

Clean Your Data to Support Member Retention and Growth

With an estimated \$84 trillion wealth transfer in motion, the stakes are high for credit unions to find creative strategies to retain and grow membership.¹



Key Takeaways

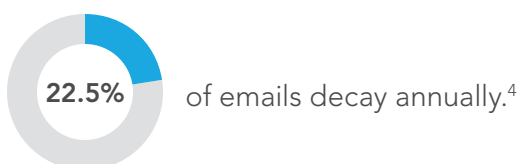
1. Research shows the risk of member turnover decreases from 50% to 25% when members have two or more credit union products.²
2. Data quality issues interfere with credit unions' ability to cross-sell, upsell, and expand relationships.
3. A data hygiene plan helps credit unions reach existing and prospective members and grow business.

Introduction

Credit unions work hard to bring awareness of their products, services, and benefits to existing and potential members. And research shows the more products a member has, the more likely they are to stay. One survey found the risk for member turnover drops from 50% to 25% when a member has two or more products with the credit union.²

With education paramount to getting information about offerings to members, having clean data will be critical. According to Gartner, 3% of contact data decays every month.³ That means around 25% of the average database is inaccurate annually. Specifically:

- **22.5%** of emails decay annually.⁴
- **17%** of postal addresses change annually.⁵
- **10% to 30%** duplicate rates aren't uncommon for companies without data quality initiatives in place.⁶



Creating a data hygiene plan helps credit unions upsell, cross-sell, and discover more of their most profitable members. Here are the five steps for getting started.

1. Implement real-time address verification and cleansing.

When a member applies for a loan, opens a new account, or conducts other business, they expect processes to be fast and easy. Tools that allow credit unions to improve data quality while simultaneously speeding up onboarding create improved member experiences.

For example, tools can provide real-time address verification and cleaning, helping staff and members select the correct address and populate it into the required fields, necessitating far fewer keystrokes while ensuring only valid, deliverable addresses are entered into your system. With this step, you're solving one of the most common sources of data quality issues: errors from manual data entry.

2. Clean your marketing and member databases at least twice yearly.

With 17% of postal addresses changing annually, many credit unions have inaccurate addresses in their

CRMs.⁵ But it's an easy problem to fix if you have a process in place. Consider running your member and marketing lists through a data cleaning program twice yearly to ensure addresses, phone numbers, and email addresses are correct.

If you regularly mail to your clients, you can also perform a USPS NCOALink change of address processing within 95 days of a new mailing. This action helps identify and update any members who have moved before the mailing, saving undeliverable mail costs, lost opportunities, and decreased member experiences due to not receiving important information.

3. Update or add missing address, phone, and email data.

Keeping member data current is critical, but you can also enrich CRM records with missing information. This capability allows credit unions to leverage multichannel marketing by adding email addresses to postal lists or mobile numbers to email lists.

For example, a member might prefer to receive email messages over direct mail, but if that data wasn't entered during onboarding, the field will have missing details. A tool that allows you to add missing information helps you reach prospects in their preferred channels.

4. Dedupe your member database.

One of the fastest ways to make a credit union member feel unknown is to send them duplicate mail. Perhaps you have a Mary Kay Smith at 50 Elm Street and a Mary Smith at N 50 Elm Street. They are the same person, but it's hard to market and communicate effectively unless you know that.

Many if not all CRMs have some level of duplicate merging built in – they can usually find matches on similar names, phones, and emails. However, add-in products improve duplicate spotting with advanced matching algorithms and machine learning to help eliminate duplicates.



5. Find new prospects who are like your best members.

Customer look-alike reports create a detailed portrait of a credit union's best members, including demographic details. As a result, you can more accurately define your market and target marketing campaigns.

You can also create campaigns focused on specific credit union business goals, such as growing deposits. With clean data, credit unions understand details about their highest-deposit members and then proactively purchase leads based on "look-alike" audiences.

Member retention and growth start with clean data

Retaining and growing membership will only become more critical in the future, with an [\\$84 trillion](#)

wealth transfer already in motion.¹ Implementing a framework and tools that help keep your CRM data clean can help you:

- Reduce barriers, for faster member onboarding experiences.
- Communicate more effectively through members' preferred channels with complete data.
- Upsell and cross-sell with clean data feeding into look-alike member reports.

With these capabilities, credit unions can both reach the people who need their products and services more easily and build stronger member value.

For more information visit melissa.com/CUT, where you can upload 50 contacts and we'll show you how we can improve your client data.

Footnotes

1. ["We're in the midst of the 'great wealth transfer': How some Gen X, millennials, and Gen Z are getting rich,"](#) Fast Company, January 26, 2024.
2. ["Re-connect with members and reduce attrition,"](#) CUInsight, March 24, 2022.
3. ["Control Data Decay To Enhance Your Sales Efficiency,"](#) AI Thority, September 4, 2019.
4. ["Database Decay Simulation,"](#) HubSpot, February 15, 2024.
5. ["Checking the Accuracy of Your Address List,"](#) USPS, February 15, 2024.
6. ["Dealing With Duplicates and the Impact They Have on Your Business,"](#) HubSpot, March 11, 2020.

Your CRM health checklist



Implement real-time address verification and cleansing. Use real-time address verification cleaning to decrease keystrokes by roughly 75% and speed up the member onboarding process.



Clean marketing and member databases at least twice yearly. Update data regularly to identify members who have moved before mailing, saving undeliverable mail costs and lost opportunities.



Update or add missing address, phone, and email data. Enrich CRM records with missing data to communicate with members and use multichannel marketing more effectively.



Dedupe your member database. Create more personalized experiences with your members by getting rid of duplicate data.



Find new prospects like your best members. Understand the attributes of your best members and apply those to new prospects to meet credit union business goals.

About Melissa

Melissa is a leading provider of data quality, identity verification and address management solutions. Melissa helps companies acquire and retain customers, validate and correct contact data, optimize marketing ROI and manage risk. Since 1985 Melissa has been a trusted partner in improving customer communications for companies such as Mercury Insurance, Xerox, Disney, AAA and Nestlé. For more information, visit www.melissa.com

melissa