


Presentation materials and video replay will be provided within one week.

Have questions? Use the chat panel  – we'll field them as we go and during the Q&A recap at the end of the call



# Quarterly Prescreened Loans Empower Account Holders and Increase Loan Volume

August 17, 2016

# Today's Speakers



## **David A. Buerger**

Co-Founder and President, CUnexus Solutions, Inc.

- Award-winning financial services marketer and strategist
- Co-conceptualized Comprehensive Pre-Screened Lending (CPL)
- Launched product suite that generated \$100+ million in consumer loans in the first nine months



## **Stephenie Williams**

Senior Market Strategist, Lending Solutions, Harland Clarke





- 20+ years direct marketing experience in retail and financial services
- CRM and ROI specialist

# Today's Agenda

- The challenge of loan volume optimization
- How quarterly prescreened loans drive healthy loan growth
- Live demo

# Harland Clarke's Loan Marketing Ecosystem

## LOAN MARKETING SOLUTIONS

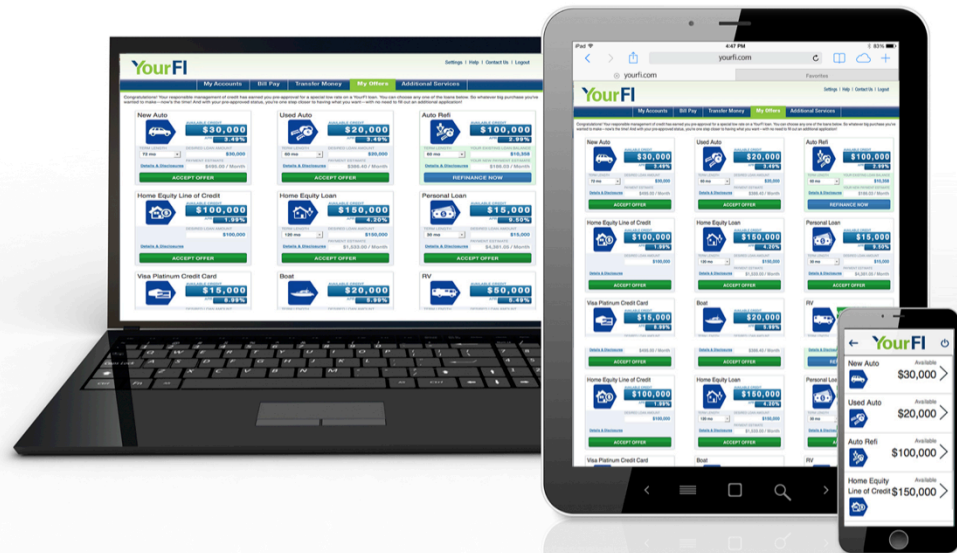
Solution	Target	Qualifications	Universe Size	Response Rate
	Loan Shopper	Trigger	Small	Very High
	Loan Eligible	Quarterly Prescreened for Multiple Products	Large	High
	Loan Holders	Refinance Eligible	Medium	High
	Loan Eligible	Credit Criteria or Demographic Proxy	Large	Medium

# New Opportunities / Expanded Capabilities

Fast, market-proven engine to drive loan volume across product categories

- Complete multiproduct, preselected loan solution
- Integrated risk-based pricing automation, targeting, risk assessment and communications
- Accessible inside online banking
- Branded app

Loan  engine™



# Credit Qualified Loan Generation Audiences

The segments delivering the greatest return are limited in size



par·a·digm shift

*noun*

noun: **paradigm shift**; plural noun: **paradigm shifts**

a fundamental change in approach or underlying assumptions.

# Change in Marketing Approach

## Historical Approach to Loan Marketing



## New Approach to Loan Marketing





**Grow Volume Across Your Entire Portfolio  
With Quarterly Prescreened Loans > > >**

# Empower Your Account Holders With Quarterly Prescreened Loans

- Quarterly prescreened loan offers for:
  - Home equity
  - Auto
  - Credit card
  - Personal loans
- Unique multiproduct decision engine reaches preselected account holders at every touchpoint
  - Direct mail
  - Email
  - Online banking (branded app)
  - Mobile
  - Call center
  - Teller line
- Integrated risk-based pricing automation and risk assessment

LoanEngine™



# Benefit While Offering the Ultimate Consumer Lending Experience

## For Financial Institutions

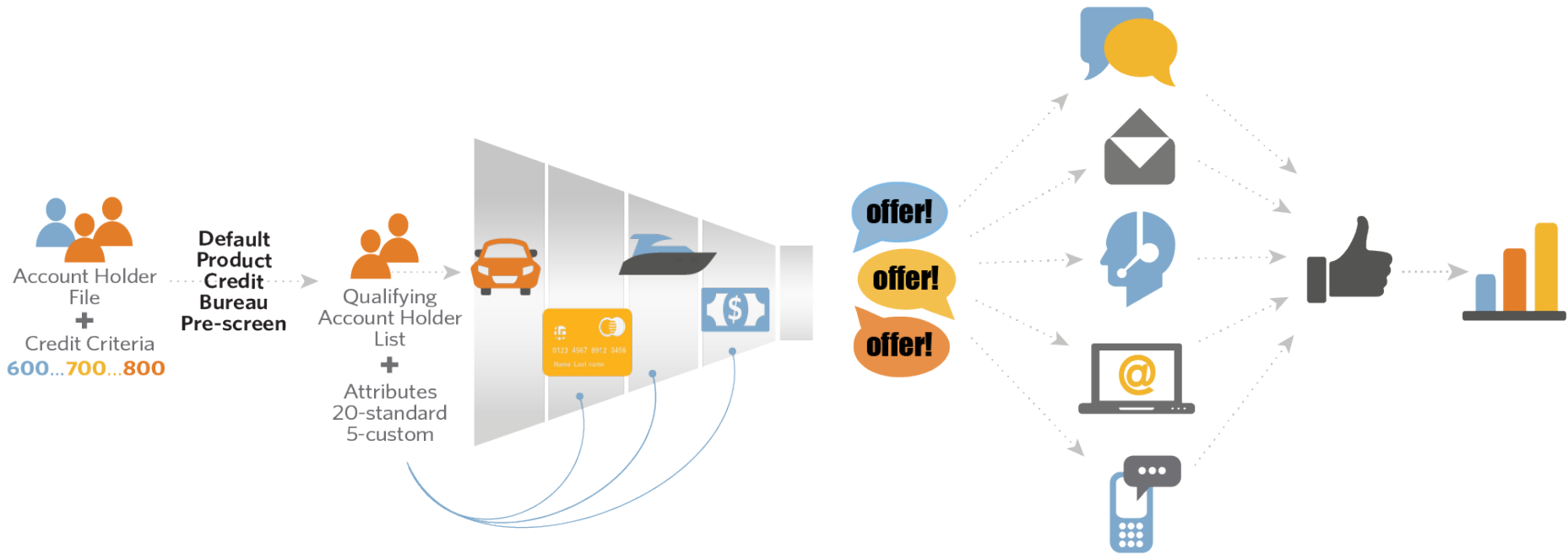
- Grows the loan portfolio
- Reduces loan acquisition costs
- Streamlines loan process
- Delivers 12 months of Loan Campaigns through a turnkey process
- Increases campaign return on marketing investment (ROMI)

## For Account Holders

- No more loan applications
- Preselected, perpetual approval
- Quick, easy loan access, review and acceptance



# How LoanEngine Works



Financial institution account holders

Quarterly credit prescreen

Assign additional credit product preapprovals based on credit profile and current product ownership

Communicate credit preapprovals at all touchpoints

Convert preselected leads to funded loans

Campaign analysis

# Begin With Prescreening Your Account Holders

On average 30 – 35% of account holders will pass criteria for the default offer



Default credit offer strategy qualifies the most account holders possible for additional loans

*Auto lending  
criteria best  
practice for  
default*

Source: Harland Clarke preselected credit marketing data

# Direct Mail and Email Marketing

**YourFI**

FI MAILING ADDRESS  
 ((XFULLNAME1))  
 ((XFULLNAME2))  
 ((XADDRESS1))  
 ((XADDRESS2))  
 ((XCITY)), ((XSTATE)) ((XZIP))-(XZIP4))

((DATE))

Dear ((Member/Customer First Name)),

Congratulations! Your responsible management of credit has earned you a special low rate on a YourFI Name loan.

You can choose any one of the loans below. So whatever big purchase you've wanted to make—now's the time! And with your pre-approved status, you're one step closer to having what you want—with **no need to fill out an additional application!**

**CHOOSE ONE of the offers below.**

 <p><b>NEW CAR LOAN*</b>  <b>X,XXX% APR</b>          Pre-Approved up to \$XX,XXX</p>	<p>Buy that new car you've had your eye on! This gives you bargaining power at the dealership.</p>	 <p><b>HOME EQUITY LOAN*</b>  <b>X,XXX% APR</b>          Pre-Approved up to \$XX,XXX</p>	<p>With this fixed-rate loan, you can make home improvements or repairs, consolidate high-interest debt, or make any large purchase.</p>
 <p><b>HOME EQUITY LINE OF CREDIT*</b>  <b>X,XXX% APR</b>          Pre-Approved up to \$XX,XXX</p>	<p>Make home improvements or repairs, consolidate high-interest debt, or make any large purchase!</p>	 <p><b>MOTORCYCLE*</b>  <b>X,XXX% APR</b>          Pre-Approved up to \$XX,XXX</p>	<p>The road is calling! This low-interest loan lets you answer that call with a shiny new motorcycle.</p>
 <p><b>PERSONAL LOAN*</b>  <b>X,XXX% APR</b>          Pre-Approved up to \$XX,XXX</p>	<p>Use this fixed-rate loan for anything! Funds are deposited directly into your YourFI Name account.</p>	 <p><b>CREDIT CARD*</b>  <b>X,XXX% APR</b>          Pre-Approved up to \$XX,XXX</p>	<p>Our credit cards give you convenient purchasing power with fraud protection. A great way to manage your finances!</p>

**PLEASE NOTE:** You have been pre-approved for your choice of one of the above offers. If you would like to take advantage of more than one offer, or would like to request more than your approved amount, please contact us. A full application may be required. See reverse for details.

Accept  
 CALL:  
 CLICK:  
 COME IN  
 SAVE on

Federally Insured by NCUA MEMBER FDIC EQUAL HOUSING LENDER

You can choose to stop receiving "prescreened" offers of credit from this and other companies by calling toll-free 1-888-567-8688. See **PRESCREEN & OPT-OUT NOTICE** on other side for more information about prescreened offers.

You can **choose any one** of the loans below. So whatever big purchase you've wanted to make—now's the time! And with your preapproved status, you're one step closer to having what you want—with **no need to fill out an additional application!**

**PLEASE NOTE:** You have been preapproved for **your choice of one** of the above offers. If you would like to take advantage of more than one offer, or would like to request more than your approved amount, please contact us. A full application may be required. See reverse for details.

# Online Banking SSO Interface




Settings | Help | Contact Us | Logout

My Accounts | Bill Pay | Transfer Money | **My Offers**

## Congratulations!

Your responsible management of credit has earned you pre-approval for a special low rate on a YourFI loan. You can choose any one of the loans below. So whatever big purchase you've wanted to make—now's the time! And with your pre-approved status, you're one step closer to having what you want—with no need to fill out an additional application!

**New Auto**


 AVAILABLE CREDIT  
**\$15,000**  
APR **10.99%**

TERM LENGTH: 72 mo | DESIRED LOAN AMOUNT: \$15,000  
PAYMENT ESTIMATE: \$345.00 / Month

[Details & Disclosures](#)

**ACCEPT OFFER**

**Used Auto**


 AVAILABLE CREDIT  
**\$10,000**  
APR **10.99%**

TERM LENGTH: 60 mo | DESIRED LOAN AMOUNT: \$10,000  
PAYMENT ESTIMATE: \$230.00 / Month

[Details & Disclosures](#)

**ACCEPT OFFER**

**Personal Loan**


 AVAILABLE CREDIT  
**\$1,000**  
APR **17.00%**

TERM LENGTH: 48 mo | DESIRED LOAN AMOUNT: \$1,000  
PAYMENT ESTIMATE: \$93.03 / Month

[Details & Disclosures](#)

**ACCEPT OFFER**

**Visa Platinum Credit Card**


 AVAILABLE CREDIT  
**\$1,000**  
APR **15.49%**

DESIRED LOAN AMOUNT: \$1,000

[Details & Disclosures](#)

**ACCEPT OFFER**

**Boat**

 AVAILABLE CREDIT  
**\$5,000**  
APR **13.50%**

TERM LENGTH: 60 mo | DESIRED LOAN AMOUNT: \$5,000  
PAYMENT ESTIMATE: \$121.55 / Month

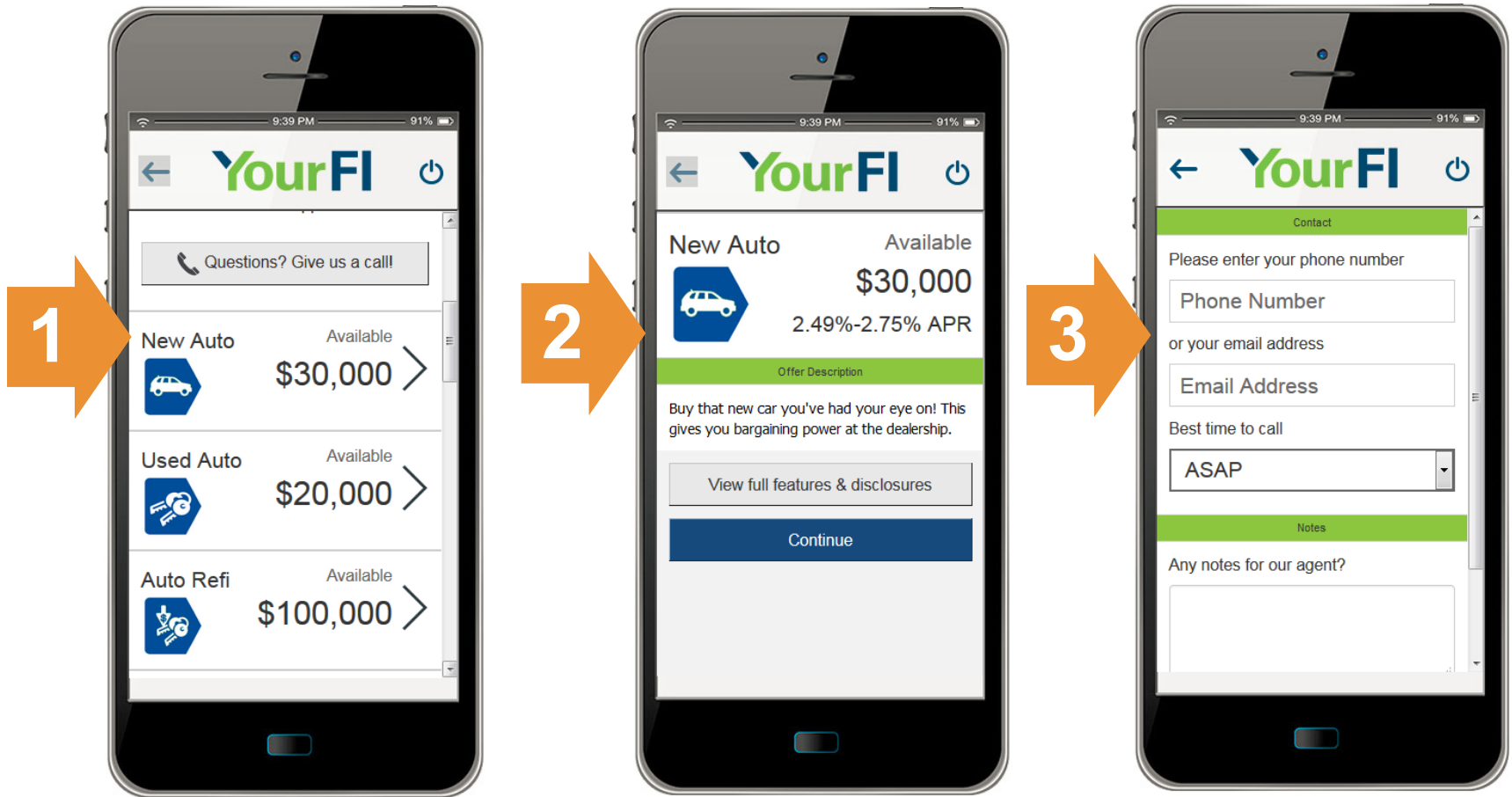
[Details & Disclosures](#)

**ACCEPT OFFER**

You can choose to stop receiving "pre-screened" offers of credit from this and other companies by calling toll free 1-888-5OPT-OUT. See PRE-SCREEN AND OPT-OUT NOTICE within the full product disclosure for more information about pre-screened offers.


PLEASE NOTE: You have been pre-approved for your choice of one of the above offers. If you would like to take advantage of more than one offer, or would like to request more than your approved amount, please contact us. A full application may be required.


# Mobile Loan Acceptance Is Easy as 1-2-3





# Access to Offers for Front-line Sales Team

Change Password  Logout



## New Loan Process

Select Customer

C MI Beck Account

Search

Chadwick Beck	AP #584-4749 Arthur Av	106166
Chadwick Beck	AP #584-4749 Arthur Av	106166
Chancellor Beck	9601-8012 Amer St.	345789
Buckminster Beck	AP #484-9731 Glenn St.	2116723
Fletcher Beck	AP #736-4357 Esq Avenue	7790312
Fletcher Beck	AP #736-4357 Esq Avenue	7790312
Chancellor Beck	9601-8012 Amer St.	6671344
Buckminster Beck	AP #484-9731 Glenn St.	2116723
Acton Becker	819-8804 Inc. St.	9345422
Acton Becker	819-8804 Inc. St	9345422
Carl Becker	3234 & Street	0714673
Carl Becker	3234 & Street	0714673

Select a Customer

CUneXus Solutions, Inc.

Dashboard

**New Loan Process**

Select Customer

Qualifying Offers

Checkout

Confirmation

Live Demonstration > > >

## \$977 MM Financial Institution – 57,000 Account Holders

- 18,750 Account Holders With Pre-Approvals
- Products Promoted:
  - Auto Loans
  - ATV Loans
  - Personal Loans
  - Platinum Credit Card
  - Snow Machine Loans
- Booked Loan Rate **1.83%**
- Cost Per Booked Loan (excluding setup) **\$82**
- Avg. Balance Per Booked Loan **\$16,884**
- Total Balances Generated **\$5,791,245**
- Campaign Duration **30 Days**
- Channels Implemented **Direct mail; Email**



**876% ROMI**

Source: Harland Clarke client data (C1C1)

Many variables impact campaign success. The information on earnings or percentage increases contained within this case study is provided for demonstrative purposes only. Harland Clarke does not guarantee or warrant earnings or a particular level of success with a campaign.

## \$414 MM Financial Institution – 49,318 Account Holders

- 10,733 Account Holders With Pre-Approvals
- Products Promoted:
  - New and Used Auto Loans
  - Credit Card
  - Personal Loan
- Response Rate **4.20%**
- Booked Loan Rate **4.39%**
- Cost Per Booked Loan (excluding setup) **\$64**
- Avg. Balance Per Booked Loan **\$16,884**
- Total Balances Generated **\$5,665,959**
- Campaign Duration **90 Days**
- Channels Implemented **Direct mail; Email, & Online Banking**
- % of Redemptions from Online Banking **35%**



**1151% ROMI**

Source: Harland Clarke client data (C1CPF)

Many variables impact campaign success. The information on earnings or percentage increases contained within this case study is provided for demonstrative purposes only. Harland Clarke does not guarantee or warrant earnings or a particular level of success with a campaign.

## \$830 MM Financial Institution – 30,000 Account Holders

- 16,255 Account Holders With Pre-Approvals
- Products Promoted
  - New and Used Auto Loans
  - New and Used RV/Travel Trailer Loans
  - New and Used Boat & Watercraft Loans
  - New and Used Motorcycle Loans
  - Personal Loans
  - Personal Lines of Credit
- Response Rate **4.72%**
- Booked Loan Rate **3.66%**
- Booking Rate **78%**
- Cost Per Booked Loan (excluding setup) **\$68**
- Total Balances Generated **\$9,422,245**
- Avg. Balance Per Booked Loan **\$15,836**
- Campaign Duration **90 days**
- Channels Implemented **Direct mail (2 drops); Email; Online Banking; Mobile Banking; Cross-sell Tool**
- % of Redemptions from Online & Mobile Banking **28%**



**743% ROMI**

Source: Harland Clarke client data (C3LAP)

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# Q&A Wrap Up

Type your question in the chat panel 

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## Stephenie Williams

Senior Market Strategist, Lending Solutions, Harland Clarke

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and previous events.

Thank You

