



## USALLIANCE Uses Micronotes to Drive Digital Engagement and Build Community with Members



### Type:

- Member-owned financial institution
- \$1+ billion in assets
- 100K members

### Challenges:

- Declining branch visits meant significantly fewer opportunities to engage with members
- Poor results from online and mobile banner ads, which are typical in the banking industry
- Needed a new method for personalized member engagement

### Solution:

- Micronotes AI-driven marketing automation platform
- Micronotes Predict module
- Micronotes NPS® module

### Results:

- 215K conversations conducted
- 20% monthly member engagement rate
- 47% conversion to leads
- 8% conversion to sales

### Summary

USALLIANCE Financial is a multi-faceted \$1+ billion financial institution serving about 100,000 members worldwide, including employees of American Express, PepsiCo and IBM. Begun in 1966 as a credit union for IBM employees, USALLIANCE has expanded throughout the Northeast, offering a full range of financial products and digital banking services.

### The Challenge

The increasing popularity of digital banking—and the corresponding decline of branch visits—has affected USALLIANCE, as it has all banks and credit unions. “Fewer branch visits meant fewer opportunities for our staff to engage with members,” said Kristi Kenworthy, assistant VP, eCommerce for USALLIANCE. This became an obstacle to achieving its mission of building a strong member community as well as meeting its growth objectives, prompting USALLIANCE to seek new ways to connect with members.

Financial institutions have tried to engage digital users and interest them in new products and services by placing banner ads on online and mobile banking sites. But results have been poor, with an average banner ad click-through rate of less than 0.1 percent.

With its traditional in-branch member engagement strategy no longer effective, USALLIANCE had two options: 1) Keep doing what they had been doing and hope for better results; or 2) Take a completely new approach.

### The Solution

The USALLIANCE team adopted Micronotes’ AI-driven marketing automation platform to enable engagement with digital users through brief one-on-one conversations during or at the end of online or mobile banking sessions. Conversations typically last just a few seconds and help USALLIANCE learn members’ needs and preferences. That information enables USALLIANCE to stay connected with members—even when it doesn’t see them in person at branches. Micronotes also enables USALLIANCE to deliver personalized offers to every member, and immediately follow up with those who explicitly state they are in market for a specific product or service.

When first deployed, Micronotes used six months of USALLIANCE’s member data to generate propensity scores that USALLIANCE used to deliver specific conversations to each member. Then, as more conversations took place and new responses were collected in real time, the Micronotes Predict™ module fed that new data into its machine-learning solution to adjust predictions for the next series of conversations.

Micronotes helps USALLIANCE identify members at risk of attrition and accounts in danger of delinquency. And the Micronotes platform also provides USALLIANCE with its Net Promoter Score®, which is used to measure, compare and improve member loyalty.

Our Certificates have been nationally recognized for high yields. We just raised our 9 Month to 2.12% APY. Interested?

Yes, call me

I'll do it online

No thanks



## The Results

The first week it deployed the Micronotes solution, USALLIANCE conducted thousands of digital interviews, achieving an engagement rate above 7 percent. The interactions yielded actionable leads along with insight on members' financial preferences and what they needed and wanted from USALLIANCE. The leads enabled USALLIANCE to deepen existing member relationships as well as sell the right services and products based on members' needs.

In the five years it has used Micronotes, USALLIANCE has conducted 215,000 digital conversations with members and has seen its engagement rate rise to a monthly average

of 20 percent for the past 36 months. Those engagements have strengthened its relationships with members and led to sales at a rate significantly above the industry norm. "Micronotes has given us the ability to easily and regularly engage with our growing membership," said Kenworthy. "As an added bonus, it also has helped us generate hundreds of opportunities for us. For example, a recent campaign invited targeted members to invest in certificates of deposit and resulted in \$1.2 million in CD openings."

Shhh...did you hear about our new Certificate rate?

Tell Me!

No thanks

Micronotes enables USALLIANCE to:

- Interact with members who no longer do their banking at branches, or ignore banner ads
- Use machine learning to deliver targeted digital conversations to each of its members
- Automatically deliver individualized offers based on conversion responses
- Leverage digital traffic to generate "warm" segmented, actionable leads in real time

**Table 1: Lead Conversions to Sales**

Product	Conversion to Sale
Auto Loan	5.9%
CD	10.4%
Courtesy Pay	54.5%
Credit Card	5.0%
Direct Deposit	25.1%
eStatement	62.6%
Overdraft Privilege	25.8%

"The ability to ask our members what they need, instead of guessing or just blanketing everyone with the same general offers via banner ads is a huge benefit for USALLIANCE—and our members," said Kenworthy. "In the 'old days,' when all transactions were conducted in a branch, employees had ample opportunities to talk with members about how additional products and services could benefit them. Now, with Micronotes we've taken that level of personalized service into the digital age, with outstanding results."

## Strong Lead Conversion Results

Using Micronotes, USALLIANCE has an overall conversion-to-lead rate of 47 percent, which in turn enables them to convert leads to revenue at a rate above the industry average. Because Micronotes consumes data directly from USALLIANCE, it can track leads through to product acquisition. At USALLIANCE, more than 8% of all leads convert to sale, which allows for a tangible ROI calculation (see table 1).

## Supporting the Community

Micronotes' contribution to the success of USALLIANCE extends beyond business results. USALLIANCE also uses Micronotes in its community-building activities. Each year, USALLIANCE employees run the Boston Marathon to raise money for charities. They invite their member community to contribute to these worthy causes through interviews on their digital channels. "It's a great way to easily involve members in our fund-raising activities and strengthen our community ties," said Kenworthy.

## Looking Ahead

USALLIANCE plans to continue to work with Micronotes and use intelligent conversations in the digital space to better understand their members' needs. In fact, the institution's stated goal is to "interview everyone in our fast-growing member community," Kenworthy said. "We look forward to continue leveraging Micronotes machine-learning capabilities to engage effectively with our members for years to come."

The Boston Marathon is nearly here! This year, USALLIANCE employee Dan O'Brien is running the 26.2 miles to help raise research funds for Moyamoya Disease, Sturge-Weber Syndrome, and Pediatric Brain Cancer. Want to help?

Maybe, tell me how

No thanks

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