

# Credit Union **BUSINESS**

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# Boring to Brilliant

## 6 Tips From Brand Wizards

Does your Website boast about the Credit Union Difference? Do your ads tout the “competitive rates” and “great service” your credit union offers? If so, your brand may be rather – how shall we say it? – boring. Learn how to break away from the crowd and create a brand that highlights your unique qualities.

By Sandy Perlic

If there's one thing branding experts agree on, it's that credit unions could do a better job of differentiating themselves from their competition. Unfortunately, when creating a brand – the impression of a CU and its offerings that “sticks” with consumers – credit unions are prone to many missteps.

“The most common mistake,” says Tony Mannor, president of the CU marketing agency Andermahr & Company and main contributing writer for CUHype.com, “is trying to be a bank.” According to Mannor, heaping on more services in an effort to be competitive may just dilute your brand.



*Tony Mannor, President of the CU marketing agency Andermahr & Company*

Allen P. Adamson, managing director of the branding

agency Landor Associates - New York and author of “BrandSimple” and “BrandDigital,” agrees. “If you look at your competitor and say, ‘I’m going to do what they do,’ unless you can do it extraordinarily better or different, you will be undifferentiated.”

But on the other hand, CU branding experts caution, an individual credit union’s value to consumers needs to be based on more than the fact that CUs differ from banks.

Credit unions often fall into the trap of believing that the Credit Union Difference is what makes their CU different, says Jeffrey Pilcher, CEO of the financial branding firm ICONiQ and publisher of the online publication “The Financial Brand” ([www.thefinancialbrand.com](http://www.thefinancialbrand.com)). “It’s not about the member-owned, not-for-profit stuff you hear about all the time. It’s not that this stuff isn’t important. It’s just that these messages don’t differentiate one credit union from another; they only define the differences between all credit unions (as an industry) and other types of financial institutions.”

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“The most common mistake is trying to be a bank.” – *Tony Mannor*

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So if your CU is guilty of copying your competitors, believing that being a credit union is your brand or just not standing out from the crowd, our experts have the tips you need to take your brand from boring to brilliant.

### Decide Your Approach

First, you'll need to decide whether your credit union will keep the brand development process internal or bring in outside help. Branding experts say that while you can certainly come up with ideas on your own – and save yourself some money in the process – you shouldn't discount the value of professional help.

"The reason to bring in outside help is [that] it is very hard in any industry to really be objective," says Adamson. "Because if you grow up in a certain category and you learn 'Well, this is the way we do things,' it is very hard to get yourself to really ask the question: 'Do you ever wonder why we can't do (something different)?"

The do-it-yourself approach can be difficult, Pilcher agrees. "The learning curve is pretty steep, and it can take a lot of time. It's like remodeling your home. If you don't have any prior experience, you may make some mistakes, and you might not be thrilled with the outcome."

Furthermore, Pilcher adds, the conclusions you come to without guidance may be common and cliché, which is the opposite outcome a good branding strategy should deliver. "Hiring someone with prior experience who can really help you dodge the

pitfalls is probably worth the money," he says.

According to Pilcher, it can take a branding firm 100 hours or more to research every aspect of the credit union's culture, products, staff, members, competitors and more to develop a brand strategy.



Jeffrey Pilcher, CEO of the financial branding firm ICONIQ

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**“Branding is not the marketing department’s job. It’s everyone’s job.”**

*– Jeffrey Pilcher*

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As a result, you should expect to spend at least \$5,000 if you bring in outside help. “Most branding firms will typically charge between \$10,000 and \$50,000 for a pure brand strategy (without any design), and the majority of the firms will skew toward the lower end,” he says. Research by outside firms could add a significant amount to your costs.

Be wary of agencies that take a design-centered approach to branding. “If all you’re getting is a new look-and-feel and you haven’t really addressed the brand strategy – the organization’s core DNA – you’re selling yourself short,” says Pilcher.

### Assemble Your Team

The next step in developing a brilliant brand is to involve key employees in researching and brainstorming ideas. Include the entire senior management team. “Branding is not the marketing department’s job. It’s everyone’s job,” Pilcher says. “Effective branding pervades every corner of the credit union, so each department needs to be involved from start to finish.”

In addition to management, invite employees who are passionate about your credit union to work on your brand team. They’re likely to have useful insight to offer, and they’ll be even more likely to spread the word – and the excitement – about your brand idea to other employees.

Some credit unions may want to include members in the branding process. Others may want to involve their board of directors, although Pilcher says it isn’t critical to do so.

### Do Your Research

An important step in the brand development process is taking a good, hard look at your credit union. What is your history? What is the atmosphere inside your credit union? Is there anything that characterizes your employees’ interactions with members? How are employees treated? Any pet projects or causes? What



*Allen P. Adamson, Managing Director of Branding  
Agency Landor Associates - New York*

kind of branding have you tried already? What worked and didn't work? Why? What products do you offer?

Once you've thoroughly explored what makes your credit union tick, turn your focus to your biggest competitor,

what Adamson refers to as the "enemy brand." Try to understand their brand. What is their claim to fame? You want to know everything possible about your competition, but not in order to copy them. Adamson says that too many companies model their logo after a competitor's logo, or they extend their hours to match the business down the street. "They are so focused on looking at what is the category norm, or what is the industry doing ... that they fail to innovate," he says. "The best brands look at what is and say, 'Well, that's interesting, but irrelevant. I'm going to do something different.'" You can't differentiate yourself if you're not aware of what the competition is doing.

Another important part of your research will be deciding who you want as members. Although many financial institutions try to appeal to a wide audience, this approach results in a weak brand. "Defining your target audience as 'men and women ages 18 to 55' doesn't cut it," says Pilcher. "You've got to get as specific and narrow as possible."

Pilcher recommends asking yourself the following questions: Who are you trying to reach? What do they want? What do they need? What are their expectations? Frustrations? Some of these questions may be answered best by focus groups comprised of members or potential members.

As you try to determine which consumers to focus your brand on, don't put too much weight on the members you'd like to have versus your current members. Adamson says that keeping your focus on current members is important because if you

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make them happy, not only will they stick with you, but they will tell others about your credit union as well. "If you take your eye off your current customers, chasing the folks where the grass is greener – you know, chasing folks on the other side of the fence – you are likely to lose your current customers and not be able to get the new ones in time."

### **Dare to Be Different**

In order to develop the brilliant brand idea that will define your CU's personality, your branding team should review the collected research and then brainstorm to find potential brands.

To begin, take a closer look at those things about your credit union that you've identified as being different from your competitors. Do they include traits such as "warm," "caring," "personal" and "friendly"? "If another financial institution could make the same claim, then it isn't what differentiates your credit union's brand," Pilcher says. "And the reality is that there are hundreds – if not thousands – of banks, credit unions, investment firms and insurance companies out there saying the same things."

Once you've crossed off traits that don't differentiate you, take another look at your list. Is "service" one of the remaining items? "When I ask credit unions what differentiates them, nine times out of 10 they'll say, 'It's our service.' If everyone is saying the same thing, then it isn't helping differentiate anyone," points out Pilcher. "Here's the right way to look at the question: Is your service really better than everyone else's, or is service just something your organization is good at? When you're in the financial service business, of course your service has to be good.

"Even if your service is what differentiates you, you need to drill down and get more specific. How is your service any different? Are you faster? Easier? More flexible?"



Next, think about what your members have told you about your CU, as well as what they haven't said. Adamson says understanding your members will often give you the key to an innovative brand. "It takes listening to what your customers say but then laddering back up and asking, 'What do they mean by that?'" he says. "So the best brands are always based on understanding something about your customer(s) that they may not tell you themselves, but [rather that] you can observe in their behavior."

Mannor points out that many financial institutions, including some credit unions like Vancity and Young & Free Alberta, have managed to resonate well with members and potential members by keying in to societal trends. "It's important to speak to current social and economic issues," he says. "You've got to talk about what people are concerned about."

As you brainstorm, don't overlook the value of your brand team's observations. Adamson believes insiders often come up with the best ideas, as long as they have the courage to step outside their comfort zone, and as long as the team recognizes that what may at first seem to be a simplistic idea could be the perfect way to characterize your CU.

"The best brands are based on very simple ideas," Adam-

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"It's got to be honest."

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son says. These ideas may seem very obvious, but if they're well-executed they are extremely effective as brands. "If you can't tell your brand idea to a colleague in three seconds, it's likely never going to be executed well enough to get out. It's very hard to execute complicated brand ideas."

One of Adamson's favorite tricks for coming up with a different brand is an idea he borrowed from "Seinfeld." "Jerry Seinfeld used to have this phrase: 'Do you ever wonder why...?'" Adamson says. "The best marketers ask themselves that question every day."

If you're still struggling to find a brand the team can be excited about, make sure you're not making the mistake of trying to be all things to all people, Pilcher stresses. "The three most important words in branding are focus, focus, focus. You need to focus on who you serve, what you're offering and why people should pick you out of the vast sea of me-too options already out there."

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“A brand is a promise.”

– *Jeffry Pilcher*

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Having a narrow focus will help you develop a brand that stands out from your competition. Adamson says that in markets like financial services, where there may not be a lot of product differentiation, differences in how the product is presented to members or the experience members have as they use it may exist. He points out that Virgin Atlantic Airways has managed to provide a unique experience for its customers even though the airline offers the same thing – air transport between different points – as its competitors. And American Express and Visa have built very different brands despite offering customers somewhat similar opportunities to enjoy something now and pay later.

Lastly, make sure that your brand idea is a good fit for your CU. “It’s got to be honest,” says Mannor. Your brand needs to be an authentic representation of your CU’s personality.

“Imagine your brand is a person sitting next to you,” Pilcher recommends. “How would you describe them? Are they a man or a woman? Young or old? Funny? Smart? Intelligent? These personality attributes will have a huge impact on how you live out the brand promise, and [they] should impact every brand experience you provide across all touch-points.”

## Be Your Brand

Before you order new signs or advertising or redesign your Website, launch your brand internally. “Your front line – your tellers and your MSRs – they’re going to make or break your efforts. They need to believe in the brand,” Mannor says. “Getting that buy-in from the front line is extremely important.”

Use training exercises such as role-modeling to ensure every employee of your CU understands the brand and feels empowered to ensure your members’ experiences with your CU are consistent with your brand.

“A brand is a promise. It is your reputation. Inasmuch as, credit unions need to understand that everything they do, say and sell affects their image. A brand involves a lot more than a credit union’s name, logo or slogan. Every interaction someone has with every aspect of your CU is important. You’re

either maximizing these opportunities to build the brand, or not. The details matter,” Pilcher says.

Adamson agrees. “The most important thing for a marketer today is to get word-of-mouth generated, and the best way to do that is to have a brilliant execution at some point of touch, be it your advertising, be it your product design, be it your customer service, be it your packaging,” he says. Doing something extraordinary at several points of touch will provide a memorable experience for your members, resulting in positive word-of-mouth to others.

“Traditional methods (such as advertising) are effective,” Mannor says, “but [they] reach outside the printed page.” He recommends taking a good look at how your brand is translated outside the walls of its branches. Going out into the community to reinforce your brand by providing information or support will make you valuable and keep you visible.

Whatever you do, Adamson emphasizes that you should avoid predictable images and clichés when communicating your brand so that you stand out from the crowd. If not, your voice will be drowned out in the barrage of messages your target audience receives.

## Bask in Your Brand’s Success

If you’ve come up with a brilliant brand, you’ll soon be reaping the results of your hard work. “If other people are talking about your brand, or duplicating your efforts, then you know your campaign is successful,” says Mannor. “You may not see it in foot traffic in the branches, but check your Website analytics. If you have a lot of visits from your competition, then you know your campaign is working.”

Now, you can sit back and relax – at least until next year. A good brand idea could last 20 years, according to Adamson, but you may want to refresh it every year. “Because if you serve it up the same way, it’s going to get stale,” he says.

*Sandy Perlic (www.sandyperlic.com) is a former CPA who enjoys writing about business, travel and interesting people for a variety of publications.*