

Revamping Your Youth Program...

...without losing members, mind, or focus.

LeAnn Achtenberg has worked at two credit unions and two leagues. She is now AVP of marketing at the \$115-million, 12,800-member Anoka Hennepin CU (AHCU) in Coon Rapids, Minn. When she accepted this job in November 2005, the youth program was an age-tiered saving club. Rather than tinker with it, AHCU chose to start over. Here's a "re-enactment" of her e-mail planning correspondence with Lin Standke, CUNA's manager of youth programs, over 10 months.



*LeAnn. Congrats on the new assignment. How did you get management on board?
Lin*

We have a stagnant youth program with only 11% of members under 18. Average member age is 46. We didn't really have a plan for serving youth and our current program wasn't going anywhere. Revamping our youth program made the top 10 list at our annual management planning session.

I used statistics from the NYIB [National Youth Involvement Board] conference about youth wants, needs, and spending. Presented a youth program as a business solution for getting new members. Management agreed it costs less to "grow" a new member than to spend \$\$\$\$ trying to convert a bank customer. LeAnn

Lots of CUs say "youth education" is a priority, but can't point to anything they're doing.

We DO want to increase participation among current young members, generate long-term loyalty, and continually get new young members. We also want to combat financial illiteracy. Luckily, management knows this isn't a quick-and-easy fix. We gave ourselves a year—and a committee—to figure things out. First task is to establish where we are and where we want to be. Then we'll look at necessities vs. "nice to haves." Gotta run...interviewing an intern.

What ended up at the top of your necessities list? Not coloring contests, I hope.

Color me happy! We agreed that stickers, birthday cards, and coloring contests aren't going to attract young members. We want a comprehensive plan supported by policy, products, and ongoing education, and delivered through a multi-channeled marketing plan...within our budget, of course.

The new intern is doing research. Got focus groups planned to be conducted by staff. We invited teenagers (both members and potentials) and parents—advertised food, \$25, and music downloads.

Got any members who are teachers? Have them make focus group announcements in class. Avoid using CU staff kids because you'll get biased results. Instead, ask staff with teenage children to invite their friends. Some questions you might ask: What goals do you have that will cost money? What motivates you to save? What would you like to learn about money? How did you decide which financial institution to use? How would you describe good service?

We had about 60 parents and teenagers in different focus groups. What we found out:

- Kids open their accounts where their parents do. (DUH!)
- Parents think financial education should be required for product and service use.
- Teenagers are skeptical about learning about money. Their challenge: Don't be boring. And go to them; they won't come to you.



- Teenagers especially want debit cards and credit cards and want to know how to use them right. Interest rates are an incentive to save.
- Teenagers prefer the convenience of online services, but want friendly, face-to-face service when they need help. Customer service will make or break your relationship. If you treat them like little kids, they'll go elsewhere.
- Maturity levels are different for teenagers of the same age. We need to get away from age requirements and look at life events.

What does the committee think about offering products and services by readiness instead of age?

The entire team is behind this. The big AH HA? We weren't really making it easy for youth to use us or even want to use us.

Our research helped us focus on "reach, teach, and serve," with "serve" as the starting point for planning. Young people want products and services when they want them... under some parental guidance, and with education. So, it made sense to us to go with life phases rather than lumping people into age categories and offering products and services that they're "supposed to" want at a given age. We'll offer savings, credit, checking without an age requirement, and provide lessons on how to use these products—as well as the consequences of misuse.

"Teach" covers many other things as well, including an in-school branch, plus educating our staff to use "teachable moments" when talking to young members.

"Reach" is our marketing plan. There's no fooling kids. If you say you've got something fabulous, it has to be FABULOUS. Did I tell you that our state representative has agreed to be on the advisory board for our school branch?

That's a fabulous endorsement! But training will be just as important as advertising. How are you going to determine whether a 14-year-old is creditworthy?

We'll ask for pay stubs or track deposits if they mow lawns or baby sit. May ask for letters of recommendation. They'll have to agree to education in some form. Staff will be trained to make judgments, because a decision to open an account will be based on the member's individual character rather than age.

You've heard "that won't work at MY credit union!" What do you say now?

Any CU needs to create its own strategic plan for youth. Policies and the attitudes of management, board, and staff have to match the plan 100%. Then it WILL work!

You said youth can affect on the long-term health of the credit union. How will you know if you're successful?

We gave ourselves a year of planning before we roll out. The marketing challenges include being more aggressive in schools and having better relationships with teachers. We'll measure growth in youth membership, product usage, and household profitability. Every 3-6 months we'll review numbers, and if marketing isn't working, we'll change it.

AHCU is off to a great start with a model youth program. In a few years, when your average member age is 30-something, you'll put all the neighborhood banks out of business! Cheers. ■

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Resources

- *Guides to Independence™*—online curriculum for teenagers—cuna.org (search "Guides")
- Resources for Youth and Young Adults—cuna.org (search "Youth")