

A Member-First Approach to Success

CLIENT STORY WITH TEXAS BAY CREDIT UNION

Texas Bay Credit Union started 87 years ago, built by local people to help local people. It arrived a few decades after the oil industry started to build the beginnings of modern Houston, and a couple decades after today's Rice University opened its doors.

Texas Bay's original roots are the Houston Sinclair Refinery Employees' Credit Union. Today, Texas Bay has nearly \$700 million assets under management, has 9 branches and is the No. 1, 5-star rated credit union in the center of the universe for energy companies.

And as Houston grows, the ambitions of Texas Bay remain firmly focused on the members it serves and the community it has helped to build.

We had a chance to sit down with Texas Bay's Vice President of Marketing & Business Development, Charlotte Yocom, to discuss how the credit union's relationship with StrategyCorps helped build a more valuable checking account product for both members and the CU.

In the Beginning

"I was introduced to StrategyCorps and some of their team while I was at a Corporate Credit Union that partnered with StrategyCorps," noted Yocom. "Upon my arrival at Texas Bay, we offered free checking products. However, recognizing the potential to provide our members with an elevated range of offerings, I proactively engaged with StrategyCorps.

"We're extremely member-focused, and this is a very competitive city for financial institutions," reflected Yocom.

"When Clay [Crenshaw, from StrategyCorps] approached me, and I made it clear that I wasn't interested in a sales pitch; instead, I sought to understand how StrategyCorps could contribute to strengthening our connections with our members at Texas Bay.

"Working together with our leadership team, we were able to build a unique product that not only met or exceeded our members' expectations but set us apart from the competition in this highly competitive marketplace," said Yocom.



"We're very lucky to have a leader that encourages us to think outside the box, to think differently about how to solve universal challenges."

Charlotte Yocom, Texas Bay's Vice President of Marketing & Business Development

Part of that strategy was to simplify the checking products and add more value to them. "Reducing the number of checking account types to just three was very helpful in marketing to new members and helping migrate current members," observed Yocom. "The offers were clearer, and the response was positive. StrategyCorps set a target of 40% of new accounts to opt into our Perks accounts, and over a year post-launch, we're still maintaining closer to 50% opt in rates."

Migrating to BaZing

"May 2022, we launched our first checking product. We decided to waive the fee for the first 90 days for our members who were migrated to a Perks checking account. We wanted them to see the benefits - both Perks checking accounts have all the BaZing features - try them out and understand the value before they incurred a fee.

"We were prepared for both good and bad reactions, but we placed our faith in StrategyCorps' data. They've done it hundreds of times before," recalled Yocom. "We saw that migration was happening in line with their projections after following their guidance precisely. It underscored the value of our data-driven decision."

While a majority of customer conversions happen in branch, thanks to Texas Bay's strong branch teams, they're also tweaking their banking app and online approaches and seeing improving results.

Life with Perks

"Transitioning to the subscription model, we took the proactive step to deliver BaZing to our staff to explore it before we offered it to our membership," Yocom explained. "They were then able to understand the benefits, so when they talked to members, they could share how it worked on a daily basis."

"For example, my husband's truck recently needed transmission work," Yocom recalled. "We found a shop that was on BaZing and saved \$100. This one savings paid for the Perks subscription for more than a year. This is just my story, numerous staff have similar stories, whether it's roadside assistance, mobile phone insurance or product discounts."

"What's more, Texas Bay is a low-income designated CU, so helping members consolidate costs for mobile phone insurance or roadside coverage at a much lower cost than subscribing to each separately is a great benefit to these members. Plus, the fuel rewards and other benefits are unique and very valuable for saving money every day."

And it has paid off in significant ways.

Texas Bay took a group of underperforming, low balance, unengaged checking accounts and turned 40% into active accounts that use Texas Bay as their primary financial institution.

For this group, Texas Bay:

- **Increased balances by 57%**
- **Increased income by 120%**
- **Increased debit swipe activity by 80%**
- **Increased NSF/OD revenue by 103%**

A Partner More Than a Vendor

"It has been an exceptional journey with StrategyCorps from training, launch, and ongoing support and to see new members and current members continually choosing to go into our Perks accounts," reflected Yocom.

Texas Bay's tip for success:

- Ensuring full support and commitment from the entire leadership team is paramount for the success of the idea and migration process.
- Testing it out: being a user yourself so everyone on the team can be a 'tour guide' for the product.
- Planning ahead - coordinating marketing, communications with members, etc.
- Making sure all points of contact are utilized before, during, and after migration.
- Marketing and retail need to work very closely.

"StrategyCorps has consistently stood out for its transparency. I have deep respect for their openness, partnership, and collaboration. And StrategyCorps' data gave us a roadmap to expectations."

The point when a vendor turns to a partner is when the client can trust the vendor's data as much as its own. "After a year of looking at our internal data," said Yocom, "we brought StrategyCorps in for the annual review of Perks to compare data. Not only did StrategyCorps' data reflect what we were seeing, they had a deeper dive on some aspects."

When the market turned in the midst of the migration, Texas Bay was ready. "We already had all the tools in the toolbox that we needed," recalled Yocom. "The migration was very helpful when it occurred because it allowed us to build organically as trying to build through acquisition became more difficult and expensive."

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For more information on this client story or to discuss how StrategyCorps can help your financial institution, contact us to learn more.

