



ACU of Texas' BNPL program outpaces 3rd-party fintech usage for their membership

14%

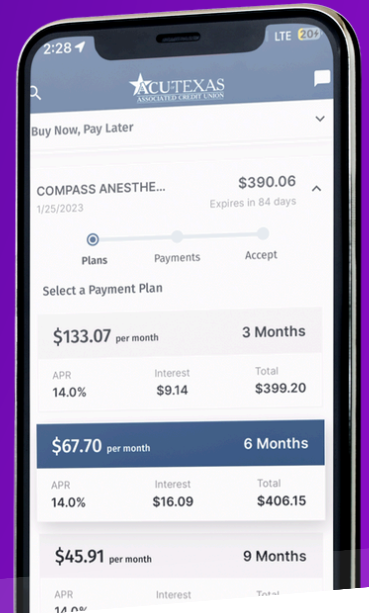
accepted plans after viewing offers

4.3

plans per active user

\$1,100+

BNPL usage per active user



Background

Associated Credit Union of Texas (ACU of Texas) is a financial institution in Texas with over \$500 million in assets and serving over 42,000 members in the Greater Houston – Galveston metro areas.

Since 2022, ACU of Texas had been embarking on a digital-first initiative, launching innovative solutions to serve their members' needs. As Buy Now, Pay Later (BNPL) grew as a payment preference, ACU of Texas, under the leadership of CEO and President Clay Franks, researched how their members engaged with 3rd-party solutions.

Problem

BNPL was a fast-growing payment preference due to consumer demand and had been outpacing regulatory guidance. Clay and his team were concerned that 3rd-party BNPL solutions may not be ideal for their members, who faced risks when using unregulated products. Some of these risks included high interest rates, little transparency, and data safety.

Clay and his team turned to **equipifi**, a CUSO specializing in white label debit card-based BNPL. equipifi's initial assessment confirmed that many ACU of Texas' members were highly engaged with 3rd-party BNPL products. Clay realized that members needed BNPL as a credit union product.

"BNPL was an unexpected item that wasn't on our roadmap," Clay recalled. "But if members are using it elsewhere, we might as well keep it in-house and offer a fairer product for them."

"If we can give our members a better and fairer product than they're receiving elsewhere, then that's what we're going to do every time."

Clay Franks, CEO & President



Solution

ACU of Texas decided to partner with equipifi to provide their members with a fairer and safer product from their trusted financial institution. As a credit union whose membership preferred debit cards, ACU of Texas wanted their solution to be debit card-based.

“We knew BNPL would be a sticky product that our members would use and appreciate safely in our own home banking,” explained Eilene Markus, SVP of Operations at ACU of Texas who led the BNPL project with equipifi.

Eilene saw BNPL as an integrated tool that can deepen member relationships, and wanted a product that their members would prefer over 3rd-party BNPL. That meant embedding the product within their digital banking experience and providing pre-qualified offers to eligible members — two reductions in friction that 3rd-party BNPL could not provide.

“We wanted our BNPL to be easy for our members to use, with no application required. So integration into our digital banking and core were important.”

Eilene Markus, SVP of Operations

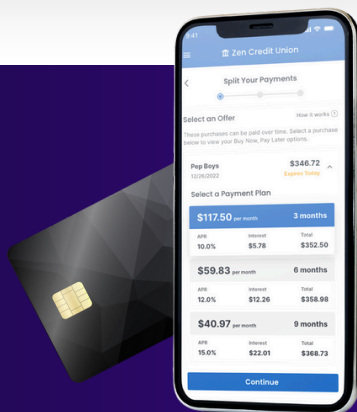
Results

Within 30 days of launching BNPL with equipifi, ACU of Texas’ members already preferred using their credit union’s BNPL program over 3rd-party options, with more BNPL transactions through ACU of Texas than all 3rd-party usage combined.

Members continue to prefer ACU of Texas’ BNPL program in its second year. After eligible members view their offers, 14 percent accepted a BNPL plan. Active users took out 4.3 plans on average with \$1,100 in total active loan value. Clay’s and Eilene’s vision of making BNPL into a credit union product had become a reality.

“I think the numbers are speaking for themselves,” said Eilene. “We’re seeing that members are [using BNPL] to budget for unexpected expenses or pay for a vacation they weren’t sure they could take. There have also been interesting use cases across age demographics.”

“ACU of Texas sees BNPL as a differentiator that will help it become the primary financial institution for its members,” said Clay. “This product aligns with our members’ existing purchasing and payment behaviors and leads to an enhanced member experience.”



Schedule a demo today to launch Buy Now, Pay Later!

To learn more about equipifi and how to supercharge your digital banking experience by unlocking Buy Now, Pay Later, visit www.equipifi.com or contact us at hello@equipifi.com