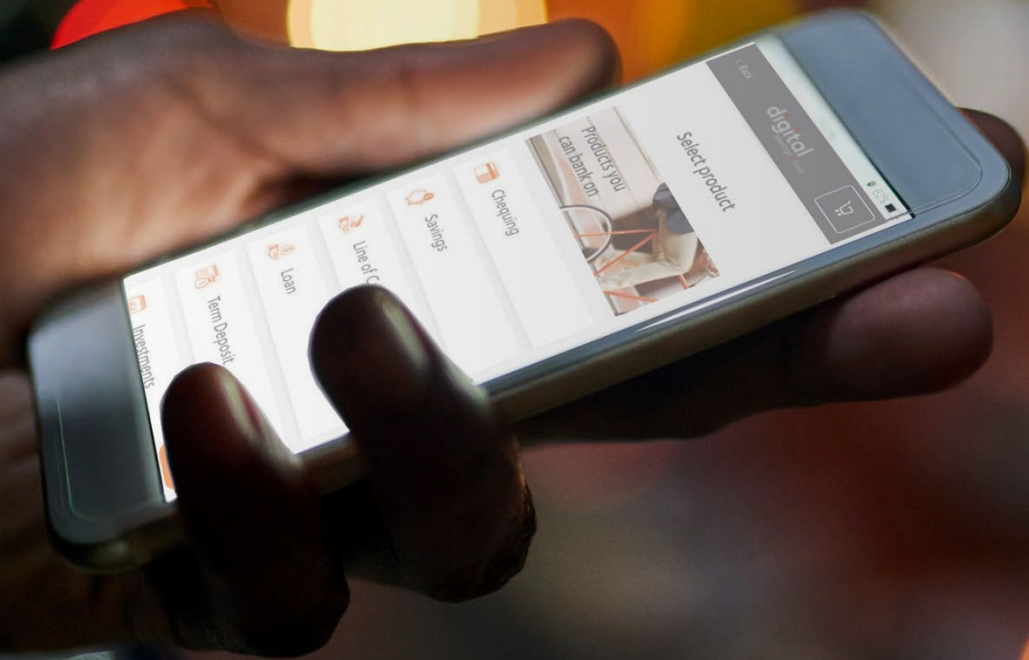




Futureproof your Credit Union:

Transform your Membership

CREDITUNIONS.COM



OBJECTIVES

- To understand the criticality of changing to meet member needs
- To learn from key industry insights
- To enable you to better support your organization's digital transformation
- To share an overview of an integrated member experience platform

PRESENTATION OUTLINE

STEP 1 Explore some key insights

STEP 2 Discuss how these insights are impacting credit unions today

STEP 3 Explore several practical leadership frameworks

STEP 4 Share an overview of an integrated member experience platform

STEP 5 Share some credit union lessons learned

In many ways...
time has not been
kind to credit
unions.



STATE OF THE CREDIT UNION SYSTEM



~1,859 Fewer Credit Unions

~29% less credit unions
since Q1-2015 (~ 2.6%
annual decline)



Stagnant Credit Union Presence

Flat branch channel
growth since Q4-2014



Modest Membership Growth

Increase of ~3% (CAGR) over
past 5 years



Service Rating Parity

Banks have closed many
of the gaps in service
expectations



Non-Traditional Competitors

Amazon, Apple, Google, &
Direct-to-Consumer
Fintechs have emerged



**WHAT HAVE BEEN
SOME OF THE BIGGEST
CHANGES IMPACTING
YOUR CREDIT UNION
IN RECENT YEARS?**

BEGIN BY EXAMINING THE MEMBER JOURNEY

The historical law of attraction (how things used to be...)

INCREASING
FOOTPRINT

ATTRACTIVE
PRODUCT
FEATURES

INCREASING
MARKETING
SPEND



MORE MEMBERS

THE TRADITIONAL MARKETING FUNNEL IS DEAD

OLD

FAMILIARITY

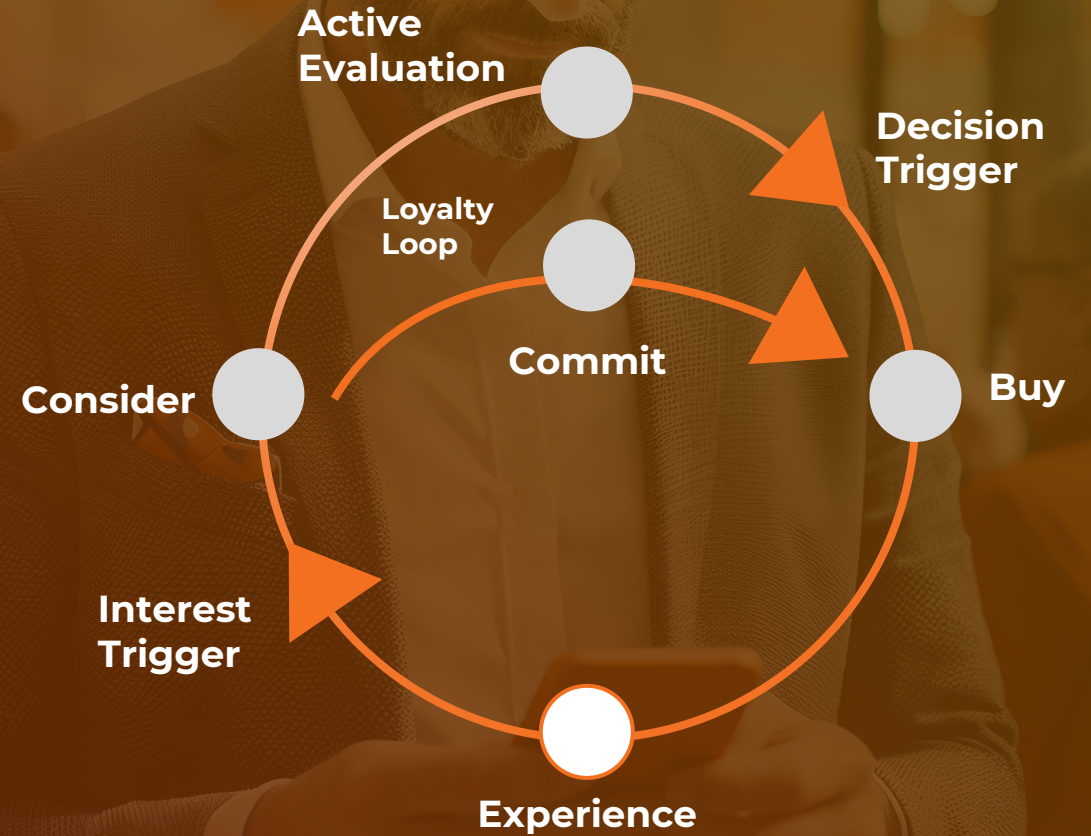
CONSIDERATION

PURCHASE

LOYALTY



McKinsey Consumer Decision Journey Model

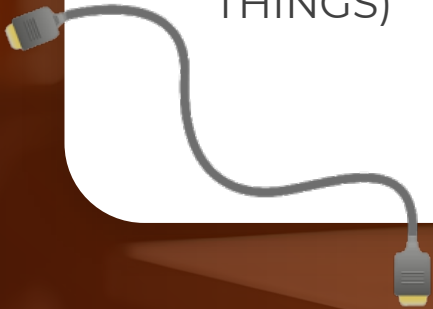


THE HYPER-CONNECTED MEMBER JOURNEY



CONSIDER INDUSTRY TRENDS

WE ARE LIVING
IN A TOTALLY
CONNECTED
WORLD
(INTERNET OF
THINGS)



CONSUMERS
PLACE GREATER
VALUE ON
EXPERIENCES

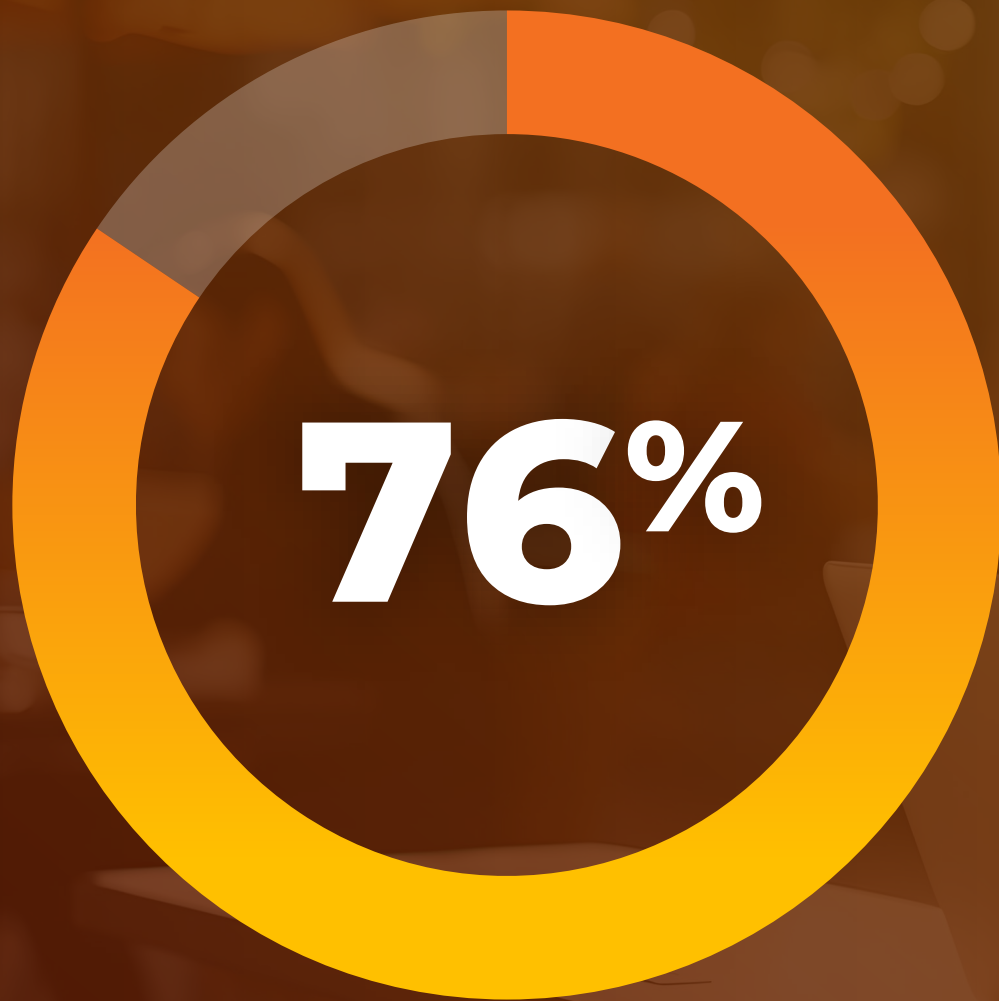
DELIVERY IS
ANYTIME AND
OMNICHANNEL



DATA
INTEGRATION &
PERSONALIZATION
ARE MORE
ESSENTIAL THAN
EVER BEFORE



WHY DOES THIS MATTER?



DIGITAL FIRST IMPORTANCE

More than three-quarters of consumer interactions with their financial institution **happen digitally.**

THE 2023 CREDIT UNION DIGITAL EXPERIENCE REPORT
ENGAGED BANKING: HOW COMMUNITY FINANCIAL INSTITUTIONS ARE FORGING AN
EMOTIONAL CONNECTION WITH CONSUMERS THROUGH DYNAMIC DIGITAL EXPERIENCES
www.finallytics.ai

CHANNEL EFFECTIVENESS

200% - 400%

Increase in product application completion by consumers with **personalized digital experiences**

"Consumers are three times more likely to read about products if the product recommended is promoted in a fashion that speaks to their specific needs."

- Mark Ryan, Chief Analytics Officer, Finalytics.ai



37%

ENGAGEMENT LIFT

Retail banking consumers who are **fully engaged** bring 37% more annual revenue to their primary financial institution than their disengaged counterparts.

THE 2023 CREDIT UNION DIGITAL EXPERIENCE REPORT
ENGAGED BANKING: HOW COMMUNITY FINANCIAL INSTITUTIONS ARE FORGING AN
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www.finallytics.ai



CONNECTING STRATEGY & EXECUTION

REASONS FOR STALLED OR FAILED TRANSFORMATION

The main reasons why organizations report their digital transformation initiatives stall or fail are attributable to internal and controllable factors, including:

1. **Poor organizational alignment/lack of clarity about digital strategy (28%)**
2. **Inadequacy of resourcing - capacity and talent (20%)**
3. **Quality of digital strategy (14%)**

Source: McKinsey Digital – How to restart your stalled digital transformation – March 2020

SUCCESS METRICS



EFFICIENCY

Reduce effort and/or cost
or improve service delivery
time.



ENGAGEMENT

Increase and sustain
higher member and staff
satisfaction levels.



EFFECTIVENESS

Improve quality and
sustainability (product life,
service reliability, revenue
streams).



ADOPTION

Achieve staff familiarity
with digital
transformation activities.

THE E³ SUCCESS EQUATION FOR DIGITAL TRANSFORMATION

Success should be viewed through multiple lenses

To consider a digital transformation project successful, it's important to ensure member, staff, and corporate objectives are achieved.

Everyone should win!

A simple view of the success equation can be presented and kept top-of-mind for everyone.

- + Improved Member Engagement
- + Improved Staff Effectiveness
- + Improved Process Efficiency

+

Adoption

- + Effective Member Communication
- + Staff Engagement in Change

=



Project
Success



THINKING IN “FRAMEWORKS”

STRATEGIC TRANSFORMATION

**Your
Credit
Union
Today**

INTERNAL BUSINESS TRANSFORMATION

(PRODUCT SHELF, TEAM
MEMBER TECHNOLOGY,
CHANGE MANAGEMENT)

TECHNOLOGY PLATFORM LEADERSHIP

(CORE / DIGITAL /
MOBILE BANKING,
CUSTOMER
EXPERIENCE LAYER)

EXTERNAL BRAND AWARENESS

(MARKETING PROGRAM
STRATEGY)

MEMBER & COMMUNITY ENGAGEMENT

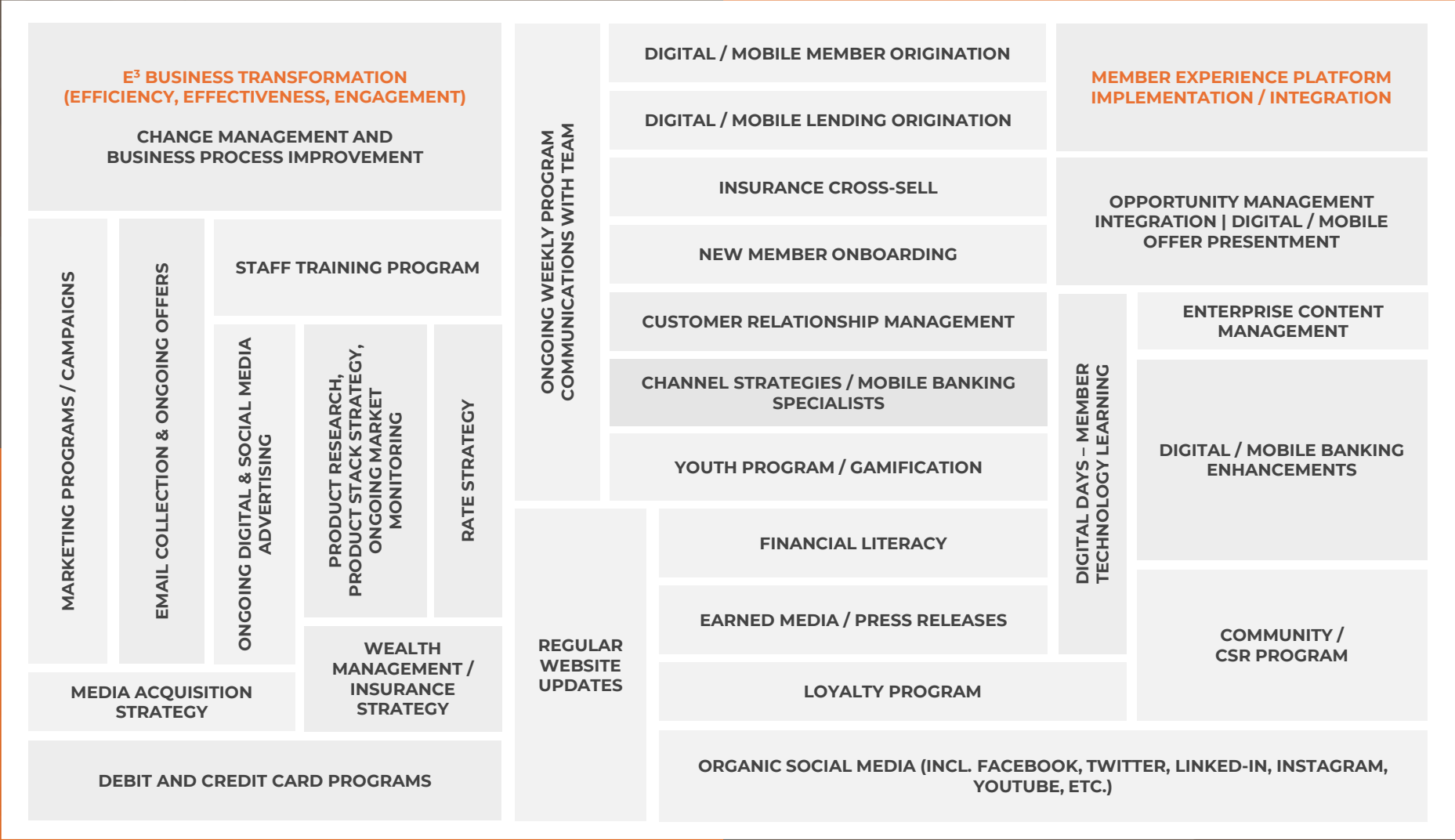
(FINANCIAL LITERACY,
CSR, LOYALTY
MANAGEMENT)

INNOVATION FOCUSED ORGANIZATION

- Scalable business platform.
- Continuous improvements in efficiency & non-interest income.
- Deep brand affinity supported by innovation.

INTERNAL BUSINESS
TRANSFORMATION

TECHNOLOGY PLATFORM
LEADERSHIP

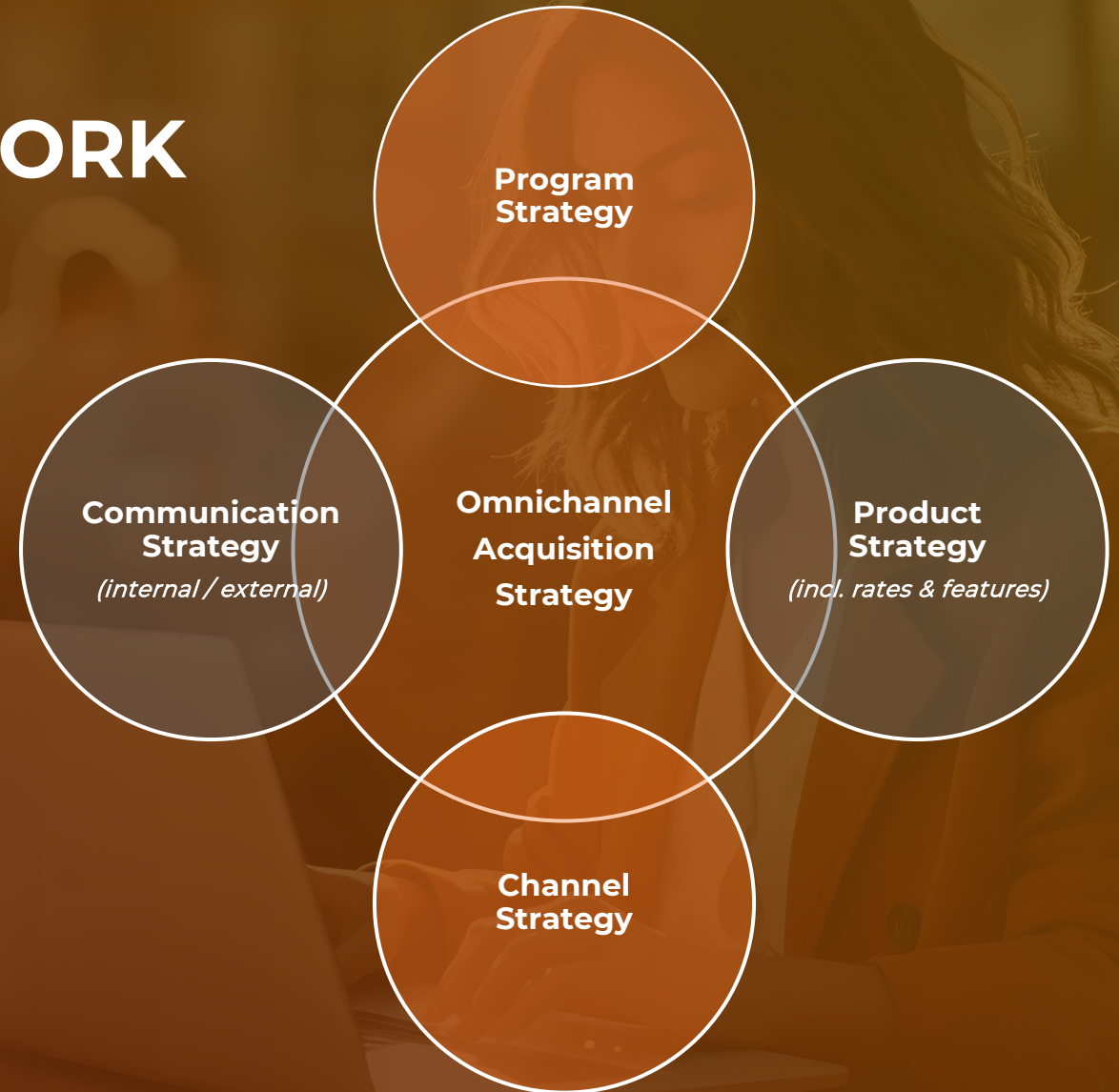


EXTERNAL BRAND
AWARENESS

MEMBER & COMMUNITY
ENGAGEMENT

OMNICHANNEL ACQUISITION FRAMEWORK

- How is your credit union approaching the creation, development, maintenance, and performance measurement of your omnichannel acquisition strategy?
- It's important to build a strategy that ensures proper balance and attention across multiple factors that will impact success.
- It's equally important to consider how these factors will be monitored and measured against objectives.



SIMPLIFIED PRODUCT REVIEW FRAMEWORK

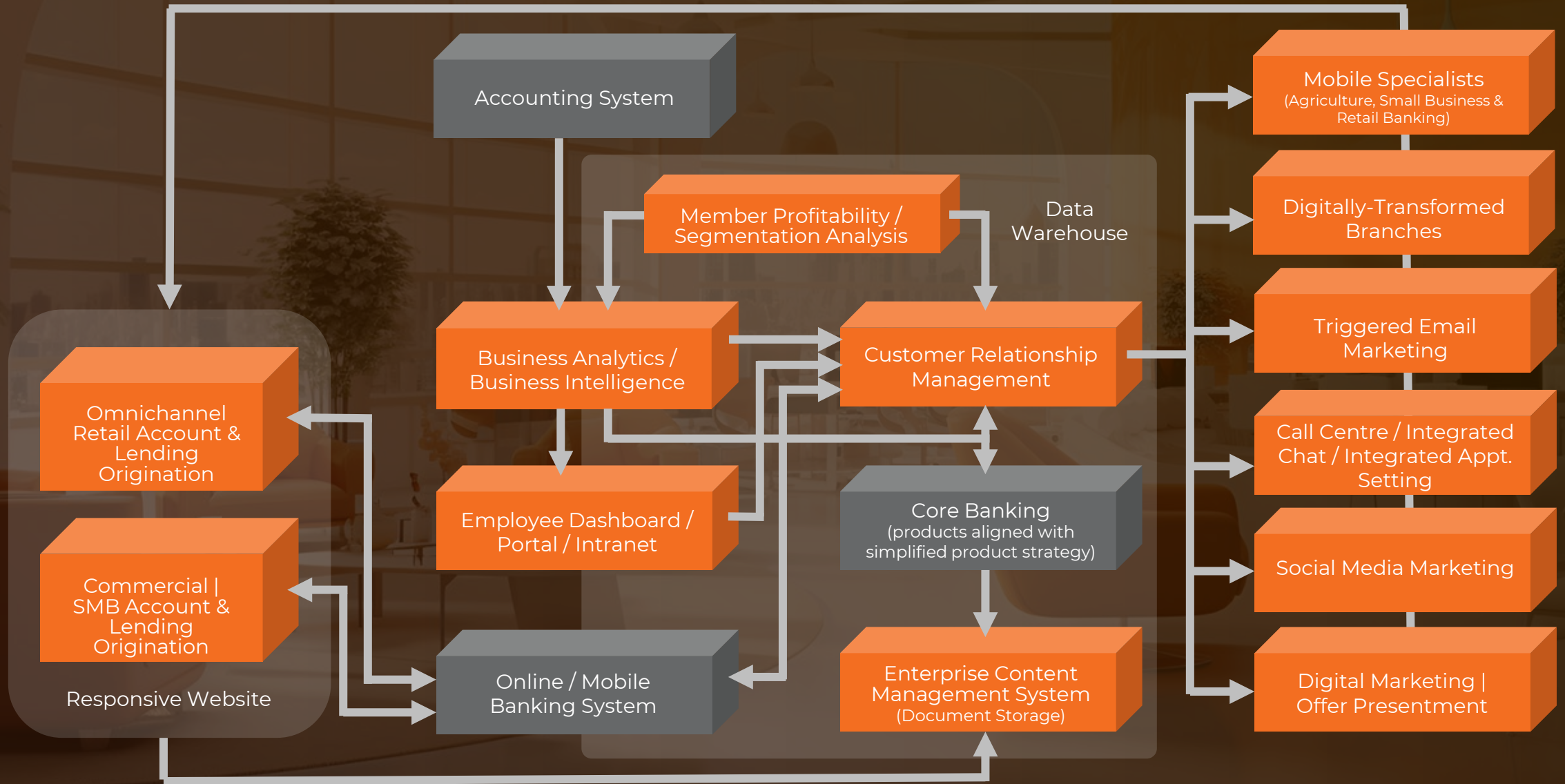
- Various frameworks can be leverage to undertake a fulsome or preliminary product review.
- Regardless of the framework leveraged, it's critical to consider the channel of delivery and to understand that certain products may require certain attributes depending on channel, but also that every product doesn't necessarily need to be offered in all channels.
- Sample framework:

Products	Today	Strengths / Weaknesses	Competitive Target	Future
Daily Banking				
Savings				
Term				
Unsecured Lending				
Secured Lending				
Business				

PRODUCT STRATEGY CONSIDERATIONS

- Which products are best suited for digital / mobile channel launches?
- How can products be structured to make them unique?
- How does rate impact the strength of a product?
- How can rates be established in a purposeful manner?
- How can cross-functional CU constraints be considered?
- What are the best practices for product configuration in an omnichannel environment?
- What are the best practices for lending approvals?
- How can “and” / “or” logic be used to establish multiple approval paths?
- What are the best practices for lending rate configuration?

INTEGRATED TECHNOLOGY PLANNING FRAMEWOK



**How can an
integrated
member
experience
platform help?**





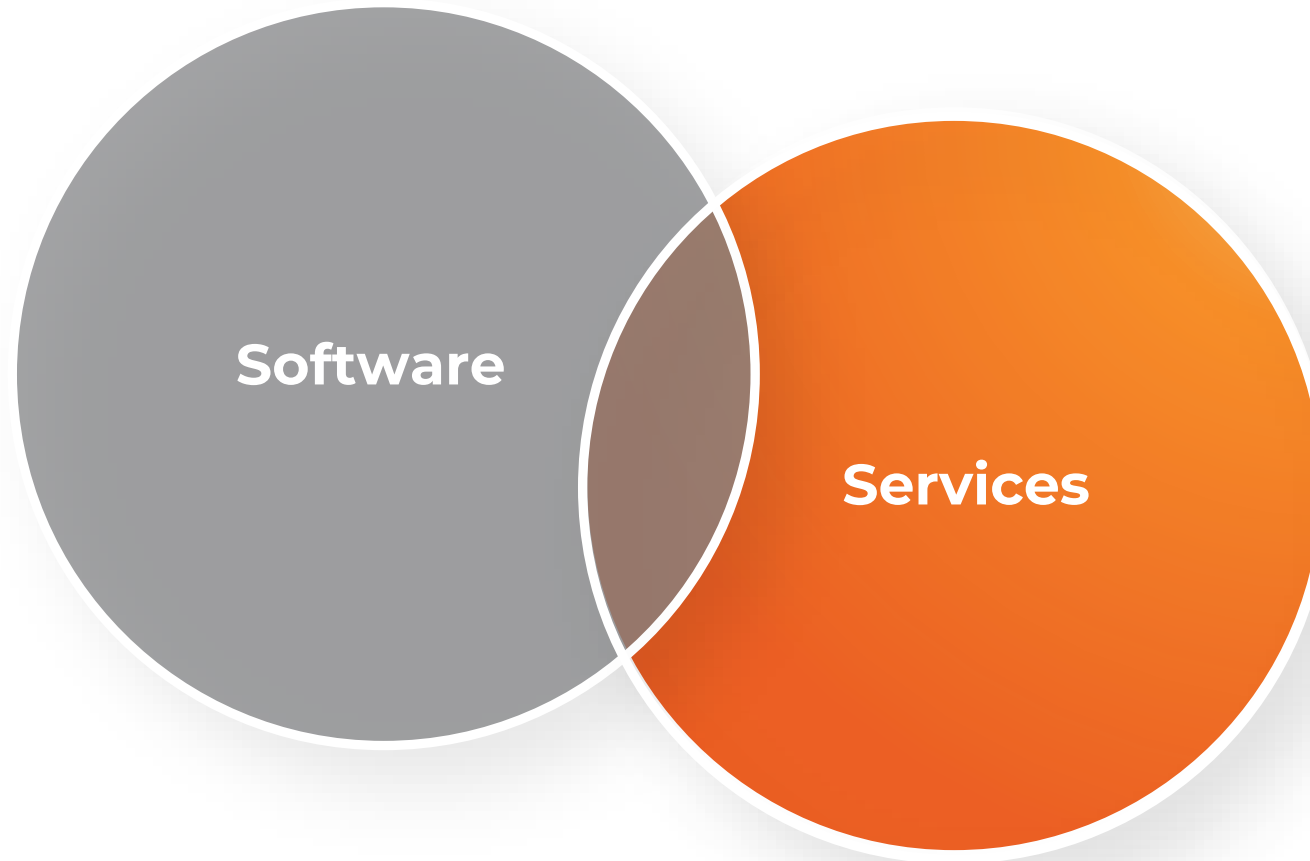
Callahan & Associates Innovation Series 2025

Tandia Financial Credit Union, \$1.5B Assets, 27K Members

CREATING MEMORABLE EXPERIENCES



Technology to create
memorable,
frictionless member
experiences



The right products,
value and promotion
to facilitate a
connected member
experience.

THE CHALLENGE(S)

- Record-breaking lending results in prior year
- Low-interest rate environment
- Term-resistant investors
- Branch staffing concerns

PROGRAM DELIVERY



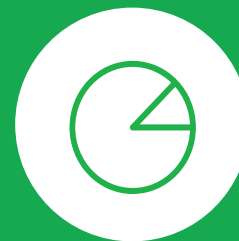
Deposit Growth



**Share of Wallet
Growth**



**Member
Acquisition**



**Deposit
Retention**

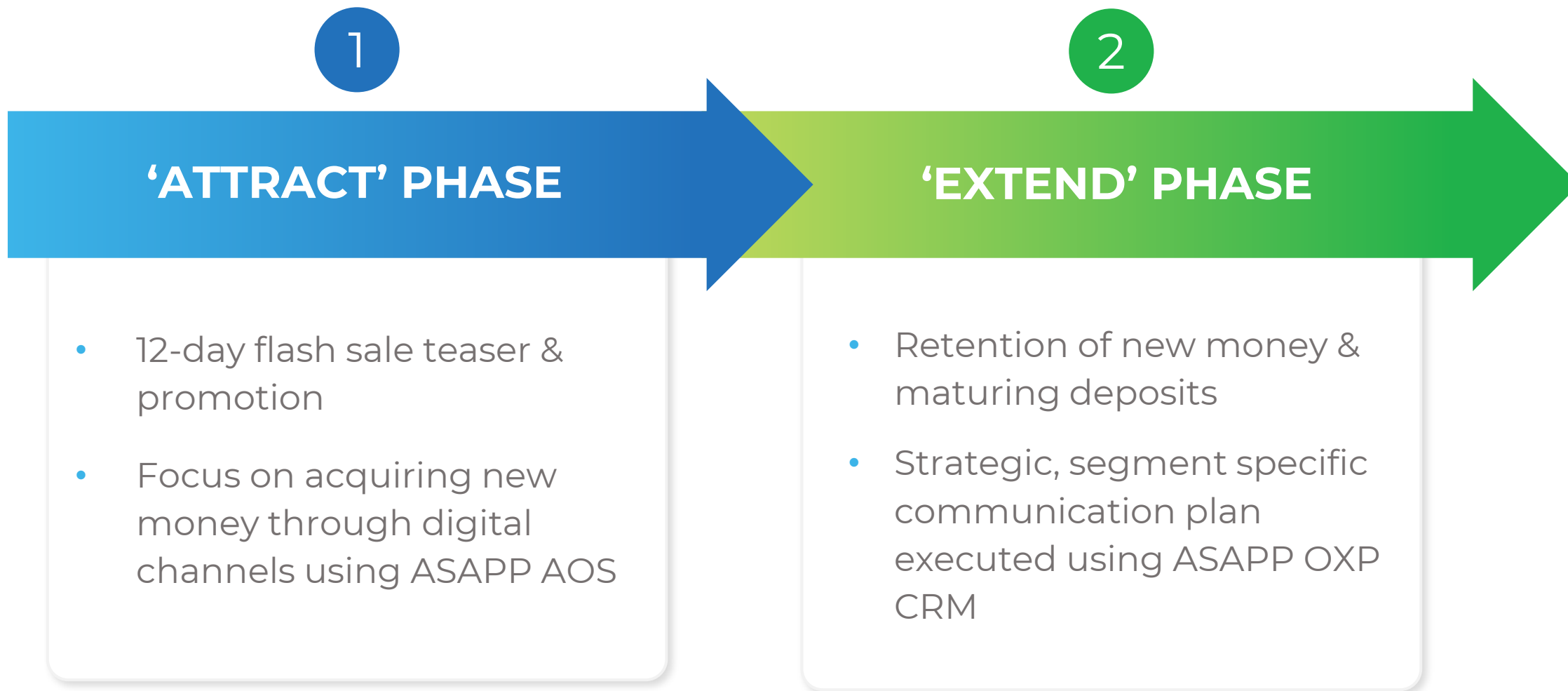


**Digital Adoption
(Member)**



**Digital Adoption
(Staff)**

A 2-PHASED APPROACH



CREATIVE EXECUTION

Running for 12 days at the beginning of December, we played up the holiday spirit with
 The Most Won-der-ful Rate of the Year



Facebook Video



YouTube Video

PROGRAM DELIVERY

PAID channel focus was exclusively through digital properties



Facebook
Video Ads



Instagram
Video Ads



Google
Display & Search



YouTube
Instream Video

Using **OWNED** channels to drive awareness and action



Facebook
Posts



Instagram
Posts



Email

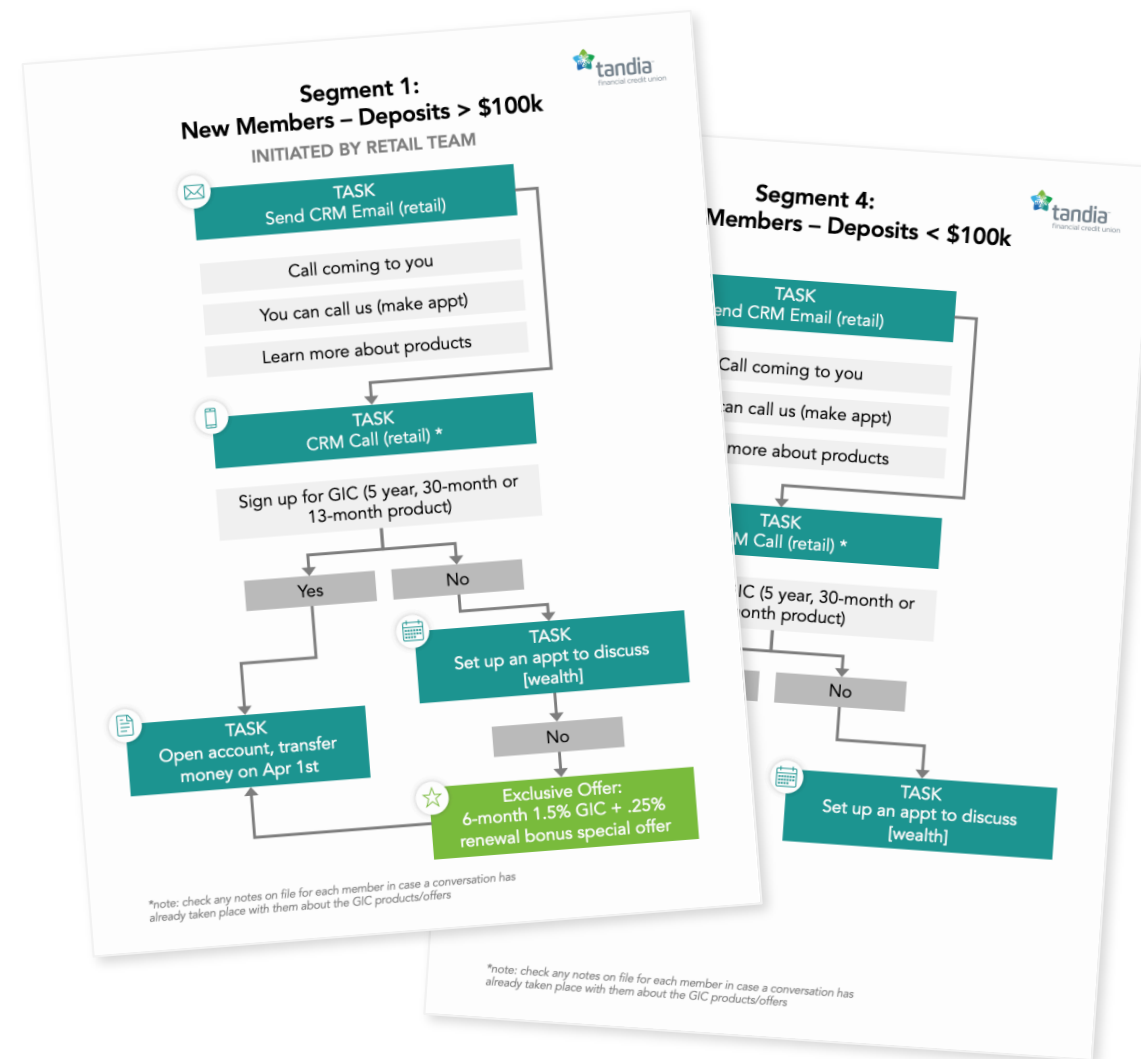


Branch Displays

LEVERAGING CRM

Created workflows in CRM for staff to execute EXTEND Phase

- Unique workflows based on targeted segments
- Customized email follow up communication
- Call scripts for each segment, guiding staff through calls



THE RESULT



341 new accounts



\$60 million in deposits



250% against target



67% accounts opened online



~35% retention (30-days after offer)



DEFINING THE OPPORTUNITY

AN OPPORTUNITY FOR GROWTH

According to NCUA Data from Q1 of 2025, the average credit union in the US had:

\$13,782



ASSETS PER MEMBER

\$61,555,089



ASSETS PER BRANCH

AN OPPORTUNITY FOR GROWTH

However, for the same period, the top 250 US credit unions in the US had:

\$19,925



ASSETS PER MEMBER

\$327,680,165



ASSETS PER BRANCH

AN OPPORTUNITY FOR GROWTH

Therefore, if the average credit union increased their assets per member in-line with the average of the top 250 US credit unions this would represent a growth in assets of:

Approx.
\$197 Million



AN OPPORTUNITY FOR GROWTH

SHARE OF WALLET GROWTH

Based on Q1-2025 NCUA reported Assets / Member:

Average All US Credit Unions \$13,782

Average Top 250 US CUs \$19,925

Share of Wallet Growth Potential (Avg. 32,117 members) $\$6,143 \times 32,117 = \197.3M in Asset Growth

\$197.3M assuming a
2% contribution margin rate = **~\$4M in incremental operating margin**



Watch the video from the
presentation here



THANK YOU

Questions, Comments &
Discussion

 **asapp** FINANCIAL
TECHNOLOGY

CREDITUNIONS.COM