

CHECKLIST:

What Credit Unions Should Look for in a Payments Fintech Partner

With the future of the American economy still unclear, credit unions are facing both opportunities and challenges. Concerns such as the potential onset of a recession or the ramifications of the Fed's rate hikes, create an atmosphere of unpredictability. The need for credit unions to accelerate bill pay revenue and on-time bill payments has never been greater. Credit unions have been working harder than ever to improve the member experience and provide them with more options. A good payments fintech partner can help with these goals. However, it may be tempting to stay with a legacy vendor because of the length of the relationship and perceived obstacles to change. At the same time, if there are glaring issues with your current provider, it may be time to discover what's out there as an alternative. After all, making a loan payment will be one of the most common member touchpoints with your website and contact center. There are many fintechs to choose from to modernize your loan payment experience, so how do you know what's best for your credit union? Here is a checklist of what to look for in a payments fintech partner:

WHAT TO LOOK FOR	VENDOR A	VENDOR B	VENDOR C
Speed to Market One of your biggest considerations will be speed to market. How quickly can you implement the solution and get it deployed? As technology continues to be more prominent in banking, many credit unions want to establish a reputation for progress. They need to offer highly secure solutions that serve members with diverse needs and implement these solutions at a pace that's rapid enough to stay competitive.			
Knowledge and Expertise with Credit Unions Credit unions need a vendor that is familiar with their unique business challenges. The vendor should be able to show you a list of current credit union clients, as well as success stories that demonstrate dedication to this audience.			
Innovation The payments industry continues to be at the forefront of disruption and innovation, even more so than in the past with real-time payments, ACH modernization, and new regulations. The launch of the FedNow Service, further emphasizes the rapid pace of change. Credit unions must not only observe but actively participate in this evolution. Among the 57 pioneers of the FedNow Service, six were credit unions and seven were corporate credit unions. Alacriti was amongst the first to become certified with the FedNow Service. Now, more than ever is the pivotal moment for credit unions to partner with forward-thinking fintech providers to revolutionize their offerings and stay competitive in the financial landscape.			

<p>Capability for Personalization</p> <p>The popularity of digital commerce and payments have been exploding for some time. This has heightened consumers' expectations as they grow accustomed to hyper-personalized commerce experiences. They expect that same personalization when it comes to banking. Leveraging the right technology at the right time can help credit unions meet members exactly where they are, delivering a better payment experience that encourages long-term loyalty.</p>			
<p>Security and Compliance</p> <p>Security is paramount, especially as public concerns over cyber and financial crime continue to escalate. A payments fintech partner can help fill the gaps in your credit union's internal resources and equip it with the expertise and finesse required for particularly high-risk undertakings. The right partner can ensure that solutions are secure and compliant with all regulations while still being innovative and user-friendly. The vendor should meet PCI DSS , AICPA SOC, and HIPAA standards for payment and security and compliance.</p>			
<p>Growth</p> <p>Is the company growing or reducing in size? A fintech that is making cutbacks may not be able to provide the focus you need on payments innovation.</p>			
<p>Familiar Clients and Organizations</p> <p>Ask to see the client list of the fintech you are considering. Ideally, you should see names that you've seen before, both large and small. Also, the vendor should be trusted by organizations that are important in payments, such as Nacha and the US Faster Payments Council.</p>			
<p>Payments Focus</p> <p>Ask the fintech how focused they are on payments. Are payments just something they happen to offer or, is their organization completely dedicated to it?</p>			
<p>Member-centric</p> <p>Does the payments fintech prioritize your member experience? What choices do they make possible for members to pay? You should see that they go beyond enhancing the existing experience to offer convenient channels of interaction. For example, having options like pay by text or Apple Pay. There should be a diverse offering of payment channels, payment methods, and payment options.</p>			

<p>Open Architecture Does the payments fintech have open architecture so it can easily integrate with your systems? Are they working on seamlessly integrating with various existing core and online banking systems? Ask what their API integration options are.</p>			
<p>Positioning for the Future Does the vendor proactively embrace new technologies? Is their platform scalable so that as your needs grow, so does the solution?</p>			
<p>Efficiency What does the provider offer to make your credit union more efficient and streamline operations? With their solution, can you accelerate receivables and reduce call volume? Do they provide extensive reporting so you can make better decisions?</p>			

Fintechs need to offer highly secure solutions that serve members with diverse needs and implement these solutions at a pace that's rapid enough to stay competitive.



47%
of consumers list bill payment service as a reason for choosing a primary financial service providers.

Source: Datos-Insights 2022

The right partner can ensure that solutions are secure and compliant with all regulations while still being innovative and user-friendly.



89%
of consumers want more payment options from their bill pay solution.

Source: Datos-Insights 2022

Alacriti's Orbipay EBPP is a customizable electronic billing and payments solution for businesses and financial institutions of all sizes. Orbipay EBPP offers convenient and flexible choices that include all the payment channels, payment methods, and payment options expected from a modern digital bill pay experience. To find out more about what Orbipay EBPP can do for your credit union, please call our EBPP experts at (908) 791-2916 or email info@alacriti.com.