



JACK HENRY & ASSOCIATES, INC.® (JHA) CASE STUDY

Camden National Bank Uses *jha*PassPort Debit Optimizer™ to Analyze Debit Activity Incentives

“Identifying the type of program and incentive that resonates best with our cardholders is important. It means we efficiently use our resources, and that is substantial.”

Aline Taylor
CTFA
Vice President, Retail Sales and Product Development
Camden National Bank

Institution:
Camden National Bank

Location:
Camden, Maine

Website:
CamdenNational.com

Assets:
\$3.9 billion

Founded:
1875

Camden National Bank Uses *jhaPassPort* Debit Optimizer™ to Analyze Debit Activity Incentives

Aline Taylor, Vice President of Retail Sales and Product Development at Camden National Bank, describes how *jhaPassPort* Debit Optimizer is used to evaluate targeted marketing campaigns.

Jack Henry & Associates: What challenges are you looking to overcome with *jhaPassPort* Debit Optimizer Campaigns?

Aline: We are habitually trying to impact cardholder stickiness, through POS utilization. Cardholders fall into and out of various utilization levels, and so our strategy is to regularly identify and target underperforming cards before they slip into a state of inactivity. The objective is to make the Camden National Bank debit card top of wallet, and the Camden National Bank brand top of mind.

Participating in *jhaPassPort* Debit Optimizer campaigns allows us to efficiently do this by outsourcing some of the activities associated with target marketing.

JHA: What prompted you to test the impact of different incentives in your campaigns?

Aline: We identified a segment of our portfolio ripe for opportunity, and devised a marketing campaign with an A/B testing for incentive type. The incentive types tested were an Amazon.com gift card (Program A), and a cardholder-selected gift card (Program B), with an option that allowed qualified cardholders to select their own gift card incentive from about 30 national restaurant and retail merchants.

JHA: What did you find?

Aline: For each campaign type, all variables were identical – from the target market (which was then randomly split) to the creative concept and incentive threshold. The one difference was the marketing communication around the incentive type.

For our cardholder base, we found more cardholders achieved the targeted behavior for the Amazon.com gift card incentive. For the spend campaign, the cardholders that achieved the targeted behavior for an Amazon.com gift card incentive comprised 17.03% of targeted cards, compared to the cardholder-selected gift card incentive, at 15.58% of targeted cards. For the volume campaign, the cardholders that achieved the targeted behavior for an Amazon.com gift card incentive comprised 9.10% of targeted cards, compared to the cardholder-selected gift card incentive, at 6.5% of targeted cards.

On the spend program, ROI was higher in Program A compared to the cardholder-selected gift card program by 5%. On the volume program, ROI was lower in Program A compared to the cardholder-selected gift card program by 17%. This meant it took longer for the Amazon.com gift card program to break even.

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Aline Taylor



Camden National Bank jhaPassPort Debit Optimizer Campaigns			
Campaign Type	Incentive	Incentive Qualification Rate	ROI
Spend (A)	Amazon.com gift card	17.03%	103%
Spend (B)	Cardholder-selected gift card	15.58%	98%
Volume (A)	Amazon.com gift card	9.10%	76%
Volume (B)	Cardholder-selected gift card	6.50%	93%

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Aline Taylor

JHA: What does this mean for future marketing campaigns?

Aline: We will continue to test. There are a lot of variables to play with; target market, marketing methods, incentive threshold, campaign type, and so on. The insight gained from the campaign tests has given us direction to target and incent based on a “spend” campaign type. And, on the incentive side, we are going to continue with the Amazon.com gift card incentive.

JHA: What gains in efficiency have you achieved by enrolling in ongoing Debit Optimizer campaigns?

Aline: The marketing services that are offered through jhaPassPort Debit Optimizer allow us to outsource the target market identification, print production, results analysis, and incentive fulfillment, so that resources at the bank can be spent elsewhere.

JHA: What other elements of jhaPassPort Debit Optimizer are you taking advantage of?

Aline: We’ve found value in utilizing jhaPassport Debit Optimizer as a resource for tracking other specialized debit card promotional efforts that are asking for a specific type of transaction, or transactions initiated during a pre-determined promotional window.

JHA: If you would recommend this solution to other banks, what is the most compelling statement you would make about it?

Aline: The team of professionals at Jack Henry & Associates and Saylent have always been knowledgeable and accessible, ready to help us test different campaigns to determine what’s going to work in our unique market. Their flexibility with our requests, such as our preference to design our own marketing collateral and modify standard campaigns with variable testing, make the programs more customized to our bank, contributing greatly to the successes we’ve shared.

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JHA Payment Solutions™ provides the customized strategy, proven solutions for every payments channel, and advancing technologies needed to simplify complex payment processing and continually evolve the payments experience by moving money faster, more efficiently, and more securely.

SOLUTION COMPATIBILITY MATRIX

Jack Henry Banking® Core	Symitar® Core	Most Non-JHA Core	Non-Financial Institutions
SilverLake Systems®	Episys®	Banks	Diverse Businesses, Associations, and Utilities
CIF 20/20®	CruiseNet®	Credit Unions	
Core Director®			