

## Amy McGraw's Digital Growth Story

HOW TROPICAL FINANCIAL CAPITALIZED ON CONSUMERS' 'ZERO MOMENT OF TRUTH'

Tropical Financial Credit Union (\$685 million; 54,000, Miramar, FL) conducts member surveys every two years and in 2015 it discovered that it was scoring very low in terms of the awareness, consideration, and purchase conversions. In addition, it was experiencing a net loss of new members month over month and even year over year.

At the same time there was an emphasis on the digitization of consumers and the Google "zero moment of truth" -- a revolution in the way consumers search for information online and make decisions about brands. Tropical Financial wanted to capitalize on this revolution and not get left behind in this burgeoning digital world.

"Our peers and competitors were continuing to use the same marketing and advertising tactics that were old, tired, and didn't align with the changing buying behaviors of consumers," says Amy McGraw, Vice President of Marketing at Tropical Financial. "I could see that if we continued doing the same, we were going to lose our place in the market ... and in an extremely competitive marketplace, I didn't have time to wait."

In 2012, McGraw had hired CU Grow (now Digital Growth Institute) to build its website. At the time, the firm's Founder and CEO James Robert Lay warned her that the shelf life of a website was only two years. She kept that in mind, knowing the new website wasn't the silver bullet solution for the long-term.

In 2015, Tropical Financial's website was going on three years old, and McGraw knew she was already a year overdue. "When we got our survey results, I knew we couldn't wait any longer," she says, "so I approached James Robert to help us again."

McGraw has known Lay for a nearly decade. In fact, the first time she met him was at the Michigan Credit Union League annual conference, where he was a speaker. "I was in the front row, and everything he said resonated with me," she adds. "I knew he was going to be a person always ahead of 'the curve,' so I have put a lot of trust in him over the years, and I've never have been disappointed."

When McGraw reached out in 2015, Lay recommended a "Digital Growth Blueprint" for the credit union before even broaching the subject of helping Tropical Financial build a website that sells. "I had felt we were ahead of the game so I thought our results would reflect that," she says. "I was wrong!"

The important part of Tropical Financial's new digital journey was once McGraw received the results of the Digital Growth Blueprint and made the decision to move forward with a website that sells, she had to gain buy-in from every level of the credit union: from the board to the front-line. It was a dramatically different approach to marketing and for a website. Even to this day, McGraw admits she and her team find themselves falling into old habits and having to stop themselves.

The results recently received from the credit union's latest biannual survey for brand strength and the sales funnel, along with the ability to track every lead coming in, she says, has made it much easier to fight those urges to fall into old "monthly campaign" habits.

As for results, Tropical Financial ran a recent auto lending digital marketing campaign using the insights and recommendations they gained from Digital Growth Institute. In just one month, the credit union added \$819,300 in new auto loans from a single landing page. "Having immediate results that can be quantified keeps us from falling into old habits," McGraw adds.

---

Since launching their new website that sells and following the insights and recommendations of Digital Growth Institute, Tropical Financial has had positive month-over-month, new member growth for seven consecutive months (Dec. 2016 – June 2016). McGraw admits the growth streak could've been longer, but the credit union changed credit card brands in October (2016) and closed nearly 200 inactive accounts, which affected the streak.

In addition, having previously struggled with not-so-stellar results from the credit union's 2015 member survey, Tropical Financial has also experienced a dramatic turnaround in their 2017 numbers:

- Brand Awareness: increased from 20th percentile in 2015 to 60th percentile in 2017
- Consideration Conversion Rate: increased from 19th percentile in 2015 to 91st percentile in 2017
- Purchase Conversion Rate: increased from 68th percentile in 2015 to 96th percentile in 2017
- Repurchase Conversion Rate: increased from 64th percentile in 2015 to 72nd percentile in 2017

According to McGraw, the improved stats 100% stem from developing a Digital Growth Engine that is fueled by helpful, educational content. "We are helping first and selling second. Having the ability to position members into workflows that nurture them along the sales journey with multiple points where they can reach out for help from a human at the point in their journey that works best for them has been instrumental," she says. "It's not dictated by us in a static brochure setting like our website used to be."

McGraw adds that all anybody has to do is look at how their website was used prior to the change in July 2016 and how it's being used today: An average of 30 "contact us" forms per month prior to the launch of the new site and now 160 lead forms per month.

Prior to the new site, 80% of the "contact us" forms were service related questions with only 20% related to sales. With the new site, less than 50% of the lead forms were service related questions with 51% being true sales leads. In addition, the credit union can quantify these as a sales pipeline. "And because we know the average amount of income we make from each product we can now put an amount to that pipeline," she explains.

For example, in the last year, Tropical Financial had 336 auto loan lead forms submitted through the new website that Digital Growth Institute developed. The average net interest income it receives from an auto loan is \$1,632 (this is net yield after charge offs), giving the credit union a pipeline of \$548,352.

With a new website that sells built by Digital Growth Institute, in addition to following their guidance and insights, Tropical Financial has generated more than \$11,000,000 their sales pipeline from digital leads alone in just 12 months (Note: Digital sales leads are counted separate from the traditional online loan applications).

Tracking these digital sales leads even further, the credit union estimates they were able to pull through and close 20% of these digital leads. As a result, Tropical Financial's website and digital marketing has added an additional \$2,200,000 in net interest income, from digital sales leads alone, to their bottom line.

In terms of advice, McGraw says you cannot afford to wait to digitize your credit union. Technology advancements aren't slowing down and to remain competitive, you need to align your brand presence in the market with how consumers are researching and buying financial services – harkening back to Google's ZMOT revolution.

"It's not easy, and it's not cheap," she says. "But to wait or to do nothing will end up costing much more in the long run."