

## First Financial Bank Prequalified 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 high potential for growth, particularly in its loan portfolio. But offering all of its account holders loans wasn't a cost-effective approach. The bank needed to know which of its customers fit its credit underwriting criteria for specific types of loans, and which loans were most appropriate for cross-selling to which customers. The bank also needed an efficient way to reach account holders with customized offers.

### Solution

Harland Clarke's Loan Magnet™ prequalified loan cross-sell program fit the bank's needs perfectly. Designed to reach account holders who met its lending criteria with a preapproved offer, Loan Magnet:

- Identified which of its account holders met auto, HELOC and home equity loan underwriting criteria.
- Assessed which customers were most likely to buy which type of loan.
- Automatically generated a preapproved loan mailer offering an "as low as ..." percentage interest rate for a specific type of loan — auto, HELOC or home equity.

### Results

In its first 12 months, the program identified nearly 42,000 First Financial Bank account holders that met the bank's criteria, and sent them customized auto, HELOC or home equity loan offers. Interest rates differed for each type of loan.

More than  
**\$24 million**  
in new loans

Deeper  
**relationships**  
with existing  
account holders

Cost-effective  
loan portfolio  
**growth**



The campaign generated an application rate of more than 3.3 percent. With nearly \$24 million in total loans funded, including almost \$8.4 million in auto loans, and more than \$14 million in mortgage and home equity loans, this solution paid for itself many times over.

### What This Means to You

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.<sup>1</sup>

First Financial Bank is one of several financial institutions around the U.S. that has implemented Harland Clarke's Loan Magnet cross-sell program with outstanding results.

The program offers a highly efficient way to engage customers and offer them something they value. A program like Loan Magnet helps you take advantage of several elements essential to loan cross-selling.

**More products = more loyalty.** Six to 10 percent of your account holders are shopping for a new loan every 30 days.<sup>2</sup> By proactively 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 Loan Magnet cross-sell program reaches your loan-seeking account holders with great news from you — a preapproved loan offer.

**Opportunity knocks.** Personalized communication with account holders underscores your service philosophy and builds top-of-mind awareness.

Implementing Harland Clarke's Loan Magnet 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.

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](mailto:contactHC@harlandclarke.com) or visit [harlandclarke.com/LoanMarketing](http://harlandclarke.com/LoanMarketing).

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.

<sup>1</sup> Harland Clarke marketing campaign data

<sup>2</sup> Harland Clarke analysis of client data



*Harland Clarke's Lifecycle Marketing Solutions — powered by advanced analytics, insightful data and award-winning creative designs — drive engagement and profitability at every stage of the account holder relationship.*

*Through effective acquisition, onboarding and cross-selling strategies, we help our clients achieve primary financial institution status with their account holders.*

#### Acquisition

Reach prospects with targeted, effective communications that encourage new account openings and set the foundation for strong relationships

#### Onboarding

Use relevant account holder data to deploy multichannel communications that effectively transition new account holders into satisfied, loyal customers

#### Cross-sell

Increase the number of household products to capture full profit potential