

HELOC

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Columbia Bank, which has assets of \$1.08 billion, started the offer in 2002 and has conducted two more promotions with the last ending in May 2003.

The institution gave away packages to local hot spots as well as to California, Florida and Las Vegas. To qualify, customers had to open up a HELOC and then had to draw down \$20,000 or more (*the amount was increased to \$25,000 after the promotion*). The bank also picked up the closing costs. Existing HELOC customers could participate if they increased their existing utilization of their credit line by \$20,000 or more.

During the first promotion, the bank doubled its monthly average of new HELOCs, increasing from 40 to 80, and gave away a total of 250 vacation packages. During the most recent promotion, *Columbia Bank* gave away a total of 299 vacation packages. "We found that even though some people came in and initially didn't want to go to \$20,000, they often took their line from us," says Eric Jones, *Assistant Vice President for Marketing*.

"It really got people in the door." The promotions generated an (estimated) \$25 million in new business Jones says.

The travel packages were provided through *Motivation Advantage, Inc.*, of Tampa, Florida ☎

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