

# Enhance Member Experience and Increase Market Share with AI-Driven Personalized Interactions

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**a**unalytics

# — Agenda

- 1 Why does this matter?
- 2 What can we do with data analytics?
- 3 How can we do it?

## Why Do Your Members Choose You?

Mid-market credit unions will not “out tech” large banks and fin-techs.

The competitive advantage via local, personalized, white-glove service is being diminished as member interactions become more digital.



However, with the right **partners**, you have an opportunity to thrive by **re-defining the local experience**, transforming how you operate **using local data**.

This will result in competing in a way that you have a **“right to win”** over those larger competitors.

## Focus on Business Outcomes: Using Member Intelligence

Anticipate Needs

Grow Member Value

Reduce Risk

Increase Operational Efficiency



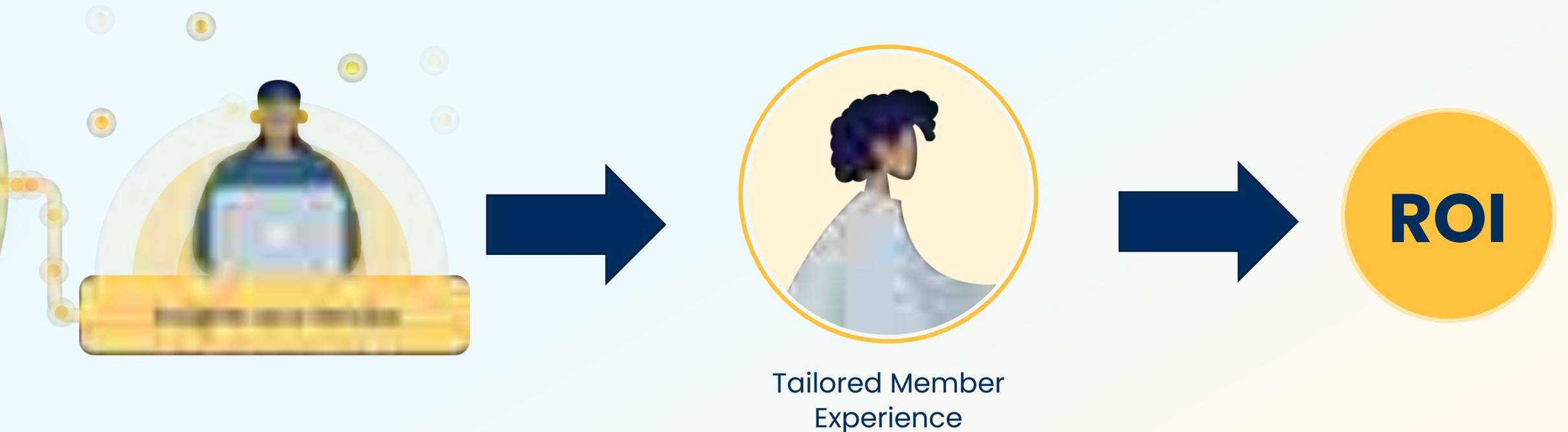
What can we do  
with data  
analytics?

Reminder : Why We Are Digitally Transforming

## Why Use Data Analytics for Member Intelligence

AI increases efficiency of data mining to give you insights beyond what is humanly possible...

...resulting in a tailored and better experience for your members.



## Member Intelligence for Personalized Service

What do we know about Rachel?



Rachel Freeman

31 years old

Member for 5 years

720 credit score

Became a member at  
Branch 65

# What accounts does Rachel have?



## Checking Account

Active since 6/3/19  
Balance of \$13,205.20

## Auto Loan

Active since 12/14/19  
Balance of \$22,617.00

## Mortgage

Loan amount \$350,000  
Opened on 3/10/21  
**Closed on 3/15/22**



Who else is in  
Rachel's household?



Brian Weber, 31  
456 N. Highland Avenue  
**HOUSEHOLD ID: 12345**

Sara Freeman, 65  
456 North Highland Ave.  
**HOUSEHOLD ID: 12345**

Rachel Freeman, 31  
456 N. Highland Ave.  
**HOUSEHOLD ID: 12345**



## Target by Household



Rachel Freeman

## Actionable Insights

- Reduce mailing costs by only sending one mailer to this address.
- Know the relationship to a household and not just one individual at a time
- Improve the member experience through personalization.

Transactional data and predictive modeling reveal insights.



Is money leaving our credit union to go to competitors?

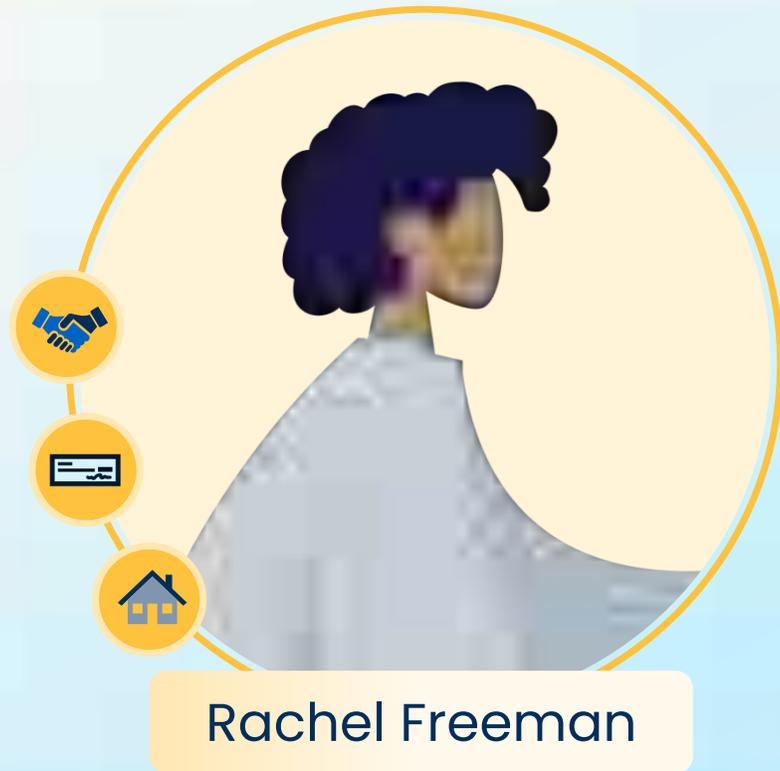


**Wells Fargo**  
Monthly outgoing  
transaction of \$1295.68

**Fidelity**  
Monthly outgoing  
transaction of \$400.00



## Grow Member Value



### Actionable Insights

- Make more attractive offer on mortgage to win business back.
- Reach out with investment product so that money does not leave our credit union.

We learn about Rachel's needs through her transaction history



**Debit Transaction**  
\$235.82 at Home Depot  
on 2/28/22

**Debit Transaction**  
\$702.16 at Lowe's  
on 3/4/22



Has Rachel lost or changed jobs lately?



**ACH Deposit**

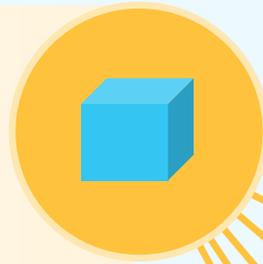
\$2,150.00 on 1/15/22  
\$2,150.00 on 1/30/22

**ACH Deposit**

\$2,600.60 on 2/10/22  
\$2,600.60 on 2/25/22  
\$2,600.60 on 3/10/22



Which products is Rachel most likely to need right now?



Home Equity 80%

Mortgage 31%

CD 67%

IRA 15%

Line of Credit 5%

Money Market 78%

By pulling information from multiple sources, and applying machine learning and AI, predictions such as the next best product to offer for that member can be made



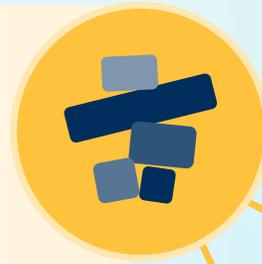
## Anticipate Needs



## Actionable Insights

- Increase wallet share of current members by targeting them with the right product at the right time.
- Decrease cost of account acquisition by targeting the most likely members to purchase each product.

Before we offer her a loan, how likely is she to default in the future?



**Deposit History**

**Loan History**

**Defaulter Profile**

**Risk Propensity**

She is unlikely to default



Is this member likely to churn  
in the next 30 days?



**Checking Account**  
Balance dropped from  
\$13,205.20 to \$1,400.00  
this month.

**Auto Loan**  
Active since 12/14/19  
Balance of \$22,617.00



Is she making crypto purchases?

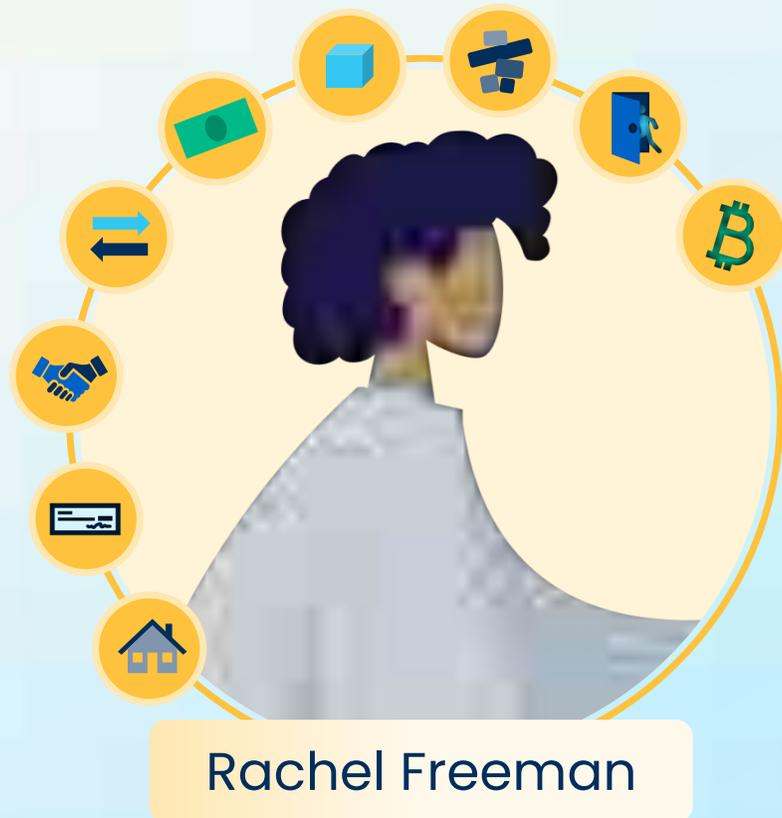


**Bitcoin**  
Outgoing  
transaction of \$1000

**XYZ Crypto Exchange**  
Outgoing  
transaction of \$2000



## Reduce Risk



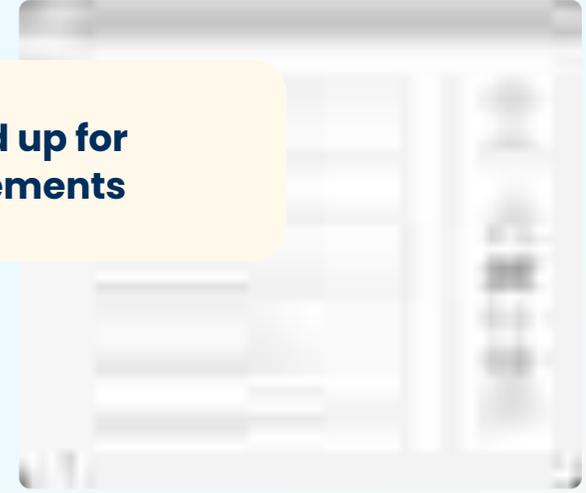
## Actionable Insights

- Identify the risk of a loan defaulting, assessed at the time the loan is funded.
- Reduce loss of deposits by identifying those most likely to move their money to a competitor.
- Reach out to members making crypto purchases to warn of fraud risk and provide information on our safer investment options; reduce our cyber risk.

How does she prefer to be contacted?



**Signed up for eStatements**



**Sent a mailing – no response**



# Target Members for Better Campaign Performance

