



Improving Membership Value Through An Enterprise-Wide Payments Evaluation

Background

As credit card programs become more robust, financial institutions like Members First Credit Union of Florida (MFCU) are continually seeking innovative ways to improve their current card offerings and expand their reach.

"When a financial institution is evaluating card programs, selecting partners that align with their strategic objectives and deliver exceptional member value becomes table stakes for driving bottom line revenue."



Beginning in 2021, MFCU examined its existing debit and credit card program and found the results to be less than satisfactory. This kicked off a multi-year payments evaluation which concluded in fall 2023. During their initial examination, they found card growth fell below intended targets and the program itself was not delivering the anticipated member value. Built on the philosophy that member satisfaction should come before profit, executives deemed it necessary to upend its current offerings and look at alternative measures to achieve alignment with its base.

Solution

Members First Credit Union of Florida recognized the need for external expertise. The leadership team sought a partner who would educate the credit union along the way and demonstrate the essential skills and industry insights required to navigate the complexities of the dynamic payment landscape.

Given its emphasis on education to client partners, Engage fi stood out as the ideal choice. And having previously experienced exceptional service from the consulting firm, MFCU was confident they could rely on Engage fi's expert team, proven processes, and personalized approach to guide their efforts on a project of this magnitude.

Engage fi initiated the project with an examination of the credit union's current debit network, debit and credit processors, and card brand, conducting a comprehensive assessment. The approach entailed a methodical, step-by-step process to ensure the credit union gained the knowledge it needed to make informed decisions throughout the life of the project and beyond. The consulting firm played a pivotal role in helping MFCU understand the inner workings of the processors and debit networks, including key features and functionality of the products themselves, vendor benefits, and institutional goal alignment to elicit a higher degree of confidence in future vendor interactions.

Following a thorough Request for Proposal (RFP) process, Engage fi reviewed several processors to help narrow down their choices. They provided Members First Credit Union with options to enhance, replace, or augment their current card program. The consulting firm also guided MFCU through its contract negotiations and review stage, ensuring the new vendor was meeting their deliverables and goals.

Results | Conclusion

Under the guidance of Engage fi, Members First Credit Union underwent a debit network optimization, which aligned with their stakeholder requirements and provided significant reductions in network expenses. Additionally, the revamped debit and credit processing program introduced new features and incorporated contactless functionality, catering to modern user needs.

Through Engage fi's negotiations, MFCU's net interchange income was significantly increased. MFCU also received more than twice the card brand incentives compared to their previous agreement while reducing overall credit and debit processing expenses by a third. Moreover, the card brand partner is committed to bolstering support and incentives for future initiatives.

"Through Engage fi's negotiation with the card brand vendor, MFCU received more than twice the incentives compared to their previous agreement. Additionally, Engage fi helped significantly increase MFCU's net interchange income."



Significant increase in net interchange income

Post-implementation, Engage fi provided ongoing support, aiding the credit union in reviewing initial invoices and proper alignment with the agreed-upon terms. Through this process, the Credit Union received guidance on identifying key elements for future reference, distinguishing profitable components from the standard business operations.

Two of the biggest takeaways for Members First Credit Union was the invaluable education they received and the contract negotiation conducted on their behalf. Engage fi offered a deeper understanding of their current card network and beneficial guidance backed by their industry knowledge and expertise that will only empower the credit union to move forward.

With high card activation rates post-implementation, Members First Credit Union looks ahead to setting ambitious growth targets, crafting comprehensive strategies, and educating members on the enhanced card benefits. Members First believes in being a true financial partner to their members and providing the best products and services on the market. Their enhanced credit card program is just another way they are putting their members first.

Members First has been dedicated to serving its members for over 70 years.



\$286M +
in assets



20k+
members