



# GEN Pay maintained a high engagement, high-quality BNPL loan portfolio in year one

# 14%

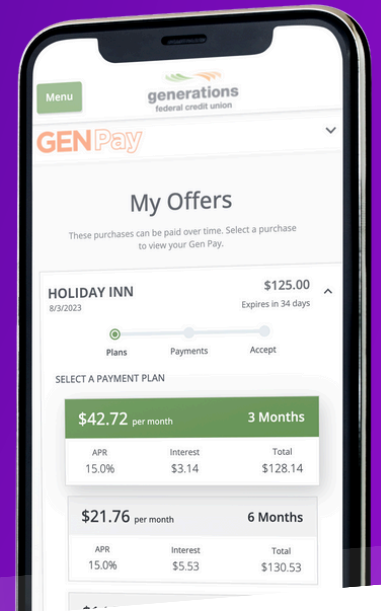
qualified members are active users

# 3.3

plans per active user

# 0.16%

90+ days DQ



## Background

Generations Federal Credit Union (GFCU) is a financial institution in San Antonio, Texas with \$770 million in assets and serving nearly 48,000 members.

In 2022, GFCU wanted to ensure that it was staying relevant to its community and that it was providing banking products that would continue to meet the needs of its current and future members. Jessica Hernandez, the SVP of Operations at GFCU, began to research Buy Now, Pay Later (BNPL).

## Problem

Jessica wanted to explore BNPL as a potential product GFCU could provide for its members. She wanted to explore the possibility of launching BNPL on GFCU's debit cards, which its members preferred using over credit cards, and to make the solution available on its digital banking experience. Jessica turned to equipifi, a CUSO specializing in a white label debit card BNPL solution.

equipifi helped Jessica conduct an assessment on GFCU's debit card transaction data to better understand existing 3rd-party BNPL use. With an ROI assessment, equipifi also helped GFCU determine the feasibility of an alternative program for its members.

The results showed that GFCU members were already using BNPL from 3rd-party providers, and that the credit union was experiencing a growing stream of cash outflow every month. GFCU was also missing out on an opportunity to meet its members where their needs were.

**“It took us aback once we did an assessment. We knew our members used BNPL, but we didn't think we would discover that much usage.”**

Jessica L. Hernandez, SVP of Operations

## Solution

Seeing how much GFCU's members were already using 3rd-party BNPL programs, Jessica met with GFCU's senior leadership and decided that launching its own debit card-based BNPL solution was a necessary component of its innovation strategy to become the one-stop shop for all of its members' banking needs.

Partnering with equipifi, GFCU connected its banking core to equipifi's BNPL platform. Jessica's team customized how its BNPL program, branded GEN Pay, displayed to its members on its digital banking experience. GEN Pay launched to members in the fall of 2023, just in time for holiday shopping.

**“Once we got that information, meeting as senior leaders, it was a no brainer to launch BNPL, since members are going to use it regardless.”**

Jessica L. Hernandez, SVP of Operations

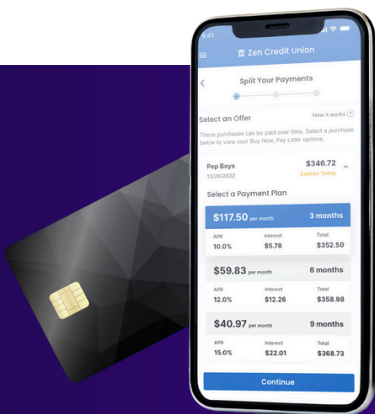
## Results

Within its first year, GEN Pay saw high engagement from its membership, with 14 percent of all qualified members now active users. Repeat usage was also high, with active users taking out 3.3 loans on average. GEN Pay's adoption was also still growing one year in, with new eligible users discovering the program every month.

GFCU also maintained a high-quality BNPL loan portfolio. In partnership with equipifi's team, Jessica and the GFCU team had set loan parameters for GEN Pay in a way that reflected the credit union's goals as well as its members' financial context, and continued to fine tune it over time. As a result, one year since launch, GEN Pay's 90+day delinquency rate was 0.16 percent.\*

Jessica noted that her team could see from GEN Pay the different ways that GFCU was now able to support their members. “We were able to see that one of our members was using GEN Pay for oncology,” she recalled. “And we saw where one member used it for a tow truck and then immediately after that at AutoZone. It makes us happy to know that we have delivered a product that is serving our members' needs.”

\*Compared to 9.01%, the national long-term average 90+ Day delinquency rate, updated November 13, 2024, Federal Reserve Bank of New York



**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](http://www.equipifi.com) or contact us at [hello@equipifi.com](mailto:hello@equipifi.com)