

# Cross Sell Case Study: Auto Loans

## Profile

Fort Community Credit Union  
Asset Size: \$206 million  
Branches: 4



## Results

## Background / Challenge

Fort Community Credit Union (FCCU) is located in rural Wisconsin, halfway between Madison and Milwaukee. Many residents utilize this proximity, often shopping in these cities for large purchases, including vehicles.

Despite deep roots in the close-knit community, FCCU was facing a challenge increasingly familiar to credit unions: decreased auto loan revenue as more people get indirect financing at the dealership. The resulting drop in volume and margin is exasperated for FCCU when residents travel to Madison or Milwaukee to buy, where FCCU does not have strong relationships with dealerships to at least get the indirect loan.

## Goal

FCCU's goal was simply to get more auto loans. More specifically, they had to change their members' behavior of shopping at dealerships before securing financing at the credit union, or get them to refinance their loans with other financial institutions.

## Strategy

Traditional strategies, including direct mail, emails, and aging auto campaigns, weren't yielding much result. FCCU realized they needed to incentivize members to change their behavior of getting financed through the dealership. With margins already thin, lowering rates further was not a viable option.

FCCU turned to Buzz Points, their popular debit card rewards program, to incentivize members. During a 48-hour promotion, FCCU offered 2,000 points to members who applied and were accepted for an auto loan. The promotion was entirely turn-key for the credit union and had no material costs. Buzz Points created and delivered a teaser email to all members a week in advance, a second email as the promotion started, and a final email with just 18 hours left.

- 63 new or refinanced auto loans closed for \$1.13 million
- New interest revenue of \$23,500
- Total cost of promo points to FCCU was only \$630

Incentivizing members with Buzz Points® rewards proved pivotal in changing their behavior. Adding to the success was the turn-key nature, with Buzz Points running all marketing aspects of the campaign at no additional cost.



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