

Just say “Thanks”

- The importance of solidifying relationships with members by showing appreciation -

By Jeff Frantz, senior vice president of Lending Solutions, Inc.

During a recent conversation with a colleague the question came up, “When was the last time your financial institution called to thank you for your business and suggest that they would love the opportunity to do it again?” My associate mentioned he has had checking and savings accounts and loans at numerous financial institutions during the last several years and could not recall any of them reaching out with a phone call. By contrast, the car salesman he’s been buying from for many years calls him periodically just to check in and find out how things are going, resulting in a more developed working relationship and repeat auto purchases.

Everyone is always more inclined to do business with those who are appreciative. People remember when you say “thanks.” A phone call out of the blue just to express appreciation leaves a positive impression. That’s the 1 in 100 call you’ll remember because it’s not the “I’m going to sell you something” call.

By and large, people become a member of a credit union because they like the idea of membership, ownership, being part of something. Credit union lobby traffic is always busier than their bank counterparts because members like to be seen, recognized and told they’re appreciated. So why stop at the branch? Besides, not all your members go to the branch.

Got new members because you are buying dealer paper? Odds are they will need another loan in a year or two and the likelihood of them using the credit union is slim unless a seed is planted. Two phone calls over two years to say “thanks” is more than their bank is doing, and the probability that you are now an option increased 10 fold for a small investment; marketing dollars never spent more wisely! Also, that new indirect member is still a prospect for all those banks

looking for home equity opportunities. It might make sense to set the stage to convert a small, short-term loan into a larger, long-term loan with the credit union before someone else does. Indirect lending is a wonderful new way to grow loans and deposits but you have to “cultivate the crop” with an occasional phone call and a few kind words.

Calling your members to say “thanks” is not new. It is just good common sense and many successful credit unions are experiencing payback for their efforts. An ancillary benefit of reaching out is immediate incremental business brought on by a member inquiry during the call but the objective of setting the stage or planting the seed will reap the greatest long term benefits.

When your members have a financial need in the future, and they will, who do you think they’ll be inclined to remember, the people who called and said “thanks” or the people who didn’t? Just say “Thanks”.

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