



CONCEPT DOCUMENT



TEAM MEMBERS

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PROBLEM DEFINITION

How might we efficiently and effectively leverage technology to realize a complete member experience in the Credit Union Space? By linking beacons to a lobby management system we can instantly engage members with the right solutions at the right time.

INNOVATIVE SOLUTION

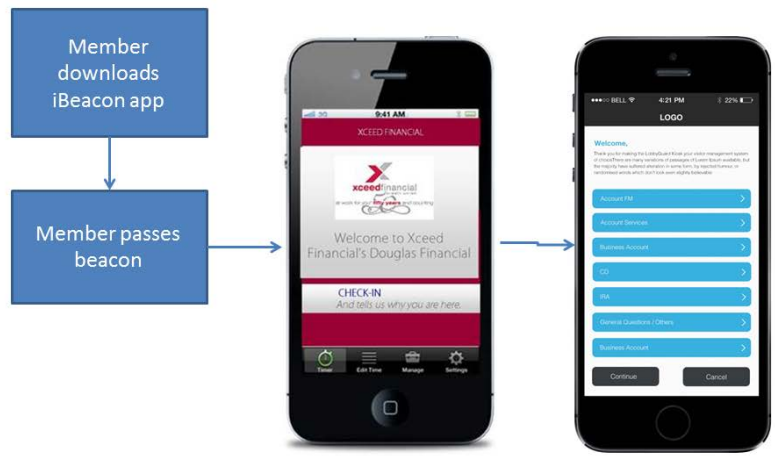
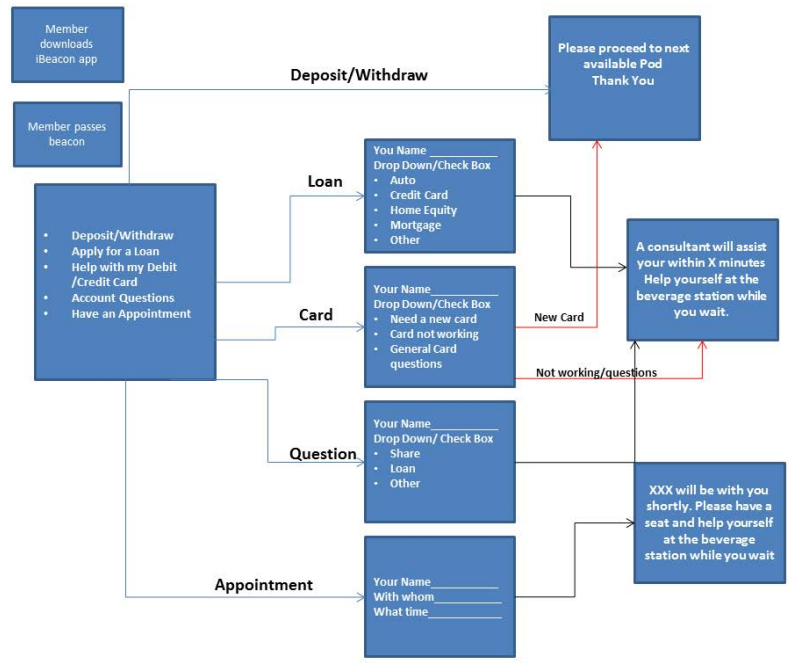
Created as a convenient solution to instantly engage and deliver value, the ZeroHour application tool allows Credit Unions the opportunity deliver a more friendly and efficient approach to requested in-branch experiences. In addition, the application is capable of monitoring, tracking and communicating with the member.

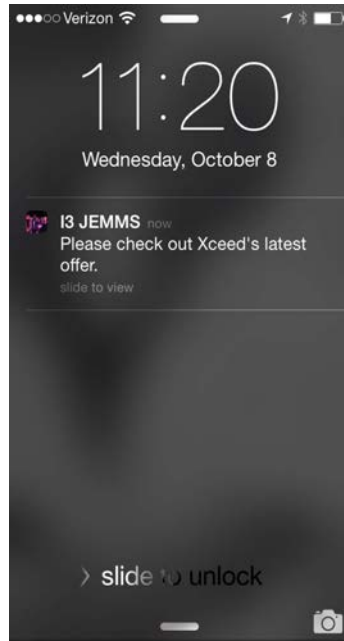
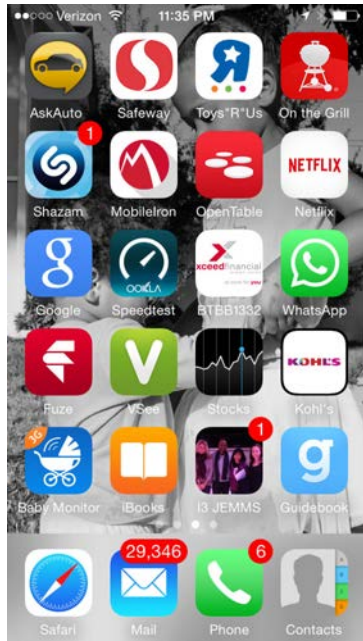
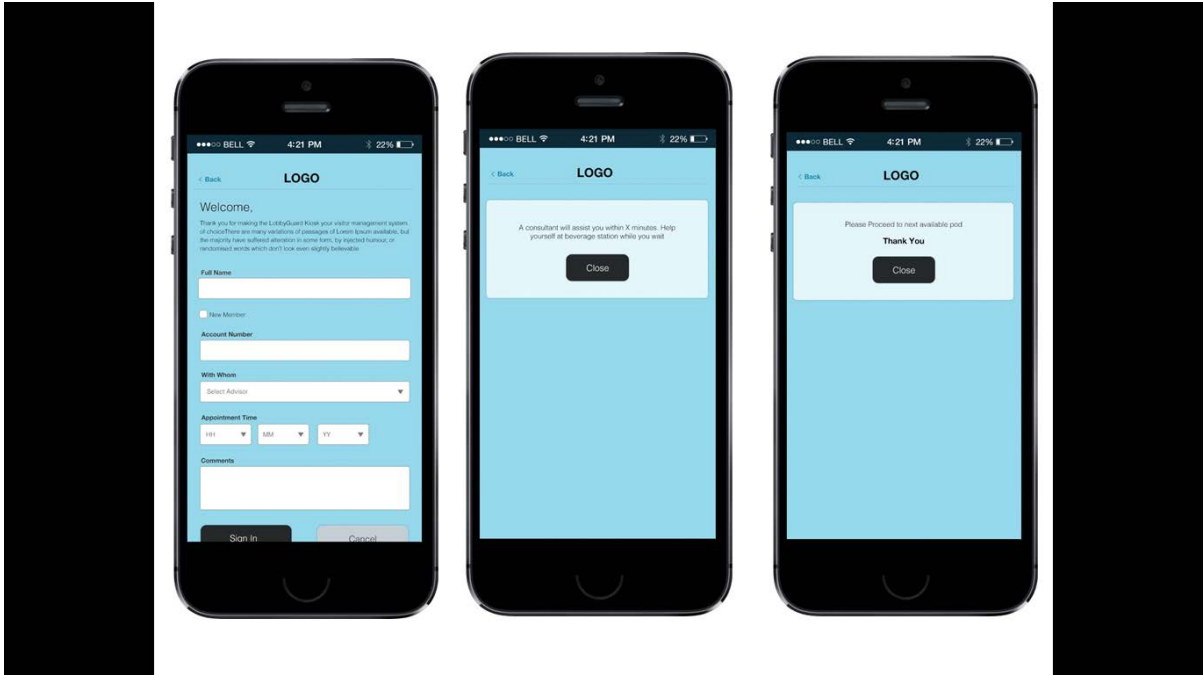
Beacons are an indoor proximity system that enables a smart phone or other device to perform actions when in close proximity to a Beacon, triggering an action on their device. Using Beacons to trigger the ZeroHour application efficiently meets the needs of the member by linking them to a lobby tracker system via their device. ZeroHour provides the right solution, at the right hour at the right location for instant engagement. Deliver. Delight. Done.

This solution is initially being offered as a lobby management tool to trigger member engagement upon arrival in-branch via push notifications on their smartphone device. When the device recognizes their proximity to the Credit Union, they will be asked to enter their information and service requests via the ZeroHour application. The application also includes relevant offers, satisfaction surveys, financial education, product/service information and more.

PROTOTYPE

JEMM built an app around the beacon technology and Passageways lobby management system. The member would load the app and when he/she enters the branch they would be welcomed and asked to check in. The flowcharts and mock up screens shows the options and the member experience.





TESTING AND RESULTS

The ZeroHour application tool pilot was launched on October 6 with two Beacons placed in our financial center located at 837 N. Douglas St., El Segundo, CA 90245 where they are still active. One Beacon was placed at the entrance and delivered a call-to-action message to confirm the reason for the financial center visit; the other was placed at the teller line and delivered information regarding our promotional 17 Month Certificate.

The application was downloaded by 107 users which were a combination of employees and members. 78 users tested the application and received a total of 128 messages. We also had 74 members check in using the lobby management application. We are currently in the process of surveying the users.

The comments below are some of the feedback received from users.:

- “This would be great if it was integrated into your current application instead of a stand-alone application.”
- “It would work better in a branch with a bigger footprint.”
- “The general messages were good but it would be better if the advertisements were specific to me.”
- From the employee perspective on the check in process: “I like knowing what the members need before they approach me.”

BUSINESS MODEL AND 3-YEAR FINANCIAL PROFORMA

The concepts viability comes from its ability to adapt and provide multiple benefits. This allows each credit union to adjust the program to their strategic initiatives. The continuous development of the cell phone creates new opportunities for members and credit unions alike. Members are connected to family, friends, work and the credit union. ZeroHour allows credit unions to capitalize on the technology to create efficiencies in branch and increase profit margins through product cross-sell. ZeroHour can also be utilized to measure member satisfaction through real-time deployment of surveys.

The first phase of the development of ZeroHour addressed improving efficiencies through enhancing the lobby management system to capitalize on the technology available through the Beacons. Time is valuable, with ZeroHour employees spend less time directing traffic and more time having meaningful conversations that lead to sales. The second phase of the data testing incorporated a marketing element to increase awareness of credit union products, services and promotions.

- Phase 1: Create efficiencies through integrating Beacons and the Passageway's lobby management system.

Phase 1 implemented.

- Phase 2: Increase cross-sell by presenting relevant target offers to members that come within 230 feet of the branch facility

Phase 2 implemented.

- Phase 3: Work with member business owners to provide coupons and offers to members. With the use of the Beacon technology members receive push notifications when within 230 feet of the store location with a special offer. This phase creates value for members and increases business to member business owners.
- Phase 4: Increase auto lending through working with local dealerships to present pre-approval lending offers to members on the lot.
- Phase 5: Measure member satisfaction at the point of sale with surveys that gather data on member experience.

ZeroHour Proforma

Expenses	Year 1	Year 2	Year 3
Cost of Beacons	\$ 300.00		
Code development and integration for app	\$ 36,000.00		
Lobby management system Implementation of system	\$ 15,000.00	\$ 12,500.00	\$ 12,500.00
Communication/Marketing Expense			
FTE Savings for lobby management	\$(15,000.00)	\$(30,000.00)	\$(30,000.00)
Total Expense	\$ 36,300.00	\$(17,500.00)	\$(17,500.00)
Revenue Stream	Year 1	Year 2	Year 3
Deepen member relationships	\$ 33,132.00	\$ 49,698.00	\$ 66,264.00
Referred products and services			
Efficient member service			
Advertising for business partners			
Total Income	\$ 33,132.00	\$ 49,698.00	\$ 66,264.00
Net Income on Investment	\$ (3,168.00)	\$ 67,198.00	\$ 83,764.00

Development cost per hour	# of hours
\$150	240

Product	Amount	Yield
Auto	\$ 1,500,000	4.14%
Home Equity	\$ 1,900,000	3.62%
First Mortgage	\$ 3,200,000	3.62%
Credit Cards	\$ 900,000	9.40%

	Year 1	Year 2	Year 3
Rate of production increase*	10%	15%	20%

* Recent Hillshire Brands studies see 20% jump in Purchase intent with Beacons:
<http://www.adweek.com/news/technology/hillshire-brands-sees-20-jump-purchase-intent-beacons-159042>

COMMENTS, NEXT STEPS, AND CALL TO ACTION

We believe one of the keys to marketing is connecting your target market with an offer at the right time. Beacons elevate this process by incorporating location into the timing of marketing, allowing the credit union to communicate the right message at the right time.

We will continue to update the application and investigate possible integration opportunities to refine the overall experience. We will also survey our members and credit union professionals to ascertain the respective group's interest in this technology and engagement opportunities.

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