

VacationLand Federal Credit Union



Case Study: Social Media Management CUSO

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Company information

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Proposed CUSO	Chatter Yak! Marketing Strategies
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Contact information

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Social Media Management/Chatter Yak! Marketing Strategies

Case Study for Spirit of CU*Answers Award

Company profile

VacationLand Federal Credit Union was established in 1956 as a single occupational field of membership limited to the employees, families and retirees of a local GM plant. Expanding to a multi-occupational association in later years, it wasn't until 2001 that VLFCU became a community chartered credit union serving all who live, work, worship or attend school in Erie County of Ohio.

The founding year of the credit union nearly qualifies it as vintage, but reputation and heritage are not enough to sustain a business and increase its financial growth and security into the future and for the next generation. Enter Kevin Ralofsky, a CEO with vision and drive to turn this credit union with its limited field of membership into one of relevance to current members/founders now and for generations to come. After a three month initiation period in 2007, Kevin began his tactical survival mechanism, rebranding VacationLand Federal Credit Union. Through this exercise, he would assert the value of the credit union and prove it to the entire Erie County community.

Business situation

On close examination of the general impression of the credit union in the community, it was evident that complete rebranding was the only solution that would lead to its endurance. People outside of the GM plant with ties to Erie County were generally unaware that VLFCU was able to serve their financial needs, and if so, they were reluctant to change from their current financial institution. To reverse that reluctance, Kevin forged a partnership with Mark Advertising, a locally owned and operated advertising company to plan, design, build, and infuse VLFCU with an entirely new logo and brand. Numerous concepts were explored and staged for introduction in the most strategic timeframe.

Throughout the development process it was determined that implementation of these innovative concepts would fail unless a strong brand and presence existed in the community. Finally in 2010 the Board of Directors and Kevin agreed that they had reached the point where VLFCU was ready to launch a concerted and multi-faceted marketing strategy designed to increase community activism, promote financial literacy and provide their field of membership opportunities to reach financial freedom.

To facilitate the introduction of these new marketing strategies, Bryce Roth was brought on board to be the Marketing Coordinator for VLFCU. The marketing goals at this time were very clear:

- Reach out to the next generations of credit union members
- Increase involvement in the community
- Continue to serve the entire membership, concentrating on superior service

Fulfilling the goals

Providing superior service was already set in motion, as were other facets of the overall objectives. However, it was widely recognized that the maturity of the credit union could lead to obsolescence if there was no major effort to reach out to the next generations. Being out in front as a leader in the community was another critical factor in rebranding the credit union.

Solutions

Inauguration of the VLFCU's Change Agent Squad took place in July, 2010. Formed of local high school students and college age young adults, the Change Agent Squad (CAS) group serves as the 'pulse' of expectations this age group has of financial institutions. The intent of the CAS is to educate their peers and the community in the significant differences between credit unions and banks and why credit unions are a premier alternative to banks. These responsibilities come at a price to VacationLand, but the rewards outweigh the expense every time. Incentives range from pizza after school, to movie tickets, to gift cards all within budget for this investment. Participants in the CAS program are learning life skills, financial literacy, and the social responsibility of giving back.

Take a ride in the cuBe! The credit union Big experience (cuBe) is to VLFCU as the team mascot is to the school, but bigger and better. In reality this unique vehicle, aptly dubbed the cuBe, is shaped like a cube, but is a branch on wheels. Totally mobile, the multi-media cuBe is also operational, outfitted with CU*BASE and the capacity to do most financial transactions except exchanging cash. The cuBe rolls up to community outreach events to present financial literacy education, entertain at sporting events, and act as a remote branch approving auto loans at dealerships. The cuBe establishes a noticeable and essential presence in the community. One specially memorable event was when the cuBe transported 12 underprivileged children through Christmas light displays in the area.

Get on the cuBe ...

- This cuBe shaped, 3-sided vehicle has crowd appeal . . . kid's love it's glass walls.
- It's a TV, xBox 360 gaming system, and an outdoor movie theatre
- With LED lights in the wheel wells and underbody, this 3-D moving billboard is a people magnet
- The cuBe's connection to CU*BASE means we can do anything a branch can do, except exchange cash.
- Kids play Rock Band while we talk business with mom and dad.



While the Change Agent Squad and the cuBe are strong reinforcements for the VLFCU brand, the glue that cements them together is Social Media. The active and determined use of social media has amplified the process of building a presence in the marketplace. Using social media outreach has been incrementally more successful than using more traditional means.

Intentional Acts

Through the strategic use of social media tools Facebook, Twitter, YouTube, and Foursquare, VLFCU has mobilized their Change Agent Squad and established a recognizable presence in the community. Since September 2010, VLFCU has promoted their benevolence and community spirit through these outreach events.

- **Cans 4 A Cause:** The Change Agent Squad members challenged two rival schools to collect canned food items which would be donated to a local soup kitchen. In less than 5 days the students of these schools were inspired to work toward this cause and collected over 1,600 canned food items.
- **Toys 4 A Cause:** At Christmastime a toy drive resulted in hundreds of toys being donated to the Erie County Department of Job and Family Services. The spirit of VacationLand FCU was recognized when nominated for an award for this effort.
- **Coats 4 Kids:** This was not a new sponsored event, but the number of coats collected this year far surpassed previous years demonstrating the virtue of VLFCU and the influence of young CAS members.

Going Viral

Since 1956, VacationLand Federal Credit Union has been providing financial services to the community. Fifty years later, it was still providing financial services, but on a broader scale. To some, that would indicate success; but not to Kevin Ralofsky and not to the Board of Directors. Coasting in this industry is an automatic ticket to obsolescence. Dynamic, revolutionary tactics won out over casual evolution of small incremental growth. New thoughts on old subjects would be the only way to forge a path to relevancy and set the course to promote the credit union, add to the membership, and nurture its growth generation after generation.

Want to follow VacationLand FCU? Click a link and hold on tight!

- www.facebook.com/VacationLandFCU
- www.twitter.com/VacationLandFCU
- www.youtube.com/VacationLandFCU
- www.foursquare.com/VacationLandFCU

Measurable Results

The Change Agent Squad is a committed group of students and young adults with a purpose. Their intent is to interact with peers, with credit union members, and with their communities to educate and promote credit unions. These interactions could be face to face, but they are much more likely to be through the use of social media. Since launching their social media efforts and being fully indoctrinated in the game, VLFCU can proudly claim these accomplishments.

Facebook <http://www.facebook.com/VacationLandFCU> – 710 fans

While that number might not seem impressive, according to industry comparisons, that number is well above what an enterprise such as VLFCU should expect. A recent study of financial institutions including banks and credit unions found the average expectation for ‘fans’ to be .03% of the membership or customer base. That formula suggests VLFCU should expect to have 471 Facebook Fans. Members 15,687 X .03% = 471 expected fans. In fact, due to their Facebook strategy, VLFCU currently has 4.5% of their membership actively engaged with their brand on Facebook.

Twitter www.twitter.com/VacationLandFCU or @VacationLandFCU – 263 Followers Twitter is a social networking and microblogging site where members send and receive short texted tweets, share links to articles and other websites.

YouTube www.youtube.com/VacationLandFCU 23 video uploads / 2564 views or <http://www.youtube.com> – search for VacationLand FCU VLFCU was the recipient of the award for the CUNA Market Like a Rockstar Competition.

Numbers are not lost on social media statistics. There’s more proof that the foundation laid in the beginning of this branding and recognition venture has already turned the tide toward motivating young people to become credit union members. Since January 2011, VacationLand Federal Credit Union has experienced a steady increase in membership among their targeted membership age group: 15 to 45 years. In fact, since January 2011, 60% of net new membership is under the age of 31! Additionally, 86% is under the age of 46! Not bad, considering VLFCU’s average age of its member is 47.5 years.

Foursquare www.foursquare.com/VacationLandFCU Foursquare is a social networking website where members with GPS-enabled devices such as smartphones can visit various locations, including the credit union, and check-in while onsite.

What does it take to be a Change Agent

The values and benefits of participation are earned and recognized on three levels.

As the agent’s level of participation increases, so does the reward.



Change Agent Squad (CAS) – Low Commitment: Monthly meeting to discuss financial topics, socialize and plan ways to improve our community.

CAS Board of Advisors - Mid-level Commitment: At this level, Change Agent Squad members must apply to hold these positions. Attend the VLFCU Board of Directors Meetings with the CEO and Marketing Coordinator. Semi-annual attendance at Board of Director's meetings to advise on Gen-Y initiatives and community issues.

Change Agent Squad Voice -Most commitment: These positions are elected through a competitive election process. Applicants submit persuasive video(s) stating why they deserve to be voice of their credit union. Once elected, they are the Voice of the credit union's Gen-Y membership and crowd, spreading the word about credit unions, financial literacy, and current challenges.

New CUSO, New Products and Services proposed

VacationLand FCU has successfully rebranded their credit union, has implemented programs to educate and instill the values of credit union membership to current members and the next generation of members, and has built a reputation of compassion and caring in their community. As an organization they are ready to take their ambitions to the next level and form **Chatter Yak! Marketing Strategies**, a CUSO whose trade is to be a marketing services provider to credit unions. Regardless of asset size, technical ability, or staff acumen, this CUSO is formed around the principle that there should be no missed opportunities to market their products and services. Each credit union should be able to market their brand on the same level playing field of larger credit unions. This CUSO will exist for the sole purpose of turning ideas into reality by leveraging social media with a well orchestrated strategic marketing plan.

The **Chatter Yak! Marketing Strategies** solution stands ready to offer your credit union the same services that lead to the successes of VLFCU.



Social Media Consulting

This service is geared to jumpstart your credit union marketing and advertising efforts. It comes in 3 parts, all of which are coupled together to assure success.

1. Complete a SMMP, a Social Media Management Program Survey. This form serves two purposes and is vital for entrance into this venture. First, your team will be actively involved in this process and encouraged to think through and brainstorm ideas for this new marketing strategy. Your consultant will use the form to become familiar with your goals and equipped to cultivate your online persona and current status.
2. Attend a discovery session conducted via web conference. Your consultant will review the survey answers you provided, discuss your vision of how social media might be used within your membership, and prepare your team for brainstorming.
3. Attend a classroom brainstorming session. At this point participants from your credit union will meet with our consultant in person and map out some first steps for implementing your vision as discussed during discovery. Your consultant will explain the logical progression toward reaching your goals as listed on the SMMP and outline the work to be done. Your team will be prepared to move forward with or without our day-to-day support.

If your credit union is not prepared for a full social media campaign, Chatter Yak! will guide you through the necessary steps for successful rebranding, strategic positioning, and building a comprehensive marketing strategy and business plan.

Social Media Campaign Management

Your credit union might not have a marketing department and your budget might be miniscule, but that has no bearing on your ability to establish and enhance your presence on the Internet. Capturing the attention of your members and the next generation is not a new idea in the financial industry. It's a debate that has been going on for years. Until recently, traditional methods of advertising and appealing to the crowd, most typically the younger generation, were sufficient. That method no longer gets the results you need to sustain your business and experience the growth you need to stay in business. The sudden explosion of social networking programs and applications has made traditional marketing methods obsolete and those old rules no longer apply.

In order to be perceived as a credit union that "gets it" or is tuned in to what is current, credit unions need to adapt and embrace these new methods and technologies. Advertising and marketing for a credit union is unique, just as the cooperative under which a credit union operates is unique. Credit unions need experts in the field of social media who understand credit unions and are indoctrinated into the credit union movement which aligns with the social networking realm.

Three options of Social Media Campaign Management:

- Phased social media services designed to make your credit union completely self-sufficient with their social media campaign
- Coordinated campaign management assisted Day-to-Day Execution Services
- Direct Full Service Day-to-Day Execution Services

CHANGE AGENT SQUAD

Your credit union could have the components to operate a Change Agent Squad of your own. With his package, the work is done for you. The short testimonial of achievements shared earlier is a punctuated version of what the Change Agent Squad is capable of.

- Franchise Opportunities
- Branded website and logo with credit union social media integration
- Turnkey curriculum
- Gen-Y focus group survey
- "Voice" contest set-up rules, regulations, agreement
- CAS Advisory board set up and schedule
- Community involvement event ideas