

HC

**Hit a Moving Target –
Turn New Movers Into
New Households for Your Financial
Institution**

September 25, 2013

Today's Presenters



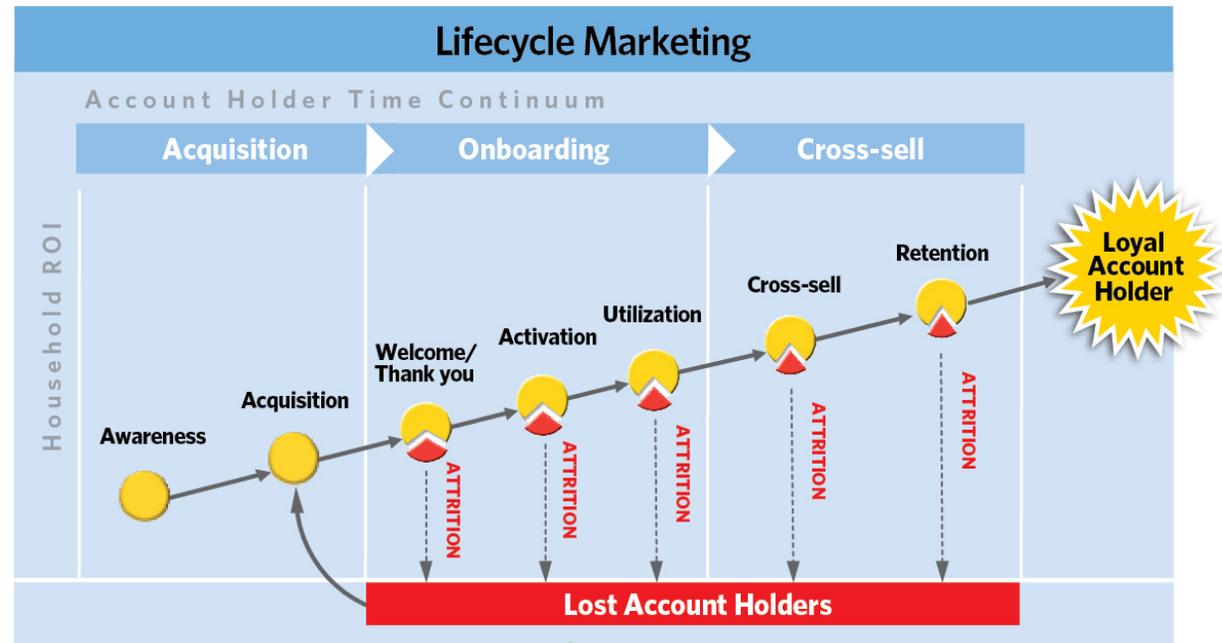
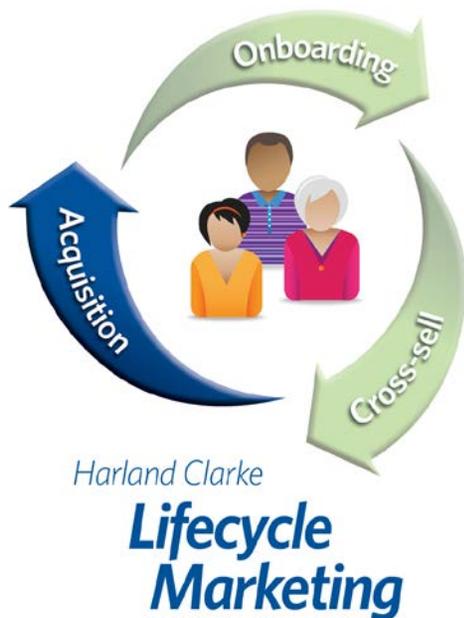
Sandeep Kharidhi, Vice President of Analytics



Steve Nikitas, Senior Market Strategist

Harland Clarke's Core Marketing Philosophy: Account Holder Lifecycle Marketing

- A suite of marketing solutions across the entire account holder lifecycle
- First Touch™ New Mover: a new acquisition solution



Executive Summary

- With housing market in recovery, people increasingly looking to purchase homes again
- Checking is the foundation account; enables new FI to become the preferred provider of loan products as a cross-sell opportunity
- New mover programs provide superior ROI compared to other acquisition programs
- New mover programs are great add-ons to existing acquisition programs
- Deliver messages sooner than bulk mail drops

Population Mobility and the New Mover Market

- The economic downturn has made a significant impact on the rate of residential movement in the U.S., but this trend may have hit bottom and a rebound is beginning to occur.

36.5 million people moved between 2011 and 2012, representing 12% of the population. This is up from the record low of 11.6% in 2011.

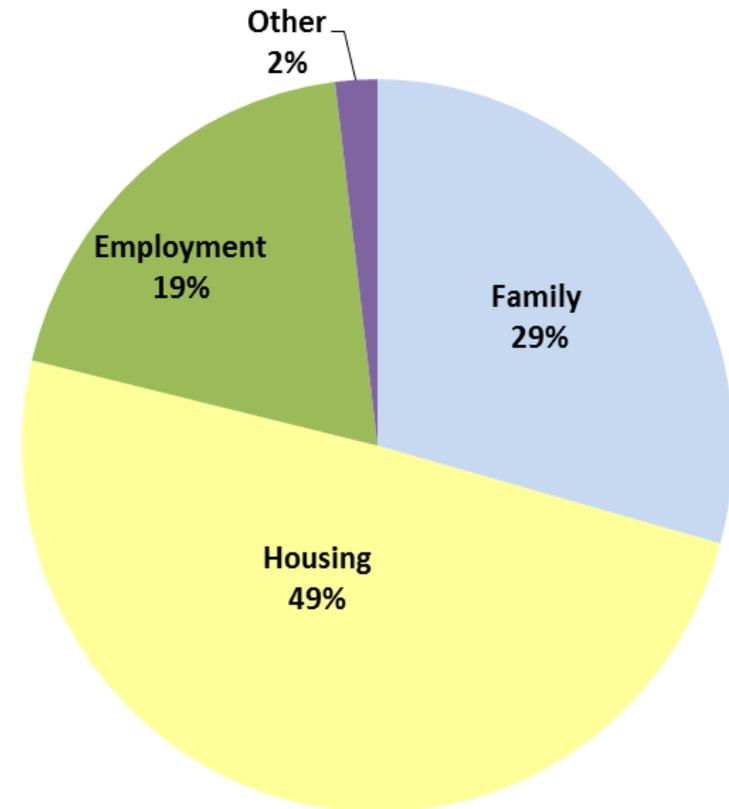
- The new mover profile reflects a greater percentage of younger movers, particularly those 20-29.
- Renters are five times more likely to move than homeowners.
- Although new mover trends are expected to remain fluid, with a shift in the demographic make-up, these households represent an opportunity for account holder base and deposit growth.

Timing Is Everything

- Consumers change behavior when they move — even if moving a few blocks.
- New movers change banks, grocery stores, doctors, service providers and products they buy because of altered traffic patterns.
- Those in the midst of a move often entertain the idea of starting fresh.
- The best marketing advantage is to be in the mailbox first, with a message that resonates with the new mover.

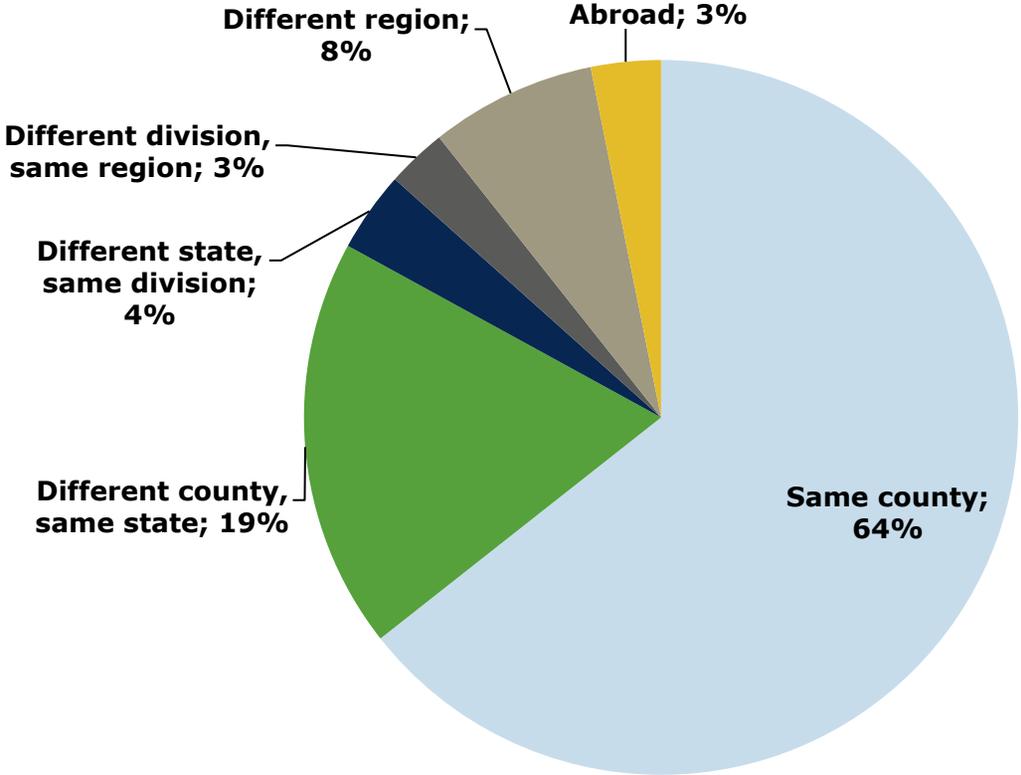
Reasons for Moving

- **Housing-related issues:** desire to own a home or live in a better neighborhood
- **Family-related reasons:** changes in marital status and establishing independent households
- **Employment factors**



Where Movers Move

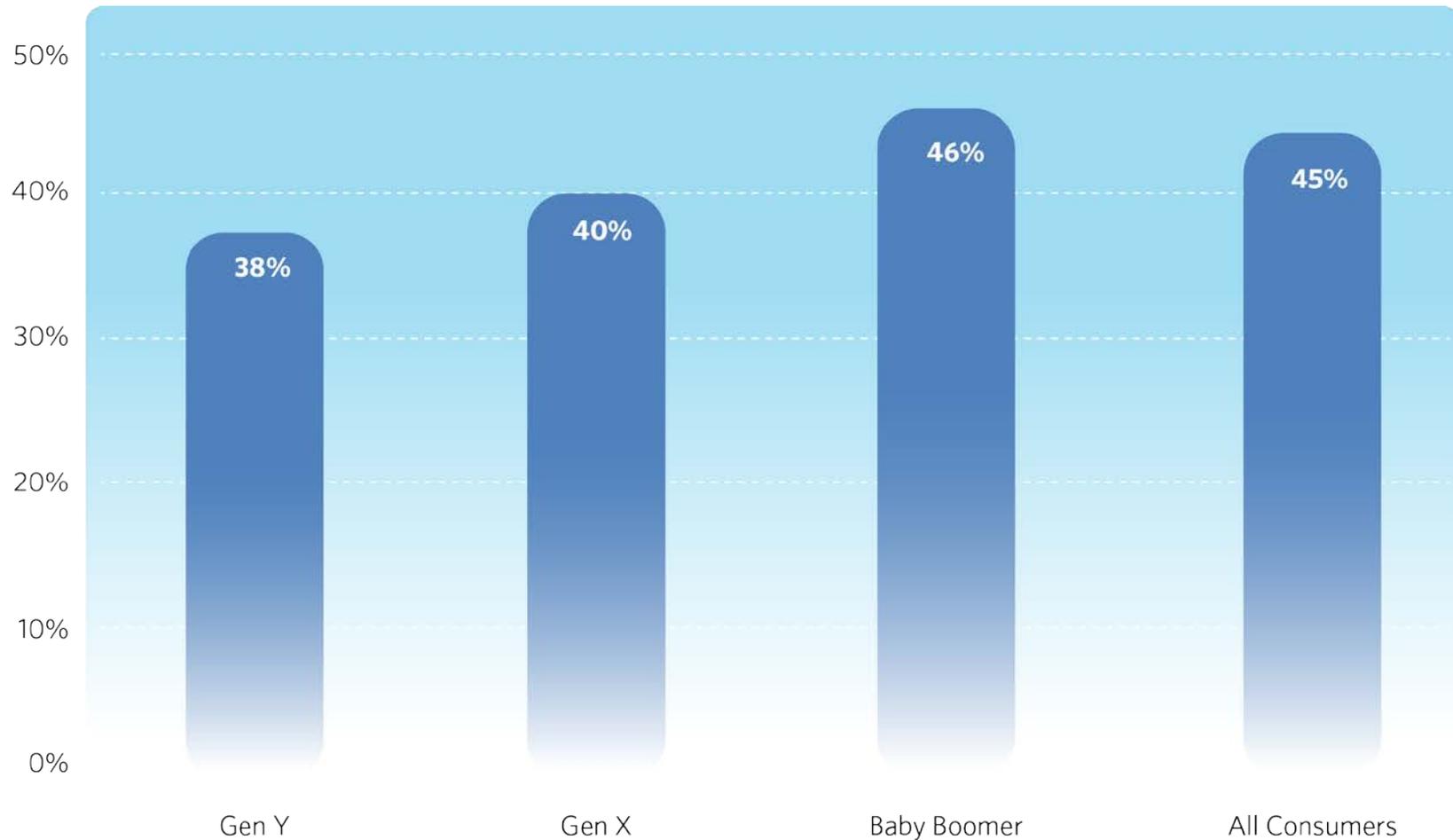
Percent Distribution by Type of Move



The New Mover Opportunity

- Because movers are often making many life changes, this targeted audience offers a unique opportunity to establish the foundation for broad-based financial relationships.
- Given the large percentage of Gen Y movers, there is an opportunity to attract these younger households as they become established
 - Less likely to have a long-standing relationship with other financial services providers, are less loyal and more likely to switch.
 - Need for basic financial services, with channel flexibility and accessibility.
 - Investing in the Gen Y segment today can help assure a long-term, expanding relationship as their financial needs grow.

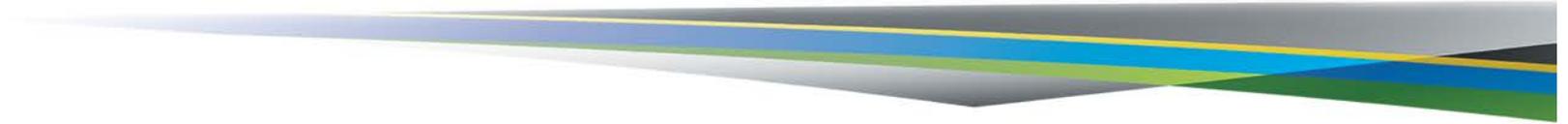
Overall Low Satisfaction With Existing Financial Institution



Gen Ys are less satisfied with their financial institution than other demos.

Turnkey Approach to a Successful New Mover Acquisition

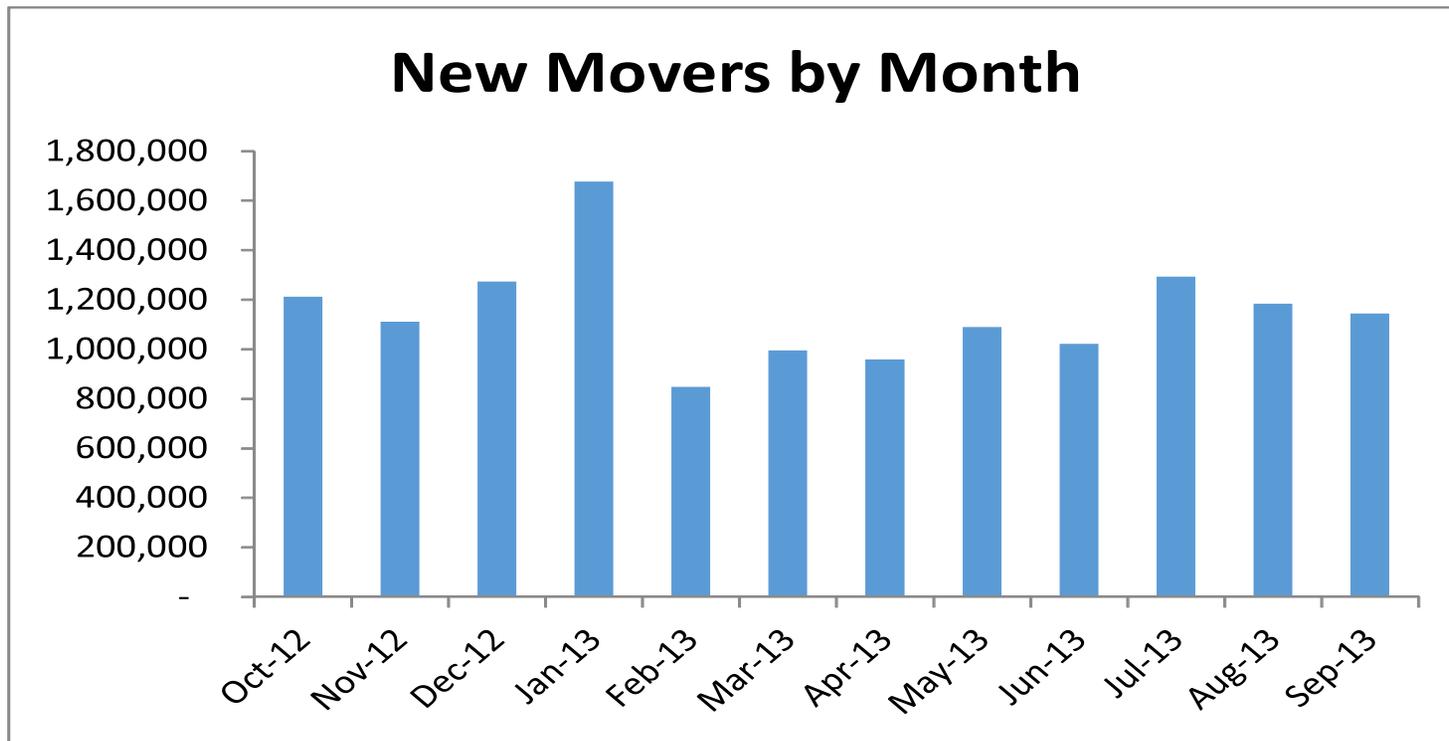
- Strategy and Execution
 - New movers offer a higher potential for checking growth than non-mover prospects.
 - Targeting and timing are the two most important components of success.
 - Depth, quality and timeliness of new mover lists vary dramatically.
- Multi-sourced Database
 - A propriety list of comprehensive data sources quickly and accurately identifies the new movers (examples: utilities, cable, phone, county recorder, magazine subscriptions, etc.).
 - Data is updated daily to provide current, robust information.
- Creative, Fulfillment and Measurement
 - Highly effective self-mailer format based on best practices
 - Mail processed daily for optimal delivery
 - Monthly measurement and campaign reporting for ongoing ROI analysis



New Mover Statistics October 2012 to September 2013

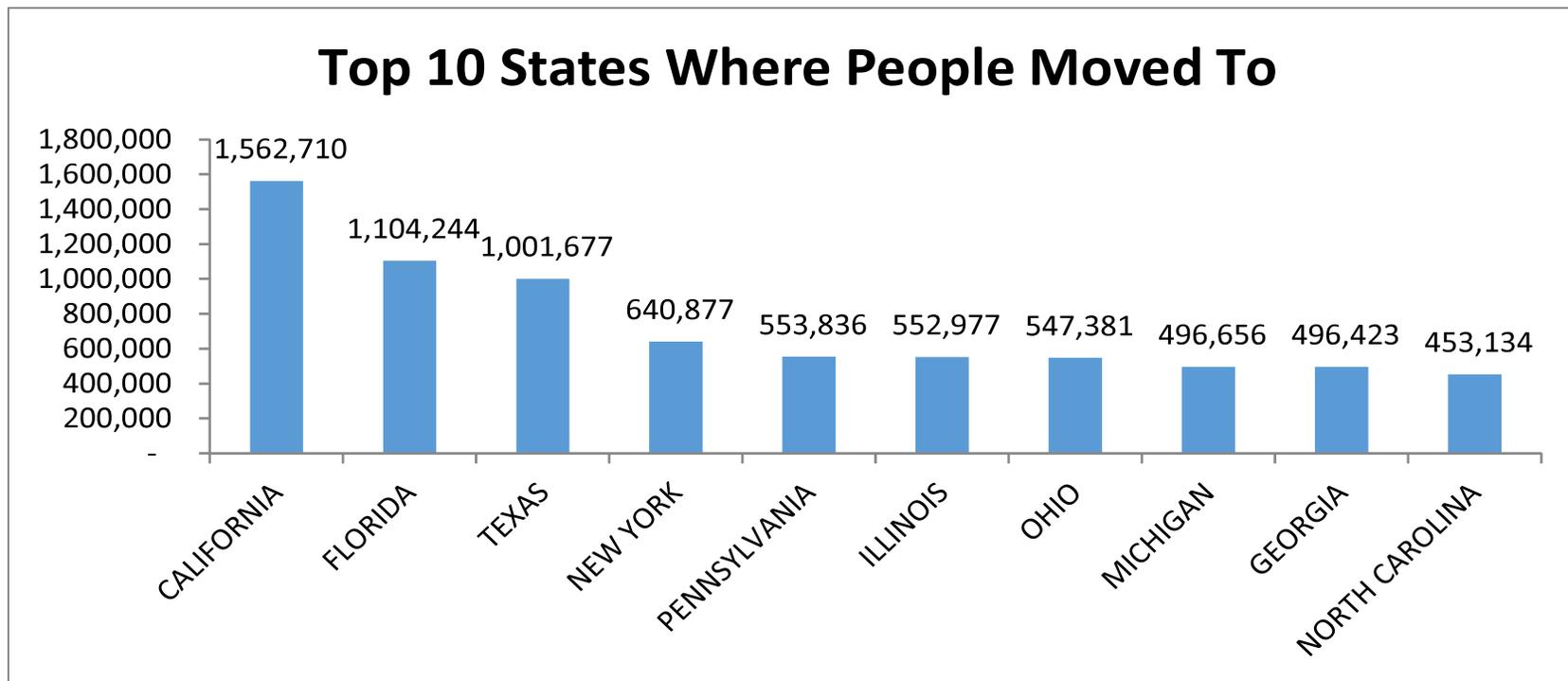
Monthly Volume of New Movers

- Several factors impact timing of move activity: economy, school-age children, renter/homeowner, job-related reasons, etc.
- Nearly 14 million marketable households moved during the previous 12 months



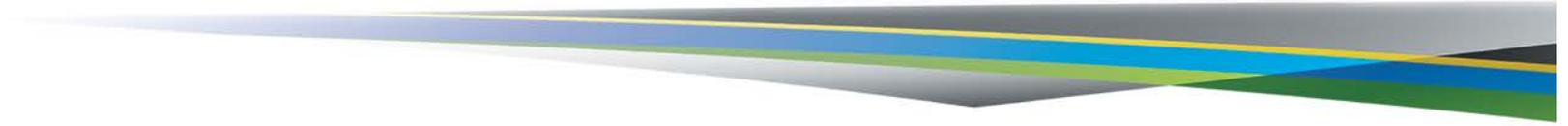
Top 10 States With New Mover Activity

States that accounted for 54 percent of all movers

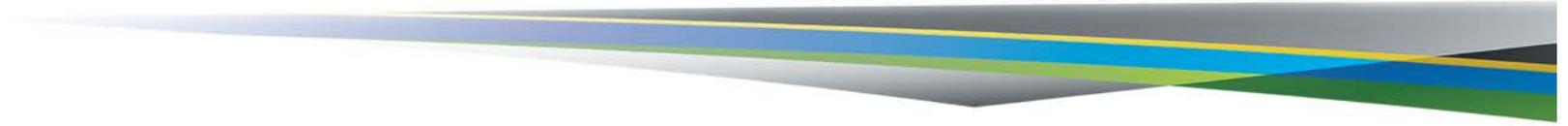


Factors That Drive Responses to Checking Offers

- There are a number of factors that contribute to response activity, not listed in order of priority:
 - Proximity to your branch
 - Population density
 - Competitor branch locations
 - Competitor marketing activity
 - Area demographics



Q & A



Thank you!