Harland Clarke Webcast 06/16/16
Perpetually Prescreened Loans Empower Account Holders and Increase Loan Volume TRANSCRIPT

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Presenter: David A. Buerger, Co-Founder and President, CUneXus Solutions

Jeb:	Good day, and welcome to Harland Clarke's webinar, Perpetually Prescreened Loans Empower Account Holders and Increase Loan Volume. This webinar is being recorded and will be provided to you along with the presentation recording and deck within a few days. If you have questions, please use the Chat box in the webinar control panel. Your questions are private and only seen by the presenters. I will now turn the call over to Stephenie Williams, Senior Marketing Strategist at Harland Clarke. Stephenie, you have the call.
Stephenie:	Wonderful. Thank you. We're very excited to come to you today to talk a little bit more about the concept of perpetually prescreening loans, and how that can really help in your account holder experience by empowering them to make their lending decisions. For today's conversation, I'm going to be joined by Dave Buerger, the Co-Founder and President of CUneXus Solutions. Dave, you want to say hi?
Dave:	Hi there, everybody.
Stephenie:	We're excited, and let's get on to our agenda, if you will. Today we're going to be talking about some of the challenges around optimizing loan volume. Along with, really, how this unique solution is positioned to help solve that problem in a unique way, and as a part of that solution explanation, we're going to go through – Dave's going to take us through a live demonstration of this solution. Let's first get started by really understanding how this LoanEngine solution fits into the entire loan marketing ecosystem.

As you can see here, LoanEngine sits right in the middle of the full suite of loan marketing solutions Harland Clarke brings to the market. Ahead of it in terms of response rate performance is a program called Shopper Alert, which is really a loan trigger program, so it's identifying your account holders that are out shopping in the marketplace. LoanEngine, which we're here to talk about today, is looking at all of your account holders on a regular quarterly basis, and running a credit evaluation to see what credit products, loan products they qualify for. What we find is that the audience available through LoanEngine is much more significant in size than say a trigger program. A trigger program, on average, will identify 3 to 5% of your account holders on a monthly basis that are shopping whereas LoanEngine, by contrast, typically we find with clients about a third of their account holder base will credit qualify for loan offers. Those top two programs really are ongoing programs always running. Much like |

a business as usual.

The second two components of the ecosystem are more individual campaign base so point in time, the first being Refi Genius. As its name suggests, it's looking for rate and term refinance opportunities within your holder base. Typically, that's looking at auto loans, home equity loans, and identifying opportunities to save an account holder money each month by lowering their payment. That second one, Loan Magnet, of the two campaign type solutions, that is what has historically been bread and butter. Your seasonal prescreen credit programs. Those would include things like Spring Auto Campaign, Fall Home Equity Campaign. Where you're going out and you're identifying consumers that are credit eligible, and you might be applying things like a propensity for the product modeling, propensity to respond modeling, in order to enhance your overall results. All in all, none of these are standalone as silver bullet. They really work in conjunction with one another to help you achieve your lending goals.

Let's talk a little bit about the solution that we're looking at today. The demo that we're going to go through today will share with you more in depth what you see with these visuals. First is the laptop representing online banking, and then the iPad and the iPhone represent mobile banking. In both of those situations, you can see the amount of data that's depicted really adapts to the screen size. We use responsive design in this solution. The other important things to note and we'll, again, visit that in depth in our demo is that it clearly provides account holders an assortment of offers. The offers are targeted with their specific credit background in mind. It does support risk-based pricing, and it does that assessment as it goes through the offer assignment process.

As you can imagine by seeing the XYZ Financial branding here, this all resides within your online and mobile banking app as they exist today, and so all of your branding remains intact.

Let's take a little bit more of a look at some of the keys ways financial institutions look to solve for the problem. We did go through the loan ecosystem offered by Harland Clarke. This is a little bit of a depiction of how that can really contribute to your overall loan goal. You'll see Groups 1 and 2 looking at consumers that are shopping. Either they're you're existing account holders or their prospects. Those deliver a tremendous return on investment. , but as you can see by Segments 1 and 2, it's still not getting you all of your volume. Segment number 3, really what we're here to talk about today, which is LoanEngine. It's a very solid chunk of your overall objective.

Segment number 4 is really where those campaigns that we looked at briefly, such as Refi Genius and Loan Magnet, those can be targeted at your existing account holders or to prospects. That broadens your audience a bit by looking

at prospects as well. Then finally, something that many of our clients consider, some for different reasons, is invitation-to-apply programs. Those programs have a place. They have a place because more than 20% of consumers are credit invisible, so you need to find a way to really broaden the audience that you're reaching out to. It doesn't mean they're bad credit, and quite honestly, the income ranges, very surprising that many of those are in upper income ranges. There is a bit of the credit invisibles that are in the millennial segment, understandably so. They just haven't had the credit experience, but by filling in with the invitation-to-apply offerings, you are getting a broader reach in order to achieve your loan marketing goals.

As we prepare to really talk through LoanEngine, it's important before we get into the heart of the issue that we walk in there with an understanding that this approach is truly a paradigm shift. It's a change in the way that loan marketers are going to market. Why do we need this change? This change happens because, if you think about it, our account holders and the way they buy has fundamentally changed. This depicts the historical approach to loan marketing. Consumers, they understand higher is better in a credit score. Fundamentally, they don't understand the value of a credit score. What does that really make me entitled to get from my financial institution?

In loan marketing, we've been shackled a bit about what products we can market. If you've ever been out there and maybe your portfolio includes things like motorcycle loans, boat, and RV, trying to justify doing a prescreen campaign for those types of products, historically very challenging because the volume that you get on a mailing in terms of response is really small. The other challenge that historically has been in this space is when we're going out with these pre-approvals, we're trying to outguess the consumer behavior and thinking that these propensity models are going to get us always to the right person. What our approach with LoanEngine provides is really something new in the loan marketing space. It takes that confusion or lack of understanding around credit score off the table. Because it translates their credit worthiness into terms they can understand, product types that they're approved for with specific loan amounts. It allows the financial institution to really promote all of its loan products to its account holders, and ultimately, it's giving the consumers choice. They're getting choices in the marketing piece rather than just being targeted with the single product so that they can identify how they're going to make that purchase.

Let's take a look at how this works and the benefits to your financial institution. For your institution, it allows you to perpetually screen the offers for home equity, auto, credit card, personal loan. As I mentioned before, boat, RV, motorcycle, travel trailer. We even have ATVs and snowmobiles loans included by some of our clients. The decision engine allows you to reach all of your

consumers with the specific offers they qualify for through multiple channels like direct mail, email, online banking. It helps inform people at your call center as well as in person in the teller line or at the new account desk. All of this in a framework, as I mentioned previously, that takes into consideration risk-based pricing automation and the ability to only allow a consumer to take one pre-approved loan offer in a 90-day window, giving your underwriting team the ability to review that second, third, or fourth redemption in order to make sure that the capacity to repay remains intact for each account holder.

The benefits to your financial institution and to account holders, I always want to flip this slide upside down because I get so excited about the benefits to the account holder, the consumer. Rather than having that nervous period of time of I submitted a loan application, and it's going to go into a black hole. I'm not sure what I'll get back, and I have to walk back into the branch. This allows your account holder staff confidence of what they really qualify for, and it provides to them on a regular basis. Making it really easy within online mobile banking or even calling the branch to go ahead and redeem that loan without the uncertainty of do I qualify. In some cases, some of our clients are taking these loan applications, and really make it convenient for their account holders by taking anyone that accepts one of these offers directly to the funding table. We recognize from working with a variety of institutions this isn't always the case. Some still require a loan application, but this functionality really starts the revealing the future in what is going to help account holders.

For you as a financial institution, it can help you grow your loan portfolio, and not necessarily need additional headcount. It's a fully engaged solution that includes everything from the prescreen with the Bureau clear through to the direct mail, email, and online and mobile deployment. From that perspective, the engagement and the headcount requirements in order to run this are lower. Ultimately, it's delivering those loan offers 12 months a year, 365 days a year for that matter, to all of your account holders, really important, as the name implies, an engine running in the background. Because of all those elements, ultimately, you're going to achieve greater return on investment. Clients today are achieving somewhere between 400 and 700% return on investment with this product, very strong. Cost per account <$80. It's doing great things for the financial institutions we're engaged with.

Now that you understand some of the benefits, let's take a look at how this process really works. The diagram we see here represents a full quarter of time, 90 days. We start with your account holders. You provide us your account holders along with your credit criteria. Let's pop to the next slide for a second. Your default credit criteria for this particular program is credit criteria that – because it has generally more generous credit requirements, broader FICA score, typically, and a secured product that consumers or account holders are

likely to have more than one of with your institution. What we find with most of our clients is that their auto lending criteria is really the best practice for their default credit criteria. When they go through this process, you'll notice at the top of this funnel there is a royal blue segment. That particular segment is what we're establishing with the default credit criteria. Again, we find about a third will land there. We then have additional filtering criteria that we will leverage in order to assign Offers 2, 3, 4, and on average, we're assigning six to eight offers for each of the clients that are up and running with this solution.

You can go back a slide now. We're taking your full account holder file to the Bureau with that default criteria we just reviewed, and we're getting those that pass that default criteria back. Along with standard 20 standing attributes and up to 5 custom attributes. We use those additional attributes, as this image depicts, to assign offers such as credit card, boat, RV, personal loan. We go through that assessment process to assign the additional offers, and then we're ready to market. What's depicted here on the right side is conversation. I had somebody comment to me that they thought it was Twitter or Chat. That simply represents in-person conversations. We also deliver those offers to each of your account holders through direct mail. We have a tool, which Dave will walk us through, that allows informing your telephone banking center representatives. We can also provide support with some of the telemarketing. It could represent both.

Then what we find is we're loading it into online and mobile banking. On average and Dave can revisit some of these numbers for additional clients that he's seen, what we're finding is clients initially, when they run a campaign, can see about a 10% redemption rate through the online and mobile channels, but then that second campaign, they see a real increase. A recent client went from 10% online and mobile redemptions in their first campaign to 28% redemptions in their second campaign. The importance, it really shows how consumer attitudes are shifting as well the digital. That will continue to be a large piece of the redemption process and success of this campaign. Because of all of these different communication channels, we're seeing excellent conversion rates. We're seeing between 3 and 3½% response. Then a part of the overall solution to help you manage and justify this type of implementation, we work with you and provide you campaign analysis in two ways. We provide you with a weekly summary of account holders that have redeemed, and then at the conclusion of each campaign, we work with you to get a loan application file so that we can provide you full reporting. Including return on marketing investment and cost per account.

Let's take a quick look – before we go into the online demo with Dave, let's take a quick look at how this works and what the account holder experience is. What you see here is a sample of the direct mail piece. One question we get quite

often is how do you do all of these pre-approvals together in one letter? As we've worked with the Bureaus, we've really landed in a nice place where the one and done technology that I mentioned previously, it's depicted in this way. The call out text that you see highlighted here in the orange color indicates you can choose any one of the loans below. That's not only in the text. It's also clearly in a banner that's at the top of the offer section, and then it's repeated again in the footer reminding them that the nature of their offers will change. They have their choice of one of these offers.

The reason for this one and done, is really to optimize your accountholders choice in a cost effective manner. When we pull the prescreen for LoanEngine, we run it against a single product default criteria and leverage additional attribute values to screen for additional products within the software rules engine as we discussed before. Compare this to working on a prescreen directly with the bureau typically you pull that screen against a single credit type and pay for that single bureau inquiry. Typically if you are going to be offering more, the Bureaus will expect incremental fees for pre-screening of each of those additional products. More than that, once an account holder accepts one of these offers and they then decide they want to accept a second one, your underwriting team will want the opportunity to review their credit to see if their debt-to-income can still afford that incremental loan payment. You don't want them using this like a menu and simply checking three items. The credit risk there is pretty significant. That's the reason that we leverage one and done, and you'll see how one and done is applied when we go to the online demonstration. At this point, if we want to pass that on to Dave, we can go into the online demonstration. Dave, I'll flip over to you.

Dave: Great. I'm just going to try and grab the screen here. Okay. Stephenie, can you verify that my screen is in fact onscreen?

Stephenie: Yes, sir.

Dave: Okay. Thanks. Hi, everybody. I'm going to start by walking through some of the customer or member experiences that are available in the digital banking component, so what we're looking at here is one of our integrations into online banking. This is what we refer to as our tabbed interface. I usually start with this interface just because it nicely lays out all the offers, and we can see everything that's going on. Then we'll look at some of the other interfaces that we offer as well.

You can see here we have this tab. In this case, this is a Digital Insight online banking platform. We can integrate with virtually any online banking platform. We have many integrations to many of the top providers. If you want to inquire with your Harland Clarke representative about what those integrations are, just

reach out to them, and they can let you know. It's done through a simple SSO connection. What I'd like to draw attention to here very quickly off the bat is the amount of transparency that this provides to the consumer.

I can see here that this person has five different loan products available to them today. These are all pre-approved, very clearly showing the pre-approved loan amounts, the APRs that are available. It's calculating the payment based on that dollar amount, and then there are also available loan terms available here. Now when I refresh the screen, I'm going to look at a different customer in my same campaign. Each time I refresh the screen, it's a different person, and you can see that everybody has a very unique set of pre-approved offers. That's because these offers are personalized and tailored to their personal financial profile. This person has credit card offer, home equity offers. This is all based on their product relationships with you and their product relationships with other institutions as determined through the Credit Bureau file. We can also base offers on any number of marketing and credit triggers. This person has a debt consolidation loan. That might suggest, based on the rules in the system, that there are open trade lines elsewhere that we might want to refinance onto our own paper.

Any number of consumer loans can be offered through this system and, as Stephenie touched on earlier, even products that don't typically see the light of day in terms of marketing spend, like the motorcycle loan, or the recreational vehicle, or something like this back-to-school loan. It doesn't cost any more to present these different options, so by presenting all this optionality, you increase your likelihood of somebody seeing a product that they need and responding to it. Also through this transparency that we see here, we start to condition the consumer over time. Every day of the year, they can log into this online banking or into mobile banking, and they can see exactly what products are available to them, at what rate, and how much credit is available to them. That's very powerful information. It's really unprecedented up to this point. There's nothing else out there that can provide this level of transparency. In turn, that conditions your customers to know that you have their back when they're ready to make a large purchase.

I'll stop here, and we'll take a look at this individual. You can see they have $45,000 available on their new auto loan. Maybe I don't need $45,000. Maybe I just need, I don't know, $23,000. You can see that it's calculating my monthly payment based on that pre-approved rate and the 60-month loan term. If I want to extend my term or possibly shorten my term, I have different term options available here. You're able to designate what term options you want to provide to your customers, and different customers can even receive different term lengths.

If I select this 72-month term, you'll notice that the APR and the payment will adjust appropriately reflecting your score or your rate card. If I'm interested in this product, if it looks good and I want to proceed with securing this loan, I just click Accept Offer. I can read about the offer. This is customizable product messaging. Your product disclosures are behind this link, so everywhere that these products are displayed, the appropriate disclosures are always just a click away. Then I can just go through accept this offer. It's going to prefill this form because this is behind the authentication. This is inside online banking, so we know who this person is. We have their information behind the scenes, so there's no need for them to fill out any of these forms. They can modify it if they want, or they can just click through.

You can see that I am having this individual fill out the phone number. We can prefill that as well, but we tend to leave it blank because I would feel it's best to have them indicate their most up-to-date phone number. A lot of times that's not up-to-date in the core system, and we want to collect and update that information. They agree to the Terms and Conditions. They click Finish, and when I click Finish, I'll be presented with a custom confirmation message. This is your opportunity to tell your customer what's going to happen next. We're going to reach out to you, or your credit card will be mailed to you, or whatever that next step is. Possibly, depending on the product, you might need to request proof of income or something.

Now you can see I click off of that. The offers been redeemed. As far as I'm concerned from the consumer standpoint, I'm done. I have the funds I need, and it was a very simple experience. Maybe even a delightful experience as compared to what we're all used to as far as loan applications go. We've eliminated the uncertainty of the process, the loan application, the friction, and given them this very clear path to the funds that they need through transparency and better use of data.

Now you can also see that the one and done methodology that Stephenie mentioned earlier has kicked in here, and our other offers have turned to Apply buttons. These Apply buttons would link to your online loan application or go through a very simple workflow that states if I want to – if I click on this motorcycle loan. It looks like you already accepted the new auto on the 16th. The motorcycle is no longer pre-approved, but you might still qualify. Click through, and we'll let you know if we're going to take care of that for you. Again, very simple transaction on the part of the customer and now you're going to receive that lead that comes to your loan processing center and/or your call center instantaneously. You can react to that lead and that request.

Stephenie: Dave?

Dave: Yeah.

Stephenie: On that Apply For Offer, sometimes we have clients that, because it's an invitation-to-apply, they want that to direct perhaps to their online credit application. Is that supported here?

Dave: Absolutely. We can redirect that button to any URL that you'd like. Many of our clients use that to redirect directly to their online loan application, either specific to that product or to a portal where all loans are applied, or it can go, really, anywhere they'd like, a landing page. You're able to tell us where you'd like that to be directed to. Also, I didn't mention that all of the marketing – now on this page, the introductory message up here, this intro messaging, that can be configured to be your own language. The footers, the icons for the products, everything is customizable to match your brand and your message and your tone. This will never feel off-brand. It will always be a seamless experience with everything else you have to offer. This is the online banking tabbed interface.

We also offer other interfaces. This is an example of what we call our compact widget or homepage widget. In this case, it's styled for Digital Insight, and within Digital Insight's online banking platform, we can place this window on the account summary screen. It's the very first screen that customers see when they first login to service their accounts online. This shows up right next to their account balances and is always front and center, and we can provide other interfaces like this to blend into different environments. I'm going to refresh this, and we'll show you that accepting these offers is just as simple in this channel as it was on that other tabbed interface. If we want this credit card, we read about it. We click through the credit card, and we can still run the calculations and things on these loan types in the same way that we did before. Click Finish. In a matter of ten seconds, we just cross-sold a credit card.

We feel, today, it's a differentiator. To be able to respond that quickly to a customer's need for a loan is really, at this point, a differentiator, but it won't be for long. This is the consumer mindset. Consumers are used to this shift in the way that they access products and services across all industries. They are expecting a one-click experience. They're expecting you to know about them. To use the knowledge that you have about them to better serve them and to eliminate all of the pain points along the way, and this really meets those demands. Especially when we talk about the mobile channel, which we all know is the new frontier, and not even all that new.

Right now, if you look at your mobile banking app, very few institutions have been successful in monetizing that channel. It represents a significant cost. You have to keep up with the latest technologies. You need to make sure that your mobile app is always competitive, but up until now, it's really just been a cost.

There's no monetization. Furthermore, every time one of your customers uses remote deposit capture to deposit a check, you're actually – that's one less person walking into a branch or going to your ATM, so you're losing the cross-sell capability. There's very little cross-sell coming out of the mobile banking channel.

This program really allows you to monetize the channel in a very meaningful way because this is a very mobile-friendly experience. A loan application, even an instant decision is still not a mobile-friendly experience. If it says Apply on a button and you're looking at your phone, the assumption is that behind that button is a process, and that's a process that I don't want to go through on my mobile device. If it's a pre-approved loan, the loan that determination's already been made and I know how much is available and I know that I can access these funds behind a single click or few clicks or taps, it is mobile-friendly. It becomes a very powerful tool for you to get your most profitable products in front of your customers. Not just in that new channel where they're interacting with you on a very regular basis, but also out at retail, when they're out in the world making their decisions, shopping for a product. Places where increasingly there's more competition at the register. Dealership financing, retail financing, instant access to credit, these are all things that very credit worthy individuals have at their fingertips today, and to compete with that, you really need to have an easy access point.

Let's see how easy it is here to accept an offer. Say we're at the auto dealership. We can just access this loan right here within our mobile app. You'll see it's the same process that we've seen over and over here through the other interfaces, a very similar process. We're just going to ask for a phone number here. We can modify these interfaces to collect certain information that you might need to process the loan request. We have some fields here that we put in here. There you go. It's that simple. They can do that at retail, or on their couch, or wherever they might be, and it really is truly a mobile-friendly experience.

Those are the main consumer facing, self-service channels that we provide to the LoanEngine program. There's also a toolset for your sales staff and branch and at the call center. This is a very powerful tool as well. You can see I'm logged in as Stephenie here, and I can see that I have one sale today and two sales this week. On the dashboard, we're able to see our sales. The leader board down here will display the top ten sales people within the organization. It's a great way to inset some friendly competition within your sales team. Anyone who's top ten for the month will be on that leader board, and maybe you offer them a Starbucks gift card or something for those who are on the leader board every Friday. We have clients who use this leader board to really do some fun things with their staff.

The transparency it provides to the staff is very powerful when it comes to selling loans. Let's look up a customer here. We can search by name or customer number. We can see Sloan Lane here, and we'll be able to see what Sloan has available, so quite a few loan options here for Lane, Lane Sloan. Now you can see how this would be really powerful from a cross-selling perspective. Because if Lane walked into the branch today and Lane was carrying a motorcycle helmet, that's a sales cue. I'm going to see that Lane has $30,000 available for a motorcycle loan, so I can very easily and confidently present an offer. "Mr. Sloan, it looks like you ride a motorcycle. Did you know you're already pre-approved for a $30,000 motorcycle loan? If you are looking to refinance the one you have or you're searching for a new bike, we can take care of that for you. You don't even need to fill out a loan application."

You're not inviting somebody to sit down at a desk. Apply for a loan. Go through a process that they might ultimately be denied for. It really is a – as simple as this is, it's an incredibly powerful – and our clients love this tool, and their sales teams use it every day. Lane says, "Yes. I'd like that motorcycle." Now we've added it to the queue. The other offers have grayed out, and in real time, when I accept this offer, instantaneously, all channels will be aware of that redemption. If Lane were to log into his mobile banking app right after I accept this offer, those other offers will already have turned to Apply buttons. All channels work together in real time to deliver the message, but also to ensure that you are protected from somebody overextending themselves.

We have this motorcycle here. We're going to walk through the process. Again, we can calculate payments. We can choose terms. We can enter in additional information. Upload documents if we wish, all that's optional. Then we just click right through. Confirm that that's correct, and we will finish the process. Now, on our dashboard, you'll see that we have credit for the sale. All of this…

Stephenie: Dave, one question.

Dave: Yeah.

Stephenie: On this particular tool, I think it's probably helpful to talk a little about response channels and where we see some of the volume. Maybe how it differs from a client's first campaign to a third or fourth campaign. In terms of where people are redeeming, are they doing it on online and mobile banking?

Dave: Yes. Actually, that's a great point. Early on in the process, when we first launch with a client, we see a lot of – about 50% are coming through the digital channels, online banking and mobile banking, and 50% are coming through a combination of what we call the traditional channels, which would be branch

cross-sell and direct mail. We send out the direct mail pieces, a lot of those direct mail pieces make their way into the branch, or people call in to redeem those offers, and so those are tracked through the system. Very high engagement on all channels and it really does start about 50% digital, 50% traditional. It tends to start shifting more toward the digital side as the program gains traction within the institution. As people become aware that those loans are available within these different digital channels, they become accustomed to seeing them. They know that that's where they're going to turn to, and the direct mail communications start to serve less as a call to action and more of an awareness tool. Your offers have changed. Your situation has changed. Here's we're notifying you of your new offers, and these offers are now available within all these various channels.

In the old school way of marketing, we relied on these traditional channels to drive conversion through urgency. Things like teaser rates and through limited time offer. That type of thing. Let's send out a mail piece, and within a week, we're going to see a big spike of activity, and that's going to taper off pretty quickly as people forget or the letters make their way into the trash. We still see that spike because that awareness does drive activity, but instead of seeing the spike and then seeing a drop immediately after a week or so, it tapers. It's a much more balanced curve throughout the year because folks are engaging at different times within the campaign. We have these campaigns running typically at a 90-day interval, and there is no point in that 90-day interval where activity drops off. It's very consistent throughout the entire campaign, so all channels really do work together to deliver the message and drive engagement.

Stephenie: That's the point. I mean, even with some of the clients that we work directly with, what we find is it varies a little bit by culture. If you have very engaged online banking group within your account holders, out of the gate, like Dave indicated, you'll have strong engagement. We also find clients who you really need to train your account holders in order to look for those offers. Maybe with the first campaign, maybe they're only seeing 10% redemption through online and mobile, but we do find over time is it really grows to the point where Dave was discussing a 50/50 split. Definitely, consumers are ready to change their buying behavior. We just need to provide them the tools to do so, which I think LoanEngine does a nice job of.

Dave: Yeah. I agree. It's a change in mindset on the consumer side and the institution side. It's moving away from lending based on the institutions need to drive loans, or urgency, or seasonality. It's presenting offers in a consistent ongoing way. That's a softer sell but a more effective sell. The conditioning that you provide with that consumer, your customer is going to strengthen the relationship. It's going to position you as the lender of choice, and when folks are in the market for a loan, they'll remember, and they'll come to one of these

channels and redeem their loan offer. Marketing research continually shows that folks react to sales offers and such based on multiple touches. You need to inform them multiple times before they take action. You really can't get much better than driving that message through on every channel.

I should also mention that this tool that we're looking at here for a cross-sell is very effective also in the outbound calling. If we have clients who use this tool for outbound calling initiatives in their call centers or their branches during down time in the branch, they'll have a list. They'll start making calls. We see a lot of conversion through those efforts as well so lots of different ways to use the tool, and it's not specific to a launch the campaign and wait for folks to come in. There are ways to use it proactively, and make sure that you're engaging throughout the year.

Stephenie: Great. With that, Jeb, I'm wondering if we have any incoming questions through Chat that we should address at this point.

Jeb: We don't have any questions. Yet, as a reminder, if you have questions, just use the Chat panel in the Go to Webinar. Those questions will come in, and we'll answer them as they come in.

Stephenie: All right, Dave, didn't mean to interrupt you. I think that some of the other questions that we commonly get are around results of the program. We mentioned a couple of times what we see in terms of response rate per campaign averaging around 3 to 3½%. Beyond that, it's really the diversity of loans that are being originated that will drive very substantial returns on Marketing Investment. On the low side, we are seeing 4, 5, 600% return on investment for our clients. What types of loans are being originated? Because auto tends to be the default criteria, in terms of number of loans originated, auto remains the key redemption. However, there are clients that are having great success with home equity as well as personal loans.

Historically, in financial services, to do a standalone campaign for personal loans could be a challenging proposition. Just because the average balance of those products is relatively low making it hard to achieve a significant return on investment. I'm not sure, Dave, if you have other perspective of client results?

Dave: Oops. I was muted there. I mean, the client results have really been really very, very positive. Each time they run a campaign, their results tend to grow. They tend to open up to a wider audience, add products. The system starts to gain momentum over time. We haven't experienced any clients who've had – seen any sort of decrease in results over time. We've seen direct response rates on campaigns as high as 11% in a 90-day campaign, which is really unheard of in the direct marketing world. An 11% direct response rate to a bulk marketing

effort is pretty tremendous, especially when you look at the average being more around the 2% range.

For us, our average hovers around 4 to 5%, and it depends on the product mix being offered and the audience being presented to, as well as the credit criteria that's being used. If you are presenting these offers only to A paper, those folks have a slightly lower propensity to respond to credit offers. You dip into the B paper, and you start to see more engagement. It is important to present this type of access to you're A paper, because those are the most sought after borrowers and who have the most options available to them in the marketplace. We do a great job of making sure that our clients are the ones funding those loans for those folks. There's a lot of benefit, and we've seen nothing but positive response to this program as our clients have rolled it out. It's been in market for over two years now, and we have zero clients who have discontinued the program. In fact, everyone is moving in the opposite direction and expanding on the program. Do we have that...

Stephenie: Great.

Jeb: We don't have any outstanding questions.

Stephenie: Okay. With that, we can really address one more issue, and then wrap up. One issue that also many times comes up is the connectivity with online and mobile banking. What we find is, while we have a very robust relationship with Digital Insight and that's a very quick to market alternative, we also have engaged with a variety of other online and mobile providers in this space, and have found that that launch process is pretty consistent. We'll meet with those providers. Provide the way the connectivity works, and they will conduct the billed process. It's not something that's totally foreign when we're working with these providers, so it's not a long IT intensive process. I think that's important to understand as you look at engaging with this type of a solution. Thank you. We're good to wrap, Jeb.

Jeb: We'd like to thank everyone for attending today's webcast. As a reminder, we'll be sending out a replay and a copy of the webcast next week. Thank you again for joining, and we look forward to seeing you at our next webcast.