



Case Study: Usage Campaigns and Targeted CLIs

How Diamond Credit Union builds loyalty.

Overview

Diamond Credit Union was founded in 1947 as Spicer Pottstown Federal Credit Union by eight employees of the Spicer Manufacturing Company, an auto parts maker later known as the Dana Corporation.

Today, as a Pennsylvania state-chartered and federally insured credit union with over \$600 million in assets, Diamond serves more than 60,000 members in Berks, Montgomery, and Chester counties through five branches and a full-service call center.

The Challenge

Diamond has long prided itself on providing “low-cost financial services with world-class service,” and it has the robust credit card program growth and top-of-wallet card usage to prove it. In 2017 alone, Diamond’s longstanding Alliance partnership with the marketing and analytics experts of Advisors

Plus helped it grow new card accounts by a stellar 15 percent, while posting double-digit gains in balances and monthly purchase levels as well.

Since 2010, Diamond and Advisors Plus have shared a commitment to providing outstanding member service through Diamond’s best-in-class credit card program. For its part, Diamond offers an exceptionally full-featured suite of Mastercard products to its members. Diamond embodies a concept it calls “younity,” which is about building personal relationships with members and the community and helping them improve their financial quality of life. “We want every member who qualifies to have a Diamond Platinum Mastercard in their wallet,” explains Marty Gallagher, Director of Member Services at Diamond, “and we provide our cardholders with every possible program benefit, including Apple Pay.”

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“We are constantly listening to our members’ needs and building relationships,” agrees Card Services Manager Sue Suriani, “so our rate-conscious revolvers can select our Low Rate Platinum Mastercard, our transactors can choose our Platinum Mastercard with Rewards, and we have a secured Credit Builder offering for those who may be light on credit or credit-challenged.”

The Solution

To translate Diamond’s tradition of service customization to continued account growth, each year Advisors Plus Analyst Holly Conte works with Diamond to craft a calendar of usage and marketing campaigns designed to maximize card flexibility for Diamond’s members.

For example, last year Diamond ran a custom post-holiday balance transfer campaign, a spring usage campaign with spending rewards aimed at home improvement and travel, and a fall holiday usage and balance transfer campaign, as well as spring and fall account activation campaigns.

Additionally, in 2016 Diamond adopted PSCU’s Adaptive Control System (ACS), which provided a very helpful assist to the marketing effort. “Giving Diamond the ability to segment its cardholder portfolio using standardized criteria such as FICO score and Ability to Pay, has resulted in dramatic line and balance growth,” Conte notes.



In August 2016 when ACS started taking effect at Diamond, its average line was \$9,245. By year-end 2017, Diamond’s average line had increased to \$10,565, a number almost 18 percent higher than the average credit line for PSCU consumer accounts.

What’s more, the effect of the line increases and Advisors Plus marketing initiatives has been equally noteworthy across the board:

- Diamond’s 2017 outstandings grew \$3.6 million or 8.8 percent over its 2016 level of \$1.5 million or 3.9 percent.
- Purchases grew by \$5.06 million or 11 percent versus 2016’s \$2.6 million, 6.1 percent growth.
- Open accounts increased by 6.5 percent in 2017 compared with 2016’s YOY increase of 4.6 percent.

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Results

Results like those leave Diamond's Gallagher and Suriani eager for even more data-driven ideas for growth. "We'd like to understand how we can take the data and analysis provided by Advisors Plus and use it to find ways to specifically apply or relate it to new campaign ideas," they reflected.

And will Diamond be working with Advisors Plus to jump-start even more future growth?

"Absolutely! We have been with Advisors Plus steadily since 2010. And because we've been able to work with the same analyst, Holly, since 2010, she knows Diamond and how we operate, which means she can suggest promos that fit with our corporate strategic goals," Suriani and Gallagher enthusiastically agreed.

"Advisors Plus does all the heavy lifting for us, which is so valuable in freeing up our marketing and member service resources for other goals and tactics," Marty Gallagher summarized. "For instance, cross-selling is very important to us, and knowing that Advisors Plus is handling all the campaign details gives us time to customize our branch, call center, and teller hub tactics."

"We really appreciate the consistent approach that Advisors Plus takes toward handling everything from letter designs and marketing materials to providing post-promo analytics and results," added Suriani. "They make everything about the process quick and easy."

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Advisors Plus

Founded in 2004, PSCU's Advisors Plus offers consulting services for credit unions to help fuel growth and achieve financial and business goals. From project analysis to implementation and management, Advisors Plus offers an end-to-end portfolio of consulting services including business strategy, business and affinity cards, credit and debit cards, contact center optimization, risk and collections analysis, branch sales training, marketing services, and B2C campaign execution. Whether your credit union is looking to expand its offerings, build a legacy of community involvement, create the strongest possible capital footing—or all of the above—Advisors Plus consultants bring the strategic vision, deep industry expertise, and proprietary data analytics needed to help credit unions better serve their members and their communities. For more information, visit advisorsplus.com.