

Executive Summary

The Role of the Board in Marketing and Brand Strategy

Web Seminar, February 14, 2011

On February 14, 2011, the Credit Union Leadership Forum held a Web Seminar entitled, "The Role of the Board in Marketing and Brand Strategy." Panelist on the Web Seminar included:

Peter Hubbell: Executive VP, General Manager, Saatchi & Saatchi

Lynda Armynt: Senior Vice President, Corporate Development Government Affairs, Bethpage Federal Credit Union

Stuart R. Levine: Chairman & CEO, Stuart Levine & Associates LLC, Director Broadridge Financial Solutions, Lead Director J. D'Addario & Company, Inc., Advisory Council of the New York Stock Exchange

Sarah Snell Cooke: Editor-in-Chief, *Credit Union Times*

"Reason leads to conclusions. Emotion leads to action" (Neurologist: Donald Caine)

Stuart Levine led dynamic panel discussion regarding the philosophy and practical application of marketing and brand strategy in the credit union space.

Panelists Presentations

The first presenter, Peter Hubbell, described a time of unprecedented change, where customers are moving targets, and are changing before our eyes. Their pace is faster, their demands louder, and they're driving a major shift in the economy. This is a customer that is in control.

Saatchi & Saatchi surveyed top customers of top brands around the world. Results showed that the six top-of-mind questions for these customers are:

1. What can you offer me beyond price? *It's no longer enough for me simply to look for the lowest price; I'm looking for value added that comes in other ways.*
2. What do you really know about me? *There are things you state you know about me or pretend to understand about me, but demonstrate that you have a penetrating understanding of what I'm looking for in your category or your brand.*
3. What do I know about you? *Are you being transparent enough as a brand? Have you created a mechanism by which I can learn more about your brand and develop a relationship with your brand?*
4. Why do choices that were previously so simple seem to occupy so much of my time? *There is now an information glut, so what was once an easy choice between a couple of options has now grown to be a choice between many options, with lots of information about each.*

5. What do we have to *talk* about? *It is no longer about what we have to tell the customer, it's what he wants to tell us about. This is a customer who wants to have a dialogue with their brand.*
6. Can you keep up with me? *The customer believes he is in control, out in front, ahead of us and moving quickly.*

The next presenter in the web seminar, Linda Armyn, discussed the repositioning of the Bethpage Federal Credit Union brand. The repositioning was a long process that began by asking their employees about their brand. Then they asked their members and non-members, and found that non-members did not have the same perceptions as employees and members.

They took what they learned from their research, and through a multi-year process of testing, validating and retesting, Bethpage Federal developed a new brand.

Web Seminar Polling Questions

During the web seminar, Stuart Levine asked the audience the following questions. Responses are noted in the respective tables below.

How involved is your board of directors with marketing and branding strategy?

The board of directors helps to create the marketing and branding strategy	0%
The board of directors approves the marketing and branding strategy	54.5%
The board of directors is not involved at all in the marketing and branding strategy	46.5%

The panel had an in-depth discussion regarding the board’s role in marketing and branding strategy, and agreed that while the board should not be involved in the creation and execution of that strategy, it should review and approve it.

In addition, the marketing and branding strategy should have buy-in from all levels of the organization in order to be successful.

How important do you consider marketing and branding to the success of your credit union?

Very important	97%
Somewhat important	3%
Not important	0%

Are you satisfied with your credit union’s branding strategy?

Yes	28%
No	72%

Recurring Audience Question

One recurring question from the audience was: “How much should credit unions spend on marketing and branding?” The panel agreed that there is no simple rule of thumb for this. The determination of the budget should be based on the following considerations:

- What do you want to accomplish?
- What are the locations of the markets in which you wish to compete?
- How are you going to reach those markets? (e.g., advertising – print and/or radio; social media; community events; etc)

Conclusion

The keys to formulating a good marketing and branding strategy are to:

- Determine who you are through research and data collection;
- Determine who you want to be through research and data collection;
- Determine the messaging you need, to become who you want to be;
- Determine how you should communicate your brand; and
- Involve the whole organization

Today’s market is all about the member and the potential new member. Credit unions should be able to take advantage of this since for them, it has always been about the member. Going forward, it will be critical for credit unions to deliver the type of interactive experience that members and non-members currently expect and demand.

“People don’t remember what you said or did, but how you made them feel.”

When discussing marketing and branding strategy, what questions should CEOs and Boards of Directors consider?

1. How are we perceived in the community as a credit union?
2. How do our members perceive us?
3. How do our employees perceive us?
4. How do non-members perceive us?
5. How do we, as a board, perceive our credit union?
6. What do we want to accomplish with our marketing and branding strategy?

To view the web seminar go to www.cutimes.com/CU-leadership-Forum

For more information on the Credit Union Leadership Forum, contact:

Thomas A. Waller
Managing Director, Credit Union Leadership Forum
Ph. 877-505-2853
twaller@CUleadershipforum.com
www.cutimes.com/CU-leadership-Forum