Turn New Movers Into New Account Holders

Best Practices for a New Mover Program

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In an era of profitability challenges, financial institutions need to find ways to increase new households. New movers are a prime market opportunity.

Because new households are making life changes and may be in a new geographic area, they are more than three times as likely to respond to a new checking account offer as established area residents.[1] A targeted and effective acquisition program can deliver new households cost effectively to your financial institution.

[1] Harland Clarke, Aggregate Client Data, 2013

America on the Move: Drive Revenue by Targeting New Households

New movers are an ongoing revenue source. Across the country, 35.9 million people lived in a different house a year earlier and 11.7 million of them lived in a different county within the U.S. This translates to an average of more than 98,000 people moving every day.[2] In addition, 27 percent of companies expected to increase employee relocations in 2013.[3]

The mover is making major life changes and may have a pressing need to establish a new financial institution relationship. For banks and credit unions, this is an immediate opportunity to build market share. However, timing is everything. The first financial institution to get information in the mailbox and in the hands of this audience has the best chance to capture that prospect's attention. Combine the first touch with an attractive offer and you are well on your way to converting that prospect into an account holder.

Disciplined Approach Produces Results

With thousands of people moving each day, you only have a brief window to capture these prospects before they commit themselves to another financial institution. So, it is critical to time the marketing message properly. A sporadic marketing plan is not a strategy for winning this new mover segment. To capture new movers, you need a dedicated program that is ongoing, fresh and highly targeted.

A new mover acquisition program may be low-hanging fruit, but you have to commit to it to reap the rewards.

[2] U.S. Census Bureau, *Annual Social and Economic Supplement Current Population Survey*, 2013
[3] Atlas Van Lines Survey, May 1, 2013

Best Practices for Sustainable ROI

New movers are bombarded by marketing messages from many companies offering goods and services at a competitive price. Therefore, it is critical to engage them with a strong first impression that makes a positive impact so that your offer stands out among the rest. The best practices approach is a cohesive plan that will yield new households at an attractive cost of acquisition.

Seven Steps to Turn New Movers Into New Account Holders

1. Prepare an opportunity assessment of new mover market size in your footprint.
2. Consolidate list sources daily, and edit to remove duplication and current account holders.
3. Use predictive modeling to determine those movers with the highest propensity to respond.
4. Create compelling messages and direct mail pieces that will command immediate action.
5. Practice speed to market, including overnight production and next-day mailing to win first-in-mailbox competition.
6. Measure actual ROI against projected ROI to validate expectations and adjust turnkey messaging if appropriate.
7. Compile monthly reporting including offers sent, accounts opened, and balances associated with accounts at a branch level to track your progress.

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Lower Cost of Acquisition

Acquiring additional households is just the starting point. There is potential to further develop these new account holder relationships with loan products and additional services in the future.

Financial institutions that offer a free or aggressively priced checking account could enjoy a higher ROI when targeting new movers.[4] They should also offer a highly attractive premium to win the business that is commensurate with the local market factors. Since you only have a brief window of opportunity to get the attention of this audience before a competitor does, a highly attractive premium is necessary to convert them to new account holders.

However, even with the cost of the incentive, a new mover program can be highly cost-effective. In fact, the cost to acquire new movers averages 65 percent of that of other acquisition efforts.[5]

Choose the Right Provider to Win New Movers and Follow-Up Business

To successfully execute a new mover program, financial institutions need a proven provider with extensive data sources and the speediest delivery to market. A provider with financial industry experience, turnkey marketing depth, and analytical abilities to measure program effectiveness will enable you to deliver your new mover program while your staff focuses on doing the work that they do best.

A strong marketing and metrics provider will also help you turn these newly acquired households into highly profitable account holders, increasing wallet share and market penetration. New movers are often in need of financial products that go beyond the checking account, such as loans and savings options. The savvy financial institution marketer will be sure to mine these account holders and maximize each opportunity to grow and deepen that relationship and achieve primary financial institution status among this key target.

For information on how Harland Clarke can help you target new movers and execute other acquisition programs, call **1.800.351.3843**, email us at **ContactHC@harlandclarke.com** or visit **harlandclarke.com/FirstTouch**.

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[4] Harland Clarke, Aggregate Client Data, 2013
[5] Harland Clarke, Aggregate Campaign Data, 2013