

CASE STUDY

Multi-Loan Pre-Approval Yields a Whopping 500% ROMI for HawaiiUSA

“Vericast makes it easy. They take care of everything – mailing the letters, sending the email, analyzing the data. And the volume, \$58 million, speaks for itself.”

BACKGROUND

HawaiiUSA Federal Credit Union is a \$2.2 billion — Honolulu-based institution with a long history and deep roots serving communities on Oahu, Maui, Kauai and the Big Island. After using seasonal marketing, partnerships and organic loan marketing activities, the credit union wanted to shift its strategy to grow its loan volume and market share of auto loans, personal loans and credit cards.

SOLUTION

HawaiiUSA FCU chose Vericast’s Multi-Loan Pre-Approval because of the credit union’s previous positive experiences with the Vericast team and check and card solutions. They were also impressed with the outstanding results the solution had delivered for another institution. Multi-Loan Pre-Approval lets institutions continuously prescreen and match qualified candidates with unique personalized offers for home equity, auto, credit card and personal loans — all at once and across multiple channels.

Multi-Loan Pre-Approval made it easy for HawaiiUSA’s members to access, review and accept multiple loan offers — anytime and anywhere, and offers a lower cost per acquisition than traditional campaigns. The process is smooth and seamless. “It really streamlined the process for both employees and members,” said Kelii Peltier, AVP Loan Administrator. “Because staff doesn’t need to verify income and employment.”

In addition, HawaiiUSA FCU experienced the following results over four waves of the Multi-Loan Pre-Approval campaign:

Number of loans booked: **4,015**

Total value of loans booked: **\$58 million**

Return on marketing investment (ROMI): **500%**

Average cost per booked loan: **\$96**

Analysis of ACH transactions from HawaiiUSA accounts revealed a number of members were sending the same amount each month to other institutions. HawaiiUSA suspected these were likely minimum payments to various types of credit and charge accounts and decided to specifically focus on these accounts in subsequent waves of the Multi-Loan Pre-Approval program. As part of the campaign, the credit union further drove response by using the contact center to follow up with these members and educate them about using personal loans to eliminate their balances and save on interest payments.

RESULTS

Member response to the preapproved offers was overwhelmingly positive. In fact, many members redeemed multiple offers over the course of the campaign. HawaiiUSA opened over 1,300 credit cards in 16 months with over \$10M in commitments — the highest credit card growth it had seen in nearly 30 years. With an average of \$11.5 million per wave, they exceeded their goal of \$10M in funded loans each wave.

News of the preapproved loan offers was boosted by significant word-of-mouth promotion, as well. Some members even proactively inquired about why they had not received any offers after learning their friends and family members received offers. This creates an opportunity for staff to educate members on financial wellness and share tools and resources on how they can improve their creditworthiness over time.