

MARKETING STRATEGY SUCCESS

ATLANTIC CREDIT UNION

CHALLENGE: Atlantic Credit Union faced a 20% decline in auto loans, which served as a critical entry point for many households to credit union membership. Marketing analysis determined that auto financing was a minor detail in the typical auto purchase, generally relegated as a footnote to the purchase transaction. Car dealers had the loans virtually locked up because of their ability to process the loan any time the dealership was open and complete the loan faster than any bank or credit union.

"You are the real deal; you understand the strategic importance of marketing and how to execute an effective and successful strategy."
 ---Carol Humenick
 COO - Vice President

The process of buying a car is best described like this:



In most cases, the credit union didn't know who was seeking a car purchase until (or if) the call came to finance the vehicle.

SOLUTION: Atlantic taught members a different way to buy a car that placed the auto financing in the beginning of the auto buying process by instituting two new strategies. First, Atlantic set up a discount buying program which gave members lower non-haggle pricing than they could negotiate on their own with a variety of dealers. Second, it made the discount buying service available through a loan pre-approval that offered loan guarantees based on credit score. This was, at the time, very different from what the industry was doing. Overlapping mailers were sent quarterly to those members with the highest propensity (as determined by demographic) to buy new cars. The discount buying process required the member to call the credit union at the beginning of the purchase process. People cared about buying their car at the lowest price possible, giving Atlantic the opportunity to move the financing to the beginning of the buying process.



RESULTS: Atlantic saw a 40%+ increase in auto loans within 14 months at a time when auto sales were down 20% nationwide and dealers were offering 0% financing to attract buyers. There was no concession made in rates offered and no difference in the quality of the loans as compared to those made prior to program implementation. Atlantic took loans from the auto dealers and was able to convince people to pay for what they could get for free elsewhere.



Key to strategy success was: ongoing pre-approvals repeated to the same member group, a removeable wallet card, and educational materials that reinforced the simplicity of the "new" buying process.

GARY ZENKER

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QUARTERLY LETTER MAILING

Mailed to the same target group each quarter: those with high propensities to buy new cars. While the message was similar, the letters used new text and design each quarter.

DETACHABLE WALLET CARD

Based on a member's credit rating, a minimum guaranteed pre-approved auto loan amount. Rate and terms are NOT revealed to allow the credit union flexibility. Variable data.

CAR BUYING BROCHURE

Designed to help members understand and embrace the value that the credit union offered in buying and financing their next auto. This was included with each letter mailing.

Peel off card
Replaces previous card

Call Now To Activate Your
Pre-Approved Financing!
Dial 610-325-3600 press 5 (local)
or 800-428-4636 press 5 (non-local)

Melissa Sebastian
520 N Morton Ave
Morton PA 19070-1102

Pre-Approved Auto Financing

Get your
Auto Loan or
SuperLease
today!

Melissa Sebastian
is Pre-Approved for
up to **\$35,000**
or more!

Expires 07/31/01 • ID # GB 15001

Call 610-325-3600 (800-428-4636 non-local) PRESS 5

**Your next car loan is approved & waiting
Call 610-325-3600 and press 5 to activate it!**

Car buying should be easier, the hardest part should be just finding the car with all the features you want, not financing it or paying a fair price. We want to show you three ways to make the process faster and more enjoyable.

- 1 Your financing is pre-approved**
No need to jump through hoops at the dealership to get their special financing. Most people don't qualify for it anyway; it's primarily for leftover models and short-term loans. We have your financing pre-approved and ready for you NOW, without the hassle. Plus, Atlantic offers options and financing rates that dealers don't on pre-owned cars.
 - You can finance **up to 100%** of the purchase of your car, including tax, tags and warranty plans.
 - You get rate discounts for putting a down payment on the car and for other Atlantic relationships.
 - MAPS Leasebuster offers better terms than you get from a dealer lease!
- 2 Get a lower, no-hassle discounted price**
Dealer haggling is a game you *don't have to play*. Use Atlantic's MVCP Car Buying Service to get a better price, in most cases, a small mark-up over dealer cost. Major dealerships participate in our program, so you can feel good.
- 3 Save money on future repair bills**
A brand new car with a factory warranty seems like a dream. But what happens *after* the warranty ends? Remember the repair bills on your last car after the warranty? No problem. Atlantic offers nationwide mechanical breakdown protection with a low deductible that you choose: \$0, \$50 or \$100. It's accepted at licensed repair facilities, including dealerships! It's also one of the few plans that covers Cause and Effect. And best of all, you can **finance it with your car purchase!**

Activate your loan NOW

- Call 610-325-3600 (local) and press 5 to activate your pre-approved loan.
- Get discounted pricing with our MVCP auto service; 800-345-0990 or www.mvcp.com.
- Have the dealer FAX your sales agreement to Atlantic at 610-325-5383.
- Atlantic will send payment to your dealer; drive your car home!

Information contained in your file at a credit reporting agency was used in connection with this offer. You received this offer because you satisfied the criteria bearing on your creditworthiness or you do not furnish any negative information. You have the right to prohibit information contained in your file at a credit reporting agency from being used in connection with any credit transaction that you do not initiate.

www.atlanticcu.org

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4 EASY STEPS TO BUYING

Because the credit union was showing members a modified way to buy their new car, it needed to be easy and understandable. Seeing the four steps immediately upon opening the brochure helped them understand and appreciate how easy it really was.

4 Steps To Faster, Easier Auto Buying

- 1 Select financing to fit your needs.**
In some cases, a loan works best; in others, the MAPS Leasebuster makes better sense. Use the chart inside to compare to your own situation. It will help you make a better informed decision.
- 2 Get your loan pre-approved before you buy.** Atlantic can give you a loan or MAPS Leasebuster approval even before you make your final selection. Call 610-325-3600 and press 5 to reach our loan center, 24 hours a day, 7 days a week. Being pre-approved makes the rest of the car buying process easier, and ensures that you'll get the lowest possible interest rate and payment on your auto.
- 3 Negotiate the best price.** If you are buying a new car, use Atlantic's free MVCP or CU Car Club services to get the best possible price. If you are buying a used car, use the Carfax service to get an independent report of the history of the car and rule out accidents or major mechanical failures.
- 4 Buy the car with confidence.** You now have the best financing and a pre-approved loan. You know you have a great price and, if the car is used, you know its history. Buy it. Drive it home. Enjoy your vehicle.

Fast and Easy Loan Application

In a rush? Who isn't these days? Maybe you are in a rush to get the money to make your purchase, or your days are just full of other priorities. Your time is valuable, and applying for a loan shouldn't be a major scheduling chore.

Relax. You can apply for an Atlantic loan over the phone, and complete an application in less than 15 minutes. Dial 610-325-3600 and press 5 to transfer to the Loan Center. For your convenience, our Loan Center is open 24 hours a day, seven days a week.

Your application will go faster if you have the following information available at the time of your application:

- Name, address and social security number of all signers on the loan
- The annual salary of all signers (and previous employer and salary if in current position for less than two years)

For application or pre-approval, dial

610-325-3600 (local)
800-428-4636 (non-local)
and press 5

www.atlanticcu.org

Finance or Lease Your Next Vehicle

Atlantic offers members a variety of options in auto financing. Whether you are looking for a new or used vehicle, we can get you into the driver's seat at a payment you can afford.

New and Used Auto Loans

Get the car of your dreams at a payment you could have only dreamed about. You can finance up to 100% of the retail value and warranty of any new or used car or truck - including the taxes and tags. That means qualified borrowers need little or no money as a down-payment to drive a car home when you finance through Atlantic.

And remember, Atlantic's low rates are good on all makes and models...not just the dealers' leftover stock. So don't compromise: choose the car you really want. Take our rate and their rebate!

- Financing up to 100% (including tags and taxes)
- Fast 15 minute application
- Lease or buy
- Low Credit Union rates
- Buying services that can save you thousands!

The MAPS® LeaseBuster

Drive a better car with lower monthly payments. The MAPS® (Member Auto Payment Saver) LeaseBuster combines the benefits of auto financing with the advantages of leasing. The result is a new, more flexible form of financing.

The MAPS LeaseBuster features no fine print: there are no wear and tear penalties or back-end return fees. You'll also avoid the outrageous mileage fees typical of leases.

The MAPS LeaseBuster also gives you flexibility: at the end of the lease term, you can choose to:

- Sell the vehicle and pay off the residual value, keeping any profit for yourself
- Trade it in for another vehicle with payment of the residual as part of the transaction
- Refinance the vehicle through Atlantic as a used vehicle
- Return the vehicle to the credit union

The choice is all yours and doesn't have to be made until the end of the term.

Apply for a loan 24 hours a day, 7 days a week!
Call 610-325-3600 (local)
800-428-4636 (non-local)

	Loan	MAPS
Typically lease vehicles	✓	✓
Purchase every 2-3 years	✓	✓
Purchase every 4 or more years	✓	✓
Place high mileage on autos	✓	✓

Money Saving Auto Buying Services

First, Atlantic made financing an auto easier by providing 100% financing, the MAPS LeaseBuster, and fast applications over the phone 24 hours a day.

Now, Atlantic offers services that make buying a car easier and more affordable.

Save Thousands On Your Next New Car

If you want the best possible price on a new car without the long negotiations or haggling, Atlantic has your solution with MVCP and CU Car Club.

MVCP Car Buyer's Service: Atlantic offers MVCP, which provides a network of new car dealers with pre-negotiated pricing on cars, typically a few hundred dollars over dealer invoice. This service is FREE to Atlantic members. Call 800-345-0990.

CU Car Club: Atlantic members can get discounts from participating dealers, have an expert assist with the car buying process, and find information on safety, performance ratings, pricing, rebates and more! Call 888-CAR-CLUB.

Know The Used Car's History Before You Buy

Carfax: Is that used car the cream puff it appears to be, or does it have some hidden secrets in its past...a flood, an odometer rollback, an engine rebuild or even an accident? Now you can find out from an independent source for a small fee. Call Atlantic with the VIN (Vehicle Identification Number) and let us help you. Carfax helps avoid costly errors!