An industry magazine for clients of Harland Clarke

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Delivering Value

Summer 2012

Account Holder-Centered Marketing

Inside this edition >>

HARLAND CLARKE®

DATA-DRIVEN MARKETING: MORE IMPORTANT THAN EVER

The list of challenges that financial institution chief marketing officers (CMOs) face is daunting: from brand management to social media; from quantifying results to managing the growing number of new marketing channels and devices. Balancing and optimizing the needs of stakeholders, shareholders and account holders is no easy task in the current environment and foreseeable future. As a matter of fact, we all know it's going to continue to become even more complicated with the proliferation of devices and the increasing number of channels and tools with which customers can choose to engage companies. Compounding this problem for marketers is often a lack of actionable data and insight into how customers' behaviors impact current and future profitability. It's no wonder that the CMO has the shortest tenure of any of the "C" suite executives.

At Harland Clarke we've worked hard to develop diagnostic tools, products and services to provide insight and, more importantly, the results to help your FI make the best marketing decisions possible. We do this by benchmarking your institution's data against our industry database and work with you, using these comparisons, to enhance your FI's marketing strategy to best support your objectives.

Our goal is to help institutions like yours become the primary bank or credit union for your account holders. We do this by developing strategies and tactics that cultivate the right account holder relationships, increase their value and extend their tenure throughout the account holder lifecycle.

Some of the ways we do this — with solutions and strategies for account holder-centric marketing — are highlighted in this issue of *Delivering Value.* Two of our most experienced marketing strategists share how important it is for FI marketers to start developing marketing plans early, how analytics and research tools can support more effective decision making, and how to tie effective marketing to both account holder and institutional profitability.

You will also read about other helpful products and services we've recently launched, such as Harland Clarke Digital's automated email solution — aptly named SM:Vault — to help institutions meet compliance and audit needs by efficiently archiving every unique email sent. You'll also see how we are making it even easier for new account holders to access their money with a paradigm-busting, instant-issue solution, Card@Once®. This solution provides your account holders the ability to immediately start accessing their account, while supporting the goal of becoming their primary financial institution.

When it comes to the tremendous pressure financial institution marketers face today, the team here at Harland Clarke gets it. We're here to help you make sense of it all, determine what priorities to focus on, and make informed decisions about where to invest your marketing dollars. It's what we excel at, it's what we're passionate about, and it's what we're committed to.

Sincerely,

Tom Triozzi
Vice President, Product Marketing

Executive Spotlight

Tom Triozzi is vice president of product marketing. Before joining Harland Clarke, Tom was the head of a marketing organization at a regional bank in the Southeast. Today he is responsible for leading a team of product and marketing professionals whose main goal is to help our clients achieve success.

What's in a Name?

A Message From Mike Ferguson,
Vice President and General Manager,
Harland Clarke Digital

We're pleased to announce the launch of Harland Clarke Digital™, a new brand representing the digital marketing division of Harland Clarke. Formerly known as SubscriberMail, Harland Clarke Digital will continue the expansion of a suite of digital marketing products and services that includes mobile marketing solutions, digital agency services, forms and surveys for response capture, content and education services, website development, and our flagship email marketing platform that will carry on with the SubscriberMail name. We look forward to continuing to provide you with the dedicated service and strategic expertise that help your financial institution achieve its objectives.

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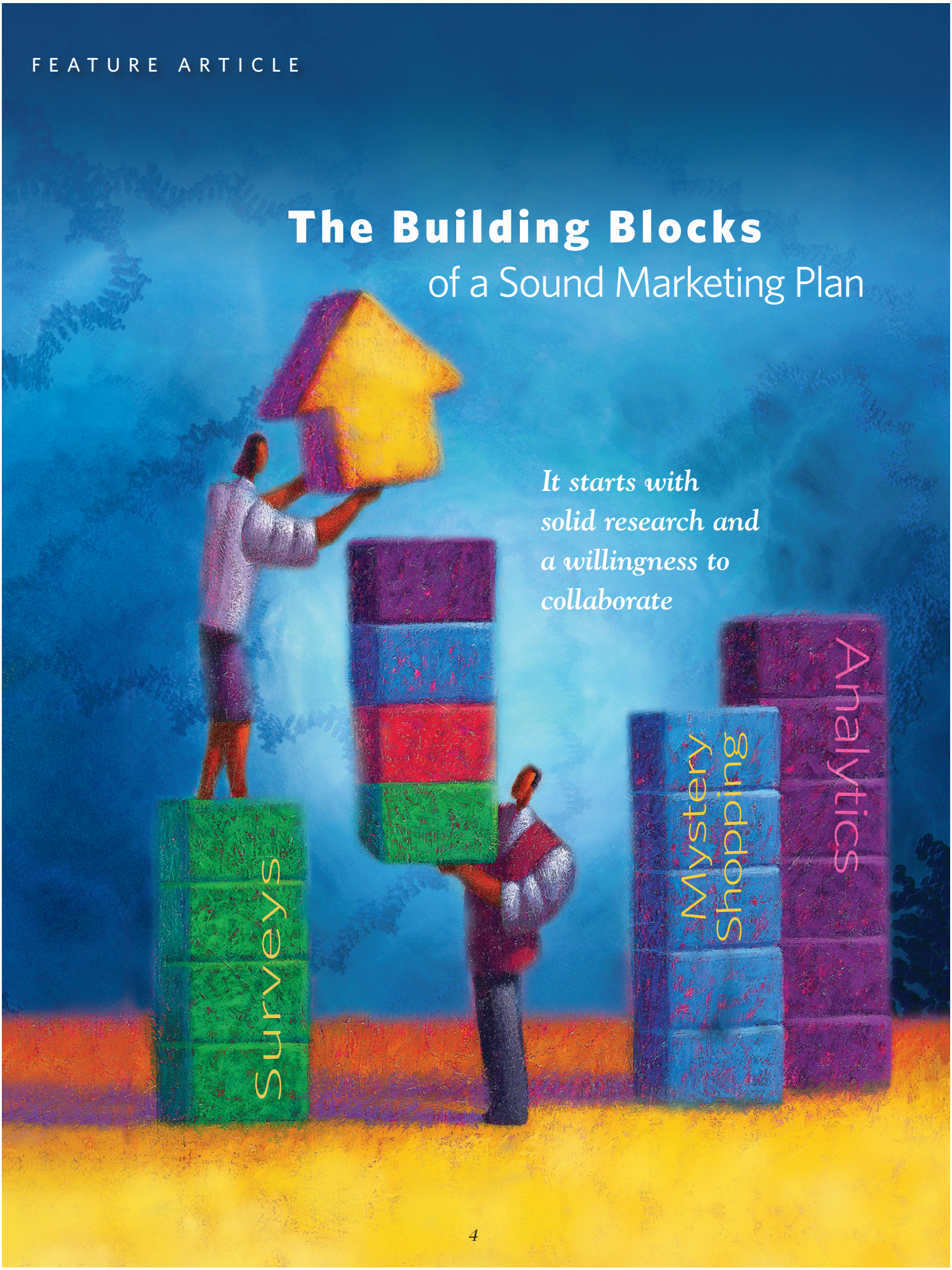
The Building Blocks of a Sound Marketing Plan

It starts with solid research and a willingness to collaborate



Every summer, marketing executives at banks and credit unions are hard at work on the following year's marketing plan. Delivering Value *asked two Harland Clarke Marketing Services experts —* ***Steve Nikitas****, senior strategist, and* ***Betsy Bentley****, executive director — about how to best approach this challenging annual process and why it pays to start doing it differently.*

Delivering Value: Why should marketers start to think differently about how they spend their marketing dollars?

Steve: I think the majority of marketers who set budgets are frustrated because they have to allocate future funds without always having measured results from past campaigns. So they end up taking a shot in the dark, not knowing what sort of impact their prior marketing initiatives have had. When we talk about getting marketers to start thinking differently, first and foremost it's about using intelligence rather than guesswork to set budgets.

DV: Don't most marketers do some kind of measurement?

Steve: The problem is not that they aren't measuring results. It's that marketers are not necessarily using measurement as effectively as they could. They're not relying on data that specifically shows what worked and what didn't when allocating their marketing funds, so they're deciding the following year's plans without knowing the full results of current marketing programs. But this is a complex issue, because it ties in to the many challenges marketers face. In fact, research from The Financial Brand shows that the top two challenges marketers say they face are insufficient budgetary funding (46 percent) and difficulty measuring and proving their efforts (38 percent). Clearly, they have a lot to deal with.

DV: How can financial institutions use market research more effectively?

Steve: By measuring on a monthly basis, marketers can stay on top of the impact their initiatives are having. Prior to joining Harland Clarke, I worked for several financial institutions and I always measured the results of our marketing efforts. I did that to justify the initiatives to myself, my CEO and the board of directors so everyone could see that the budget was being spent as effectively and judiciously as possible. If it wasn't, that would mean I wasn't doing my job and being an effective custodian of the money our account holders had entrusted to us.

Betsy: Many small and regional banks and credit unions have limited marketing resources. So while they know it's a best practice to utilize marketing research, they just don't get to it. Instead, when developing their marketing budgets, they'll say, "Let's increase it by five percent." It's not nearly as scientific as it should be.

DV: Is it because of lack of time?

Betsy: That's a good question. Market researchers may also be product managers, with five or six different job responsibilities. So market research may sink to the bottom instead of bubble to the top in priority. Often they don't get to it, and it is a resource issue. Also, if the CEO doesn't ask questions and focus on getting a marketing return on investment (ROI), and instead sees marketing mainly as a cost center rather an investment, the marketing department isn't going to be motivated to conduct the research.

DV: So top executives need to demand ROI data?

Betsy: Absolutely. And whether those questions are asked depends a lot on how a financial institution is organized — whether the marketing department reports to the CEO or to operations.

Steve: Coming out of the recession of 2007–08, I believe many financial institutions learned they were not marketing as aggressively or effectively as they should have. Since 2008, we've seen much more government regulation, which has made it difficult for financial institutions. The recovery has been slow. We've seen a slowdown in consumer spending, a mortgage market that is still working through a lot of challenges and bankruptcies in the United States at record highs. These factors have made it harder for financial institutions to be successful. CEOs are in a position where they have to find a way out of this mess for their organizations. And building a branch on another corner is not the answer it once was because capital is under a lot more pressure today than it was three or four years ago.

Only lately have financial institutions realized how important marketing is, and that perhaps it's better to rely more on marketing to get from point A to point B.

DV: Why is summer a good time for financial institutions to start preparing their marketing plans for the upcoming year?

Steve: Summer is ideal because gathering data and analyzing it require both a process and time. This is the time to survey existing account holders about their likelihood to buy products and services, their satisfaction with the institution, and where they may see gaps in delivery channels or product lineup. Marketers want to have all the information they need so they can start collaborating with product managers and other internal sources to put together an effective plan.

It's about using intelligence rather than guesswork to set budgets.

Betsy: During this process of gathering and analyzing data, marketers often identify gaps in intelligence. Summer is a good time for receiving vendor proposals that can help provide the big picture. This is a time for the "big ask" — identify what is needed and ask for it in the budget.

DV: When do most banks and credit unions need to finalize their marketing budgets?

Steve: For a calendar year budget cycle, late August or early September is the time to start putting together a budget. It has to go before the board of directors, which typically takes place late in the fourth quarter. There tends to be a lot of communication among senior management during the fourth quarter to make sure the budget supports the overall goals and objectives of the institution. Marketers will want to work as diligently as possible to ensure the board of directors is able to vote on a final budget that has the fingerprints of the senior management team. Even during the fourth quarter, some programs need to be in development so that on January 1, they're ready to launch.

DV: What steps should financial institutions take when planning their marketing budget?

Steve: First and foremost, the marketing plan shouldn't be created in a vacuum. Marketers need to talk to product managers and reach out to other functions within the organization to collaborate.

Second, the marketing plan doesn't belong on a shelf after it is developed. Many organizations, including some financial institutions, operate with a fire drill mentality. For example, January arrives, and in response to addressing an immediate need that has developed, the organization goes into reactive mode rather than sticking to the proactive environment that a plan provides. Too soon the well-researched and carefully crafted marketing plan is going unused.

There will always be immediate priority needs that marketing must help address. But the bigger plan is the road map for the year to achieve the defined goals. Marketers should go back weekly, or at least monthly, to make sure they're doing their best to adhere to the timetable and living up to what they said they were going to do.

Betsy: And they need to get buy-in from all areas prior to the approval process. I know of a financial institution marketer who said, "Oh, we have a marketing plan, but it's just on paper. We don't actually follow it." I would imagine it's not being used because it didn't have buy-in from other departments and processes. The plan was only for the marketing department's purposes, as opposed to supporting the bank's mission and goals.

DV: What sort of information do marketers need to effectively put together a marketing budget?

Steve: There are five things marketers can do.

First, analyze account holders with research tools like surveys, focus groups and mystery shopping to identify gaps in products or service delivery. This data will help marketers understand whether account holders are likely to borrow more next year or to deposit more; if they are relying on brick-and-mortar facilities or banking online; and what products and services account holders have at other financial institutions and why.

Betsy: It is important to understand which account holders are using which products. For example, how many have checking accounts, how many have loans and what percentage are single-service users? What products do new households have, and what's their attrition rate? Should the focus be organic growth or acquisitions? This ties back to management asking such questions. Many times marketers don't have this level of behavioral data because the questions simply aren't being asked.

Steve: This is where a data analytics tool is helpful in highlighting the areas that will generate the best ROI. It's about spending marketing dollars as effectively as possible.

Second, look at demographics of the communities near the institution's branches (income, home ownership, population age, etc.) to ensure the right product is marketed to the right audience. For example, marketing loans near a retirement community might not be as effective as deposit-related products, because older consumers are likely to borrow less and deposit more.

Third, know the competition. Questions marketers should ask themselves: Who is the competition, and what is our market share relative to them? Is it growing or shrinking? Where are their branches? What are their trends with regard to deposits and loans? Are they marketing more or less?

Fourth, collaborate internally. Marketers need to be sure they have a handle on what the departments within their institutions are planning. For instance, if the loan department is launching a new mortgage product, it's important to find out why, understand its features and benefits as well as the department's expectations, and collaborate on a plan to make sure the new product has as successful a rollout as possible. Alignment is essential.

Fifth — and this is critical — ensure the marketing plan supports the institution's overall business goals and objectives. I have seen a number of financial institutions that don't have quantifiable goals. Every bank and credit union ought to have goals for net deposit growth and loan growth. What are the institution's goals for new account holders, and for customer or member satisfaction — and how much will need to be spent in order to reach these goals?

DV: Is there a rule of thumb for how much should be budgeted for marketing?

Steve: Yes. Although this varies depending on how a financial institution categorizes its marketing investment, a general guideline is that the marketing budget should be approximately 10 basis points of assets. For example, if a bank has $1 billion in assets, the marketing budget should be $1 million or so, depending on the bank's goals and opportunities.

DV: What factors should marketers consider as they allocate their budgets?

Steve: Everything in the plan must support the financial institution's goals and objectives. For example, if the biggest challenge is bringing in loans and loan penetration relative to the institution's internal benchmark is low, the best opportunity might be to cross-sell loan products to account holders. That's how to get the best ROI.

Betsy: It's also important to remember that multiple and varied marketing channels — social media, direct mail, website — can't operate in a vacuum. All channels need to work in a complementary manner that supports the overall brand. Also, it's critical to explore using all available channels so the institution is communicating with account holders and prospects in the ways they prefer to be reached.

DV: What are some current marketing trends for financial institutions?

Steve: Because of the economic issues facing the country today, American consumers have been in a debt-reducing mode rather than a debt-buying mode. So the challenge lies in growing loans. Liquidity is not an issue; financial institutions have more dollars on deposit than they want. Yet, it's still a good time for institutions to go after DDA accounts because **checking is key to the account relationship.** Growing checking accounts is critically important because of the changes that many financial institutions have had to make — such as added fees or higher minimum balances — in reaction to Dodd-Frank and the Durbin Amendment. DV

Three Ways to Gather Data

Harland Clarke provides services to help marketers get the data and information they need to put together an airtight marketing plan that delivers results.

Opportunity Analysis™ provides financial institutions with actionable information and insight into the opportunities and risks associated with their portfolios. Using a proprietary industry database and the intelligence of Stratics®, this diagnostic analysis enables financial institutions to better:

- Compare performance against industry benchmarks
- Predict purchase potential and identify next most likely products
- Assess attrition and balance diminution risk
- Define relationship strategies based on value segmentation

Mystery Shopping provides insights into account holders' in-branch, telephone and online brand experience by offering:

- A baseline analysis of skill sets among designated employee groups to ensure a consistent account holder brand experience
- Ongoing service evaluations to measure improvements and support coaching efforts
- Online result reporting that includes graphs and extensive historical perspectives

Scantron Survey Services provides full-service survey, compliance and data management solutions to the financial services industry. Institutions can enhance account holder relationships and achieve data management objectives with:

- Customized surveys, data collection forms and services
- Existing account holder or employee database information to provide additional segmentation of survey data
- Administration methodologies (paper, web, phone or hybrid) to reduce costs and increase response rates
- Detailed data reporting, including key driver analysis, benchmark normative data and trend analysis
- Consulting services to develop action plans

Take Your Acquisition Strategy to a New Level

Use analytics to turn prospects into valued account holders

An online poll conducted at the start of a Harland Clarke and Forrester Research® webinar this year found that nearly 40 percent of attendees allocated the majority of their budgets to acquisition activities, as opposed to just 14 percent who were spending more on account holder retention. The rest (46 percent) budgeted for both equally.

These results echoed a Forrester report issued in February, which found that acquisition continues to trump retention as a marketing priority. Nearly 60 percent of respondents cited acquisition as a priority, compared with half that number who were looking to boost retention.

With that information, webinar presenter Srividya Sridharan, an analyst with Forrester Research, issued a caveat. "Don't just stop at acquisition," she said, adding that all newly acquired account holders are not necessarily good account holders. "You need to ask which account holders create value, which ones destroy value and which segment is not currently served."

It's not sufficient only to budget for acquiring new account holders. Equally important is to consider what happens once they're in the door. Toward that end, Sridharan stressed the importance of putting account holders in the center of the relationship as they discover your financial institution, explore the products you offer, choose which ones they want initially and, ultimately, become interested only in additional services.

A Shift in Mindset

Each interaction is an opportunity for the institution to learn more about the account holder, and the amount of information about that individual grows as the relationship advances through the account holder lifecycle. The key is to capture the information and know which aspects of it are useful from an analytics perspective.

This also requires a shift in mindset. "It's time to turn the tables on the traditional relationship management approach," said Sridharan. "It's better to have a more account holder-centric culture, where the focus is on the account holder experience." In other words, the focus should be less on the acquisition goal and more on what matters to the account holders and their perceptions of value.

Using the old approach, a marketer would focus on operational and volume-based metrics for tracking results. "It meant measuring how many impressions the campaign generated," said Sridharan. "Did they click through to our landing page, or did they buy our products?" She calls this funnel-based analytics.

But using funnel-based analytics doesn't give insight into account holder behavior. "It ignores the quality of the prospective account holder, which is evident if you do a profitability analysis," she said. It's far better, Sridharan advises, to align acquisition and retention goals via an account holder experience approach. For example, banks and credit unions should examine call center interactions to see if there is account holder

dissatisfaction, and emphasize engagement-level metrics such as social media activity and service interactions. "Adopt a more holistic outlook that goes beyond measuring just outbound acquisition efforts such as email and direct mail," she explained.

Creating a More Engaged Account Holder

Thinking about analytics from both an acquisition and a retention perspective enables institutions to dig deeper by asking four questions:

- Whom should we acquire?
- How much should we spend on the prospect?
- When is the best time to reach out?
- What product or service should we offer?

This sort of approach requires mapping out analytical interventions across the account holder lifecycle and balancing the efficiency of acquisition with the account holder's lifetime profitability. It makes use of segmentation programs, response models and propensity models to further refine acquisition efforts with predictive analytics (see sidebar).

"Analytics can more quickly move the account holder to greater profitability across the entire lifecycle," said Sridharan. By using analytics in this way, institutions can create actionable metrics for key performance indicators, whether they are account holder focused (loyalty and engagement), marketing focused (campaign response, cost per lead) or service focused (cross-sell revenue, average wait time).

"The more we can focus our efforts along the continuum of lifecycle marketing, the better the return and the greater the value to the financial institution," said co-presenter Sandeep Kharidhi, vice president of analytics and business intelligence at Harland Clarke. "The further into the lifecycle the account holder is, the more valuable he or she is to the financial institution."

Kharidhi recommends that banks and credit unions take the following three actions when embarking on an acquisition program:

- Establish success metrics and effective measurement for all acquisition campaigns.
- Take a longer-term approach to measurement. Monitor newly acquired account holders for at least 12 months to measure adoption of engagement services and purchase of additional products.
- Consider the product offer's lifetime impact on overall household profitability. For example, it may be better to spend more on promoting checking accounts than high-yield savings accounts because checking relationships offer considerably more potential for cross-sell and up-sell.

What is paramount, according to Kharidhi, is a long-range, account holder-centric approach. "At every stage of the account holder lifecycle, there are analytics that can help maximize your ROI," he said. DV

For more insight into using analytics to boost your acquisition programs, visit **harlandclarke.com/acquisitionwebcast** to view our webcast.

"Analytics can more quickly move the account holder to greater profitability across the entire lifecycle."

How Predictive Analytics Can Improve Acquisition

Acquisition is not just about how many new accounts you bring in. It's about each new account holder's profitability throughout the lifecycle. These three analytic techniques can help boost the value of your acquisition efforts:

- **Segmentation programs** ensure that you're not wasting your budget on poor prospects. They let you know who your best account holders are so you can target prospects with those characteristics.
- **Response models** predict the response to various acquisition campaigns. They identify the prospects most likely to respond to an offer or a campaign and assign a score to those prospects.
- **Propensity models** help determine whether a prospect or an account holder is likely to go for product A, B or C. Propensity models can be used for either acquisition or retention.

Email Marketing in the Distributed Enterprise

How top performers embrace "glocal" marketing tactics

We live in an increasingly global society. More than ever, companies must communicate with customers who are scattered around the country or the world, and who have vastly differing tastes and expectations. For that reason, the phrase "think globally, act locally" has never been more appropriate, according to Ian Michiels, principal analyst for Gleanster Research and a leader in the fields of marketing automation, marketing operations and demand generation.

Indeed, this perspective led to the word that merges this global and local mindset: glocal, coined by Akio Morita, founder of Sony Corporation. Michiels conveyed this during a recent American Marketing Association webinar, "Email Marketing in the Distributed Enterprise," sponsored by Harland Clarke Digital.

Marketers know that relevance drives revenue. As such, marketing on a local level is a powerful source of revenue for a company's brand. Consider the fast food giant McDonald's. "It has 33,000 locations worldwide, yet it has always found ways to adapt to local tastes with unique menus for whatever region it's in, whether India or China or Japan," said Michiels. "McDonald's provides a great example of ways to customize your brand to meet the unique conditions of your local target audience."

Yet, meeting local customer needs is not necessarily all that simple. For a lesson in marketing history, watch an episode of the popular television series "Mad Men." "You'll see just how much the process has changed in the past 50 years," said Michiels. "Back then, the source of information was the marketer. It was a one-way monologue — company to customer. Now we've moved into a more complex environment where it's a dialogue. You have to engage with your customers."

That complexity includes moving the dialogue to the online environment. Rather than a few centralized marketing channels — think back to the good old days of just television, radio and print — marketers now have multiple ways to converse with consumers, including 24/7 mobile access, social media and, of course, email. "The customer now expects a consistent experience regardless of channel," said Michiels. "If the message isn't relevant, it's spam."

Conflicting Goals

Of all the online vehicles available, email is still a primary and prominent marketing channel, largely because it is inexpensive and delivers a big return. More importantly, according to Michiels, email actually is a unifying source behind a broad range of marketing channels used to reach a widely dispersed audience. Email messages can request mobile phone numbers and customer contact preferences, provide links to web pages and social media sites, track click-through rates, follow up with highly engaged recipients, and quickly reach a national or global sales force.

Conflicting Goals of Corporate and Local Marketing Departments

Corporate Marketing Goals

- Control brand consistency
- Preserve brand and customer experience
- Be accountable for organizational performance
- Control agency costs
- Aggregate media spend
- Manage cross-channel campaigns

Local Marketing Goals

- Customize marketing messages for local audience
- Have flexibility and autonomy in program development
- Engage target audience across relevant channels
- Rapidly react to changes in local market dynamics

Source: American Marketing Association, "Email Marketing in the Distributed Enterprise," 2012

However, there is a hurdle with large-scale email marketing, and it's a big one. Marketing executives at corporate headquarters must coordinate with the marketing departments at local branch offices and, unfortunately, corporate and local goals often conflict. Corporate marketing has control over the brand image and budget, and is accountable for overall performance. Local branches want the autonomy and flexibility to create and send timely targeted messages to their immediate audiences.

Last year, two out of three marketers ranked these conflicting goals of corporate and local marketing as a top challenge. That's because such conflicts lead to longer campaign cycles, inconsistent communication, problems coordinating email frequency and opt-out requests, redundant technologies, and an inability to control brand image or to measure combined efforts.

The Key to Success

This underlying issue of control versus empowerment raises very specific logistical questions: What percentage of each email template needs to be locked down by corporate versus open for localized content? Should local branches be able to control the scheduling and dissemination of email campaigns? How are best practices and content sharing best combined? "Achieving that global-local balance is very important," said Mike Ferguson, vice president and general manager of Harland Clarke Digital. "Each organization has to deal with these issues to a different degree."

Yet, somewhat counterintuitively, it is the top corporate performers — companies surveyed that make up the top quartile on key metrics such as revenue and return on marketing investment — that are more likely to embrace local email communication and best enable local offices to manage their own email campaigns.

In fact, these top performers actually use fewer technologies, are far less likely to struggle with brand consistency and consistently outperform the market in their use of email at a local level.

The reason for their success, according to Ferguson, is that they give local branches the path of least resistance to take the right steps. "They use centralized email technology not as a control mechanism, but as a way to empower local business units do their job and drive revenue," he said.

Benefits of a Glocal Email Platform

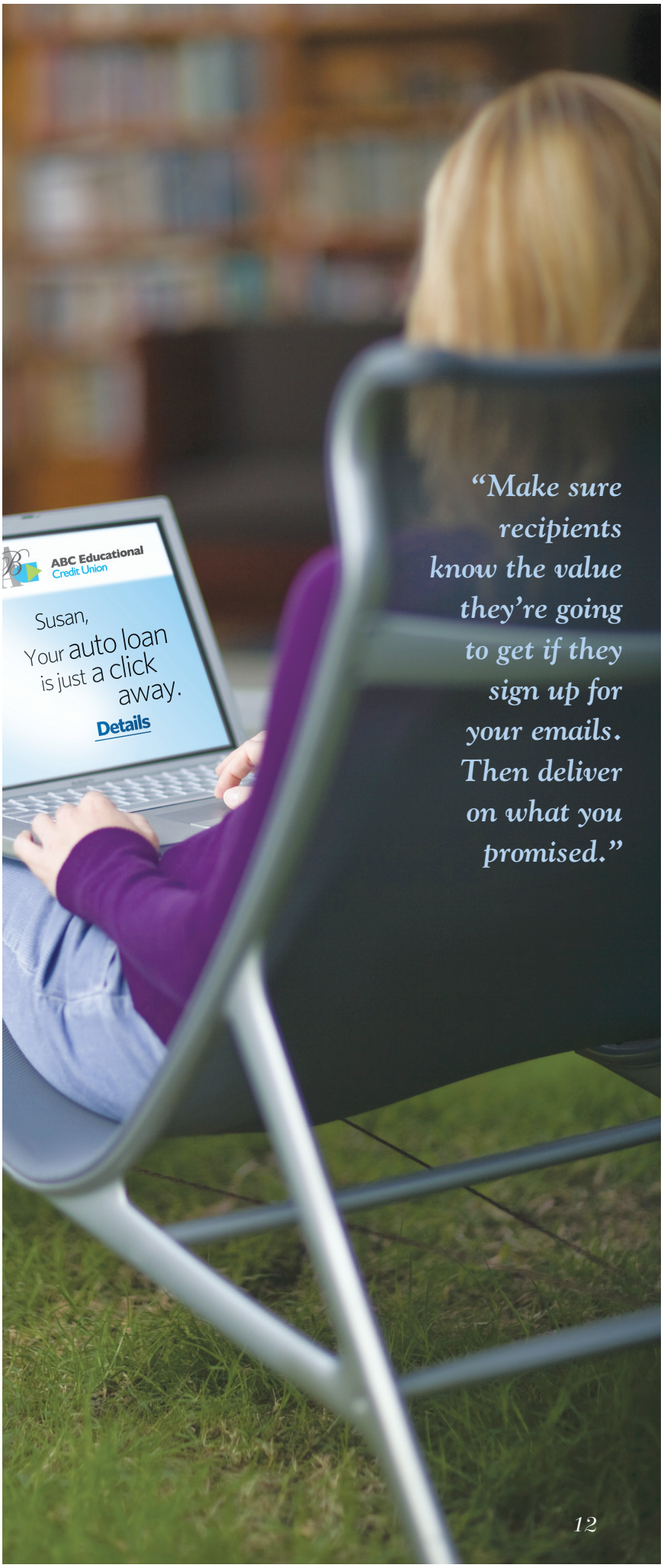
This centralized email program, deployed at the corporate level, should include such core capabilities as:

- Centralized opt-in and opt-out management
- Customer preference management
- Integration with other channels (e.g., mobile, social, CRM)
- Centralized email throttling (frequency)
- Corporate-branded templates for consistency
- Centralized reporting and analytics

Of course, one key step after centralizing an email platform at the corporate level is to divest local units of any additional email technologies.

Once the system is set up, the degree of local autonomy can be adjusted based on the marketing skills and abilities of staff at the local level. Top-performing companies often will assign a corporate brand steward to work with local units that do not have a marketing team on staff. If local offices send spam or otherwise step out of bounds, a centralized platform

"If the message isn't relevant, it's spam."



"Make sure recipients know the value they're going to get if they sign up for your emails. Then deliver on what you promised."

gives the corporate office the ability to mitigate risk by scaling back or even revoking local emailing permission. For example, headquarters may choose to limit communication frequency to prevent recipients from receiving email from more than one local division within a given time frame.

Having this sort of corporate control is essential for organizations in highly regulated industries, such as banking. "Obviously compliance is a big concern for financial institutions," said Ferguson. "It's a matter of enforcing regulatory standards and removing risk." For instance, do local bank or credit union branches meet email archiving standards that would hold up in an audit? As an example, he used a financial services provider with more than 100 locations. "The institution wanted a compliance solution with corporate control to be able to archive all email marketing messages that were sent from all local branches."

Another key benefit of enabling local autonomy is that it gives branches the flexibility to customize and promote localized promotions and events, which are by nature time-sensitive and audience-specific. Corporate still controls the overall branding message in the email, but local units can decide on timing and content for promoting local activities.

Regardless of who's controlling what, all email communication needs to be compelling. It should include value-added content, such as recent news, that goes beyond just a brand message. "And it is important to use a consistent format," said Michiels. "Recipients should know where to look in the email to easily find certain information. Don't make them work too hard."

"It's about setting the right expectations," said Ferguson. "Make sure recipients know the value they're going to get if they sign up for your emails. Then deliver on what you promised."

Michiels advises companies embarking on glocal email to start small. "Go after just one division," said Michiels. "Then show the other divisions that it's working."

Ferguson agrees. "Getting good results within one or two areas of an organization and then expanding is a typical scenario," he said. "You don't have to do everything all at once." DV

For more information and a copy of the Gleanster white paper, Email Marketing in the Distributed Enterprise, *visit* ***harlandclarkedigital.com.***

CASE STUDY

Meeting the Compliance Needs of Umpqua Bank

UMPQUA BANK

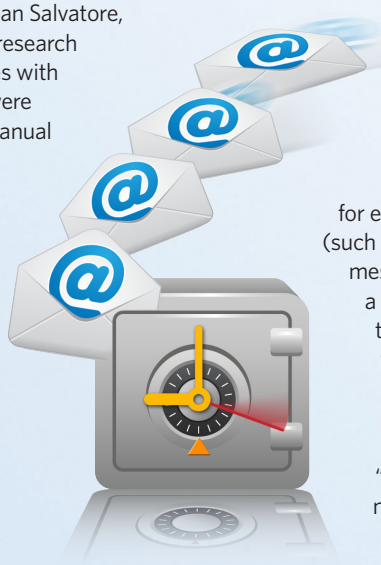
Background

If you're going to bill yourself as "the world's greatest bank," you had better be prepared to go above and beyond when it comes to keeping customers informed. Umpqua Bank embraced the challenge, utilizing email communications from several business units to give customers as much information as possible to successfully manage their finances. However, this commitment to communication also presented a challenge when it came to compliance and audit considerations such as email retention and retrieval. "We had processes in place for retention, but we were still looking for a better solution," explained Joan Salvatore, assistant vice president and research director for creative strategies with Umpqua Bank. "Ideally, we were looking to automate some manual processes."

Challenge

With a decentralized approach to messaging, Umpqua Bank knew it was important to standardize the archival and retrieval processes of its emails. While it was clear that Harland Clarke Digital's SubscriberMail platform offered the email marketing capabilities Umpqua Bank needed to deliver on its commitment to communication, strategic discussions between the two partners revealed that Harland Clarke Digital's SM:Vault archival solution was ideally suited to meet the bank's email compliance and audit needs.

Whereas manual message retention can leave the door open for the integrity of sent messages to be compromised, SM:Vault's unique archival process retains an exact duplicate of sent messages on a per-recipient basis. While these messages can still be retrieved, no one — not even the Harland Clarke Digital team — has the ability to edit or delete any messages. "The beauty for compliance and audit purposes is that it's a one-source location for retrieval. We have assurance in the Vault that what we sent to the customer is what is archived," Salvatore said.



Umpqua Bank also recognized value in SM:Vault's quick-access search features and the level of detail being retained for each individual email (such as images within the message). "The Vault offers a sophisticated solution that gives us the ability to reproduce uneditable copies of emails right down to the specific recipient," Salvatore said. "The Vault met all our needs and, in some cases, surpassed them."

Solution

Harland Clarke Digital quickly worked to connect Umpqua Bank's email marketing account with SM:Vault. Once this implementation was complete, all of Umpqua Bank's messages sent through SubscriberMail also began funneling into SM:Vault, where they will remain locked down for the three-year period requested by Umpqua Bank. The impact was immediate for Salvatore and her team.

"Having an automated email retention process ensures consistency throughout the bank and provides operational efficiencies to all of our SubscriberMail administrators," said Salvatore.

By understanding and anticipating needs, Harland Clarke Digital is able to proactively develop solutions such as SM:Vault that promote the expansion of email programs without sacrificing organizational standards. In taking an active role to further the efficiencies of the Umpqua Bank email program, even as the program was opened to additional business divisions, Harland Clarke Digital demonstrated the importance it places on providing actionable, strategic insights to its partners.

"We are confident that the support we get from the Harland Clarke Digital team is solidly based in good business practices and that we are getting excellent guidance on email best practices," said Salvatore. DV

To learn more about SM:Vault or the entire suite of Harland Clarke Digital solutions, email us at ***info@harlandclarkedigital.com*** *or reach us by phone at* ***1.630.303.5000****.*

The Wait Is Over!
Issue Cards Instantly With card@once®

Our new "instant issue" solution is cost effective and requires no IT support from your institution

No one likes to wait, especially when it comes to accessing funds. But account holders are often asked to wait for days to receive their new or replacement cards in the mail.

With Card@Once from Harland Clarke, the wait is over. Card@Once is a comprehensive solution for secure, in-branch card personalization and issuance. It enables branch staff to distribute fully functioning, personalized cards onsite — in less than two minutes.

"Everyone loves the idea of instant issuance, but until Card@Once, the available solutions were expensive and bulky, and they required significant support from the financial institution's internal IT staff," said Greg Kuyava, manager of sales for Harland Clarke Card Services. "Card@Once is easy, compact and affordable. It's exactly what banks and credit unions have been looking for in terms of in-branch issuance."

Benefits Add Up

Card@Once offers significant benefits to both financial institutions and account holders. For example:

- **Enhanced customer service.** Personalized, full-color, activated cards are available within a minute or so at the branch, compared with up to eight days in the mail. Account holders leave the branch with the card in their hands, giving them instant access to their funds — and giving financial institutions the opportunity for a bit more revenue per card. This timely delivery not only enhances the account opening experience for new account holders, but it's also extremely convenient for existing account holders who are anxious to replace a lost or stolen card.
- **Better security.** Instant access means that cards or PINs won't get lost in the mail or stolen out of mailboxes. The card is handed directly to the account holder.
- **Increased activation and utilization.** Only about half of mailed cards are eventually activated. Card@Once eliminates this problem entirely.

How It Works

Easy, quick card ordering. Branch personnel simply log in to a secure website and enter the card order data, which is then transmitted to a secure processing center. The data is encrypted and immediately sent back to the branch's Card@Once printer. The printer decrypts the message and prints the card.

High-quality card printing. Branch employees can use the institution's preprinted card stock or print customized, full-color designs. The printer is small — only 9" x 16" — but holds up to 100 cards.

Built-in security. The Card@Once printer has a built-in firewall and is PCI certified.

Valuable reporting. The Card@Once web application provides comprehensive reporting capabilities. Branch employees can research the day's printing history, generate reports and manage user roles.

Optional customer-created PIN solution. For financial institutions that don't have the ability to create a PIN offset, an optional iPad PIN solution enables cardholders to generate a PIN on the spot.

No Software, No Service Contracts

One of the key reasons Card@Once is so appealing to financial institutions is its affordability. Because the service is web-based, there's no software or dedicated server to buy and no technology management necessary for the institution. Branch personnel can just plug in the printer, and it's ready to go.

DHCU: Reducing Expenses, Building Loyalty

DHCU Community Credit Union switched to Card@Once earlier this year and is using the product in all branches. "We open a large number of checking accounts each month and we want them active immediately," said Matt McCombs, executive vice president of sales and strategic direction at DHCU. "For members, it's the simple things that build loyalty, and instant issuance is one of those things. For us, using Card@Once has reduced expenses substantially, and we've gone from using three vendors to a single point of contact."

According to Kuyava, financial institutions have been craving a solution that's so straightforward. "By dramatically reducing the cost of instant issuance — and making it so easy — we've opened the door to more institutions looking for new ways to gain a competitive edge." DV

For more information about Card@Once, contact your account executive or visit **harlandclarke.com/cardatonce**.

Card@Once is completely different from any other solution on the market:

It's Simple

- Requires only an internet connection

It's Fast

- Produces full-color, fully customized cards in less than two minutes

It's Reliable

- Uses proven print technology
- Is low maintenance — no annual contracts

It's Secure

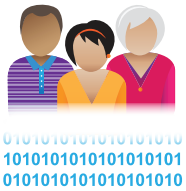
- Is PCI Certified
- Meets Visa® and MasterCard® security requirements

It's Economical

- Is the most cost-effective solution available
- Does not require the purchase of additional software

Start to Finish } Two-Minute Process

The account holder's information is entered. The card order is submitted via webscreen.



Data is encrypted and securely transmitted for processing.

Encrypted data is securely sent to the Card@Once printer, where it is programmed and printed in seconds.

The account holder leaves the branch with a fully personalized card.

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Working with Zions Bank®, Harland Clarke developed an award-winning program designed to reduce customer attrition while increasing wallet share and positive brand engagement. Zions Bank saw a six-to-one return on its investment, a 96% retention rate and a 40% increase in deposits — exceeding goals by more than 200%. The program won the 2011 Database Marketing Gold Award from the National Center for Database Marketing (NCDM). When it comes to onboarding and other marketing services, it takes more than the flip of a coin to determine success.

Harland Clarke Marketing Services.
Leave nothing to chance.

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