case fifteen

Riverside Credit Union

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Frank Timmerman, Vice-President of Marketing at Riverside Credit Union, sat at his desk with a smile on his face. After months of effort, he believed he now really had a handle on Riverside Credit Union's membership. He had been in charge of the initiative to segment the membership base to see if he could better understand how different members contributed to the profitability of the credit union. He also wanted to know which members he should concentrate on in terms of building their business to ensure future profitability. Having a better understanding of the various segment profiles, he believed, would also help his Credit Union better target appropriate financial products to members.

BACKGROUND

Riverside Credit Union is a well-established credit union with just over 100,000 retail members and a small but rapidly growing business membership of about 10,000 members. Credit unions are similar to banks in many respects, but they also have a number of key differences. Like banks, they offer many financial services—everything from savings and chequing accounts to investment advice. However, unlike banks, credit