

Freedom First Credit Union Grows Deposits and Liquidity

Segmentation with Measured Wealth Brings in \$52 Million in Deposits in Two Months

Freedom First Credit Union (Freedom First) wanted to quickly improve liquidity by bringing in new deposits. The marketing team had used a variety of channels and prospect lists, but did not have a way to quickly identify and reach prospective households that were likely to qualify for its upcoming deposit promotion. Freedom First leveraged Equifax email list services segmented by household-level total deposit estimates to identify and reach prospective members with significant deposit potential. Launching an aggressive CD and money market campaign via email to high-potential households enabled Freedom First to achieve its goal. The organization gathered \$32 million in new member deposits, plus an incremental \$19 million from current members and exceeded the prior year's efforts by 1000%.

Challenge: Drive Deposit Growth to Fuel Liquidity and Balance Portfolio

Freedom First, a community-based financial services provider in southwest Virginia, was experiencing large loan growth and additional liquidity was needed. As an organization that measures its value by how much it "gives back" to its community, Freedom First was issuing loans at a rapid rate and needed to grow deposits to balance its portfolio.

Freedom First frequently advertised in the newspaper, as well as via direct mail, but these efforts did not allow for a way to identify and reach specific households with significant potential to bring in new deposits. In addition, the marketing team wanted to leverage email to promote this particular campaign, as it would offer a more cost-effective way to reach their target audience.

Steve Hildebrand, Vice President of Marketing at Freedom First, commented, "I could find direct mail prospect lists that seemed to target high quality consumers, but these lists lacked email addresses. And I could find email prospect lists, but they did not have the segmentation criteria I desired. Equifax's prospecting solution had both of the elements I needed: email addresses and the ability to differentiate households by deposit potential."

Freedom First Credit Union, servicing over 50,000 members in Virginia and holding more than \$500 million in assets

CHALLENGE

Quickly bring in new deposits to fuel liquidity and balance portfolio

SOLUTION

Leverage email prospect list segmented by household-level total deposit estimates to target consumers likely to hold significant deposit dollars outside of Freedom First

RESULTS

Targeted households brought in over \$32 million in new CD and money market deposits, meeting the campaign goal; combined with incremental deposits from current members, Freedom First captured \$52 million in deposits, exceeding deposit gathering efforts by 1000% for the same time period in the previous year



Solution: Leverage Email Segmented by Total Deposit Estimates to Target Prospective New Members for Deposit Growth Campaign

Freedom First planned to launch an aggressive deposit growth campaign that would offer high rates for CDs and money market accounts. In order to qualify for the promotion, consumers were required to open a new account and meet a minimum opening balance. Freedom First wanted to reach consumers that could bring new deposits to the credit union.

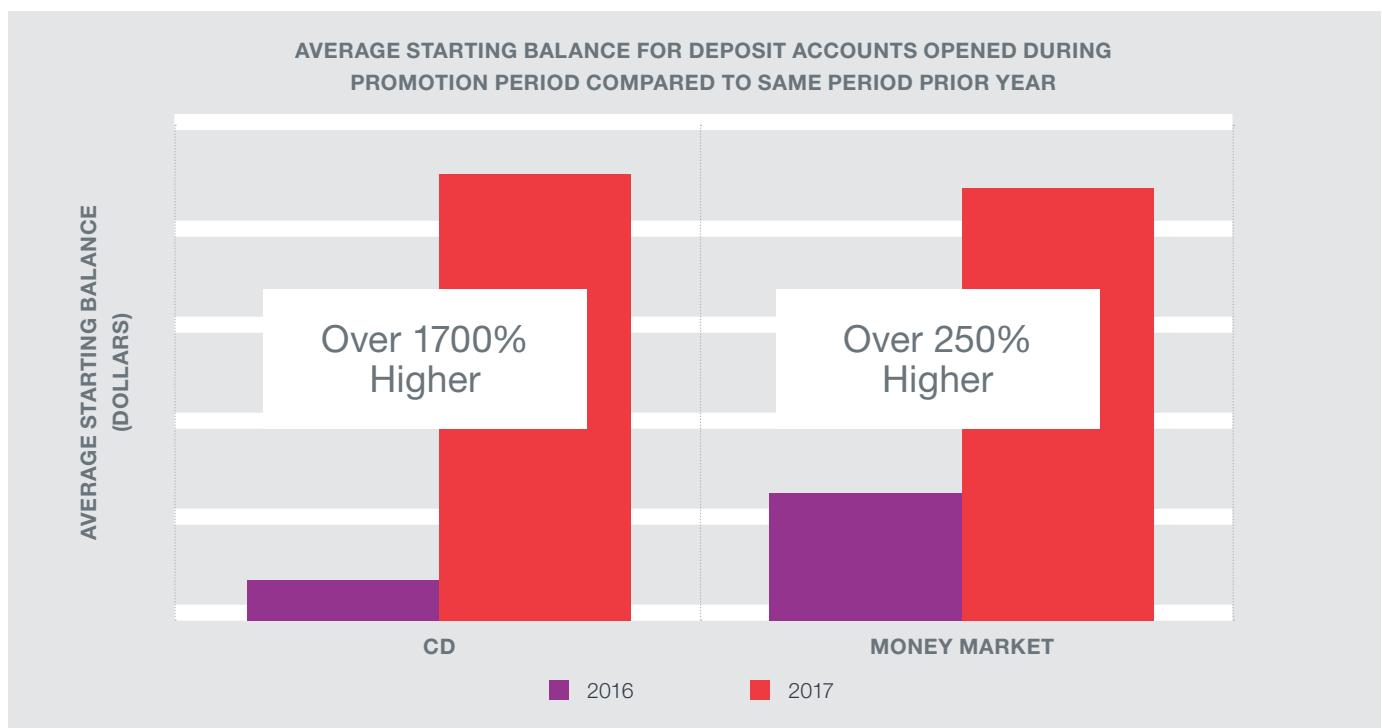
As a long-time customer of Equifax credit services, Hildebrand was pleased to learn that Equifax also offered marketing solutions to help grow the other side of their business; namely wealth-based marketing tools to help credit unions grow deposits and build relationships with their members to drive lifetime value.

To address Freedom First's imminent challenge to build liquidity, Equifax presented its email prospecting list service. Email prospect lists can be segmented by any number of financial criteria, including by WealthComplete® estimated household-level total deposits. The WealthComplete segmentation ranges allowed Freedom First to specifically focus on reaching households that were likely to have a minimum of \$25,000 in deposits at other firms in their territory; this was a significant dollar amount as it was the minimum required to qualify for the promotion. With a focus on growing new deposits and memberships, current members were suppressed from the email list.

Freedom First was eager to put the email prospect list to the test. The marketing team emailed their promotion to approximately 28,000 prospects advertising attractive CD and money market rates to incent consumers to transfer their substantial deposit balances to the credit union.

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– Steve Hildebrand, Vice President, Marketing, Freedom First



Results: Gathered \$32 Million in New Deposits to Exceed Growth Goal; Total Campaign Generated \$52 Million, Surpassing Prior Year's Effort by Over 1000%

The goal of Freedom First's deposit campaign was to bring in \$31 million in new deposits from non-members. In just two months, the campaign generated \$32.3 million in deposits from consumers that transferred balances to Freedom First to take advantage of their attractive CD and money market rates. In addition, the promotion generated an incremental \$19.5 million from current members, for a total of almost \$52 million in deposits. Even though the email was not sent to current Freedom First members and the offer was not promoted via any other channel, it was apparent that people in this community spread the word when they heard about the unprecedented savings rate offered by this local financial firm.

Compared to the same time period the previous year, Freedom First generated over 1000% more CD and money market deposits. The number of CD and money market accounts opened during the two month campaign period was double the number issued during the same time period the previous year, while the starting average balance for CDs and money markets opened during the promotion was over 1,700% and over 250% higher respectively.

“We exceeded our goal by bringing in over \$32 million of new deposits in just two months, helping our liquidity and growing brand recognition within our market.”

– Steve Hildebrand, Vice President, Marketing, Freedom First

“The success of this campaign was really a game-changer for Freedom First and for the entire region,” remarked Hildebrand. “We combined a high minimum starting balance with high CD and money market rates, and applying the WealthComplete criteria allowed us to reach prospects that were more likely to be able to have the high level of deposits needed to qualify for the promotion. Plus, using email to reach prospects was quick and easy on the marketing budget.”

Freedom First is planning to run additional prospecting campaigns using estimated deposit criteria to help reach more of their desired audiences. In addition, Freedom First is also using Equifax wealth insights to better segment and market to their current members based on their asset growth potential.

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2018 Case Study. Results may vary based on actual data and situation.

