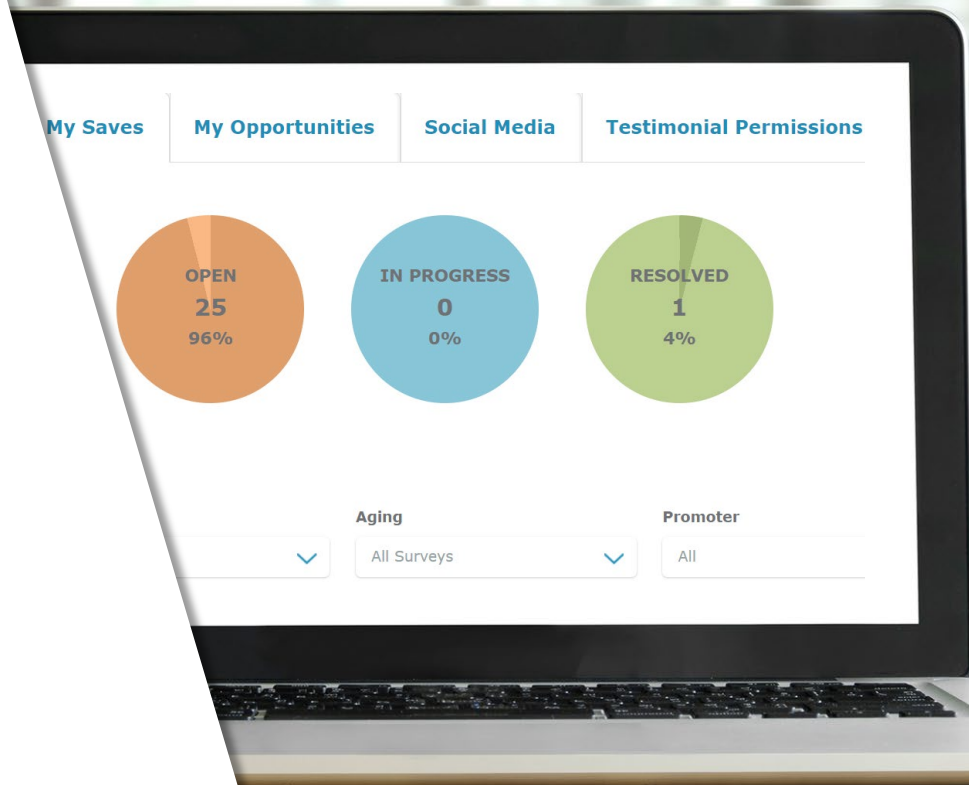


Acting on Member Feedback

In member experience terminology, closing the loop means responding to members and acting on their feedback.

There are **five reasons** to close the loop with members who respond to your credit union's surveys:

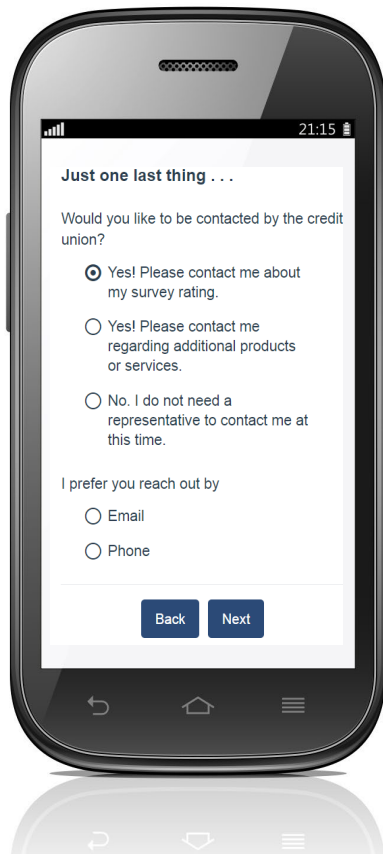
1. It shows that you care.
2. You'll gain additional feedback not revealed in the member comments.
3. You'll retain more members.
4. You can gain word-of-mouth promotion.
5. You'll get more responses to future surveys if members know you listen to and act on their feedback.



Developing a Closed Loop Process

START WITH YOUR SURVEY

Your closed loop process starts with your member survey. Give



members the opportunity to let you know if they'd like you to follow up with them.

Don't forget to let members choose their channel of communication. Many members prefer an email to a phone call.

WHAT TRIGGERS FOLLOW-UP COMMUNICATION

You'll definitely want to follow-up with members who request a follow-up, but you may want to set up other triggers as well. Here are some common triggers:

- Low Member Effort Score
- Low Net Promoter Score
- Low Overall Experience Score

WHEN TO CLOSE THE LOOP

You'll want an automatic alert system in your member experience software so you can address issues immediately. You'll also want a way to track response time for the credit union and for each branch/department.

MemberXP top performers typically set a goal of following up within one business day.

WHO CLOSES THE LOOP

Some credit unions centralize the follow-up process, but most find that having branch and department leaders contact the member builds more trust and loyalty.



Beyond Complaints: Amplifying the Voice of Your Credit Union's Raving Fans

MEMBERS WANT TO KNOW MORE ABOUT CU SERVICES

One of the most common flaws in a credit union member

feedback program is the notion that it is only a mechanism for addressing member dissatisfaction.

One way to increase ROI for your program is to give members an easy way to access additional credit union services. On average, members ask for more information 5 to 10 percent of the time if given an opportunity within a survey.

To take advantage of those opportunities, make sure your member experience software has an automated alert and ticketing function for those leads.

Just as you do for complaint follow-up, track response times.

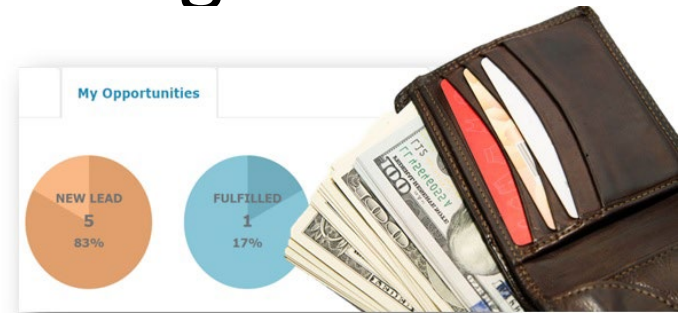
My Opportunities



GAIN POSITIVE WORD-OF-MOUTH WITH A SOCIAL PUSH

While some members will use your feedback system to complain, more of them will use it to give kudos.

Amplify the voice of these raving fans by giving members the opportunity to push 5-star ratings to social media or asking for their permission to use their comments as a testimonial.





Step Three

Map the Member Journey



Why Credit Unions Map Member Journeys

Once you've collected member feedback and you're consistently closing the loop with members, the next step will be to map member journeys. Ongoing journey mapping will help your credit union to

- understand the member journey from the member's perspective.
- ensure that journeys are consistent across delivery channels.
- determine where to establish more listening posts along the member journey.
- create or redesign processes that impact the member journey.

“ Companies with a formal customer journey management program have 24% more positive social media mentions. ”
The Aberdeen Group



Mapping the Member Journey



CHOOSE THE JOURNEYS TO MAP

While you may want to measure a whole host of member journeys, it's important to prioritize. Use the guidelines on page 14 to decide which journeys are most critical to your credit union.

GATHER INPUTS

Although your member experience surveys will provide critical data for journey mapping, you'll want to include other sources of feedback.

Employee interviews and surveys can provide invaluable feedback about processes. Make sure these internal stakeholders have an opportunity to provide their input.



JOURNEY MAPPING INPUTS

Member surveys

Mystery shops

Social media comments

Third party review sites

User testing

Contact center recordings

Inbound emails

Employee interviews

Employee surveys



Mapping the Member Journey



CREATE PERSONAS

Persona is a term you'll hear associated with member journey mapping. Because different members have different priorities along their journeys, it can be useful to create several maps for each experience based on different member personas.

One way to prioritize is to choose member segments that are important to your credit union in terms of mission, strategy and growth. Then, map experiences using a persona that typifies each segment. See the chart at the right for examples.

Credit Union 1: The average member age for this credit union is 57 years. They need to attract and retain young consumers. Therefore, they map experiences that are important to this segment.

Credit Union 2: This credit union has a 40 percent loan-to-share ratio. To grow loans, they map experiences that are important to potential borrowers.

Credit Union 3: This credit union's mission is to serve low-income families within a 5-mile radius of the main branch. They map experiences that are relevant to these families.

Credit Union 4: This credit union has lower walletshare than its peers. They decide to map experiences that are important to new members so that they can develop loyalty early in the member relationship.



Mapping the Member Journey



IDENTIFY STAGES OF THE JOURNEY

Define the major milestones of the member journey you're mapping. MemberXP's online analytics portal automatically provides data on major milestones of member experiences.

For example, the lending experience can be broken into inquiry, application, processing, closing, and follow-up.

IDENTIFY MOMENTS OF TRUTH

An important focus of your journey map should be to identify moments of truth. A moment of truth occurs when what the member expected to happen doesn't align with what actually happens. For example, a member calls the credit union to apply for a loan and expects to give information to a lending representative. Instead, she is transferred to someone else and has to leave a message. No one returns her call. That is a "make or break" moment in the member relationship.



LAYER IN SENTIMENT

Another key to a good journey map is layering in member emotion. What is your member persona thinking and feeling during each stage of the journey?

Based on feedback you've received from your Voice of Member surveys, ask: "What aspects of our service delivery do members enjoy?" and "What aspects frustrate them?"



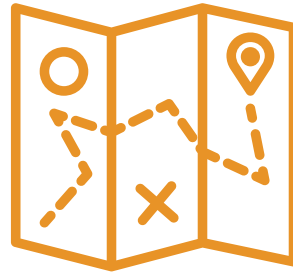


Step Four

Fix, Innovate, Repeat



The Member Experience Cycle



Member journey measurement and mapping are a catalyst for fixing and improving your credit union's current member journeys.

Use member feedback and your journey maps to identify areas to reduce member effort. Pick low-hanging fruit to get immediate results for the least investment; then, tackle larger improvements.

“*The customer experience is the next competitive battleground.*”
Jerry Gregoire

Continue to collect member feedback and return to your journey map every 18 to 24 months.



Socialize your journey maps. Make them part of your orientation and training. A good journey map should help everyone understand their part in create a seamless member experience.



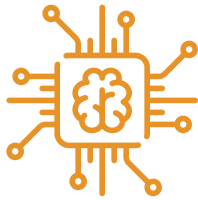


Appendix

Choosing a Member Experience Vendor



Characteristics of a World Class Member Experience Solution for Credit Unions



INDUSTRY EXPERTISE

When it comes to member experience measurement, there's an abundance of technology but a deficit of industry-specific content. Your team will save months of time by choosing a vendor with credit union-specific survey templates, cross-tabs, training courses, and metrics.

You'll also want credit union peer averages to put your results into perspective and a vendor with expertise in improving the member experience in credit unions.



OMNICHANNEL COLLECTION

Ensure from the outset that your member experience solution is extensible. Look for a vendor that offers multiple channels for data collection—email, SMS, web links, outbound calling, and more.

As you develop your member listening strategy, you will want one vendor who aggregates all of your data into a single reporting portal rather than deploying your precious IT resources to aggregate data from multiple collection sources.



BRANDED, RESPONSIVE DESIGN

Your credit union's member surveys should be about you—not your vendor. Ask your vendor how everything from email invitations to surveys to thank-you pages will reflect your credit union brand's look, feel, and voice.

Also, look for vendors that offer responsive design so members can take a survey on any device and make sure the vendor offers dynamic surveys that present relevant questions to a specific member.



Characteristics of a World Class Member Experience Solution for Credit Unions



REAL-TIME, ONLINE ACCESS

You'll want a SaaS-based solution that gives you real-time, online reporting and benchmarking 24/7.

Make sure the solution allows for role-based reporting. Ask how the solution allows for executives, regional managers, branch managers, department managers, and team leaders to view their results.



CLOSED LOOP TICKETING

A basic feature of any good member experience solution is an alert and ticketing system that lets you save member relationships.

Ask vendors how their closed-loop ticketing system works and how they'll train your staff to follow-up with unhappy members.



PEOPLE & PROCESS IMPROVEMENT

Look for a vendor with built-in tools for improving both processes and human performance.

Ask whether there are metrics to evaluate team and individual performance; how process issues are separated from individual behavior issues; and what kind of coaching tools and training are included with the system.



Characteristics of a World Class Member Experience Solution for Credit Unions



PROMOTER AMPLIFICATION

A great member experience solution should make data actionable right from the start. One way to do that is to amplify the voice of your raving fans. Ask vendors if they offer an automated way to let happy members push their reviews to social media or if there's a way to solicit and track member testimonials.



SALES LEAD GENERATION

Another way to make data actionable right from the start is to generate sales leads from highly engaged members.

Your vendor should offer an alert and tracking system for targeted sales leads.



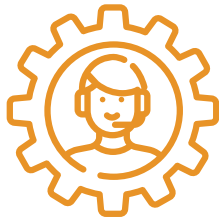
IMPLEMENTATION SUPPORT

Make sure your vendor is a true partner and advisor in implementing your member experience solution.

Some questions to ask: “Will we have a dedicated onboarding concierge?” “Can you provide us with a sample timeline outlining the major milestones in onboarding?” “What kind of implementation resources do you offer—playbooks, best practices, training?” “How will you help us understand our early results?”



Characteristics of a World Class Member Experience Solution for Credit Unions



IN-HOUSE, ON-DEMAND SUPPORT

While self-service support is great, you'll want to choose a vendor that offers live on-demand support that's provided in-house—not with a third-party vendor.

Choose a vendor with credit union expertise and an active credit union community of users.



BI-DIRECTIONAL DATA EXCHANGE

Ask vendors if they offer bi-directional data exchanges. What is the mechanism for uploading member data for surveys? Is it secure?

In addition, ask if you can easily pull results into your CRM or data warehouse. Is there an on-demand Excel download? Can the process be automated to run in real-time via webhooks?



QUALITATIVE & QUANTITATIVE RESEARCH

In addition to quantitative member experience research, find out if the vendor offers qualitative research options such as mystery shopping and observational research. Often, surveys can lead to complex questions that are best answered by observational methods.



See how a complete member experience suite
can grow your credit union.



Memberxp.com

| *1-734-793-3419*

[Get a custom demo.](#)

