



Editorial Perspective:
*3 Powerful Lessons Credit Unions Can Learn
from the Powerball Lottery*



3 Powerful Lessons Credit Unions Can Learn from the Powerball Lottery

by Arnie Goldberg

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Powerball Fever gripped the country especially hard recently as would-be lottery winners in 47 U.S. states and territories pictured themselves winning over \$565 million in the third-largest Powerball jackpot ever. From the shoulder-high snows of Boston to the sun-baked deserts of California, legions of potential millionaires waited for hours in lines around the block to take their 175-million-to-one shots at the prize.

Watching this, it hit me: **Credit unions could make membership a lot more appealing and fun by borrowing from Powerball's playbook.** Any time folks are willing to part with both their time and their hard-earned money, they must perceive great value in the outcome.

So how can credit unions help potential members find the same excitement and emotional investment that they feel buying lottery tickets when they're investing in real world financial instruments? Let's look at three lessons and insights that Powerball can teach credit unions about how to turn "Hey, you never know" into "I know I'm on the path to financial security."

1. Life Is But a Dream...of Helping Family

The first lesson I believe credit unions can learn from Powerball is that lack of investable funds doesn't mean either a lack of future potential or a lack of motivation to shoulder one's financial responsibilities. Watching the ticket buyers interviewed on TV, I realized that the people buying Powerball tickets didn't think they were gambling, they were investing in one of the few low-risk, high-return vehicles they had available to them.

And nobody was really in it for the \$565 million; that might as well have been Monopoly money. When asked what they'd do with the windfall, the answers were rational and responsible, not diamond rings and Rolexes: "I'd pay off my student loans." "I'd buy a new delivery truck for my business." "I'd put my nieces and nephews through college." "I'd get my parents a house."

Since those are the kinds of dreams that credit unions help their members achieve every day, it becomes easy to see why credit unions can have a clear impact on the young, the unbanked, and the financially

unsophisticated. Through their mission to educate, credit unions can help the Powerball hopefuls of the world understand that even without a half-billion-dollar portfolio infusion, having an investment plan can and will make a positive difference over time.

2. Put the Fun in Financial Fundamentals

The second lesson that credit unions can learn from Powerball is that money doesn't have to be a serious, grim topic shrouded in secrecy. With all of today's talk of crippling student debt and growing income inequality, it became a lighthearted human interest story to hear about groups of people finding a sense of community standing in line and sharing their dreams of financial autonomy.

Credit unions can foster more of this sense of openness and common purpose by emphasizing the "union" component of credit union. For example, CUs with branches can use them as gathering points to create financial seminars and workshops that connect and empower their members through education.

Online and mobile access are channels that can also be used creatively to foster a spirit of fun and engagement as well. Both websites and mobile apps have enormous potential to attract new members through the use of tracking tools, apps, games, quizzes, videos, rewards, etc. that cast saving and investing in the light of being both entertaining and productive.

3. Use Lottery Magic to Attract New Members

The third lesson that credit unions can learn from Powerball is that giveaways, contests, rewards and sweepstakes can be unbeatable tools for attracting and delighting members. Study after study in the growing field of behavioral economics has shown that the power of "free" as a marketing offer is virtually irresistible across all ages and economic groups.

No matter what type of financial behavior a credit union would like to influence, the combination of positive publicity and upside potential that anything from a parking lot raffle to free college tuition can yield is virtually unbeatable in terms of results and ROI.

Credit unions have been putting Americans on the path to prosperity and financial security for over a century by helping them realize their financial dreams. Long after the losing tickets have been checked and discarded, everyone can be a winner when credit unions make investing just as inspirational, fun and rewarding as the lottery.



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