



# WordCom™

## INTELLIGENT TARGET MARKETING NEWSLETTER

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### More Loan Opportunities: Invitation to Apply (ITA)

TIM BERGER, SENIOR VICE PRESIDENT

*Most financial institutions use a prescreened list when soliciting loans to customers. However, there is actually an alternative that has proven to be a better option for many financial marketers. It is called an "Invitation to Apply" (ITA).*

#### Pre-screened Shortcomings

Pre-screened lists are an effective way to ensure that loan targets are credit worthy and conform to other criteria requirements, but they are also very expensive, require a firm offer of credit, typically require legal language that will scare the customer, and—most importantly—do not allow approval of customers that are just a bit below the FICO score floor. As a result of those restrictions, there are many missed opportunities for increased, solid loan sales.

#### The ITA Option

In some marketers' opinions, the better option is an Invitation to Apply (ITA), which is comparatively less expensive, does NOT include a firm offer of credit, has much less legal jargon, and opens up the audience to communicate with many more customers.

ITA lists allow for including credit worthiness aggregated at the zip+4 level (a small geographic area consisting of between 5-20 households). In addition to this, demographic, home data, and/or other criteria can be used to further qualify targets for a loan or credit card offering.



#### One Success Story

A WordCom client was disenchanted with the challenges of a pre-approved mailing and was hoping reduce the red tape and cost, while maximizing their lending opportunities. So the simpler ITA option was used for their home equity promotion. And the results were:

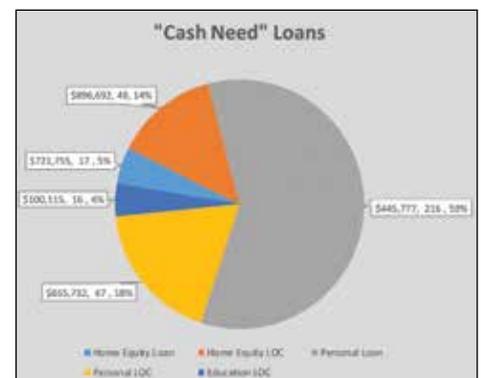
- 361 home equity loan applications in a 3-month window following the promotion.
- Of these, 239 (66%) were approved or are still in a pending status.
- The direct marketing promotion, sent to 18,373 of their customers, succeeded in accounting for 96 (40%) of all home equity loan applications

approved or still pending during the tracking window.

- 66 of these (69%) had closed in this window, with 8 still pending.
- But nearly as important were the 299 personal loans and lines of credit that were brought in by this audience.
- The 66 equity loans, coupled with these 299 other loans, equate to a 1.99% "response" rate.

#### More Loan Opportunities

When a group of customers are just below the credit score (FICO) needed to qualify for the loan but all the other requirements match with the established criteria, would most financial institutions approve the loan? Results show it is very beneficial to at least have a conversation with them to see if there is another way to loan them the money they need, as this can result in solid loan business that otherwise would have been missed.





## Multi-Channel Marketing Options

HARRY WALTMAN, VICE PRESIDENT

*Repetition has always been a central tenet of advertising. Create a message and product offer tailored to a market, target it properly and then deliver it repeatedly. Hopefully, the prospect or customer hears the ad on the radio, sees it on TV, drives past the billboard or receives a direct mail piece that piques their interest enough to make them respond.*

The various advertising mediums used were really the beginning of multi-channel marketing. In today's world, the range of channels has broadened to include digital advertising, email marketing and social media. And the expansion of multi-channel marketing has had a positive impact on direct marketing results.

### Direct Mail + Multi Channels = Response Lift

Since most people still get and look at their mail, bank marketers continue to view direct mail as an effective channel for acquisition and cross-sell efforts. If it comes from their financial institution or advertises a compelling rate, a direct mail piece is likely to be read and the call to action considered.

Repetition of the direct mail message over several mailings is usually recommended as part of the marketing program. However, marketers today have a multitude of channels to reinforce the direct mail message. Employing a multi-channel approach in conjunction with a direct mail campaign has proved to provide significant lift to mailing results.

### Email Campaigns

Program response lift has been consistently demonstrated when both mail and email messages are used. Onboarding and cross-sell programs can be structured so that the two channels are parallel efforts.

Shortly after the direct mail message is delivered (in home), an email version is sent reinforcing the offer contained in the mail piece. Email versions should be compatible with both mobile and computer devices.

Depending on the number of mailing cycles, email messaging can be used repeatedly as well. In this way, the concept of a repetitive communication program using multiple channels can be embraced so that response results can be maximized.

### Digital Advertising

Targeted digital advertising can also be used in conjunction with a direct mail campaign by focusing online advertising to specific households using their Internet Protocol (IP) addresses. IP addresses are public information, like a mailing address, and technology exists to match a household's IP address to the mailing address.



Banner ads can then be placed on over one million websites that include 30-50 billion advertising impressions per day. These ads are then displayed to targeted IP addresses when a site is visited. Advertisers have the ability to add or restrict specific sites. Ad placement can be timed to appear just prior to mail delivery and immediately afterwards.

### Sales Tracking and Evaluation

Multi-channel marketing can be tracked, measured and evaluated providing evidence of the program's value. Each channel should have a tracking period or range of dates subsequent to the advertising during which sales are recorded. This window can vary in length depending on the product offered.

New account openings are matched back to the targeted household list that the offer was delivered to. Analysis is provided, detailing direct openings of the product or service offered.

Also important are the additional account openings besides the offered product. These additional account openings help marketers fully understand the impact of repetitive communication programs.

The sales tracking analysis should

also provide insight to how the different channels respond when employed together or apart. Testing offers and trying different channel pairings can help marketers refine their institution's marketing programs, allowing for more efficient use of budget dollars.

It's important that the advertising message reaches the customers or prospects and that the message is reinforced through repetitive touches. Designing and implementing a targeted, multi-channel communication program can achieve both goals and offers results tracking to help institutions evaluate marketing efforts.



## It's 10pm... Do You Know Where Your Mail Is?

ANN SULLIVAN AND MARY RUCCI, DATA MANAGEMENT SPECIALISTS

*Since the implementation of the Intelligent Mail® barcode (IMb) in 2013, more financial marketers are using the Full Service IMb as a means to track their mail and make better decisions about coordinating sales support.*

The five data components of the Full Service IMb are: barcode identifier, service type identifier, mailer ID, sequence number, and delivery point zip code. These components are the backbone of the process of tracking mail. The USPS calls this IMb Tracing™.

### IMb Tracing

This service helps to measure the arrival of direct mail, which can assist with an overall multi-channel communication strategy. It uses the Full Service IMb to deliver end-to-end mail piece tracking and reporting, thereby affording efficiency-minded mailers the opportunity to transform data into actionable results needed to drive business.

Tracing data can be used to target when the mail arrives and trigger the next set of communications. This can result in improved response rates and provide the ability to measure what is happening with the mail for smarter and more effective mailings.

Real conclusions can be formed, not just assumptions, about the delivery of mail. This affords marketers the ability to refine communication strategies and improve response rates.

### Date of Delivery

IMb Tracing provides evidence of the date of delivery. This can also be used to test the post office of departure/destination for timeliness with mail. The IMb traces the mail all the way from departure to the last postal destination and allows the opportunity to see the amount of time the mail is taking to actually get there, as compared to other forms of communication, such as email. This knowledge translates into real business benefits:

- **Predictability:** Pinpoints delivery dates for tightly coordinated marketing efforts and helps to plan future marketing campaign strategies.
- **Accountability:** Keeps tabs on postal performance and delivery guidelines to ensure timely delivery of marketing messages.



- **Visibility:** Makes the mail stream an "open book" so mailings can be planned for optimum results to test different offers.

### 24/7 Reporting

IMb Tracing also allows for 24/7 reporting, which creates visibility for outbound mailings. The IMb assigns a unique identifier to each mail piece. Tracing collects step by step delivery

information from postal facilities on each piece's outbound delivery path and updates are posted multiple times daily to a secure website.

Customizable reports can be run at any time or scheduled for delivery via email or FTP. Being able to follow a mail piece to its destination, and also understand which pieces did not get delivered, helps to be prepared in advance and prevent wasted future communication. It can also help

evaluate mail effectiveness, which in turn, can improve cash management.

IMb Tracing is different from prior USPS tracking because prior tracking only used the Intelligent Mail package barcode (IMpb) to track parcels and priority mail. The advanced tracking uses the Intelligent Mail barcode (IMb) to track first-class, standard, and periodical letters and flats.

Third class mail is a great bargain, but the USPS does not guarantee its arrival. Marketers now have the ability to save on postage rates, while also being able to better determine delivery dates. These full service tracing functions will incur an additional cost charged by the postal service.

However, being aware of delivery timeframes is worth the cost because it can help adjust multi-channel marketing strategies, and can also give marketers a better understanding of when staffing may need to be ramped up to support an increase in business. It can also aid in back-end tracking and analysis so messages that may have been undeliverable aren't counted, and tracking windows can incorporate true delivery dates rather than estimates.

Throughout 2015, the USPS has been promoting programs to communicate "Hi Touch/Hi Tech" in an effort to use more multi-channel marketing messaging, and will continue to roll out similar programs into 2016.



## Online Resources for Financial Marketers

STEVE MORRIS, VICE PRESIDENT

*It can be very difficult these days to keep up with the constant flow of information. The “24-hour news cycle” provides a constant stream of news, and just when the most recent updates come through, they change. But online resources can help.*

It seems like financial marketing is on this path as well. Technology is changing the entire way business is getting done; an institution either keeps up or gets left behind. But with all of the deliverables that today’s financial marketer has on their plate, how do they keep up with the latest and greatest? Trade journals, conferences, web searches? All of these are either too time consuming, expensive, or not timely enough to act upon.

Luckily, there are now a number of resources at the fingertips—again—thanks to technology.

### Bank Industry Websites

New to this category and to the benefit of financial marketers is [ababankmarketing.com](http://ababankmarketing.com). This site, launched during the 2015 ABA Bank Marketing Conference in Denver, CO is a step to “turn the page” for the long-time magazine which published its last edition in October. Although new, this site looks like it will be a tremendous aid to bank marketers of all shapes and sizes. Not only does it provide ideas and information on topics such as “Marketing to Small Businesses,” it also provides updates on everything that the ABA Marketing Network has going on—from conferences and training to the ABA Bank Marketing School.

### News Aggregator Websites

There are service providers that continue to write whitepapers, newsletters, and articles in order to find ways to provide information on the latest products and services. Thankfully, there are publishers like CB/CU Insight and the Financial Brand that make this

information available in an easy to access format. [cbinsight.com](http://cbinsight.com) is a great resource for Community Bank marketers, and its sister site, [cuinsight.com](http://cuinsight.com), is a great resource for Credit Union marketers.

These sites specialize in aggregating information from various sources to provide the reader the latest information on new products and services. They also pull news articles from industry publications that they believe will interest their readers, on subjects such as regulation, sales ideas, technology. Readers can also sign up for a daily newsfeed, and they’ll also get a weekly re-cap newsfeed that gets sent on Fridays with the top stories and subjects.

The Financial Brand ([thefinancialbrand.com](http://thefinancialbrand.com)) also aggregates articles and ideas from outside sources, but they actually go one better: not only do they do a lot of content generation, they also conduct a number of industry surveys throughout the year, and this year they will hold their third conference called The Financial Brand Forum.

This gathering of banking professionals is quickly becoming the “go-to” conference in the industry as it

brings together both bank and credit union marketing professionals from large and small institutions, and has a growing international following. Their website has current and archived articles on all challenges facing financial marketers, and there is a tab dedicated to resources and a vendor directory to save marketers time in finding partners for their specific projects.

### Direct Marketing Website

This category of resource is always a good spot to find information on specific offerings, case studies, whitepapers, and to learn more about a company and their capabilities. WordCom’s website, [wordcom-inc.com](http://wordcom-inc.com), provides the financial marketer with a number of resources.

This website offers information on ways to target prospects and customers through various programs, and it also provides case studies that explain how these programs can be implemented and executed. On the “Solutions” tab, answers are given to simple question examples, asking “how do I...” It then fits together the different facets from other parts of the website to provide the reader all of the information in one area.





The WordCom CheckingIQ™ program is uniquely designed to build profitable customer relationships by acquiring new checking customers and providing cross-sell and fee income opportunities.

Our proprietary process geocodes your customer database and matches it to our National Consumer file to append demographic and socio-economic indicators. A model is built to determine what variables are most descriptive of your checking customers and a scoring system is developed that finds existing customers or prospects that have a high likelihood of coming on board.

In addition, reports are generated that provide detailed insights about your customers across a wide-range of demographic data points, which can help with crafting offers and messaging.

Marketing with a CheckingIQ™ profile could eliminate nearly  
**70%**  
of unqualified prospects

It's not just checking acquisition.  
It's **intelligent** checking acquisition.

15% of the market is ready to switch financial institutions each year.

- Boston Globe, 2014

target the best checking prospects

## INTELLIGENCE: RIGHT ON TARGET

Eliminate the guesswork – increase your ROMI through better targeting. Our MicroModeling methodology includes both an in-depth profile of customers and a statistical view of prospects to help you:

- Analyze customer data vs. the general population
- Utilize a distance study to find primary marketing footprint
- Refine data with over 1,000 demographic, behavioral and lifestyle attributes
- Identify key differences between customers and prospects to find what makes customers unique and score prospects on those variables
- Employ carrier route level data for cost efficiency or household level for highest accuracy

### New Movers Checking Acquisition Program

- Consumers who move are 61% more likely to open a new financial product
- 130,000 people move every day
- Our program costs 35% less to acquire new movers than other programs

Add New Movers to your checking acquisition program today!

800-822-0622 • 860-875-7373 • [www.WordCom-Inc.com](http://www.WordCom-Inc.com)





JANIS WESTON, ACCOUNT MANAGER

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## Forget Serif and San Serif. Grab Readers' Attention... With Apples and Ducks! (What?!)

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*Looking for a unique way to catch someone's eye? Try spelling their name out with ducks, or some other creative and unexpected "not-a-font."*

Get readers' attention using an eye-catching graphic. Direct Smile is a direct marketing tool that spells out the recipient's name as a "graphic within a graphic." Below are just a couple of examples of how personalization can go beyond just putting a person's name on a marketing piece.

For more information about how Direct Smile can make your next mailing pop, contact your regional AE listed on the back panel.



## Meet Karlie Hartl

*WordCom recently welcomed Karlie Hartl as its new Administrative Assistant. Karlie works at the front desk and greets people with a smile when they come in, and is also responsible for answering phones and providing assistance to WordCom's sales and marketing department.*

Born in Hartford, CT, Karlie grew up in Coventry, CT with her mom, dad, and younger sister. She graduated from Coventry High School in 2011. After graduating, she went to work at Connecticut Children's Medical Center as an Administrative Assistant in the Grants Department.

Before coming to work for WordCom, Karlie was employed at Candlewick Kennels in Glastonbury as a kennel attendant, taking care of all dogs and cats being boarded. Karlie is currently pursuing an Associate Degree in the Administrative Assistant/Office field.

And how does she like working at WordCom? "I really like it here! I'd much

rather work for a small company than a large corporation," says Karlie. "I've worked at both, and I really like this atmosphere... when everybody knows everybody's name."

Karlie considers herself to be a people person, saying "I love to greet people when they come in; that's my favorite part. I really like dealing with the public."



*Karlie with her family*



*Karlie and Scooter*

And I like that I can get to know people on a more personal level and I can connect with them more than would be possible at a large corporation."

When she's not at work, Karlie enjoys spending time outdoors, hiking and riding four-wheelers. She also loves watching the tractor pulls at the local county fairs. At home, she has 12 chickens (who were all named as chicks but they all look alike now and are harder to tell apart!) and a German Shepherd named Scooter.

## ABA Bank Marketing Conference 2015





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