Finding Member-Centricity

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@ECUBaldrige
2009 ZONE OF PERFORMANCE:
COMBINING IMPORTANCE AND PERFORMANCE

Importance Ranking

- Accuracy
- Protects Privacy
- Knowledge Level
- Acts in Best Interest
- Problem Resolution
- Online Banking
- Professionalism
- Employee Availability
- Explains Rates/Fees
- Friendliness
- Checking Fees
- Interest on Deposits
- Interest on Loans
- Office Locations
- Office Hours
- Simplifies Situation
- Lobby / Drive-up Speed
- Loan Approval
- Mobile Banking

Legend: Shape Key
- Accuracy
- Employee Skills
- Pricing
- Speed of Service
- Delivery
- Advocacy
- Technology

Performance Percentile (This Segment Compared to ALL Credit Unions' Overall Performance)

Importance (to Your Members) Ranking

Zone of Opportunity  Zone of Indifference  Zone of Excellence
### Key Cycles of Learning

<table>
<thead>
<tr>
<th>Before</th>
<th>After</th>
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<tbody>
<tr>
<td>Uncertain brand identity</td>
<td>Voted “Best Bank” as the cool local FI</td>
</tr>
<tr>
<td>About to lose University of Colorado relationship</td>
<td>10 year contract; key partner; acquiring 1 in 3 freshmen</td>
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<tr>
<td>Less than 100 net new members in 2006</td>
<td>More than 5,000 net new members in 2014</td>
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<tr>
<td>NPS adopted as Member Loyalty measure by Retail</td>
<td>Member Loyalty 1 of 3 strategic pillars</td>
</tr>
</tbody>
</table>
Baldrige Results

ELEVATIONS MEMBER LOYALTY NPS VS. IN MARKET COMPETITORS

- 2011: Chase, Wells Fargo, US Bank
- 2012: Chase, Wells Fargo, US Bank
- 2013: Chase, Wells Fargo, US Bank, 1-TbanK

It matters where you bank.

Malcolm Baldrige
National Quality Award
2014 Award Recipient
Member-Centric Strategy

- Member Loyalty
- High Performance Culture
- Member Centricity
- Financial Sustainability
Key Reflections on the Journey

- **BEGINNER**: LIVING THE BRAND
- **INTERMEDIATE**: TARGETING GEN Y
- **ADVANCED**: BUILDING MEMBER LOYALTY
Or How We Went From This...
Brand allegiance
Our brand promise

*We live connected.*

Because when you love where you live, it matters where you bank.
Brand Camp and Rollout
Our value proposition

We build long term relationships and deep mutual trust with our members by acting in the best interest of our membership and community.
HERE'S TO A RETURN TO WHAT MATTERS. TO KNOWING YOUR TRULY SOCIAL NETWORK ISN'T DIGITAL, IT'S PHYSICAL AND ROOTED IN THE COMMUNITY YOU CALL HOME.

HERE'S TO MAIN ST. NOT WALL ST.

HERE’S TO A NEW SPIRIT OF LOCALISM. WELCOME HOME.

ELEVATIONS
CREDIT UNION

It matters where you bank. Stop by a branch and see why.
Banking | Auto & Mortgage Loans | Business Loans | Wealth Management | elevationscu.com | 800.429.7626

Fedically insured by the NCUA
Targeting Gen Y
BLUE / INTERMEDIATE
% OF HOUSEHOLDS BY GENERATION

(Household are assigned to a segment according to the head of the household’s birth year.)

<table>
<thead>
<tr>
<th>Generation</th>
<th>Elevations</th>
<th>CEO Average</th>
<th>High Performers</th>
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<tbody>
<tr>
<td>Traditionalists</td>
<td>8</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>Baby Boomers</td>
<td>30</td>
<td>37</td>
<td>36</td>
</tr>
<tr>
<td>Gen X</td>
<td>26</td>
<td>26</td>
<td>25</td>
</tr>
<tr>
<td>Gen Y</td>
<td>25</td>
<td>25</td>
<td>26</td>
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</tbody>
</table>

Percentile

- Traditionalists: 11
- Baby Boomers: 9
- Gen X: 56
- Gen Y: 95th Percentile
Student acquisition increases after recommitment to CU-Boulder relationship

NPS increases after account opening process improvements
Recapturing Gen Y Loans

Value of Credit Review to Identify Loan Savings Opportunities

- All HH: 57% (Ext. Valuable), 36% (Very Valuable), 8% (Somewhat Valuable)
- Gen Y: 72% (Ext. Valuable), 41% (Very Valuable), 11% (Somewhat Valuable)

Gen Y Interest in Competitive Loan Offer from PFI (% of Gen Y HHs)

- Ext. Valuable: 76%
- Very Valuable: 43%
- Somewhat Valuable: 51%

Value of Ability to Qualify with Less Than Perfect Credit (% citing very or ext. valuable)

- All HH: Ext. Valuable - 43%, Very Valuable - 51%
- Gen Y: Ext. Valuable - 51%, Very Valuable - 43%
Graduation Package

• First time auto loan
• First time credit card
Building Member Loyalty

BLACK / ADVANCED
**Relationship NPS Timeline**

- Core Conversion
- New online banking platform
- New account opening platform (in-branch and online)
- Introduction of Enhanced Multifactor Authentication

Launched Mobile Banking

- Closed Longmont South Branch
- Enhanced Multifactor Authentication for Androids

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<tbody>
<tr>
<td>NPS</td>
<td>43.26</td>
<td>50</td>
<td>54.79</td>
<td>45.01</td>
<td>54.21</td>
<td>47.92</td>
<td>56</td>
<td>46.54</td>
<td>39.09</td>
<td>52.06</td>
<td>49.67</td>
<td>41.89</td>
<td>37.37</td>
<td>44.84</td>
<td>43.39</td>
<td>41.44</td>
<td>46.44</td>
<td>46.15</td>
<td>47.1</td>
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</table>
Social Media Listening & Response

Figure 3.1-3

ASSESSMENT

Positive Post

No

Social Media Response Assessment

Yes

EVALUATE

Clown/troll

No

Monitor

Yes

Question

No

Research

Yes

Concurrence

No

Response

Yes

Let Stand

Yes

Resolution

Yes

Misguided

No

Fix The Facts

Yes

Touchy Subject

No

Escalate

Yes

Decision

No

RESPOND

Share Success

RESPONSE CONSIDERATIONS

Transparency

Sourcing

Timeliness

Tone

Connect
Voice of the Member Process

Figure 3.1-1
Voice of the Member Process

Evaluate, Modify, Sustain Improvement/Innovation
- Track improvement results and make modification
- Sustain Results

Capture Voice of the Member through multiple approaches (Figure 3.1-2)

Community

Membership

Workforce

Analyze and Use VOM
- Review VOM
- Aggregate and analyze results
- Translate results into priorities for improvement

Improve and Innovate, Deploy improvement/innovation through SPP & BPM
Closing the Loop

It Matters What You Think
June 2014, Volume 3

Here at Elevations, your feedback is important to us. Whether we hear from you through surveys we send out, conversations we have at our community seminars, or comments we hear in our branches, we want you to know we are listening and making changes to make Elevations a better place to bank.

For all of you who have provided us your thoughts, thank you! We want you to tell us how we're doing and we want to make sure we share the resulting actions. Here's what we've done for you recently.

New Enhancements

Rolling Out a New Rewards Program

Provided More Ways to Identify Yourself in Branch

Adding Free Wireless Internet in our Branches

Rolling Out a New Rewards Program

"I wish there was a better reward system on the credit card." - Lillian

Lillian and many other members have asked us to provide better rewards on our credit cards. We are excited to announce that we will be updating our rewards this coming fall to provide our members with a more robust rewards program.

Be on the lookout for updates about the new rewards coming soon.

Provided More Ways to Identify Yourself in Branch

"I don't like asking me for my password which can be overheard by anyone in the vicinity of us." - Thomas

We've heard you tell us that our process for verifying your identity doesn't always feel secure.

We are glad to let you know that there are now more ways for you to identify yourself in our branches. You can still use your verbal password, or if you prefer, you can show us your photo ID. And CU Students, you also have the option to use your Buff OneCard Student ID.

Adding Wireless Internet in our Branches

"Add WiFi in the building so that when I'm waiting, I can get work done." - Chelsea

We want our branches to be a place where members can come and hang out. We're adding..."
NPS increases with more products offered to members

<table>
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<tr>
<th>NET PROMOTER SCORE</th>
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<tbody>
<tr>
<td>90%</td>
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<tr>
<td>85%</td>
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<tr>
<td>80%</td>
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<tr>
<td>75%</td>
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<td>70%</td>
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<td>65%</td>
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<td>60%</td>
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<tr>
<td>55%</td>
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<tr>
<td>50%</td>
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</tbody>
</table>

Did not Inform of Additional Products/Services: 71.99%
Informed of 1 or 2 Products/Services: 77.34%
Informed of 3 or More Products/Services: 84.94%
Après Ski

We’d love to share more, please ask!

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