

PERSONAL LOAN PROMOTION – IMPACT ANALYSIS

Analysis - Target Audience

Was this campaign focused on a relevant group of people? Are there any clear patterns that can help guide future target audience development when promoting personal loans?

Original Target Audience

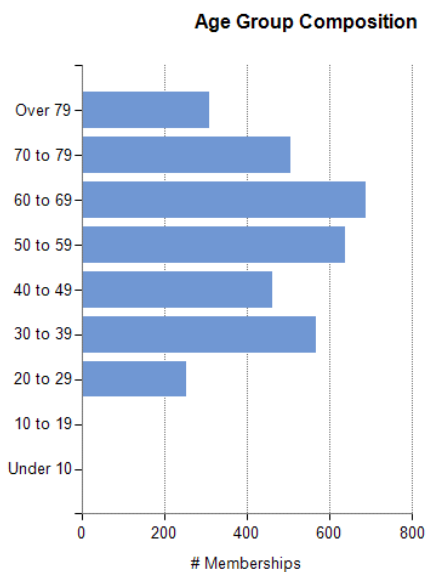
3,423 members were identified to contact for this promotional campaign. Criteria used to identify the members include:

- Ages 25+
- Individuals (no organizations)
- Opted in to contact
- Has no existing loan with the credit union

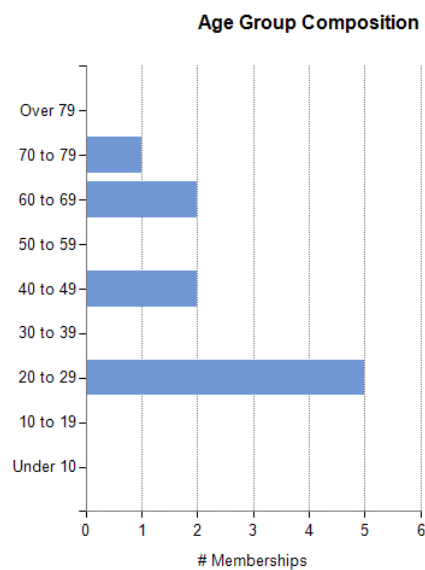
Members were made aware of the promotion through emails and website content.

Age Segmentation

Members Who Were Contacted

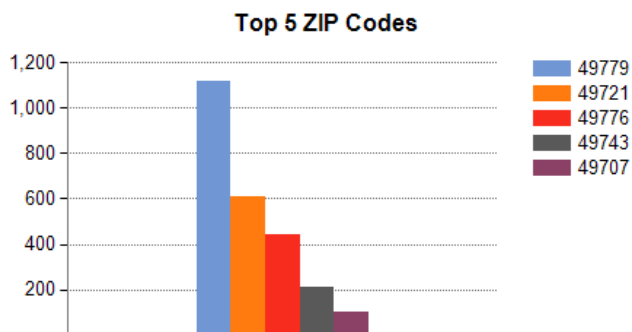


Members Who Applied

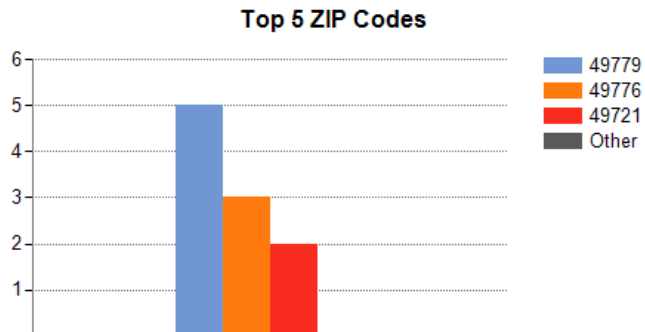


Location Segmentation

Members Who Were Contacted



Members Who Applied



Conclusions

This campaign was popular with younger ages, a full 50% of applications received were from members age 20 – 29. Further analysis would be needed to determine if it's the product that especially catches this group's interest, or if it might have been weighted to those ages due to the delivery channels and messaging used to promote the campaign (all digital – email and web content).

Interest in this campaign does not appear to have been driven by any location/residence-based factors. Interested parties proportionately represent the main areas represented by the entire list of targeted members.

Analysis – Delivery Channels

How does this group of members prefer to apply for this type of loans? Can this information help guide our campaign efforts based on reviewing these results?

Delivery Channel Breakdown - Applications Received

Code/Description	# Apps	% Apps	\$ Amount of Apps	% Amt	\$ Amount Per App	Credit Score		
						High	Low	Avg
CU/CU*BASE	8	80.0	34,980	66.4	4,372	770	570	659
HB/Online Banking	2	20.0	17,673	33.6	8,836	695	649	672

Interviewer Feedback

Members who applied had diverse reasons for needing the funds and most seemed unsure if their reason would qualify. One member who reached out was a better candidate for a HELOC, which was processed and booked.

Conclusions

Interested parties of all ages were hesitant to apply until able to directly speak to a credit union staff member to discuss their reasons for needing the funds.

Future campaigns for personal loans should:

- Encourage conversation as a starting point to the sales conversation.
- Focus on phone calls and in-person interactions (next suggested product)
- Create special branding for the product that underscores the purpose of a personal loan being to fill in gaps for any purchases the member is considering. Include examples (computer, gifts, camping supplies, etc).

Analysis – Credit Quality

Am I receiving bookable applications from this campaign? What type of credit quality is most interested in this campaign?

Risk Tier Breakdown – Applications Received

Score	Totals			Pending			Denied			Booked		
	# Application	%	Ratio	# Application	%	Days	# Application	%	Days	# Application	%	Days
730 to 999	1	10.0		1	100.0	1						
680 to 729	2	20.0	2.00	1	50.0	6				1	50.0	
640 to 679	4	40.0	2.00	2	50.0	3				2	50.0	
600 to 639	2	20.0	1.00									
000 to 599	1	10.0		1	100.0	14						

Conclusions

This campaign succeeded at drawing in bookable applications with most applications (80%) coming from members with scores ranging 600 – 730. Barring other factors that come to light in the underwriting process, these are bookable loans.

Future campaigns for personal loans should:

- Consider removing any members with scores 730+ to reduce costs. Only 1 application was received from this group.
- Consider further analysis on the members with scores 730+ to identify their personal lending preferences. It is possible that these members have different approaches for personal needs, specifically preferring open-ended credit products rather than closed-end lending products.