

First Financial Bank

Comprehensive Loan Marketing Program Generates Millions in New Loans



Background

For 124 years, First Financial Bank has served the financial needs of generations of families, professionals and business owners. With assets of \$5 billion, the institution comprises 12 regional banks with 60 locations across Texas. Recently, First Financial Bank was recognized by *Bank Director Magazine* as the #3 best performing bank in the nation in the \$1 billion to \$5 billion asset category.

Challenge

While First Financial Bank has performed well for many years, the institution suspected that there was still significant opportunity for growth, particularly in its loan portfolio.

A Harland Clarke Opportunity Analysis illuminated the scope of the bank's loan growth potential, and recommended that the bank implement a comprehensive program to cross-sell new loan products to its existing account holders who fit the bank's loan underwriting criteria. The idea was to address the opportunity in the bank's entire loan portfolio and create a streamlined program of loan creation, loan generation and loan fulfillment.

Solution

Harland Clarke's Loan Marketing Ecosystem — a suite of customized loan cross-sell programs — fit the bank's needs perfectly. Designed to reach the bank's account holders at the right time with the right offer, the marketing campaign combined three distinct solutions for three distinct audiences:

The **Shopper Alert™** loan capture program reached the bank's loan-seeking account holders precisely when they were most receptive to loan offers. First, it identified current First Financial Bank account holders who were actively shopping for a new mortgage, auto or personal loan with a competitor. Then it automatically generated and mailed a preapproved loan offer from First Financial Bank within 24 hours of alert of an inquiry to any of the three leading credit bureaus.

The bank then followed up with outbound calls to create dialogue with the account holders, assess other needs and opportunities, and answer customer questions.

The **Refi Genius™** loan refinance program identified First Financial Bank account holders who had auto, mortgage, HELOCs or home equity loans at competing institutions. The program then assessed the length of time left on the loan to weed out those with too low of a pay-off threshold. Based on this data, the program generated a preapproved loan mailer offering an "as low as ..." percentage interest rate and a \$100 cash bonus for refinancing with First Financial Bank.

More than
\$41 million
in new loans

Personal follow-up
generated additional
opportunity
for cross-selling
and engagement

Deeper
relationships
with existing
account holders

Cost-effective
loan portfolio
growth

The **Loan Magnet™** prequalified loan cross-sell program, the broadest of the three, identified which of the bank's account holders met its auto, HELOC and home equity loan underwriting criteria, then assessed which account holders were most likely to buy which type of loan. Based on that analysis, the program generated a pre approved loan mailer offering an "as low as ..." percentage interest rate for a specific type of loan — auto, mortgage or home equity.

Results

In just 12 months, the comprehensive cross-sell program identified more than 77,000 First Financial Bank account holders who met the bank's underwriting criteria and sent them customized auto, mortgage or home equity offers. The three programs generated extremely healthy responses, resulting in more than **\$41 million in new funded loans for the bank**, with an additional \$14.5 million still in process.

The most targeted of the three programs, **Shopper Alert** focused on the smallest target universe. As a result, the program generated the highest response and resulted in more than \$6 million in new loans. The program reached account holders actively shopping for a loan precisely when they were most open to reviewing loan offers. Timely follow-up calls enabled First Financial Bank to reach these account holders before they booked their loan with a competitor and gave the bank a one-on-one opportunity for personal connection and further cross-sell.

The **Refi Genius** loan recapture program was also highly successful, generating nearly \$11 million in new loans, and the **Loan Magnet** prequalified loan cross-sell program generated nearly \$24 million in new loans.

The Loan Marketing Ecosystem cross-sell programs were a gold mine for the bank, which was very pleased to deepen its relationship with its customers. The programs not only paid for themselves many times over, but they also opened the door for one-on-one customer conversations and underscored First Financial Bank's commitment to customer service.

What This Means to You

First Financial Bank is one of several financial institutions around the United States that has implemented Harland Clarke's Loan Marketing Ecosystem cross-sell programs with outstanding results.

The programs provide a highly efficient way to re-engage customers and offer them something they value. They also help you take advantage of several elements essential to loan cross-selling.

It pays to cross-sell. Selling new products to existing account holders is one of the best ways to reduce attrition and increase loyalty. Plus, it's cost effective: the cost of selling an existing customer a new product or service is about 10 percent of the cost of acquiring a new customer.¹

More products = more loyalty. Six to 10 percent of your account holders are shopping for a new loan every 30 days.² By capturing their business across multiple products and services, you can improve engagement and deepen customer relationships.

Account holders like hearing from you. Account holders want to hear from you about services that will benefit them. Communicating relevant offers makes them feel known and valued. The cross-sell program reaches loan-seeking account holders with great news from you — a preapproved loan offer.

Opportunity knocks. Personal communication with account holders underscores your service philosophy, builds top-of-mind awareness, and gives you the perfect opportunity to assess — and meet — additional needs.

Implementing Harland Clarke's comprehensive loan marketing program is a highly effective way to cross-sell mortgage, auto, credit card and personal loans to your current account holders. Let us help you efficiently reach your account holders with good news — a preapproved loan offer.

Institution size, assets, campaign results and statistics based on client data. Many variables impact marketing campaign success. Information on earnings or percentage increases that is contained within this case study is provided for demonstrative purposes only. Harland Clarke does not guarantee or warrant earnings or a particular level of success with a campaign.

¹ Harland Clarke marketing campaign data

² Harland Clarke analysis of client data

To learn how Harland Clarke can help your financial institution with a comprehensive loan marketing approach that meets your lending objectives, call **1.800.351.3843**, email us at **contactHC@harlandclarke.com** or visit **harlandclarke.com/LoanMarketing**.