



'Open Your Eyes' to New Awareness Initiative

Message to consumers: Find 'your fantastic future faster' by joining a credit union.

For the most part, people know what credit unions are. But too often they're hampered by myths about their ability to join, and the security and accessibility of their money.

"As it turns out, we don't have an awareness problem," CUNA President/CEO Jim Nussle says. "What we have is a misperception problem."

That finding serves as the foundation of the Credit Union Awareness Initiative, which Nussle, other credit union leaders, and a team of creative consultants unveiled at the 2018 CUNA Governmental Affairs Conference (GAC).

Two years of research—which included hundreds of listening sessions with consumers around the country—led to the formation of a national brand platform, "Your fantastic future faster." That core message and market positioning underscores credit unions' unparalleled commitment to offering premier products, services, and

financial education resources.

"What makes 'Your fantastic future, faster' work is that it's playful and down-to-earth," Nussle says. "Our research finds it models the tone that resonates with consumers. And it's inspirational, a reminder that we need to communicate to potential members that credit unions are here to help them achieve their dreams—and that we do it better than our competition."

From that platform springs the first creative campaign, a message to consumers to "Open Your Eyes" to credit unions—financial institutions that are right in front of them that offer better rates on loans and deposits, all while ensuring members, as owners, get a "piece of the pie" of their institution.

The awareness initiative—an effort led by CUNA and an advisory group comprised of credit union leaders nationwide—will start small, working with strategic partners who will volunteer time and money to roll out "Open Your Eyes" regionally.

"This initiative will increase overall consumer consideration of credit unions, not replace your credit union's brand or supplant your marketing efforts," Nussle says. "Every credit union is unique, but that doesn't mean we can't be united."

Xceed Financial Credit Union President/CEO Teresa Freeborn, a member of the advisory group, says her credit union will use the messaging guide to bring its marketing efforts in line with the initiative's consumer research while relying on the broader campaign to drive consideration of credit unions overall.

Marketers embrace initiative

"Open Your Eyes" will shake up the industry, says Michelle Hunter, senior vice president at Credit Union of Southern California in Anaheim. She introduced the initiative at the 2018 CUNA Marketing & Business Development Conference.

Credit unions rely on messages they've used for years that resonate within the system but not necessarily with consumers, she says.

Conference attendees embraced the idea of disrupting traditional credit union marketing efforts with the new messaging.

'THIS INITIATIVE WILL INCREASE OVERALL CONSUMER CONSIDERATION OF CREDIT UNIONS.'

JIM NUSSLE

Subscribe Today

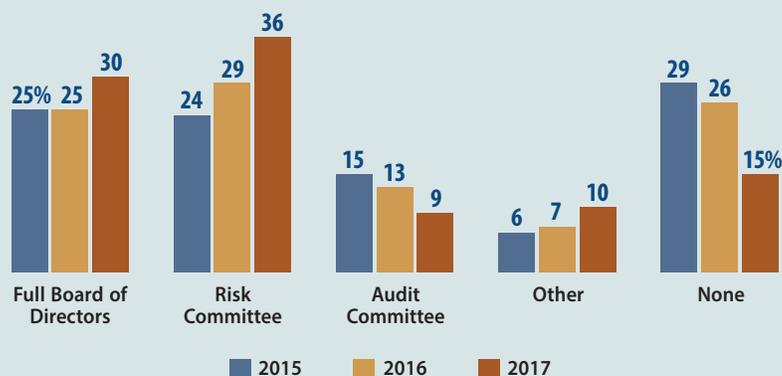
Two easy ways to order your subscription to *Credit Union Directors Newsletter*:

- Call 800-348-3646
- Visit cuna.org/directors

QUICK TAKE FOR YOUR NEXT BOARD MEETING

MORE CYBERSECURITY RESPONSIBILITY FOR BOARDS

Risk committees and full boards have assumed greater responsibility for cybersecurity risk management, according to the 2017 U.S. State of Cybercrime report. At organizations nationwide, primary ownership of this task belongs to:



Source: 2017 U.S. State of Cybercrime (csoonline.com)



CUNA's Credit Union
Awareness Initiative:
cuna.org/awareness

"If all credit unions speak with one voice, consumers will get the message a lot better," says Andrea Parrish, digital marketing specialist for STCU in Spokane, Wash.

People are aware of credit unions but aren't jumping on board or seeing their full value and capabilities, adds Nancy Howard, marketing specialist for Coca-Cola Credit Union in Atlanta.

Campaign tackles misperceptions

Most people, the awareness group's research found, don't believe they can join a credit union, and they think credit unions are too small to fit their modern, fast-paced lifestyle.

The Open Your Eyes campaign addresses these misconceptions head-on—in both tone and messaging—and represents a prime opportunity to shift consumer perceptions, says CUNA Chief Strategic Communications Officer Douglas Kiker.

Although credit union memberships are growing, credit unions' overall market share has stalled and banks are vastly outspending them in marketing, Kiker says.

"We are working with interested groups of credit unions and leagues to explore a series of individual

market tests to learn how what we've built works in the retail marketplace," Kiker says.

"We'll learn from this upcoming work, fine-tune what we've built, and build a broader coalition to achieve a scale of effort that supports the whole credit union movement and is sustainable long term," he adds.

Get Involved

- 1. Visit** awareness.creditunion (password: openyoureyes). Review the marketing creative and messaging guide, and read the story.
- 2. Download** the message guide at cuna.org/awareness. This is a series of recommendations based on CUNA's exhaustive research about which credit union messages appeal to consumers.
- 3. Provide** feedback about the "Open Your Eyes" campaign. CUNA is partnering with credit unions nationwide to optimize how to roll out awareness campaigns. Email your thoughts to awareness@cuna.coop.



CUNA Business Lending
Certification School,
July 23-26, Madison, Wis.:
cuna.org/blcs

The Art of Business Development

Differentiate your brand by viewing business members as business partners.

How do you manage select employee group (SEG) relationships? And how do you develop connections with local businesses?

Many credit unions devote considerable resources to these efforts as part of their strategic growth plans. Business development can be a differentiator in your market, and have a major impact on your bottom line.

As you set a strategic course for your credit union, consider adopting these approaches, an expert panel recommended at the 2018 CUNA Marketing & Business Development Council Conference:

■ **Offer pop-up financial reviews for SEGs.** Book a conference room and offer free consultations for employees on their terms. "The employers see that we are coming to them and providing value," says Royce Ngiam, vice president of marketing for Partners Federal Credit Union in Burbank, Calif.

■ **Solve a problem.** Perhaps, for example, you can help an organization write a third-party vendor policy or make payroll more efficient, says Jeremiah DeGollon, assistant vice president of business development at Summit Credit Union in Madison, Wis.

■ **Use your connections.** Take advantage of your personal and professional connections to get the atten-

tion of important SEG or community groups, says Julie Monahan, business development officer at First Heritage Federal Credit Union in Painted Post, N.Y.

■ **Learn their language.** Try to understand the SEG's culture, says Ngiam. For example, you don't want to bring a bunch of paper handouts to an organization that prefers digital copies.

■ **Be involved.** Volunteer for local boards of directors. Go to Chamber of Commerce and young professionals meetings. "Show that you are vested in that community," says Monahan.



■ **Pay attention.** Set up Google Alerts for SEGs and big community partners so you know when something big happens for them. If they win an industry award, you can throw them a party, says DeGollon.

■ **Be a person first.** "Be authentic. Be you. Sell your story to them," says Monahan. People want to do business with people they trust, she says.

Empowering People and Communities

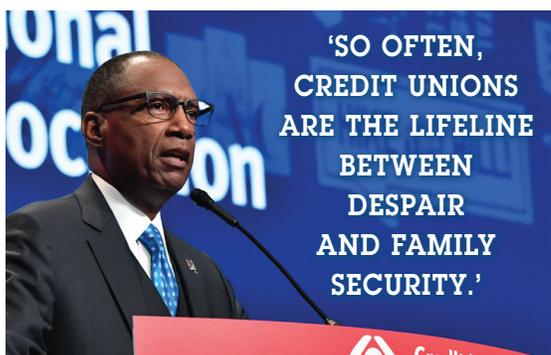
New CUNA Board Chairman Maurice Smith believes in the credit union mission.

Maurice Smith, CEO of Local Government Federal Credit Union in Raleigh, N.C., shares his goals as CUNA Board Chairman, his commitment to the credit union movement, and his proudest achievements as a leader.

Q: How can credit unions remain relevant in the financial services arena?

A. I don't think relevance is the right standard for the future of credit unions. We should aspire to be the leading financial services provider for all consumers and businesses.

Consumers are hungry for everything credit unions represent—fairness, affordability, inclusion, equity, and opportunity. We have a philosophical destiny to pursue the expansion of credit union thinking to consumers desperate for a fighting chance to live better lives.



Q: You began your career as a loan officer. What lessons from that experience still guide you today?

A. My father, rest his soul, gave me some advice that I will never forget. He said, "Son, you will have the opportunity to meet people from all walks of life as a loan officer. People will put their lives in your hands and trust you will make fair decisions."

My father encouraged me to look beyond the numbers and listen to the stories that accompany every application. He said, "This is how people know you care about them as human beings and not just an account number."

I don't ever want to lose perspective on what credit unions do every day for members in every state. So often, credit unions are the lifeline between despair and family security. We must not lose our humanity and concern for others. This is what gets me out of the bed every morning.

Q: What beliefs or behaviors led you to proudly label yourself a "credit union nerd"?

A. One should not take oneself too seriously. Look, life can be hard. So, if a little slapstick humor can make my message more approachable, I welcome the levity.

I might not get an Olympic medal for credit administration. I'm sure there is no Oscar for best asset/liability management modeling. I've got something better.

I have the gratitude of members who tell me how

we have changed their lives. I see the difference we make with honest, transparent pricing and policies. I am proud of our record of fair lending to give every member an equal opportunity to thrive. This is our reward for a job well done. A bit nerdy? You bet it is.

Q: How do you engage in grassroots advocacy?

A. I believe advocacy truly begins at the local level. Consider the field of membership for Local Government Federal Credit Union, which includes all municipalities, counties, and other local government institutions in North Carolina.

We try to get our local leaders on board with credit unions at the beginning of their political careers. I can't imagine any local politician not being moved by the power of the credit union spirit in his or her community. And when they rise to statewide and national offices, we remind them from whence they came with credit unions.

Q: What story do you tell your legislators?

A. When it comes to the inside baseball of credit unions, our staff is adept at bringing a message. We can talk all day about regulatory relief, fair legislation that helps consumers, and new powers for serving communities.

If we want to connect with a legislator on a personal level, we prefer to let our members do the talking. Consumers bring a credible voice to the debate. Small-business owners and entrepreneurs know the struggles of operating a business in a stagnant local economy.

Q: What are your proudest accomplishments at your credit union?

A. I would like to brag about a decision our board made a few years ago that is having a big impact in our state.

Five years ago, our credit union singlehandedly funded an initiative to help struggling North Carolina communities pull themselves up by their bootstraps. Our \$5 million investment in the Development Finance Initiative has been leveraged into an aggregate \$1 billion in economic development projects that have created local businesses, jobs, and opportunities that wouldn't have happened without the credit union. Don't tell me we can't make a difference.

Q: Speaking as a board member of the African-American Credit Union Coalition (AACUC), what role can credit unions play in attracting and uplifting diverse and often underserved audiences?

A. AACUC's contribution to the credit union movement focuses on bringing a diverse perspective to the conversation about professional growth, economic development, and inclusion of all communities.

Let's think about diversity as we would an investment or loan portfolio. We recognize that concentration risk—when we don't have enough variety in our holdings—can be bad. Diversity introduces variations to our focus. Diversity of thoughts, ideals, business models, and philosophies expands our perspective.

Our collective DNA is enriched when we join with all audiences to further our mission of member service.



CUNA Advocacy:
cuna.org/advocacy



CUNA Compliance
Community:
compliancecommunity.cuna.org

Protect Against Frivolous ADA Lawsuits

Take steps to address spurious allegations of website noncompliance.

The credit union industry is “under siege” by frivolous lawsuits alleging website noncompliance with the Americans with Disabilities Act (ADA), according to Michelle Anderson, partner with the law firm of Fisher Phillips.

Dozens of lawsuits have been filed across all industries nationwide, especially in California, Florida, and New York, says Anderson, who addressed the 2018 CUNA Marketing & Business Development Council Conference.

“Private lawsuits are the biggest threat,” she says.

Many ADA lawsuits assert that a credit union’s website fails to accommodate those with hearing, visual, or kinesthetic impairments. CUNA has effectively countered these claims and is monitoring developments in courts nationally. Some lower courts have dismissed these lawsuits, but the threat remains.

Common allegations in ADA lawsuits include:

- **The website** fails to accommodate those with hearing, visual, or kinesthetic impairments.
- **The user** is unable to use a mouse and must navigate with a keyboard, touchscreen, or voice recognition software.

gate with a keyboard, touchscreen, or voice recognition software.

- **The user** is unable to use a screen reader or specialized software to magnify the content of a page, have it read aloud, or to display the text using a braille reader.

- **The user** is unable to hear information on the website, audio content does not include closed captioning, or images lack captions.

Improve website accessibility by:

- **Providing** captions with video and full text transcripts. Include a mechanism to stop, pause, mute, or adjust volume for audio that automatically plays on a page for more than three seconds.

- **Adding** a text alternative to your images, audio, and video, and labeling controls such as “search” or “submit.”

- **Breaking** up content with subheadings for new sections, label elements, and provide instructions.

- **Using** more than color to communicate instructions and other critical information.

- **Distinguishing** text links from surrounding text with a clear contrast between the link and the text.



NCUA: ncua.gov

NCUA to Evaluate HMDA Compliance Efforts

Examiners aim to identify data collection weaknesses, but won’t cite violations.

Beginning in the second quarter, NCUA examiners will perform limited reviews of quarterly loan/application registers (LAR), when applicable, the agency states in its annual Letter to Credit Unions No. 17-CU-09.

Examiners will evaluate federal credit unions’ good faith efforts to comply with the Consumer Financial Protection Bureau’s October 2015 and August 2017 amendments to Regulation C, which implements the Home Mortgage Disclosure Act (HMDA).

NCUA’s review of 2018 HMDA data will be diagnostic in nature, designed to help credit unions identify compliance weaknesses in collecting 2018 data for submission in 2019. The agency pledges to take into

account good-faith compliance efforts.

NCUA recognizes the significant systems and operational challenges needed to adjust to the revised regulation for HMDA data collected in 2018 and reported in 2019. Therefore, the agency doesn’t intend to cite violations for data errors found in the quarterly LARs, nor require data resubmission unless data errors are material.

NCUA also doesn’t intend to assess penalties with respect to errors in data collected in 2018 and reported in 2019.

Collection and submission of the 2018 HMDA data will give credit unions an opportunity to identify any gaps in their implementation of amended Reg C and make improvements in their HMDA compliance management systems for future years.



Send us your comments:
directors@cuna.coop

CREDIT UNION
Directors
NEWSLETTER

CREDIT UNION DIRECTORS NEWSLETTER (ISSN 1058-1561) is published monthly for \$142 per year by the Credit Union National Association, 5710 Mineral Point Road, Madison, WI 53705-4454. (Multiple-copy discounts available.) Also available as a downloadable PDF for an annual subscription rate of \$695. Periodical postage paid at Madison, Wis.

POSTMASTER: Send address changes to CREDIT UNION DIRECTORS NEWSLETTER, P.O. Box 461, Annapolis Junction, MD 20701-0461. Advertising is accepted only from reputable firms, but inclusion of advertising does not imply endorsement by the newsletter or CUNA Inc.

Publisher: Ann Hayes Peterson, vice president and editor in chief, apeterson@cuna.coop

Editorial staff: Adam Mertz, associate manager, amertz@cuna.coop; Jennifer Woldt, senior editor, jwoldt@cuna.coop

Design and production staff: Ben Tenorio, digital media design specialist, btensorio@cuna.coop

Editorial: 608-231-4211 **Subscriptions:** 800-348-3646, fax 301-206-9789, or cuna.org/directors

© 2018 Credit Union National Association Inc. All rights reserved. Produced in cooperation with your league.



AMERICA'S
CREDIT UNIONS®