

Do you want to encourage your customers to use your self-service channel for traditional teller transactions?

YES



Red Rocks Credit Union
An NCR Intelligent Deposit Case Study



Experience a new world of interaction

The customer

Since its creation in 1979, Red Rocks Credit Union has provided its members with a range of financial products and services on a co-operative basis. Their product portfolio currently includes savings, checking, loans and investments.

Red Rocks' mission is to maximize economic benefit for their membership, which is open to anyone in Colorado. Today Red Rocks' asset base stands at around \$155m.

Key Highlights

- **Industry/Market:**
Retail banking/credit union
- **Challenge:**
Red Rocks wanted to transfer the majority of their teller transactions to their self-service channel. This would enable them to return the savings to members in the form of higher deposit rates and lower loan rates.
- **Solution:**
The NCR EasyPoint 3800 (Shared Branch) self-service kiosks with "No Envelope" Intelligent Deposit, intuitive interface and a wealth of features provided the exact functionality Red Rocks needed.
- **Result:**
This solution has enabled Red Rocks to lower their operating costs and return the financial benefit to members.

The challenge

After years of growth and competition with local banks, Red Rocks wanted to emphasize their status as a credit union created to benefit their members. In late 2007, they began a transformation initiative designed to highlight and promote the co-operative aspect of their work and the economic benefit of being a Red Rocks member.

Red Rocks determined that the NCR EasyPoint™ 3800 was a key part of achieving this goal. Utilizing shared branching technology enables credit union members and "guest" shared branching members the ability to conduct a wide range of financial transactions.

Providing their members with the ability to conduct transactions in the self-service environment enables Red Rocks to lower their operating costs and return those savings back to members in the form of higher deposit rates and lower loan rates—both key principles of their co-operative approach.



The solution

Red Rocks examined various potential partners before selecting NCR. In particular, Red Rocks was attracted to the NCR EasyPoint 3800 also known as Fast Branch, which offers “No Envelope” Intelligent Deposit, an intuitive interface and enhanced overall functionality.

Red Rocks also launched a relationship program to coincide with the deployment of the NCR EasyPoint 3800. This involved Red Rocks examining their relationship with each of their members’ households in terms of the total sum of their deposits and loans with the credit union. This enabled Red Rocks to develop a detailed member stratification model. Depending on where a member sits in this stratification model, they may have to pay a fee to see a teller; however, they can avoid this fee if they choose to use Red Rocks’ self-service or remote services. NCR’s self-service technology therefore dovetails perfectly with and enables Red Rocks’ business strategy.

From Red Rocks’ perspective this approach makes sound financial sense. They have to cover their costs in order to benefit their membership, a core part of their mission as a co-operative. As a small organization they have the advantage of being sufficiently agile to highlight the benefits of such a strategy to both staff and members. Through a carefully orchestrated marketing program, Red Rocks explained to members that the availability of self-service kiosks meant that they will not have to wait in line for tellers and can perform their basic transactions themselves, saving them time and furthering the credit union’s co-operative objectives.

The solution benefits

Customers have enthusiastically embraced Red Rocks’ solution, with over 10,000 transactions performed in the first three months. These transactions represent a remarkable \$7.25m worth of business. This level of acceptance tells Red Rocks that customers are comfortable with the new technology, over 60% of these transactions come from repeat users.

Installing the NCR EasyPoint 3800 has also enabled Red Rocks to grow their business without the cost of taking on additional staff. Because their kiosks automate many routine teller transactions, Red Rocks has been able to redeploy many of their existing staff from traditional teller roles into sales and concierge positions out on the branch floor. Interacting with members in this way helps staff meet their operational goals and provides an opportunity to communicate with members so they understand how they can get more from their credit union membership.

Taking the time to explain to members that most teller transactions in a branch can be done equally well via NCR’s self-service kiosks has paid dividends (in fact around 90% of Red Rocks’ self-service transactions are made up of check deposit, cash withdrawal and cash deposit transactions). The more they can convince members to use the self-service channel for routine transactions, the more Red Rocks can lower their operating costs, and the more they can return back to their membership. The result is a virtuous circle where everyone benefits.

“In the first three months we saw over 10,000 transactions on our NCR-based self-service channel to the tune of \$7.25m. During peak periods we’d see around \$1m of transactions in just eight or nine business days. That, to me, seems pretty significant.”

- Mr. David Starck, VP of Member Service, Red Rocks Credit Union



Why NCR?

With over 125 years of experience and knowledge, NCR is a leading global provider of payments, assisted- and self-service solutions. NCR has been the global number one manufacturer of ATMs for more than 22 consecutive years. We help our clients around the world improve their customer interactions, implement change quickly and proactively, and transform their businesses to become leaders and change agents. We can help you, too.



NCR Corporation

2651 Satellite Boulevard
Duluth, Georgia 30096
USA

www.ncr.com



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