



FirstFunds empowers members where they are with BNPL that contributes to the bottom line

25%

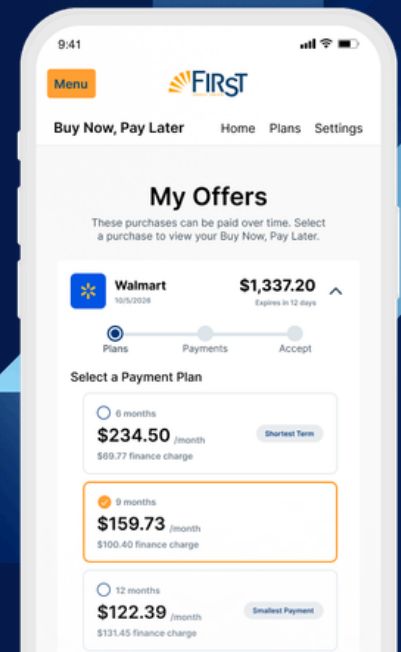
Users organically engaged in first 30 days

3x

User acquisition with active marketing

\$1,600+

Gross transaction volume on average per active user



Background

First Credit Union (First CU) is a financial institution in Chandler, Arizona, with \$750 million in assets and serving over 44,500 members.

Thomas Gessel, Chief Innovation Officer at First CU, noticed in 2021 that 3rd-party Buy Now, Pay Later (BNPL) was becoming popular with account holders. Recognizing the growing demand, he wanted to understand what options consumers had in the marketplace, and explore ways that the credit union could help members manage their cash flow safely.

Problem

After reviewing available BNPL products, Tom realized that an alternative was urgently needed. None of the BNPL providers knew the consumers they were lending to, and were offering borrowers loans without visibility into their financial conditions.

Tom was concerned that without a BNPL product that promoted responsible lending,

consumers could be susceptible to a vicious cycle of loans that they could not repay.

As 3rd-party BNPL usage continued to grow, Tom wanted to give First CU members a reason to look first to their credit union. He wanted to ensure that First CU members had a safer way to access the financial flexibility that they need, with the same seamless digital experience that made BNPL popular.

To present First CU members with a better in-house product, Tom looked to equipifi, a BNPL platform designed for financial institutions.

FirstFunds empowers our members through the channels that work for them. equipifi enabled us to provide BNPL efficiently and responsibly via digital delivery 24/7.

– Thomas Gessel, Chief Innovation Officer

Solution

FirstFunds, First CU's in-house BNPL, launched in 2024 using equipifi's platform. By integrating with the banking core and Q2's digital banking platform, FirstFunds used cashflow underwriting and a fully automated workflow to bring a seamless, end-to-end experience to First CU's members.

"With our combination of Q2 Innovation Studio and Symitar, our BNPL implementation with equipifi was by far the easiest and smoothest we've done," Tom recalled. "There were very few things we had to tweak to bring it live and feel confident in it."

FirstFunds became available right before Black Friday. Almost immediately, dozens of members found it within their Q2 online banking experience to split payments and plan purchases. Engagement increased once the product was announced officially, and when First CU started driving awareness through automated notifications with equipifi and in-app marketing with Q2 SMART™.

Because of equipifi, our BNPL implementation with Q2 Innovation Studio and Symitar was the easiest and smoothest we've done.

— Thomas Gessel, Chief Innovation Officer

Results

First CU's members embraced FirstFunds, and many reached out to express delight that the product was available. A profitability analysis showed that BNPL was not only covering its cost, but was contributing to the bottom line.

Tom was also pleasantly surprised to see adoption across age groups. "We see usage from the youngest members that would be eligible to members in their 60s and 70s." Tom also performed an analysis using traditional credit banding and found that even members with A and A+ credit were using FirstFunds. "It seems to be a good tool for all members," he concluded.

First CU especially values FirstFunds' ability to meet members where they are. The credit union previously had a small dollar loan product that was only available in branch. "We lost money on those loans even when if they paid back as exactly as agreed, due to the staff origination cost to originated loan balance," Tom recalled from the product cost analysis. "Meanwhile, FirstFunds empowers our members through the channels that work for them. equipifi enabled us to provide BNPL efficiently and responsibly via digital delivery 24/7."

One year later, Tom and his team are ready to promote FirstFunds even more, both using their internal marketing campaigns and through Q2's digital banking and personalization tools to broaden adoption.

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

