

Three Myths About Credit Union & Fintech Partnerships

Fintechs are bringing cutting edge solutions and innovation to financial institutions seeking to increase engagement among their members. But there is still hesitation around entering these partnerships. We've debunked the top myths.



MYTH: Financial institutions can build their own digital solutions.¹

TRUTH: Financial institutions often don't have the people, funding, or resources to build out complex digital solutions in-house.



MYTH: Partnerships drain resources.²



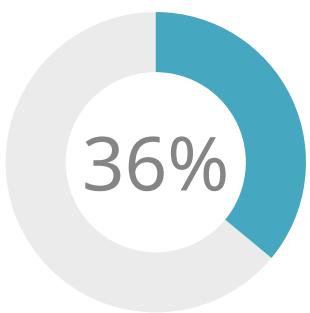
TRUTH: Partnerships will save an overwhelming amount of time in comparison to the financial institution trying to build their own solutions. Plus, there are firms that serve as a bridge between the partners.

MYTH: The traditional institution culture clashes with innovative fintechs.³

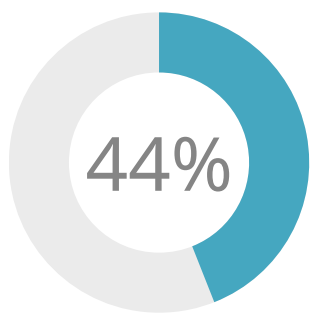
TRUTH: Digital banking platforms serve as the middle-ware between the fintechs and Credit Unions — they are front and center, everyone else is behind the scenes.



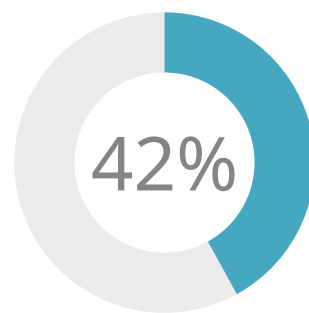
So Why DO Credit Unions Partner with Fintechs?⁴



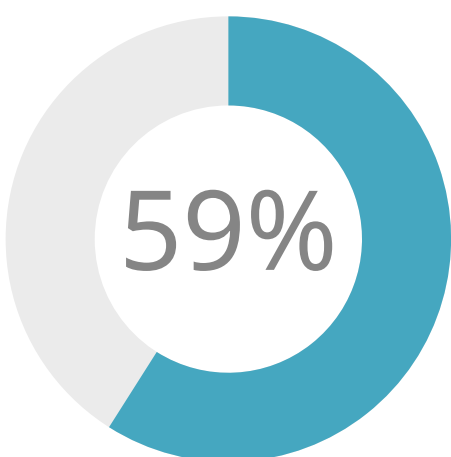
FOR ENHANCED BRAND REPUTATION



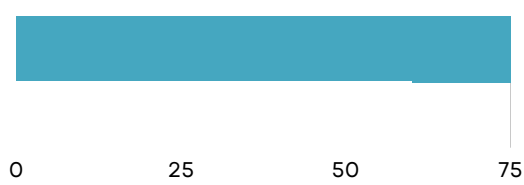
TO LOWER CAPITAL EXPENDITURE



TO LOWER COST OF DOING BUSINESS



TO EXPAND MOBILE BANKING FUNCTIONALITY



75% of customers under the age of 50 use their bank's digital channels. 60% for those under the age of 70.⁵

RESOURCES

- 1 - 3) https://thefinancialbrand.com/82210/fintech-bank-credit-union-partnerships-innovation/?utm_source=canva&utm_medium=iframe
- 4) <https://www.manatt.com/Manatt/media/Media/PDF/Brochures/Banks-and-Fintech-Report-2016.pdf>
- 5) <https://www.mckinsey.com/~media/McKinsey/Industries/Financial%20Services/Our%20Insights/Inflection%20point%20Seven%20transformative%20shifts%20in%20US%20retail%20banking/Inflection-point-Seven-transformative-shifts-in-US-retail-banking-vf>

