



Editorial Perspective:
*PSCU's Advisors Plus Credit Card Experts
Help a Nevada Credit Union Change its Members' Luck*





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by Tom Chandler

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Nevada's economy was left reeling by the Great Recession of 2008-09, and in its wake, many of One Nevada Credit Union's 77 thousand members found themselves underwater on their mortgages and deep in personal debt.

Engineering a Dramatic Turnaround

As the state's largest locally-based credit union — with over \$770 million in assets and 14 branches — One Nevada wanted to play a strong role in getting its members back on their financial feet while prudently managing its own credit card portfolio recovery.

Working with the credit card experts of PSCU's Advisors **Plus** Consulting and Marketing Services, One Nevada engineered an extraordinary five-year turnaround that not only dramatically improved its overall portfolio health but grew membership, launched the premium Visa Signature® card suite and brought in nearly \$5.4 million in new balances between November 2013 and March 2016.

Optimizing One Nevada's Card Portfolio

One Nevada's return to growth began in 2011 when veteran Advisors **Plus** credit card consultants Steve Thompson and Mike Gullede conducted One Nevada's initial portfolio strategy review.

"Given the circumstances in 2011, One Nevada's overall risk profile was surprisingly good," Gullede recalled recently. "But we were also seeing huge charge-offs and negative ROA. Advisors **Plus** recommended modifications to One Nevada's collections, charge-off and recovery processes, as well as suggesting that One Nevada establish a minimum C/B score."

"Basically, we advised One Nevada's senior management that they needed to grow their good dollars to dilute their bad dollars," summarized Thompson.

BACON Checking Jumpstarts Membership Growth

By 2013, Nevada's general economic picture had brightened considerably. One Nevada had brought its real estate losses under control and its loan-to-share ratio was rapidly improving.

That summer, Greg Barnes, One Nevada's Senior Vice President of Marketing, sensed that the time was right to begin growing membership and cooked up his now-legendary BACON checking account acquisition campaign.



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In a state famous for its all-you-can-eat buffets, the BACON campaign (which stood for Bad A\$\$ Checking One Nevada) was a sizzling success. Through radio ads, TV commercials and even Las Vegas billboards, Barnes served up One Nevada to a new generation of members hungry for access to its high-quality banking services, particularly the flexibility offered by One Nevada's cutting-edge mobile banking technology.

Can You Help Us Grow?

"After years of caution, suddenly [the success of BACON] united everyone in their dedication to do everything possible to grow One Nevada's credit card portfolio," noted Advisors **Plus**'s Gullledge. First on One Nevada's priority list was working with PSCU to bring Visa's premium Signature® card program to all of One Nevada's creditworthy members.

With the new card suite in place, One Nevada was ready to implement Advisors **Plus**'s recommendations regarding credit line increases (CLIs). "We worked with One Nevada to craft a strategy that went from every member having a similar line independent of risk to giving members the right lines based on a matrix that utilized risk level, income and DTI," said Gullledge.

Credit Line Increases Work Their Magic

The credit line increases went into place in September 2013. Two months later, One Nevada began working with Advisors **Plus** Marketing Services to launch the first of what would become an ongoing One Nevada tradition of spring and fall balance transfer and convenience checking campaigns.

The response to the first 2013 campaign was overwhelming across all measures. Compared with an identical baseline campaign run in 2012 before the credit line increases, the response rate increased 30 percent. The 2013 campaign brought in balances of \$1.54 million, 43 percent higher than the level achieved by the 2012 campaign – and that was just the beginning.

The Growth Gains Momentum

One Nevada's balance transfer and convenience checking campaign ran the next year from November 2014 to February 2015 and gained even more momentum. The response rate was a whopping 8.09 percent and brought in an additional \$1.81 million in outstanding balances.

The credit union's most recent campaign, from December 2015 to February 2016, was the first to incorporate all of One Nevada's Visa Signature® cardholders. The response rate was a robust 7.47 percent, and the campaign had already brought in well over \$2 million in new balances as of March 2016.

Partnering for \$5.4MM Balance Growth

Overall, One Nevada's baseline balance transfer and convenience checking campaigns and its decision to increase credit lines accounted for a total of nearly \$5.4 million in incremental balances held in 1,466 accounts over a two-year period.



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PSCU's Advisors **Plus** is proud to partner with One Nevada to help it place the kind of analytical, considered portfolio and marketing bets that have not only been winners for the credit union but have also helped change the future luck of One Nevada's membership for the better.

For More Information

Arnie Goldberg

Director, Business Development
727.299.2535
813.316.8036 mobile
agoldberg@advisorsplus.com

OR

Your PSCU Account Executive

About Advisors Plus

Advisors **Plus** serves as the consulting arm of PSCU, helping credit unions to meet their financial and business challenges and grow. The team provides practical, data-driven expertise in the areas of business strategy, credit cards, debit and checking, marketing growth campaigns, digital and branch channel engagement, and contact center and operations optimization.

With over 250 years of combined experience, Advisors **Plus** consultants partner with credit union management to provide actionable solutions for sustainable business growth, exceptional member experiences and measurable operational efficiencies. For more information, visit **AdvisorsPlus.com**.

About PSCU

Advisors **Plus** is an independent business unit of PSCU, the nation's leading credit union service organization (CUSO). Founded in 1977, PSCU is owned by over 800 Member-Owner credit unions representing 18.5 million credit, debit, prepaid, online bill payment, mobile and electronic banking accounts. 24/7/365 member support is delivered through call centers located throughout the United States that handle more than 18 million inquiries a year. For more information, visit **PSCU.com**.