

Marketing Community Involvement

One of the key differences separating successful business lending programs from those going nowhere is marketing. Often we speak to credit unions that sent their staff to training seminars, invested money in software and developed infrastructure to pursue business lending, only to find that they have no loans to support these new expenditures. Why don't they have loans? Frequently, the answer is a lack of marketing.

The most valuable thing your credit union can do is build a network of referral sources within your community. Look for well connected professionals within the community who are also servicing small business clients, especially, those that would benefit from having a positive relationship with a lender. Certified Public Accountants, for example, often handle tax preparation and book keeping duties. Often they have clients in need of capital, or clients who are displeased with their current banking situation. By forging a relationship with CPA's not only do you spread the word that you are handling small businesses, you enhance the value the CPA brings to their client, and in turn, gain access to new members with demonstrated professionally prepared financial statements! The same holds true for attorneys, insurance agents and any of the other small business support industry; let your Chamber of Commerce be a facilitator for these relationships.

Don't limit your efforts to professionals; look inside your credit union as well. If you have SEGS, especially smaller SEGs, talk to them. Build on the relationship you have spent time developing. They already know you and know the quality you bring to the table! Your directors can be another great source of business. Most CU directors are well known and established within the community. They can be great advocates for your new endeavor. In closing, the business community needs to know about your lending programs. The best way to do that is to get others to sing your praises!