



THE RIGHT MESSAGE

The Database Marketing Agency helps credit unions communicate with members more effectively.

BY ADAM MALECEK

Nearly everyone is familiar with receiving a sales pitch or promotional mailing for something they do not need. It is called “junk mail” for a reason. And it is more than unhelpful—it’s annoying.

Credit unions, more than other financial institutions, realize the great importance of diagnosing the specific financial needs of each member and assisting him or her accordingly. But how does a CU put this idea into practice, especially with limited resources? If this seems like a complex, even daunting, task, it is.

Portland, Ore.-based Database Marketing Agency (www.dmacorporation.com), which won the 2005 CUES Financial Suppliers Forum Supplier of the Year Award for companies with 26 to 50 employees, helps credit unions nationwide better understand their members’ financial habits and identify which products or services they would find useful. By using sophisticated database technology, DMA provides credit unions with cutting-edge marketing and sales strategies that improve financial performance over the short and long term.

“Our objective is to create an environment in which credit unions prosper,” says Rich Weissman, DMA’s president/CEO.

DMA helps its clients prosper by providing them with two crucial services. First, DMA’s IDM™ (Integrated Database Marketing) system integrates marketing, sales and financial data from a CU’s financial and operating systems. DMA uses its Matrix Marketing Program, a piece of IDM, to pull together and cross-reference large amounts of information, such as what accounts members have, how they transact, balances, frequency of transactions, if the credit union is their primary financial institution, how much business members have at other institutions that can be brought over, and demographics.

Second, DMA’s staff helps clients make sense of all this information. They analyze the data and place members in “cells”—unique groups in the database—based on their specific financial needs. The credit union can then separately target each cell, refocusing its marketing and sales efforts in a way that is more personal and appropriate for each member’s needs. For example, instead of sending first mortgage information to a retired member who owns her home outright, the credit union would know to send her information about maximizing retirement savings or, possibly, a home equity loan.


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DMA President/CEO Rich Weissman and SVP/Director of Marketing Division Josh Roth celebrate being named one of the 2005 CUES FSF Suppliers of the Year.

“This is a level of sophistication not usually available to credit unions,” Weissman says. “It’s what the big banks do.”

Weissman would know. He has had experience with these kinds of strategies as marketing director for Bank of America and at U.S. Bank. Weissman’s banking experience helped him realize the opportunity to bring these ideas to credit unions.

As far as the future is concerned, Weissman sees big challenges ahead for credit unions, such as increasing competition and economic pressures. “Our plan is to make sure we’re always 10 steps ahead to help them with those challenges.” 

Adam Malecek, a former CUES intern, lives in Madison, Wis.

RESOURCES

Look for profiles of the 2005 CUES FSF Supplier of the Year Award winners with 51-75, 76-100, and more than 100 employees in the August, September and October issues of *Credit Union Management* magazine.