



Driving Auto Loan Volume with MPOWER

Partner Profile

SWBC

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Objectives:

Increase auto loan volume

Increase customer retention

Results:

500% increase in product upsells

121% increase in net fee income

39% increase in auto loan volume

Capitalizing on Economic Growth

In 2011, during a time of unprecedented growth in the retail automotive space, SWBC, one of the nation's largest international financial services companies, partnered with EFG Companies, the innovators behind the award-winning Hyundai Assurance program. They formed this partnership to **help credit unions take advantage of the surge of vehicle sales** and increase credit union market share.

Together, they developed MPOWER, a proprietary, complimentary consumer protection product offering that provides credit unions significant differentiation to get them beyond rate alone. The program:

Creates a compelling offer through targeted products and branding.



Extends feature-rich protection plans to members who finance auto loans through SWBC partner credit unions.



Sets the stage for upsell conversion for longer program terms and/or more extensive protection plans at loan closing.

MPOWER+POWERTRAIN PROTECTION

A Brand Promise

The name is a brand promise, which serves as a platform for significant market differentiation.

MPOWER drives auto loan volume by:



Separating SWBC partner credit unions from the competition by offering significantly more value than reputation and interest rate alone, and driving auto loan volume with a breakthrough compelling offer.



Motivating auto loan financing with an SWBC credit union with products and services that help members create a positive financial future. The program highlights the quality of loan servicing that each credit union provides, and the credit union's commitment to its members.



Communicating a consistent brand promise across all marketing platforms enabling SWBC partner credit unions to drive increased awareness.



Providing ongoing marketing consultation and sales support to SWBC partner credit unions to ensure the success of MPOWER within their target member base.

EFG utilized its 40-plus years of industry experience to surround the SWBC partner credit unions with MPOWER products with **customized services designed to enhance market penetration and increase loan sales success.**

After implementing MPOWER, SWBC partner credit unions saw **immediate and significant impact**. The first credit union to roll out MPOWER was Pegasus Credit Union, now Neighborhood Credit Union.



Impact of MPOWER

Located within a tier-one U.S. market and, this credit union experienced:

Within 1st 12 Months

121% Increase in net fee income

10% Increase in direct auto loans funded

Within 1st 3 Years

39% Increase in direct auto loans funded

"We chose to utilize MPOWER because of its proven impact to drive auto loan volume while benefitting our members," said Jason Scott, President and CEO, Pegasus Credit Union.

To truly make MPOWER successful for Pegasus, EFG and SWBC **fortified the product offering with more than \$20,000 of marketing and sales tools** designed to enhance market penetration and increase loan volume. They set the stage for adoption of the program by researching what consumers find most valuable to determine which MPOWER products would most benefit Pegasus and its members.



"SWBC and EFG maintain an active role in ensuring the success of our clients' MPOWER program long after implementation is complete," said Luke Tomlin, Account VP Sales, FI Division, SWBC. "Through on-site training, marketing support, and regular consultation, we work as a true partner to deliver value to the credit union and its members."

Since that first success, the program has seen continuous momentum. My Community Credit Union deployed the program with Vehicle Return Protection, Tire and Wheel Protection, and Paintless Dent Protection. Aside from generating increased member loyalty and reducing the likelihood of members financing through a dealership, the credit union also saw the potential of using the MPOWER program as a means of increasing non-interest-bearing fee income through product upsells. My Community Credit Union experienced:

500% increase in
product
upsells
**As a direct result of the
engagement provided by
EFG and SWBC**

"The partnership provided by SWBC and EFG is unlike anything I've ever seen," said Dan Hendrix, Vice President of Direct Lending, My Community Credit Union, which has been on the MPOWER program since 2014. "They listen to my feedback and respond in a positive way that helps me move the ball to satisfy my member base and credit union management with non-interest income solutions."

Each time EFG and SWBC roll out MPOWER within a credit union, they conduct research on what credit union members would find most valuable. This directs the creation of the financial strategy around the product bundle architecture, as well as the development of a unique product mix for that credit union. They then provide tailored training and communication plans to fill the void in current lending strategies, as identified by both credit union employees and members.



MPOWER: Behind the Scenes

Implementation of the program includes:

On-going Training and Engagement



On-site installation and intense training program for loan officers and key personnel.

Pre-launch, launch and ongoing skills training to **continuously address product recommendations**, respond to concerns and provide guidance on ways to leverage the program during the loan closing and beyond.

Full Marketing Support and Rollout

Initial assessment and strategy meeting, and installation of private-labeled marketing materials at launch.



Ongoing content and placement recommendations for website and related social media sites.

Continuous consultation on how to best leverage marketing materials and credit union marketing campaigns to **increase auto loan volume and MPOWER product sales**.

"One of the biggest advantages of MPOWER is the program's dynamic nature," said Brien Joyce, Vice President, EFG Companies. "MPOWER is turn-key for any size credit union regardless of the sophistication of their current sales marketing strategies."



MPOWER: Member First Focus

A key component to the success of MPOWER is EFG's dedication to customer service.



EFG Companies is the only product provider named to the BenchmarkPortal "Top 100" U.S. call centers in both 2016 and 2017.

BenchmarkPortal objectively identifies contact centers that achieve superior results in both financial and qualitative terms.



EFG has been awarded the National ASE Blue Seal of Excellence for three years in a row.

The National Institute for Service Excellence (ASE) seeks to improve the quality of vehicle repair and service by testing and certifying automotive professionals,



EFG has received Stevie Awards in Contact Center of the Year (Up to 100 Seats) for the past three years in a row.

The Stevie Awards are the world's premier business awards, spanning all business types and company sizes.

When initiating a claim, **credit union members' calls are picked up in 26 seconds or less. 96% of all claims are paid in one hour** of receipt of invoice by corporate credit card.

"EFG's average claim amount of \$960 for MPOWER claims has benefited both credit unions and their members," Joyce. "Members get relief from financial hardship, and credit unions see members expand their lending relationship, increasing membership retention."



Ongoing Results

MPOWER has proven that creating real value for members drives real results. With bundled products packaged with their loans, credit unions have a better ability to position their auto loans as valuable to their members outside of just APR. This innovative approach better equips them to **bring in new members** and reduces the chance of members being flipped at the dealership. MPOWER not only empowers consumers to make that big purchase decision, but also credit unions to **retain members after loan closing**, with follow-up messaging and marketing initiatives.

For MPOWER to be beneficial, it had to be surrounded and propelled with specialized services and customized support designed to sharpen the credit union's competitive edge. EFG's dedicated client relationship support made it possible to adequately appropriate the right resources to **generate the best results for each credit union**.



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