

Enhancing Growth and Brand Loyalty:

The Power of Private-Label Financing



HOME IMPROVEMENT FINANCING

Executive Summary

Today's competitive landscape demands innovative solutions to drive sales, improve cash flow, and build brand loyalty. This white paper explores the growing importance of private-label financing and its benefits for businesses serving the home improvement industry.

We will delve into the critical advantages of private-label financing programs, including:

- **Increased Cash Flow:** Studies show that private-label financing can significantly increase the average project size and speed up inventory turnover.
- **Enhanced Brand Loyalty:** A well-designed private-label lending program strengthens your brand presence and fosters stronger contractor and member network relationships.
- **Gain a Competitive Advantage:** Tailored financing solutions like custom loan products and competitive pricing can help your business outperform competitors.



Introduction

In today's dynamic business environment, securing sales and building brand loyalty are critical for success. However, traditional financing methods can pose limitations for both businesses and their customers. Here's where private-label financing emerges as a powerful tool for growth.

Private-label financing is a strategic partnership between a business and a financing provider like Regions | EnerBank USA. We offer customized financing solutions branded under your company's name, seamlessly integrating the financing process into your customer experience. One key advantage of private-label financing is its ability to boost businesses' cash flow.

By providing customers with flexible financing options, companies can eliminate the barrier of upfront costs, making their products and services more accessible. This increased affordability often translates into **higher sales volumes and faster project conversions**.

Moreover, private-label financing programs allow businesses to **receive payment from the financing provider promptly after the sale** rather than waiting for customer payments over an extended period. This immediate influx of cash enhances liquidity, enabling businesses to reinvest in growth initiatives, optimize operations, and maintain a healthy financial position.

Ultimately, **private-label financing acts as a catalyst for revenue growth** while simultaneously **improving cash flow management**.

In this white paper, we will cover three benefits of implementing – or updating – a customized, private-label loan program to help you enhance your revenue goals, empower contractors or members in your network, and delight homeowners with options that will help them say yes to every home improvement job.

Increase Cash Flow with Custom Financing

Cash flow is the lifeblood of any business, and access to ample cash reserves is critical for funding growth initiatives, managing operations, and weathering economic fluctuations.

Private-label financing solutions, such as those provided by Regions | EnerBank, unlock significant cash flow advantages that empower businesses like yours to thrive.

By offering customers convenient financing options at the point of sale, companies can increase close rates and transaction sizes, immediately injecting capital into their cash flow cycle.



Here are a few reasons why implementing private-label custom financing can help your business increase cash flow:

- **Larger Transactions:** Studies show that private-label financing can increase the average home improvement project size by up to 44%*. This leads to increased revenue and growth opportunities for companies that empower their members to provide financing.
- **Faster Inventory Turnover:** Private-label financing accelerates inventory turnover by facilitating quicker purchasing decisions, freeing up capital for further investment.
- **Homeowner Preference:** 76% of consumers** are more likely to make a purchase if a simple and seamless payment plan is offered. Private-label financing can increase conversion rates by allowing members in your network to provide customers with a convenient and trusted payment option.



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Regions | EnerBank Case Study: Certified Contractors Network

Certified Contractors Network, or CCN for short, is a leading contractor consulting education services provider with over 25 years of experience. It is headquartered in Maryland and serves contractors from across the United States.

In an effort to increase its existing member network and improve the retention of current contractor affiliates, CCN chose Regions | EnerBank to develop and implement its customized private-label financing program.

This allowed the Maryland-based company to offer its network of contractors another payment option for homeowners looking to do one of more than 120 approved home improvements.

The results were impressive:

- **Staggering 92% Surge in Financing Volume:** After forming a strategic partnership with Regions | EnerBank and being paired with one of our dedicated relationship managers, CCN's financing volume increased by an impressive 92%, from around \$32 million to a substantial \$57 million a year. This allowed CCN to unlock new potential and enable its member network to offer more affordable home improvement solutions to more homeowners than ever through Regions | EnerBank's financing programs.
- **Captivating its Own Network by an Impressive 42%:** With the care of a dedicated relationship manager – the single point of contact for private-label loan programs and one of the exclusive benefits of working with Regions | EnerBank – CCN experienced a 42% average increase in members attending in-person training in 2023. This demonstrates improved engagement with contractors in CCN's network and the commitment Regions | EnerBank makes to ensure companies like CCN can enrich its members' payment option offerings to homeowners eager to improve their residence.

Enhance Brand Loyalty

Beyond the financial benefits, private-label financing also helps to build stronger relationships between the sponsoring organization, its network of members, contractors, or dealers, and homeowners seeking reliable home improvement options. This mutually beneficial relationship fosters brand loyalty and encourages repeat business.

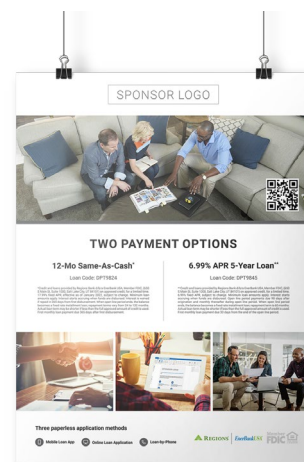
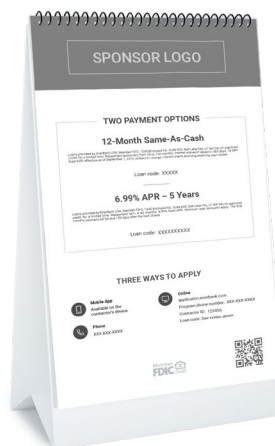
- **Streamlined Customer Experience:** A seamless financing process integrated with your brand strengthens customer trust and satisfaction. EnerBank's online application process and fast funding turnaround provide a convenient experience for contractors and homeowners.
- **Enhanced Brand Control:** Private-label financing allows you to maintain control over the customer experience, reinforcing your brand identity. And because Regions | EnerBank develops co-branded, compliant marketing materials with and for you, your brand gets featured front and center, allowing dealers that offer your inventory and services to enhance customers' loyalty to your brand.

Keep Growing with Regions | EnerBank's Built-In Marketing Support

Regions | EnerBank goes beyond financing. As a private-label loan program with us, you will get comprehensive branding and marketing support to maximize the impact of your financing program, making it easier for your network and homeowners alike to say "Yes!" to home improvement financing. **This includes:**

- **Co-Branded Marketing Materials:**

We collaborate with you to develop marketing materials that seamlessly integrate financing options into your sales process. You can trust Regions | EnerBank's expert marketers to craft compelling marketing materials showcasing your brand, tailored for use by your network of members, dealers, and contractors. These marketing collateral assets fully comply with regulations and include required lending disclosures as needed.



- **Dedicated Account Management:** This is not a one-and-done process. As a private-label loan program, you will get access to our team, who works closely with you to ensure a smooth program launch and that all steps are in place for ongoing business success. Also, a dedicated relationship manager will be assigned to your company to help with your program launch, contractor enrollment, training, and ongoing program success. Regions | EnerBank goes a step further by also providing live event representation and support at trade shows, summits, and customer events. **Your success is our success.**



Gain a Competitive Edge

In a competitive market, differentiation is critical. Private-label financing can provide your business with a strategic advantage:

- **Customizable Loan Products:** Your business can have a wide range of financing options tailored to your specific needs and customer segments, ensuring flexibility and adaptability for diverse business models. As a specialized home improvement lender, Regions | EnerBank has developed and offers over 100 loan products that authorized members, contractors, and dealers in your network can offer homeowners.
- **Competitive Rates and Rebate Processing:** As a private-label loan program, you can empower members in your network to provide attractive financing options that can sway homeowners' decisions in your favor, combining competitive rates with efficient rebate processing to enhance customer satisfaction. And with a robust online data reporting platform available to you and members of your network – each with an individualized dashboard – you can have a bird's eye view or get as granular as you would need to understand your custom financing program's performance.

Conclusion

Private-label financing is a powerful revenue stream if your business wants to increase cash flow through custom financing. This strategic offering – which strengthens your company's name – also helps enhance your brand loyalty, allowing you to gain a competitive edge.

With Regions | EnerBank's comprehensive financing solutions, dedicated support, and marketing expertise on your side, you can empower your network to help you achieve your financial goals.

Ready to Explore How Private-Label Financing Can Benefit Your Business?

[Click here to learn more](#)

OR

Schedule a short, exploratory chat with a Regions | EnerBank Private-Label Loan Expert today and learn how customized financing can unlock your business growth.
1-888-721-2100

*The Brickyard Study, commissioned by EnerBank, 2018

**<https://www.businesswire.com/news/home/20181108005056/en/76-Of-Consumers-Are-More-Likely-to-Make-a-Purchase-If-a-Simple-and-Seamless-Payment-Plan-is-Offered>