



How Bayer Heritage Funded a 100% Redemption, Cash-back Rewards Program for its Debit and Credit Cardholding Members through its Strategic Partnership with Engage fi

BACKGROUND

With the payments landscape poised for big changes in 2011, financial institutions anticipated the opportunity to transform while continuing to own the customer relationship. However, over the next decade, the ongoing consolidation of the payments sector left credit unions and community banks with fewer options and a revolving door of vendor providers.

Over ten years, Bayer Heritage Federal Credit Union (BHFCU) found itself working with multiple vendors and experienced repeated processor changes. In late 2021, credit union executives agreed it was time to reevaluate their overall payments business and its impact on both their members' experience and bottom-line revenue. However the credit union lacked available resources to properly manage the assessment, prompting leadership to seek assistance from an outside consulting firm.

"From start to finish, I was very impressed by the work the Engage fi payments team completed. The amount of time and resources they dedicated to our project brought so much value-add to the engagement, all parties benefitted from the partnership."

John Merritt, CIO

BHFCU sought a partner with deep industry expertise and the ability to not only evaluate its current payments business but also design and execute a strategy that would improve its desired future state. After BHFCU's payment providers changed ownership and platforms several times over the decade, the leadership team was determined to find both reliability and stability in its next partner.

SOLUTION

After an extensive search, BHFCU selected Engage fi to guide its payments business into the future. The credit union identified with the consulting firm's belief in forging strong vendor partnerships to generate collaborative and meaningful relationships while placing the member experience at the forefront of every decision. Building a competitive card program would require depth and breadth of subject-matter knowledge, an ability to project-manage the multiple moving parts, and a level of mutual respect with the vendors in the payments space. Engage fi was the perfect fit.

The project kicked off with an experienced team of consultants working through discovery and needs analysis with BHFCU. Key decision points included a reassessment of the credit union's current processor, networks, branding agreement, and a plan to review and negotiate the non-coterminous contracts impacted by the project.

As the conduit for BHFCU, Engage fi was able to leverage its professional standing by working with multiple vendors to achieve favorable terms and competitive vendor contract pricing. Further, Engage fi's keen understanding of the market provided the transparency BHFCU required to make lasting decisions that aligned with member requirements for sophisticated digital banking integration.

RESULTS | CONCLUSION

The partnership of BHFCU and Engage fi resulted in a transformative outcome that aligned expectations, streamlined efficiencies, and realized savings.



Years ago, BHFCU had a rewards program with a former vendor that was phased out over time due to cost and lack of value to the membership. The savings and incentives Engage fi achieved through negotiations with the credit union's new card vendors was so significant, it funded BHFCU's debit and credit card 100% redemption cashback rewards program, serving as an additional tool to incentivize current and future members.