

# On the Mark

Helping you **mark** your credit union for success



Marketing Matters

Blog Updates

Online Buzz

Success Stories

Website

## Marketing Matters

### Generation X is Turning 50 This Year

#### *What That Means for Credit Unions*

It seems like it wasn't that long ago when Generation X became the latest buzz word. They were the young kids changing the way the world functioned. This year, the oldest members of the X generation are turning 50. Is your credit union prepared to serve these aging members according to their needs?

#### Who is Generation X?

Strauss & Howe, the leading demographers in the country, define the Generation X population as anyone born between 1961 and 1981. When they were younger, they often were stereotyped by body piercings, alternative rock and grunge clothing. Generation X was formed by technology and cable television. Remote controls, pagers (or beepers as they were called), microwaves and computers were not just something they saw on sci-fi movies and cartoons like *The Jetsons*. Those gadgets were a way of life for this generation, growing up.

Gen Xers define themselves by individuality. They were latch key kids growing up and now account for about 70 percent of new startup businesses. They are somewhat skeptical, have a "believe it when I see it" mentality and are both independent and diverse.

#### Reaching and Serving Generation X

As with any aging generation, the way you view Generation X must change if you plan to keep their business or capture new business from them. While the principals and philosophies that formed this generation remain, their needs have changed – at least for the older half.

Generation X is now squarely in middle age. They are older, they have families and they are career-oriented. Gen Xers have kids who range in age from birth to college. They lead busy lives as soccer moms and entrepreneurs. They have many responsibilities competing for their time.

Typically, Generation X is a generation of borrowers. About 45 percent of this generation is so far in debt, they can't even think of retirement. Those who were saving for retirement lost a good portion of that savings when the economy tanked. This generation is still borrowing and is in its prime borrowing years. They will be one of your best auto loan markets. The older half of Generation X are experiencing a shift in financial needs. In fact, for marketing purposes, it may be best to divide Generation X into two sub groups – 30s and 40s.

### Older Middle Age

The older half of Generation X will want to retire, and they will need your help to get there. Those with kids in school will need a way to send those kids to college. They will need your help to get there, as well. Helping to make them more financially stable with considerably less debt is important if they have any chance of making these dreams a reality. In essence, you will need to convince the older half of Generation X that it's time to become a generation of savers, at least more so than they are today. This is not e a difficult sell if you communicate with them in a very real and authentic way.

Gen Xers don't want hype. They don't want marketing slogans that promise one thing and deliver another. They want information, education, variety and options. They want real solutions to their financial obstacles, and they want realistic steps to help them achieve their financial dreams. It's not just about marketing. It's about meeting or exceeding their needs when they need you, from wherever they are. Technology is crucial to reaching this entire generation, even the older half. It's also about training both internal and external member service about what's important to this generation and how to interact with them. During a training session on generations conducted by On the Mark Strategies, a teller said she became the top seller at her credit union simply by looking at the date on a member's drivers license and talking about something from that person's generation.

Credit unions offering financial fitness programs like [BALANCE](#) will appeal to older Gen Xers. [Las Colinas Federal Credit Union](#) calls its program [Financial Rx](#). It's an entire package of services designed to help people reverse their money troubles. Offering financial seminars will appeal to them, as well, but don't just offer them in person. Provide them as videos, webinars or podcasts on your website, so members can use these tools at their convenience. [The Golden 1 Credit Union](#) offers an extensive collection of free [financial workshops online](#) on just about any financial topic imaginable.

One of the best ways to capture and hang on to older Gen Xers may be to educate them about investments and help them recover some of the retirement savings they have lost in this unstable economy. Remember, this is an educated, career-oriented generation of people with above average income. They have the means to save for retirement, but they don't necessarily understand the stock market, nor do they trust it. At the same time, they know they have to do something, because they don't believe social security will be around when it's time for them to retire.

Credit unions who can take these people under their wings and help reverse the downward trend of their retirement portfolios will have the best chance of retaining these members. That may mean partnering with licensed financial advisors. It may mean packaging services differently, enabling you to pay higher rates on guaranteed investment products with shorter terms. This generation needs to see the return before they will fully trust your ability and motive to serve their financial needs.

Finally, support their dreams of entrepreneurship. Help them with business loans. Offer them

accounts that help them manage their business. You might even consider indirect lending programs that enable their customers to finance the products and services being sold by these entrepreneurs. Eerie Federal Credit Union was one of the first financial institutions in the nation to offer this type of indirect lending program, growing its business loans from \$275,000 to \$8 million in one year.

Generation X is a lucrative target for financial institutions. Like any generation, you just have to know what makes them tick and cater to them accordingly.

---

## Zombie Invasion Helps CUs Grow Loans

In today's lending environment, credit unions will do whatever it takes to grow loans - even conduct a zombie invasion. PTP New Media has designed an incredibly creative campaign called Zombie Invasion to help credit unions increase their auto loans and credit card portfolios.

The campaign's theme is about helping your members "survive" a Zombie invasion with your credit union's auto loans or credit cards. The campaign comes with print material (flyers, inserts, direct mail, posters, etc.) and online creative material, including an interactive microsite, web videos, web banner ads, e-mail marketing and social media tactics. PTP also provides campaign strategy and internal promotion ideas – all at an affordable price.

"It's hard to strike out as different and stand out," says James Robert Lay, Grower of Relationships at PTP New Media. "So we have made it easy for credit unions to get noticed. By combining an exciting, visually appealing campaign with a focus on auto loans or credit cards, your credit union can cut through the clutter and get other people talking about your brand. The campaign is fun, different and creates buzz in your community."

The campaign has multi-generational appeal and can be a refreshing change from the typical loan October loan promotions that show fast cars or falling leaves. Consider this low-cost option for increasing your credit unions' auto loan and credit card portfolios this Fall.

---

## Blog Updates

Follow Mark's blogs for frequent and timely information on topics like marketing, branding, generations, leadership, Think Huge and more. Blog posts are updated weekly. Here are links and summaries from some recent posts.

### Throwing Out the SWOT Analysis

It stands for Strengths, Weaknesses, Opportunities and Threats, and credit unions have been using it in their planning sessions for years. Should we really just do away with our trusty old SWOT analysis. Read this blog post to find out.

### Fighting the Competition the Chick-Fil-A Way

What would your credit union do if it was the only financial institution in town and then one day Credit Union B moved in next door? This actually happened to a Chick-Fil-A restaurant in Dallas, Texas. See how the restaurant beefed up its marketing to remind its loyal customers they should be eating more chicken.

### Sleep is a Weapon

If Red Bull or Starbucks or other sources of caffeine are the only thing keeping you awake during the day, you may be sleep deprived. You are not alone. Statistics from *Success Magazine* shared in this blog clearly demonstrate that we live in a heavily sleep deprived society. Find out how you can defy the odds and use sleep as a weapon, both personally and professionally.

---

## Online Buzz

### Comments and Ideas from Mark's Blog Readers

#### Emotional Branding for Credit Unions

"If you ever stayed at The Ritz, you couldn't help but be greeted by the sweet fragrance of flowers in the main lobby area upon your arrival. There was always a large assortment of flowers in prominent display. Of course, the flowers and especially their fragrance was part of their brand experience.

In fact, the hotel's Credo reads in part, "The Ritz Carlton experience enlivens the senses, instills well-being, and

**"The true measure of differentiation is consumer's (eg. members and especially non-members) ability to recognize, or better yet, to identify the institution as one of the top 2-3 providers based on whatever differentiation is used (low cost, high touch / high value, etc.)."**

fulfills even the unexpressed wishes and needs of our guests...Seems to me, if a sensory branding experience contributed so much to their success, imagine how it might contribute to the credit union experience."

**-Walt Laskos**

### Member Retention Fuels CU Growth

"There are still far too many resources (time and money) spent strictly on mass acquisition activities. Too little attention is paid to identifying those members that are likely to leave and proactively working to strengthen and retain those relationships. If you're reaching out after the account is closed, it is far too late."

**-Mike Bartoo**

### Overcoming the Brand Chasm

"Credit union branding makes sense. You truly have to be a storyteller. What's your core audience and what do you value as a company. Today's consumer space needs a message. The consumer is exhausted make it a simple tagline, "we're listening" this is who we are."

**-Matthew Egan**

**The nonscientific studies we performed suggest that Credit Unions (and most non mega-banks) fail this test. Turning this around is now more critical than even given that many members (and banking customers at large) are quickly migrating to online and mobile banking channels (away from face to face interactions in the branch)."**

**- Serge Milman -**

***We want to hear from you. If you have used an idea or learned something of value from one of Mark's blog posts, be sure to leave a comment on the blog so others can benefit from your experiences, as well.***

---

---

speaking • branding • planning

**Contact Mark Arnold:**  
**(214)538-4147**  
[mark@markarnold.com](mailto:mark@markarnold.com)