

Marketing Toolbox

10

Creative Best Practices to Boost Loan Marketing Results



By Kris Niblett, Harland Clarke Creative Director

Most marketers agree

that the list and the offer are integral to a winning direct marketing campaign. But some underestimate the power of creative, and that's a mistake. Hard-working creative ensures that your communications get noticed *and* read. It goes beyond pretty pictures and snappy headlines to engage prospects — and drive response.

So, what can you do to ensure that your creative is working as hard as it can for you?

- 1 Reinforce your brand.** It should be clear who is sending your communication. Feature your logo, tagline and other brand elements prominently on your letters, envelopes and other materials. This might seem obvious but, in a cluttered marketplace, it is important that your audience knows who you are.
- 2 Use a “pre-selected” call-out.** This draws readers into the offer and serves as a warm invitation to apply.
- 3 Lead with a competitive offer and spell it out.** In fact, you should prominently feature the rate in a “Johnson Box” in the upper right corner of the letter. Remember to check with your legal counsel regarding how rates, and other terms and conditions should be presented.
- 4 Keep it simple.** A straightforward message presented in a clean, attractive format that is easily scanned by busy consumers is effective. If you want to provide additional information, include an educational insert to clarify the value proposition and illuminate the differences between products.
- 5 Educate your audience.** Don’t assume that your prospects know as much as you do about what you’re offering. For example, the ins and outs of a HELOC may be second nature to you, but account holders need to know how a HELOC works — e.g., that it’s a low-commitment, high-value, “there when you need it” product with potential tax deductibility. Don’t forget to stress benefits. What problems does the product solve? For example, a home equity loan lets borrowers finance larger purchases at a low rate. Because the rate doesn’t fluctuate, they’ll have predictable monthly payments, which makes budgeting easy.

- 6 **Use thought-provoking copy.** Apply suggestive selling to create need. For example, a seasonal focus is one way to get people to think “I really could use this now.” For summer, focus on school tuition or expenses. During the fall, talk about home improvement. Winter is a good time to pay off holiday debt, and spring is the time for tax relief or remodeling.
- 7 **Sweeten the deal.** Consider offering a balance transfer rate, waived or reduced closing costs or an attractive premium, like a gift card. Again, review offers, terms and conditions with your legal counsel to ensure they meet compliance requirements.
- 8 **Include a clear call to action.** Tell the prospect exactly what you want him or her to do. Make it easy to respond by calling, clicking or visiting. Let them know the process won’t be onerous. Many prospective borrowers hesitate to even start the loan process because they’re afraid it will take too long or they won’t get approved. Make the best claim you can — “get an answer in X days” or “get your funds in X days” — to let prospects know that the process won’t be overly burdensome.
- 9 **Create urgency.** Provide a reason to act fast. For example, promoting “historically low rates” indicates that they won’t be available forever. Include a specific offer end date to create a sense of urgency.
- 10 **Offer response channels that drive a loan application or engagement with a banker.** Consumers have many ways to communicate. Be sure you include every channel in which they can connect to you — branch addresses and phone numbers, 800 numbers, email, even online if online application is available. Website urls can be provided for “more information”.

Creative that Drives Response

Key Creative Elements

HC Shopper Alert example

- 1 Clearly branded
- 2 Pre-selected call out
- 3 Competitive rate offer
- 4 Clean design
- 5 Product education
- 6 Deal sweetener
- 7 Thought starter
- 8 Urgency
- 9 Clear call to action
- 10 Multiple response channels

1 **YourFI**
FI MAILING ADDRESS

John Smith
(XFULLNAME2)
(XADDRESS1)
(XADDRESS2)
(XCITY), (XSTATE) (XZIP)-(XZIP4)

2 **Right Here, Right Now!**
You're pre-selected¹
for a mortgage loan as low as
3.25% APR **3**

Plus, save up to
\$500
in closing costs!²

4

Dear John Smith,

It's the perfect time to get a mortgage—because as a YourFI Name customer/
member, you're pre-approved¹ for an APR as low as XXXX%² to buy a new home or
reduce the payment on the home you live in now. Plus we'll waive up to \$X,XXXXXX
off your closing costs³.

5 **Great Mortgage Rates—And Great Mortgage Options**
At YourFI Name, you have lots of choices—whether you're buying new, refinancing,
or just making a few improvements!

- ✓ Conventional fixed-rate first mortgage—same low rate for the life
of your mortgage.
- ✓ Adjustable-rate mortgage (ARM)—lower rate for the first few years of your loan.
- ✓ Home Equity Line—a variable-rate credit line that's available when you need it
to make home repairs, upgrades, or improvements.
- ✓ Home Equity Loan—like an equity line, but with a fixed rate and predictable
monthly payment.
- ✓ FHA Loan—lower down payment and closing costs, easier to qualify.

6 **Home Sweet Home**
Use your pre-approved
YourFI Name mortgage to buy a
bigger home, smaller home, or
enjoy a lower payment on your
existing home.

7 **Act Now!**
Accept this offer by
(Month XX), (Year), and save up to
\$XXX.XX more in closing costs.³

8

9 **Call The Lender You Know, Start Saving Now!**
For local decision-making, a fast closing, and dependable service, work with the
local lender you already know. We have convenient locations and a friendly, helpful
staff ready to help you save money. Call 800-000-0000 before rates go up!

Sincerely,
Signature Name
Signatory Name
Signatory Title

10

Locations
Branch Location1
Address
Phone Number
Branch Location2
Address
Phone Number
Branch Location3
Address
Phone Number

Pre-selected for John Smith

Accept your YourFI Name Mortgage today.

CALL: 800-000-0000 **10**

CLICK: yourfiname.com/mortgage

COME IN: Convenient locations to serve you
HURRY—offer ends (Month XX), (20XX)!

YourFI

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 NOTICE¹ on other side for more information about prescreened offers.

Creating effective direct mail isn't easy, particularly in a highly regulated industry like financial services. But there are certainly ways to make your loan marketing stand out. These best practices offer a powerful toolbox with which to build creative that won't be ignored.

Creative Director Kris Niblett leads Harland Clarke Creative Services, a team of award-winning creative professionals with deep financial services experience. Their work generates results and heightens brand awareness for financial institutions every day. To learn more about how Harland Clarke can help your institution grow its loan portfolio, call us at **1.800.251.3843** or **contactHC@harlandclarke.com**.