

The Credit Union (Organic) Growth Playbook

Sam Brownell, Founder & CEO
CUCollaborate



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Who We Are

CUCollaborate delivers outcomes-driven analytics for credit unions by connecting **regulatory intelligence with performance and predictive insights**. We help teams understand what's changing, what it impacts, and what to do next—especially as regulation evolves and funding and operations shift.

Driven by a **data network designed exclusively for credit unions**, CUCollaborate goes beyond historical reporting to surface emerging peer, institutional, and market trends before they're obvious. Our predictive and financial intelligence helps leaders compare strengths, weaknesses, growth trajectories, and risk signals across peers—so they can act first, run stronger institutions, and deliver greater member impact.

Powered by a Network of Non-Public CU Data and CU Expertise



Call Report



AIRES FILE



Geospatial



Loan Origination



Market Expansion & Analysis

A comprehensive approach to FOM optimization, branching and impact reporting

Membership Eligibility Engine

Data-driven platform validating eligibility and connecting consumers to credit unions

CDFI Certification & Retention

Advisory and software tools supporting certification, compliance, and grant success

LID Attainment & Retention

Expert guidance and software to achieve and maximize Low-Income Designation benefits

Merger Network

Exclusive data-driven matchmaking platform ideal for merger partners

Branching Strategy

Strategic consulting and data-driven technology optimizing branch networks and expansion

Smarter Growth. Greater Impact. Stronger Performance.

100%

Approval of regulatory
applications

9 of 10

Largest Federal
FOM Expansions

321%

Larger FOM expansions vs
competitors

90 Seconds

The fastest membership
qualification software

1st

Network to leverage data driven
matchmaking for mergers

100%

CDFI Certification and Low-
Income Designation Retention

Market Expansion

FOM & Charter
Optimization

Branching
Strategy

Capital & Impact Growth

CDFI

ECIP

Low Income
Designation

Member Growth

Membership
Eligibility Engine

Merger
Network

A Few Key Members



Sam Brownell

FOUNDER & CEO

With over a decade of experience in the credit union industry, Sam is an expert in fields of membership, technology solutions, and growth strategies. His mission is to democratize finance by making credit unions more accessible to all consumers, thereby driving membership growth.

In addition to his role at CUCollaborate, Sam serves as an advisor and investor at Credit Mountain. Sam holds a BA in Political Science, Philosophy, and Economics from Denison University and is passionate about solving complex problems to create meaningful change in the financial services industry.



Chris Tissue

CHIEF OPERATING OFFICER, HEAD OF CONSULTING

Chris has 15+ years of experience in consulting with a focus on data analytics, managerial cost accounting, workload modeling, performance and financial management.

He has led dozens of successful field of membership, Low Income Designation (LID) and CDFI engagements for CUCollaborate's credit union customers.

In addition, Chris's experience includes large consulting and credit union firms, including Deloitte, Grant Thornton, and Callahan & Associates.



Luis Dopico

CHIEF ECONOMIST

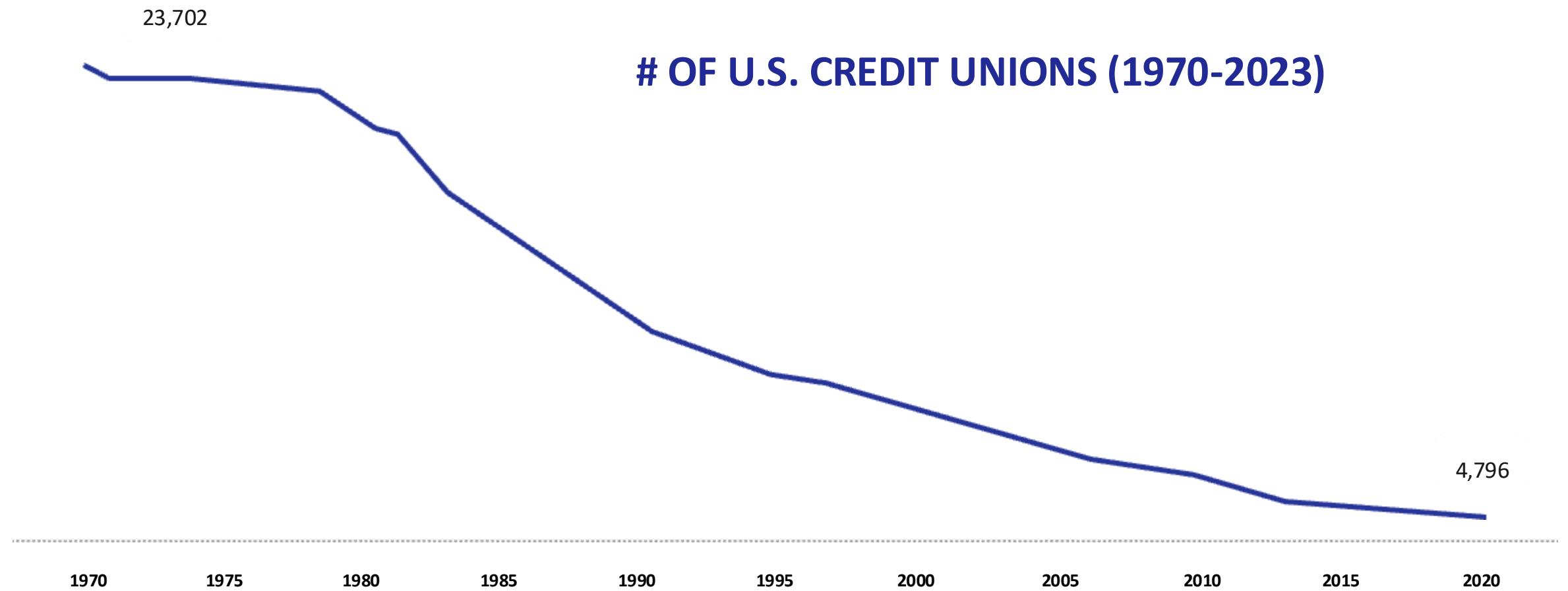
Luis has specialized in credit unions since 2001. Before joining CUCollaborate, his clients included the Filene Research Institute, the National Credit Union Administration (NCUA), the Credit Union National Association (CUNA), Opportunity Finance Network (OFN), and other research institutions, government agencies, consulting firms, and university professors.

Luis' research has been published by the Filene Research Institute, the Federal Reserve Bank of San Francisco, Opportunity Finance Network, the Journal of International Financial Markets, Institutions and Money, the International Review of Finance, the Corporate Finance Review, Essays in Economic and Business History, and the Cooperative Business Journal.

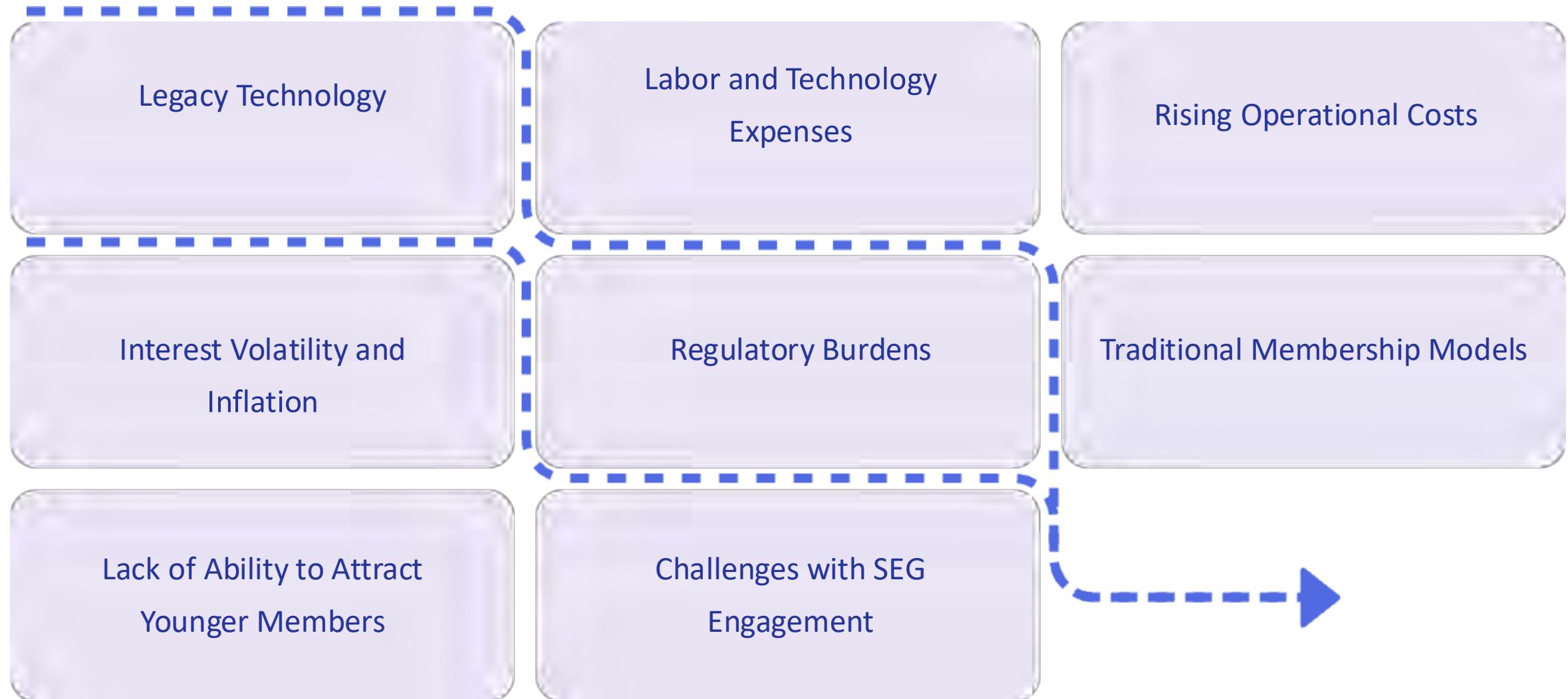
Agenda

- 1) Why Most Credit Unions Struggle with Growth**
- 2) The Data Behind Growth**
- 3) You Have to Tell People You Exist**
- 4) It's the Member Benefit, Stupid**
- 5) Sustainable New Member Acquisition Fundamentals**
- 6) Retention, Retention, Retention**
- 7) Strategic Infrastructure for Scalable Growth**
- 8) Unlocking Additional Growth with Regulatory Tools**

Running a credit union has never been more challenging



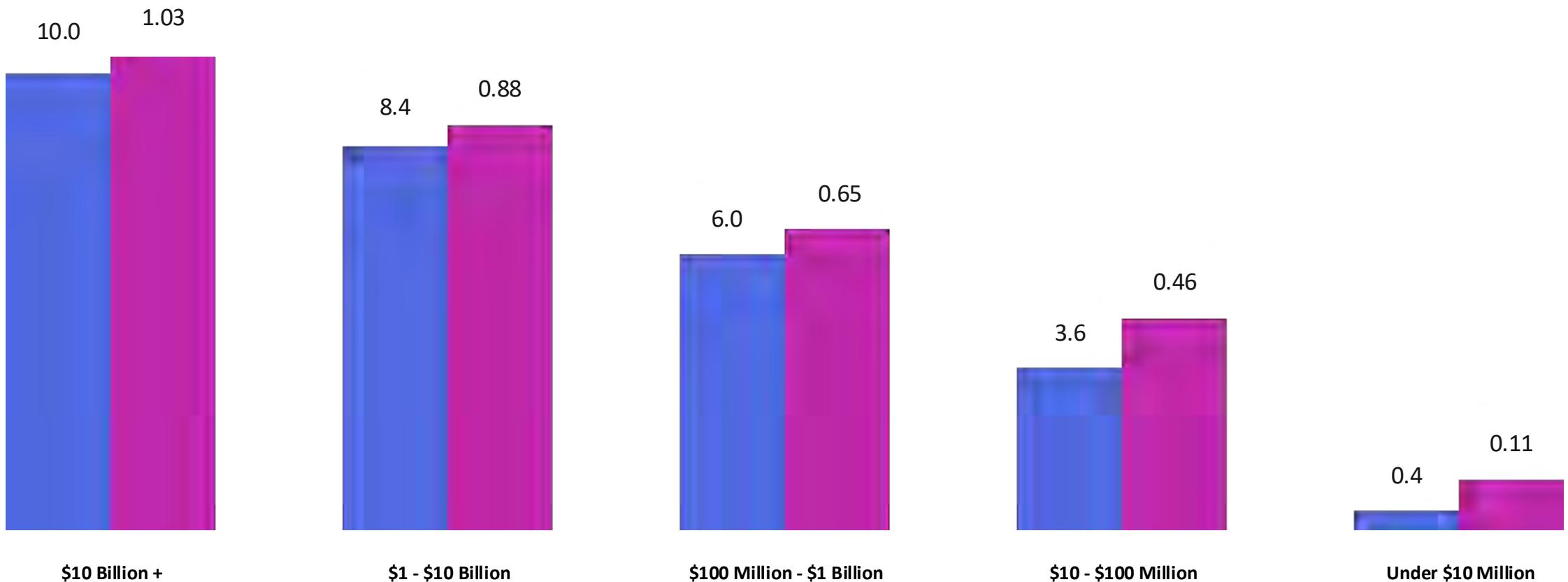
A myriad of complexities to navigate



Here's who's winning

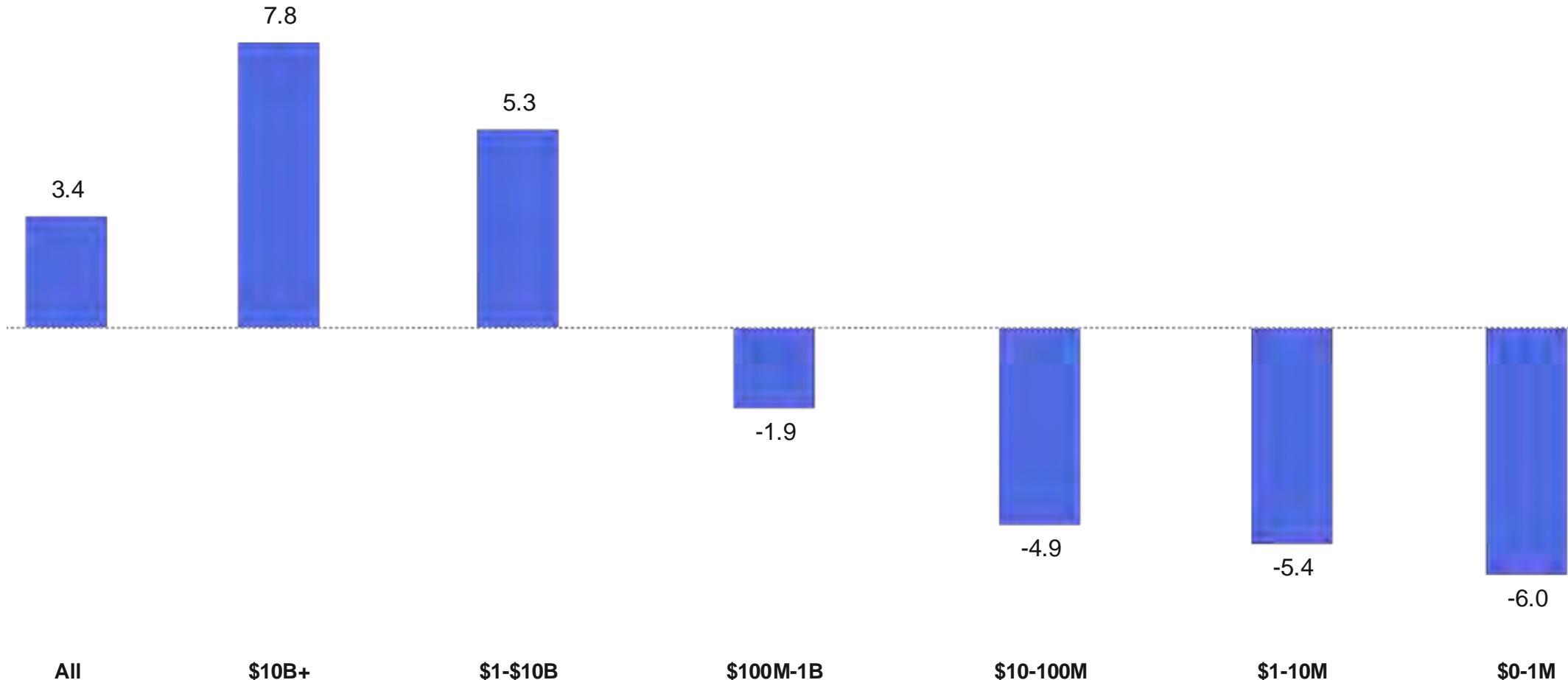
(10 - YEAR AVERAGES: 2014 - 2023, %)

ASSET GROWTH (ANNUAL) ROA



Small Credit Unions at Risk

(Average Annual Member Growth Rate, %, 2019 - 2024)



Credit Unions that are Growing are Proactive, not Reactive

The growth of all credit unions lies
in proactively investing in growth

TOP 10 FASTEST GROWING CREDIT UNION LIST (2022)

RANK	NAME	ASSETS
1	Navy Federal Credit Union	\$111,986,000,00
2	State Employees'	\$41,376,686,562
3	Pentagon	\$24,774,360,962
4	BECU	\$22,178,675,266
5	SchoolFirst	\$16,761,721,612
6	First Technology	\$13,110,528,514
7	The Golden 1	\$12,993,881,497
8	Alliant	\$12,244,742,402
9	America First	\$11,712,643,978
10	Suncoast	\$10,534,613,558

The Data Behind Growth Drivers

Credit Union Asset Growth Drivers, 1979-2024

Luis G. Dopico, PhD

Partner and Chief Economist

December 18, 2025

Summary of Key CU Asset Growth Drivers

	Increase by	Increase in ongoing annual growth rates
Marketing expenses (% of assets)	0.1%	0.8%
Deposit benefits (better rates than banks, %)	1%	2.1%
FOM size	100% of current members	0.3%
Noninterest expenses (% of assets)	1%	0.5%
ROA (%)	1%	0.9%

Why Most Credit Unions Struggle with Growth

- You have to tell them...
 - » Having great products and service are not enough
 - You really have to tell current and potential members about it
- It's the member benefit, stupid
 - » CUs exist to do better than banks. Now apply it.
Really focus on delivering better loan AND deposit rates!
- Your historical roots are nice
 - » Non-members are the future
- No one grows through cost cuts
 - » Resources should be invested wisely, but CUs' goals are to serve members, and service (employees, branches, technology) requires resources
- Member-friendly revenues left at the table
 - » Too many CUs have low loans per assets ratios and focus on prime borrowers
 - » Raise member-friendly revenue → invest it (see above) → Grow

The Data Behind Growth

- Marketing expenses per assets
 - » By far, the strongest, most reliably proven CU asset growth driver
 - » During 1979-2024, increasing marketing expenses per assets by 0.1% (doubling the typical “small” budget) increased annual growth rates by 0.8%
 - That is $\frac{1}{4}$ of the 3.2% long-term inflation-adjusted average growth rates!
- Deposit benefits (paying better rates on deposit than banks)
 - » This is the next strongest driver of growth
 - Not a shocking revelation, but true... Don’t ignore it because it is not sexy
 - » During 1979-2024, increasing deposit benefits by 1% increased annual growth rates by 2.1%
- Field of membership (FOM) size
 - » Tight FOMs restrict growth. Making FOMs less tight removes that restriction!
 - » Large FOMs → faster growth, over the long term, for CUs that also invest in marketing, new branches, etc.
 - » During 1979-2024, among CUs with FOM penetration rates above 10%, increasing FOMs by 100% of current members increased annual growth rates by 0.3%

Weaker/More Complex CU Asset Growth Drivers

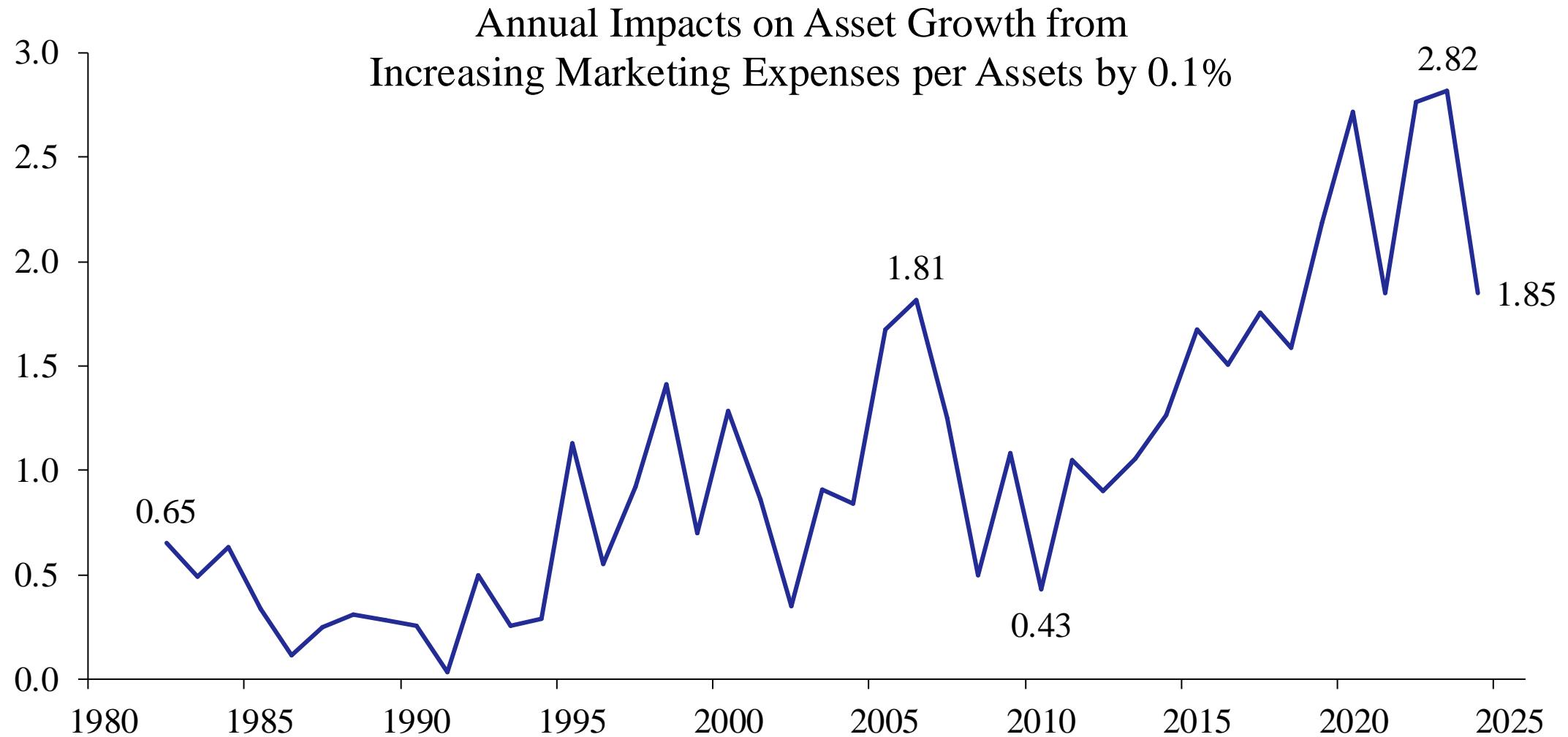
- Member service
 - » Hard to measure/compare consistently system-wide
 - » Proxied imperfectly by noninterest expenses per assets, branches per assets, employees per assets, and product breadth indices
 - » E.g., during 1979-2024, increasing noninterest expenses per assets by 1% increased annual asset growth rates by 0.5%
- ROA
 - » Higher ROAs do not cause faster growth, but are necessary to prevent capital ratios from falling
 - » During 1979-2024, CUs that increased ROAs by 1% grew 0.9% faster
 - The link became stronger since Congress introduced capital per assets target ratios in 1998

Key Results (as Long-Term Charts)

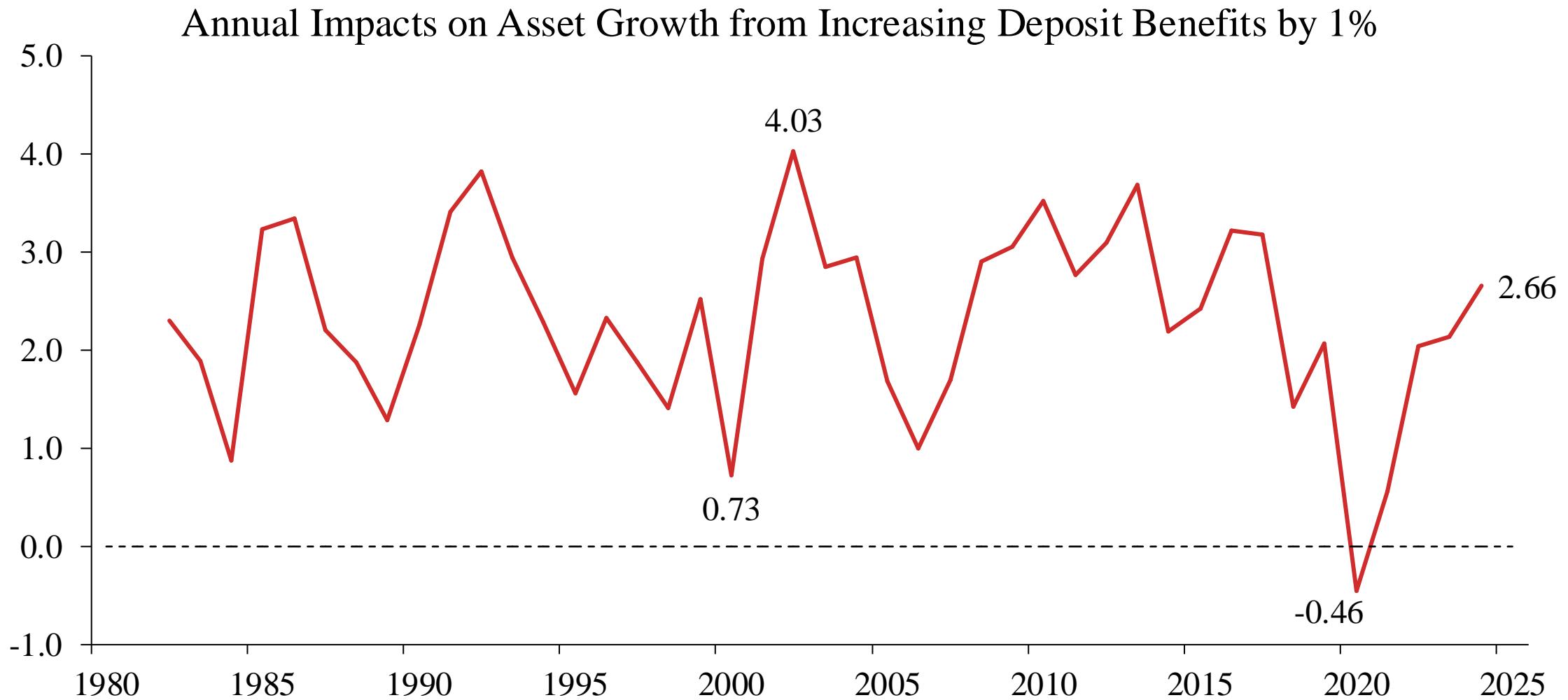


CUCollaborate®

Marketing Expenses Are the Statistically Strongest, Historically Most-consistent CU Asset Growth Driver



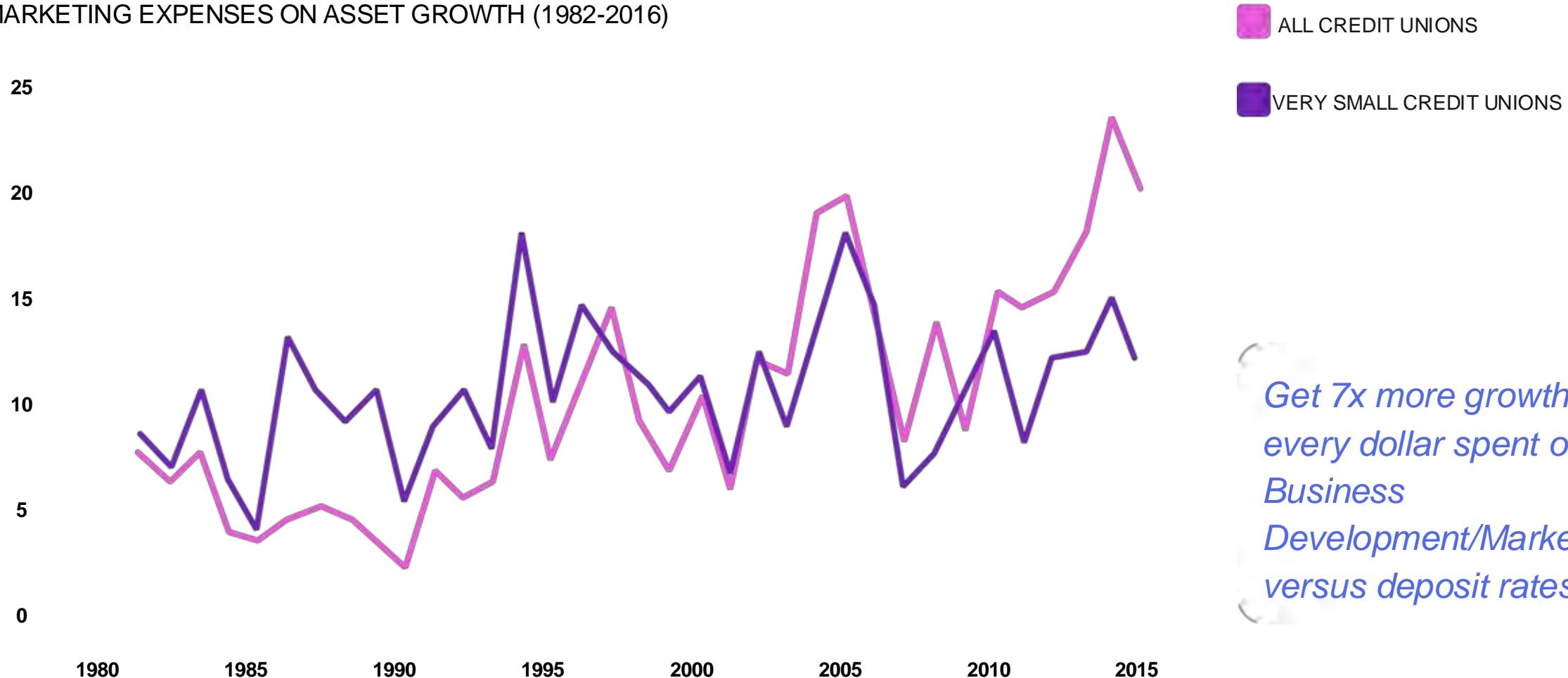
Deposit Benefits (Paying Good Rates on Deposits) Are a Strong, Historically-consistent CU Asset Growth Driver



Business Development and Marketing is a consistently very effective avenue for credit unions of all sizes to enhance their growth

ESTIMATED ANNUAL IMPACTS OF BUSINESS DEVELOPMENT AND

MARKETING EXPENSES ON ASSET GROWTH (1982-2016)



*Get 7x more growth on
every dollar spent on
Business
Development/Marketing
versus deposit rates.*

Sustainable New Member Acquisition Fundamentals

Credit unions are losing ground with younger generations

Banks are performing better with younger generations than credit unions are.

Banked households, by generation and primary financial institution type, % of respondents

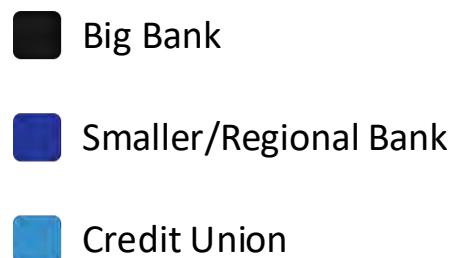


.Source: McKinsey Consumer Financial Life Survey

New account openings have experienced the greatest impact

Credit unions' proportion of US primary banking relationships has held steady, but their share of new account openings has declined.

Use of financial institutions, by type, % of respondents

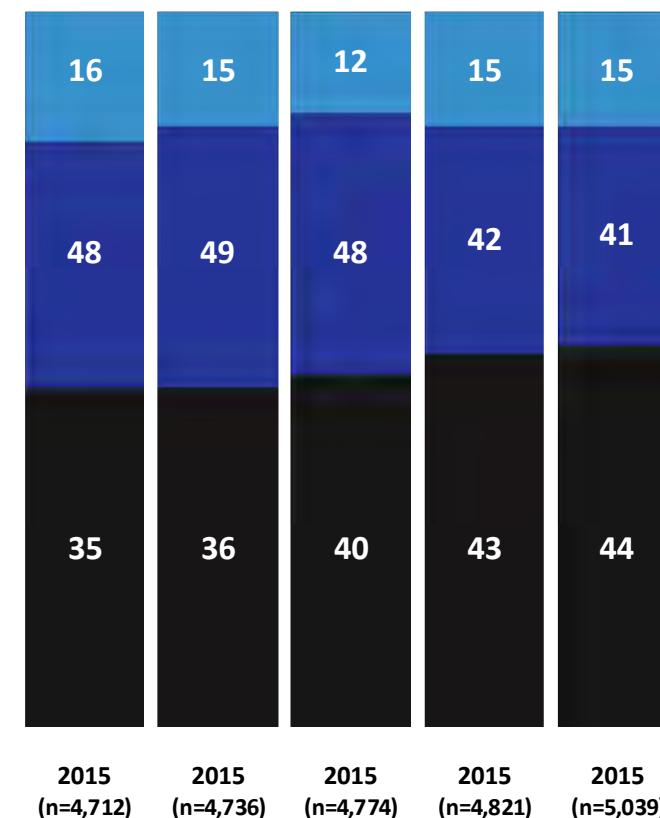


Note: Figures may not sum to 100%, because of rounding.

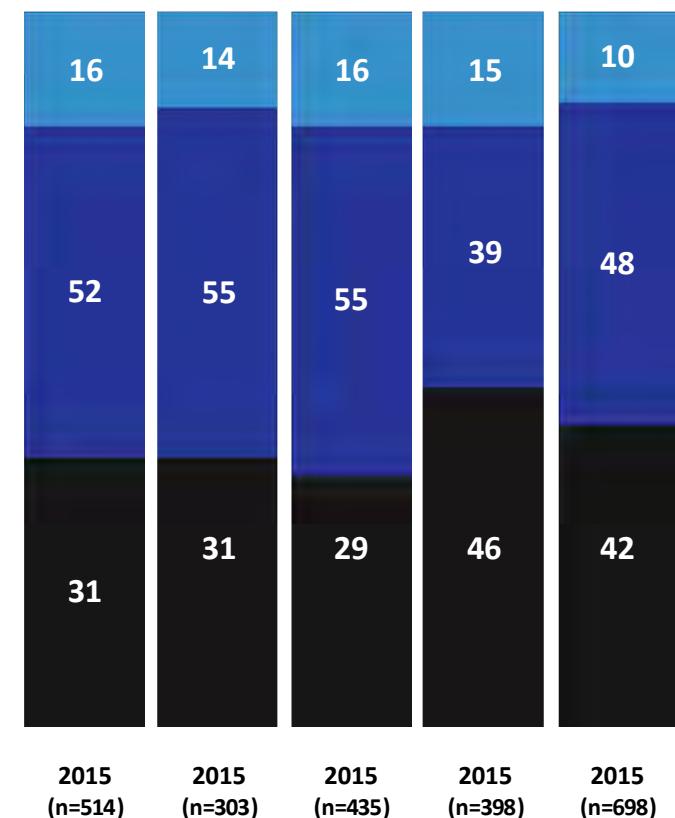
Four largest US banks by revenue.

Source: McKinsey Consumer Financial Life Survey

Primary financial institutions type



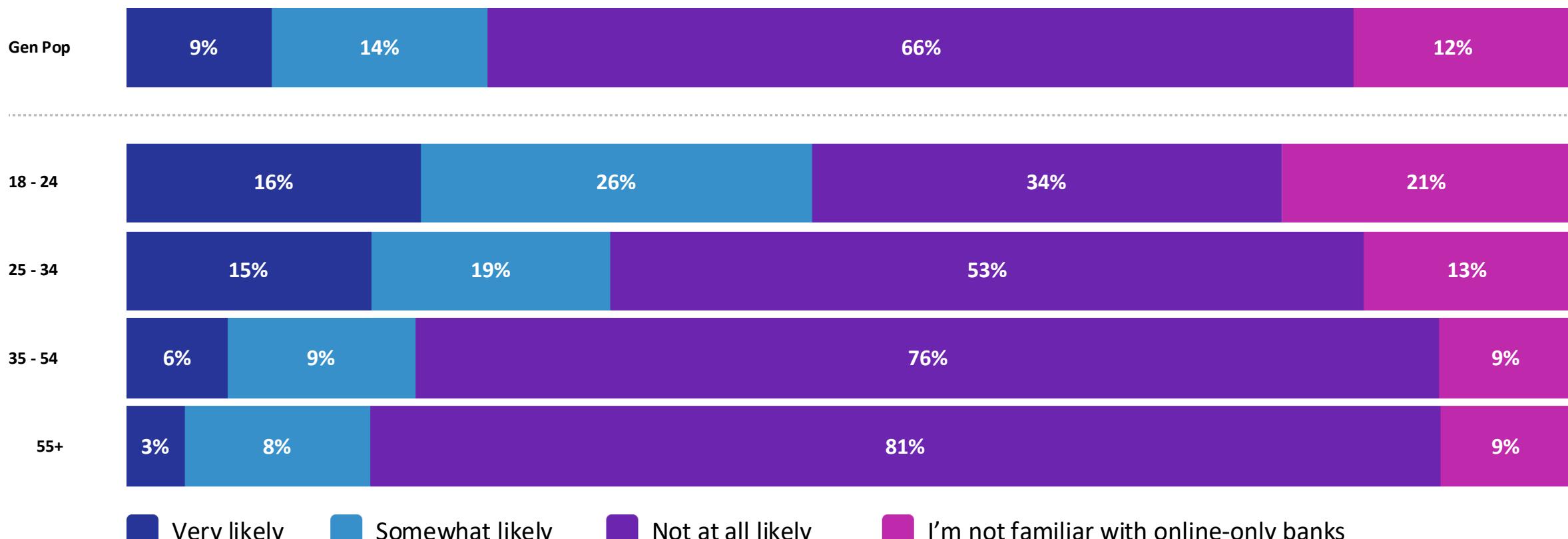
Recently opened deposit account



Digital Convenience is Critical to Capture Younger Members

How likely are you to use an online-only bank as your primary bank for checking and savings? (Among current non-user)

2,575 responses from 10/24/2023 to 10/30/2023
Rebased to exclude those who already have online-banking accounts
Weighted by U.S. Census 18+
© CivicScience 2023



Perceptions Around Membership Eligibility Pose a Significant Barrier to Digital Member Acquisition

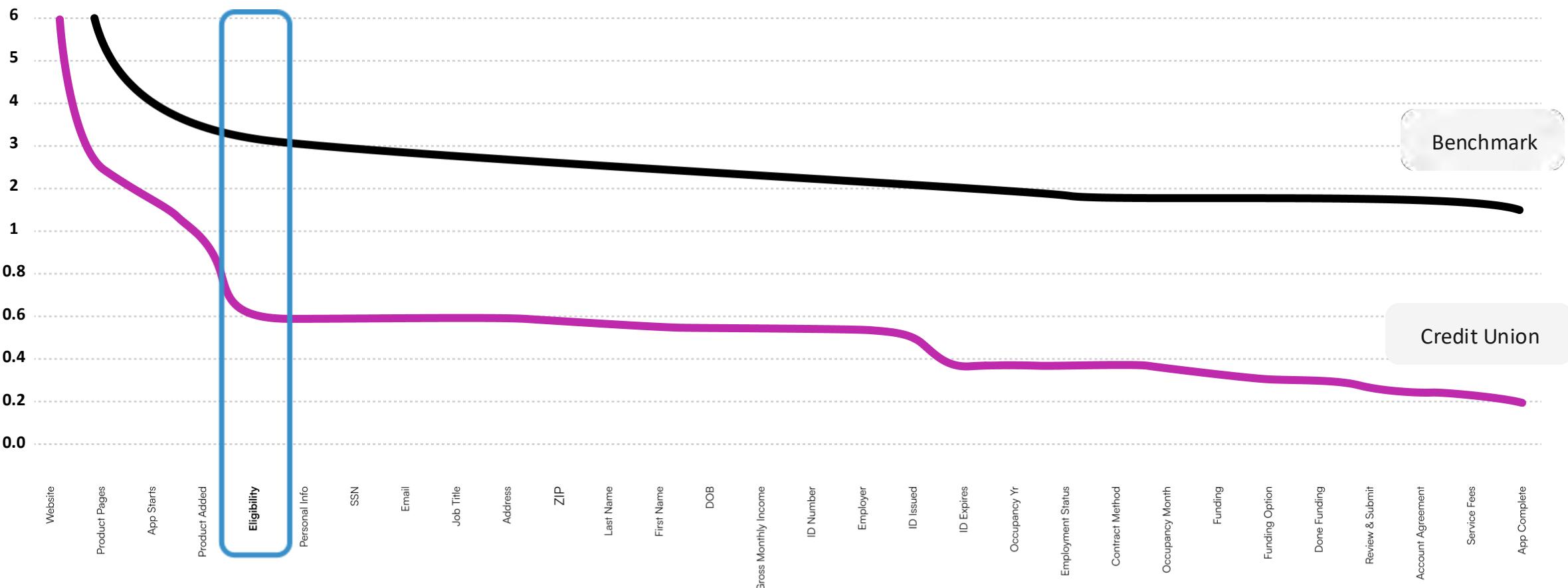


40%

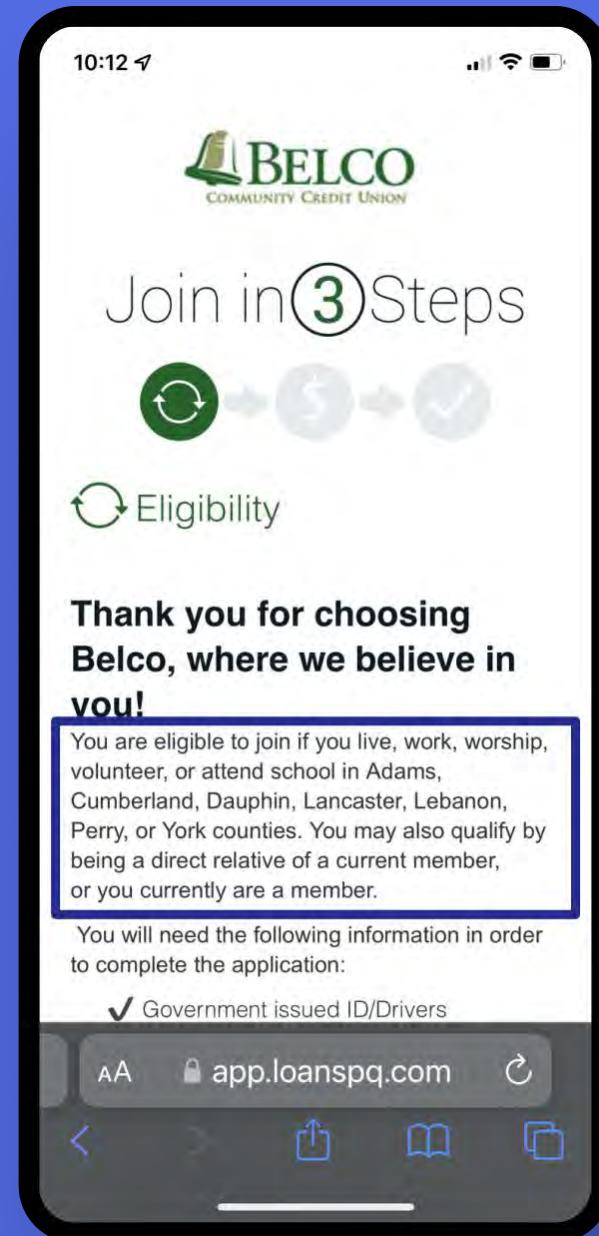
of consumers don't believe they are eligible to
join a single credit union.

Credit Unions Shoulder Nearly 2x the Cost of Acquisition

Credit union online applications close at less than half the rate of banks and fintechs.
FOM eligibility is the biggest source of abandonment.



**84% of Abandoned
Applications Drop
Off on the FOM
Validation Step**



Credit Union Value Story

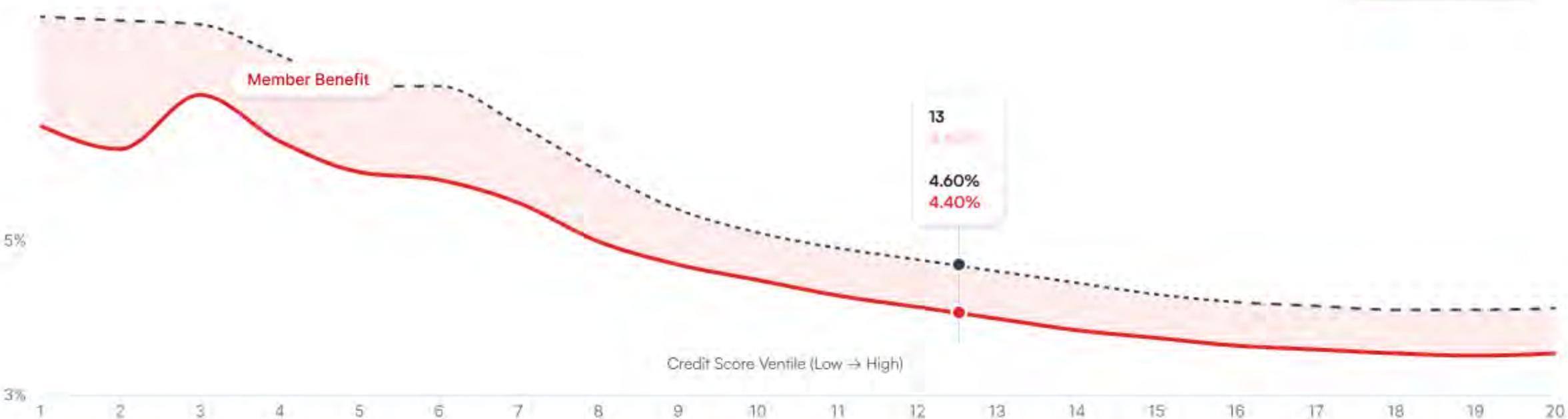
Strategic Overview: Q4 2024

Credit Union vs. Bank Pricing

Interest Rate (%) by Credit Score Ventile

8.5%

Small Bank
Credit Union



Delivering Direct Member Value

This chart illustrates our competitive advantage. By maintaining pricing (solid red line) consistently below the market average for small banks (dashed line), we return significant value directly to our members. The shaded region represents this tangible "Member Benefit"—the money our members save by choosing us over a traditional bank.

Credit Union Value Story

Strategic Overview: Q4 2024

Credit Union vs. Bank Pricing

Interest Rate (%) by Credit Score Ventile



Balancing Value with Sustainability

While our mission is to maximize member benefit, we operate with financial discipline. The "Breakeven" threshold (gray line) illustrates our operational floor. Our strategy is to price as close to this floor as safely possible—maximizing the spread of member value while ensuring the long-term solvency and growth of the credit union.

Negative Customer Acquisition Cost (Negative CAC)

When the value created at acquisition is greater than the cost to acquire the member.

- **Net CAC = Acquisition Costs – Acquisition Offsets**
 - » **Costs:** marketing, incentives, onboarding time
 - » **Offsets:** partner-funded promos, free distribution, lower risk/servicing costs, faster product adoption
- **If Offsets > Costs → Net CAC is negative**
 - » **Why it matters:** acquisition becomes a **profit center**, not a marketing expense.

Why Credit Unions Can Do This

Pricing = Distribution Leverage

- Credit unions often have a pricing advantage (better rates/lower fees).
- That “economic surplus” can be used to buy distribution and still win on unit economics.
- Lower pricing enables:
 - » Better offers that convert faster (less wasted spend)
 - » Partnerships that replace paid media (HR/onboarding channels)
 - » Behaviors that reduce cost/risk (direct deposit, autopay, payroll deduction)
- Core idea:
- Pricing power → better conversion + lower losses + lower servicing → offsets that can wipe out CAC.

The Most Practical “Negative CAC” Play: SEG / Employer Partnerships

SEG partnership = distribution swap

- Employer/association promotes you (low-cost reach) \rightleftarrows you provide a valuable benefit (rates/fees/wellness)
- **How it goes negative:**
 - » **Free/low-cost distribution:** HR portal, onboarding, email campaigns
 - » **Partner-funded incentives:** employer sponsors bonus / activation reward
 - » **Lower risk + lower servicing:** payroll deduction/autopay/direct deposit
 - » **Higher attach + retention:** checking + DD + loan = faster payback
- **Measure it:** Net CAC by SEG, activation (DD/funded loan), loss rate, 12-month contribution.

Get Smarter with Each Initiative

New Member

Acquisition Campaign
Spring 2023

Timing
7-week period

Incentive
Join and deposit \$50 in the first 30 days to receive a \$50 match.

Results
New members – 1,258
Members who qualified – 491
Total dollars paid out - \$24,550

Cost per Acquisition = \$19.51

New Member

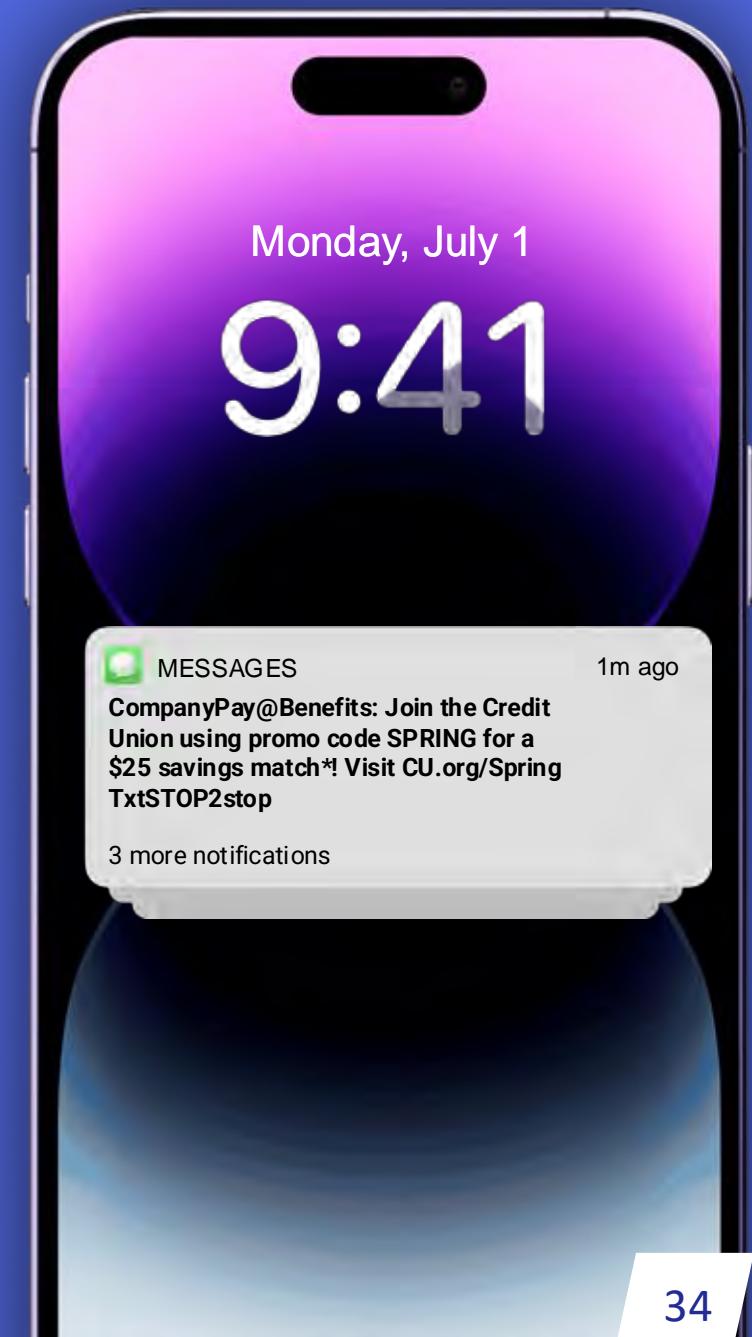
Acquisition Campaign
Spring 2024

Timing
7-week period

Incentive
Join and deposit \$25 in the first 30 days to receive a \$25 match.

Results
New members – 1,161
Members who qualified – 503
Total dollars paid out - \$12,575

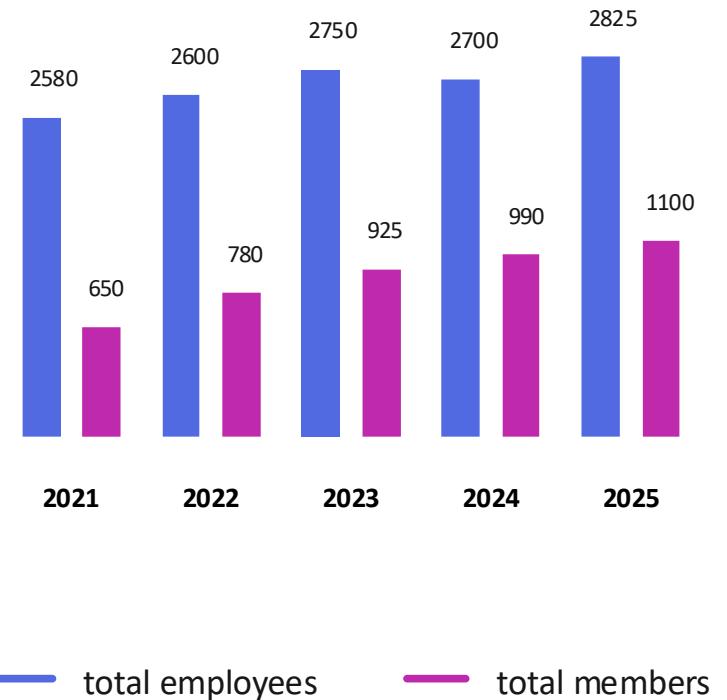
Cost per Acquisition = \$10.83



The Art of Modern B2B



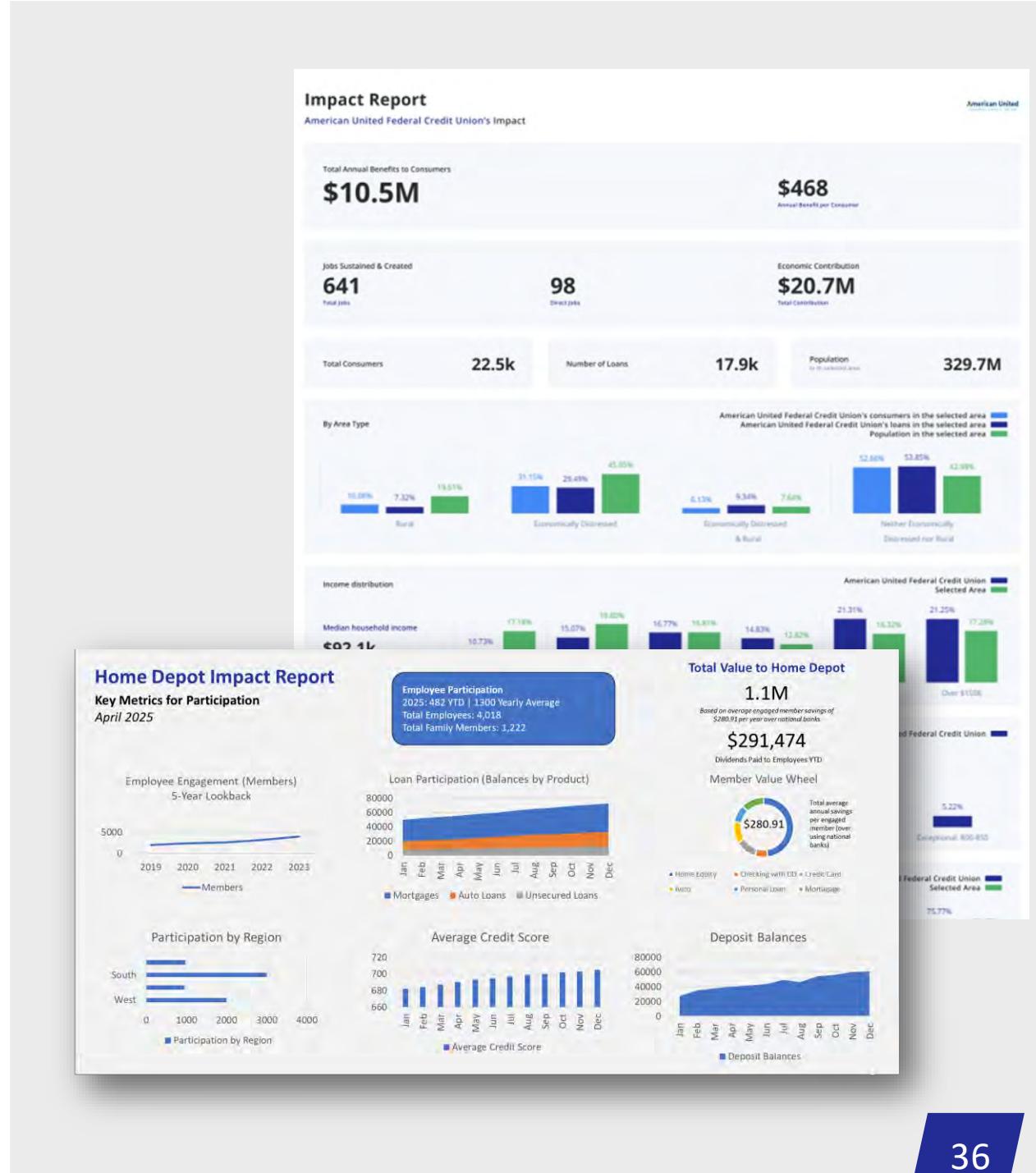
Participation Progress: 5 Year Lookback



Performance Dashboards

Leverage Impact Reporting as a performance dashboards that tracks and reports on metrics that are relevant and meaningful to your partners.

These dashboards provide you with up-to-date and automated insights on how the credit union benefit is being utilized for your SEGs and community partners. These reports can be multi-purpose for external and internal use.

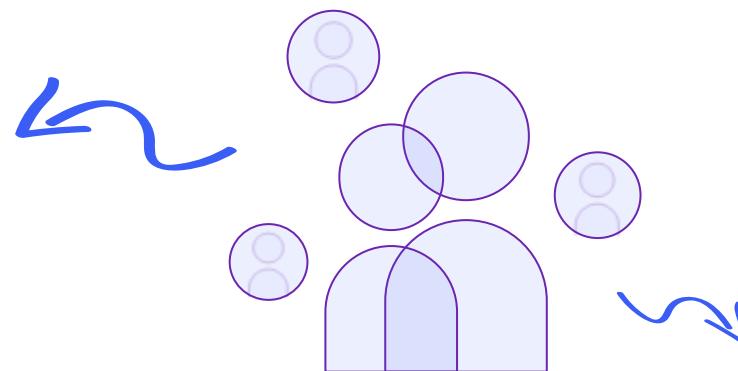


Always Measure Impact and Outcomes

Partnership Meetings and Initiatives

Internal Value Value

Campaign Period Growth Metric	Total
New Members (employee & family)	
Qualifying New Members	
Engaged New Members (# & %)	
Deposit Growth – Net Balance Change	
Checking	
Savings	
CD	
Money Market	
Deposit Total	\$
Loan Growth – Net Balance Change	
Mortgage	
Consumer Loan	
Loan Total	\$
Total Product Growth – Net Balance Change	\$

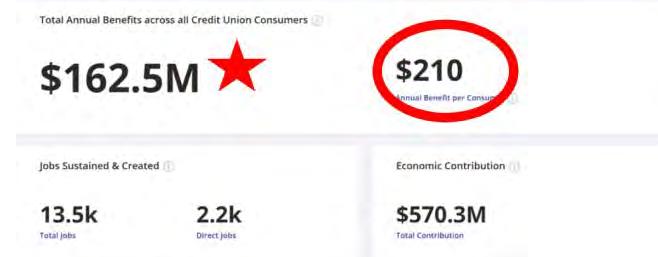


External Value Value



Campaign Type	New Members	Leads	Attendees/Entries	QR Code Scans
Education Session	-	70	185	10
BD Promotion	-	50	135	60
Quarterly Promo: Join CTA	600	-	-	10
Benefit Fairs	-	315	240	-
NHO – Yearly Campaign				
Nationwide	-	2150	-	115
Site Level	-	100	-	10
SEG Communication (Overall/All Channels)	550	15	-	55
Direct Mail	330	30	-	155
Email	55	-	-	50

Credit Unions Impact in Nebraska (State)



Prioritize Negative CAC But Act Rationally

Most Credit Unions Are Not Willing To Pay As Much as They Should for Growth



Sam Brownell · You
Helping Credit Unions Win!
5mo ·

At [CUCollaborate](#) we are working on a collaborative credit union marketing initiative and need to figure out what the average credit union is willing to pay for a new member to make sure our strategy would be sustainable. If none of the options below are accurate, please comment or DM with the amount that your credit union would be willing to pay.

What would your credit union consistently be willing to pay for a new member?

You can see how people vote. [Learn more](#)



[55 votes](#) · Poll closed

16

1 comment · 1 repost

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Retention, Retention, Retention

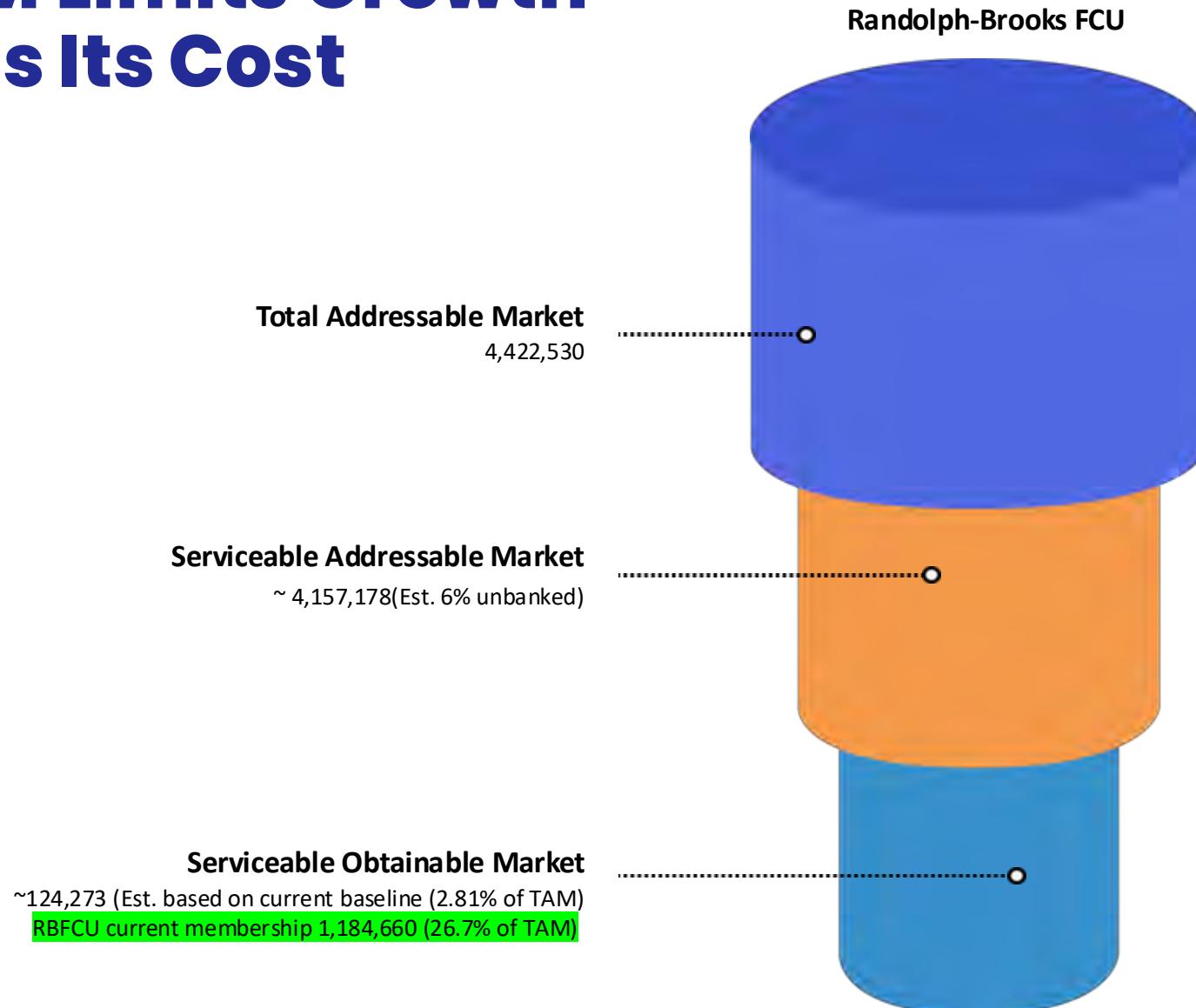
Retention, Retention, Retention – Enough Said!

Things You Should Be Doing

- Active cross-selling and focusing on convenience
- Machine Learning!
 - » Life-cycle marketing
 - » Next best product
 - » Personalization
- Persistent pre-approvals at rest
- Competitive digital banking solutions
- ASK YOUR MEMBERS! MINE YOUR/THEIR DATA!

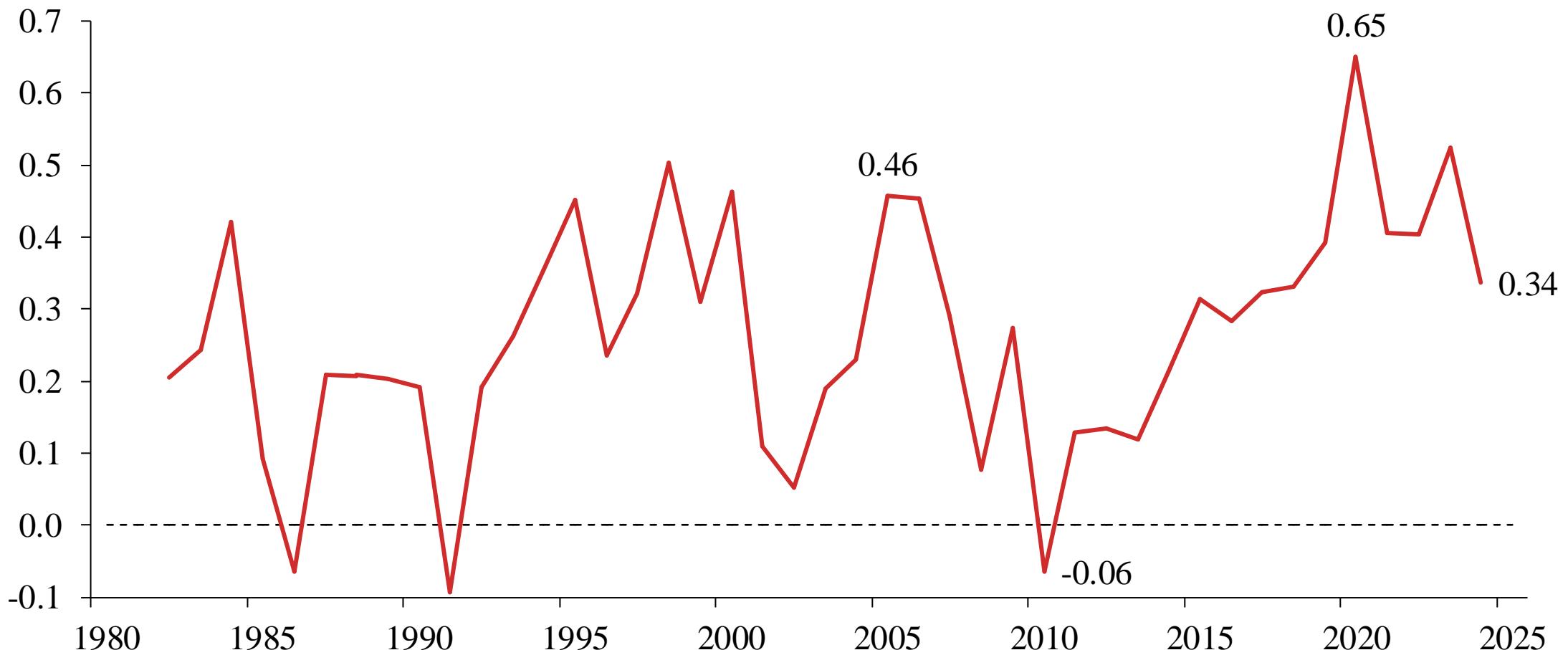
Strategic Infrastructure of Sustainable Growth

A Narrow TAM Limits Growth and Increases Its Cost



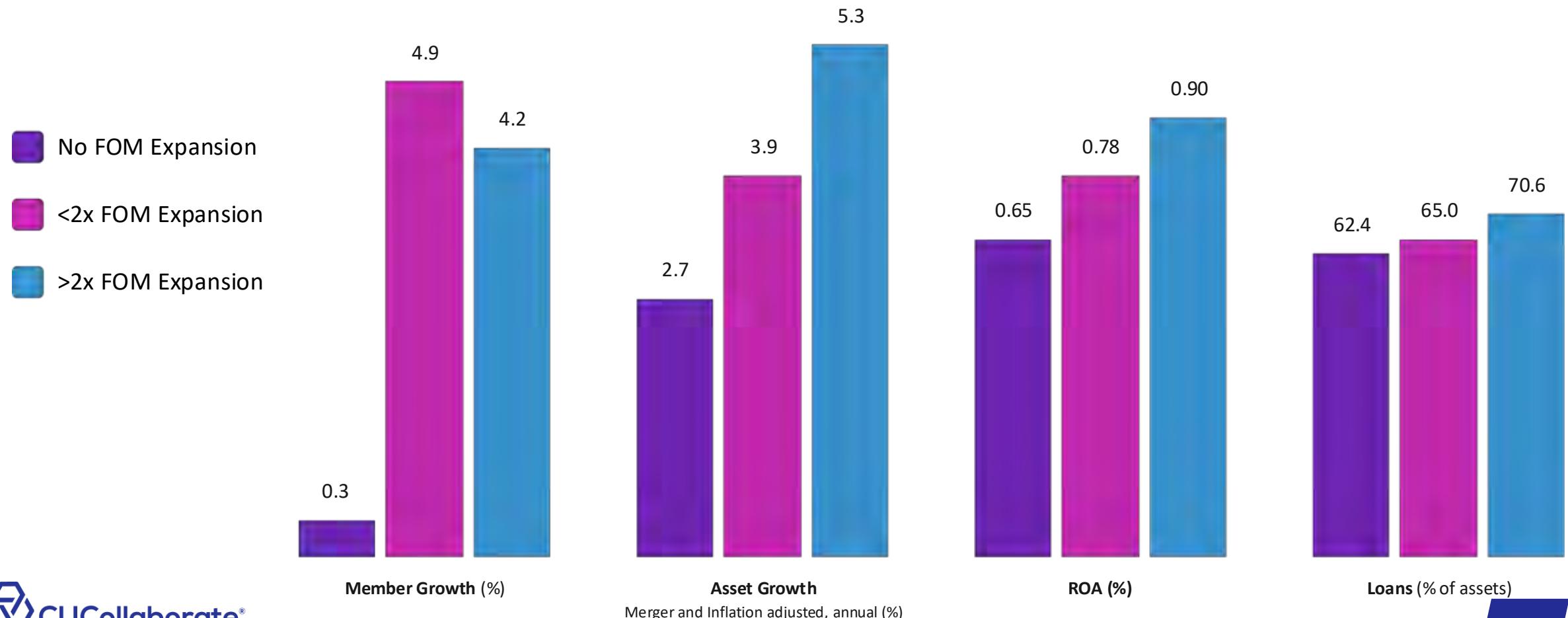
Expanding Tight FOMs Lifts CU Asset Growth over the Long Term

Annual Impacts on Asset Growth from Increasing FOM by 100% of Current Members
(Focusing on CUs with FOM penetration rates above 10%)

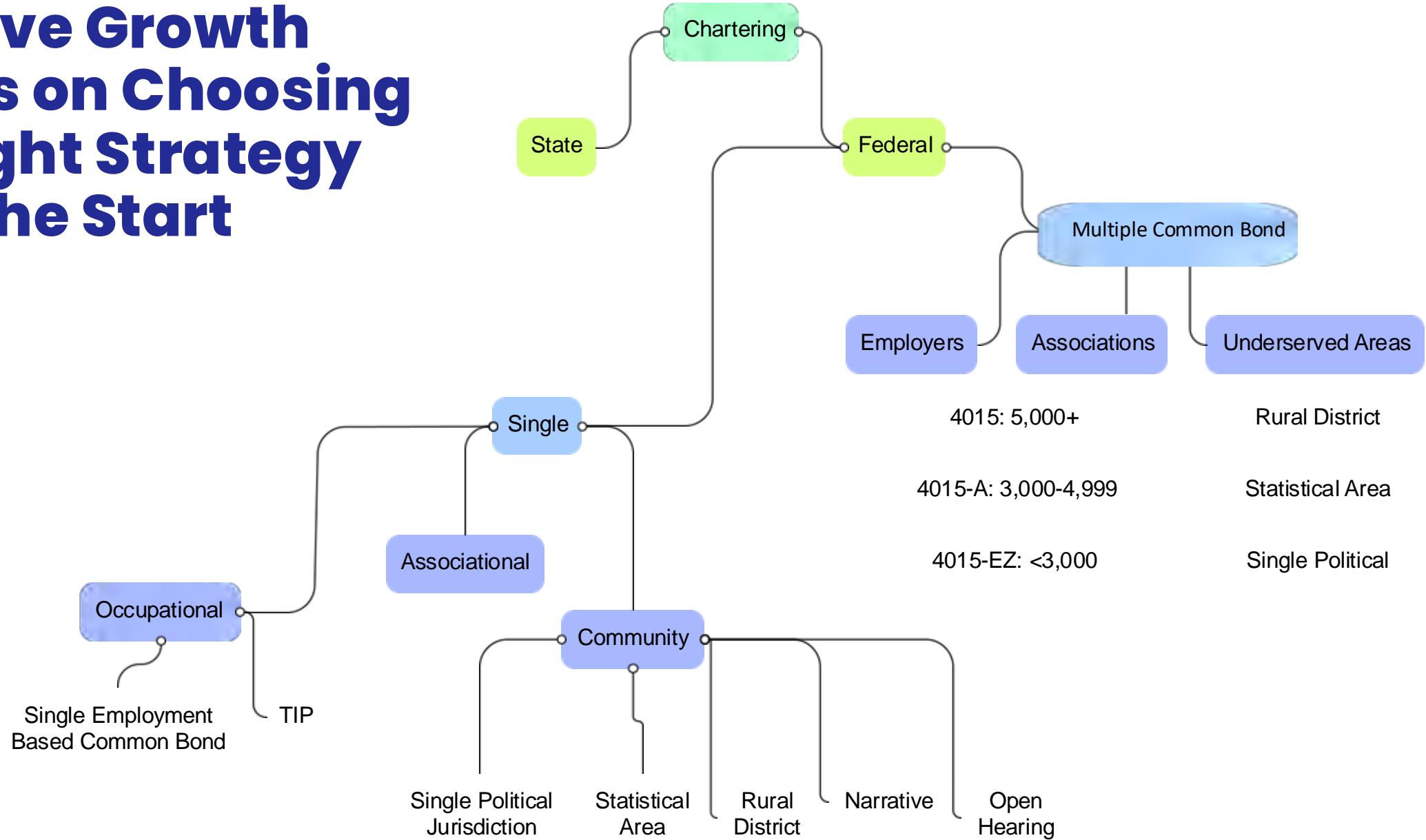


Those Continually Expanding their FOM are Growing the Most

Performance Across FOM Expansion Levels (2014 - 2025)



Effective Growth Hinges on Choosing the Right Strategy from the Start

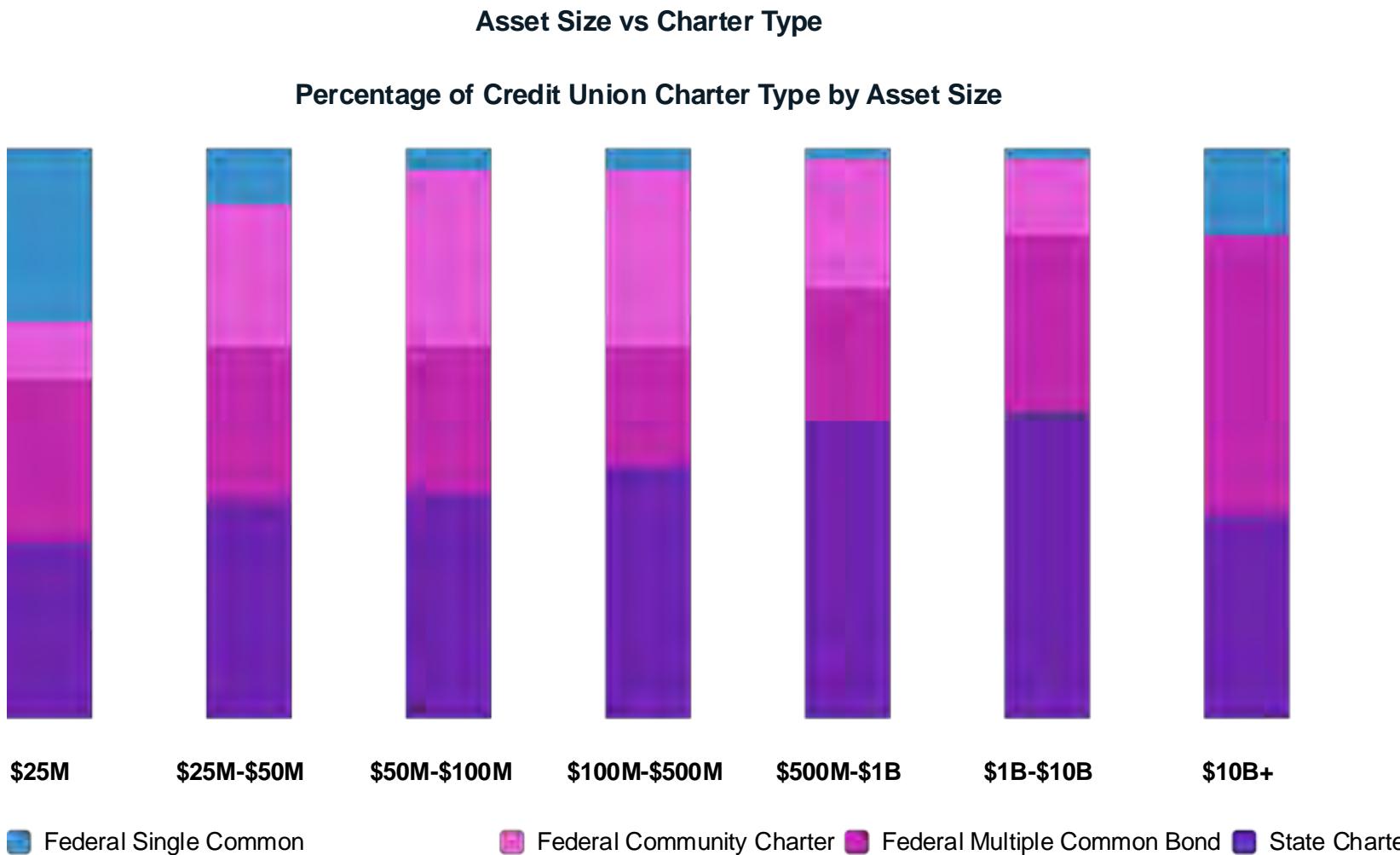


Those Who Seek the Largest Field of Membership Are Winning

Historical (2020-2025) and 10 Year Baseline Projections v. 10 Year Market Expansion Projections
(% of Today's Assets)



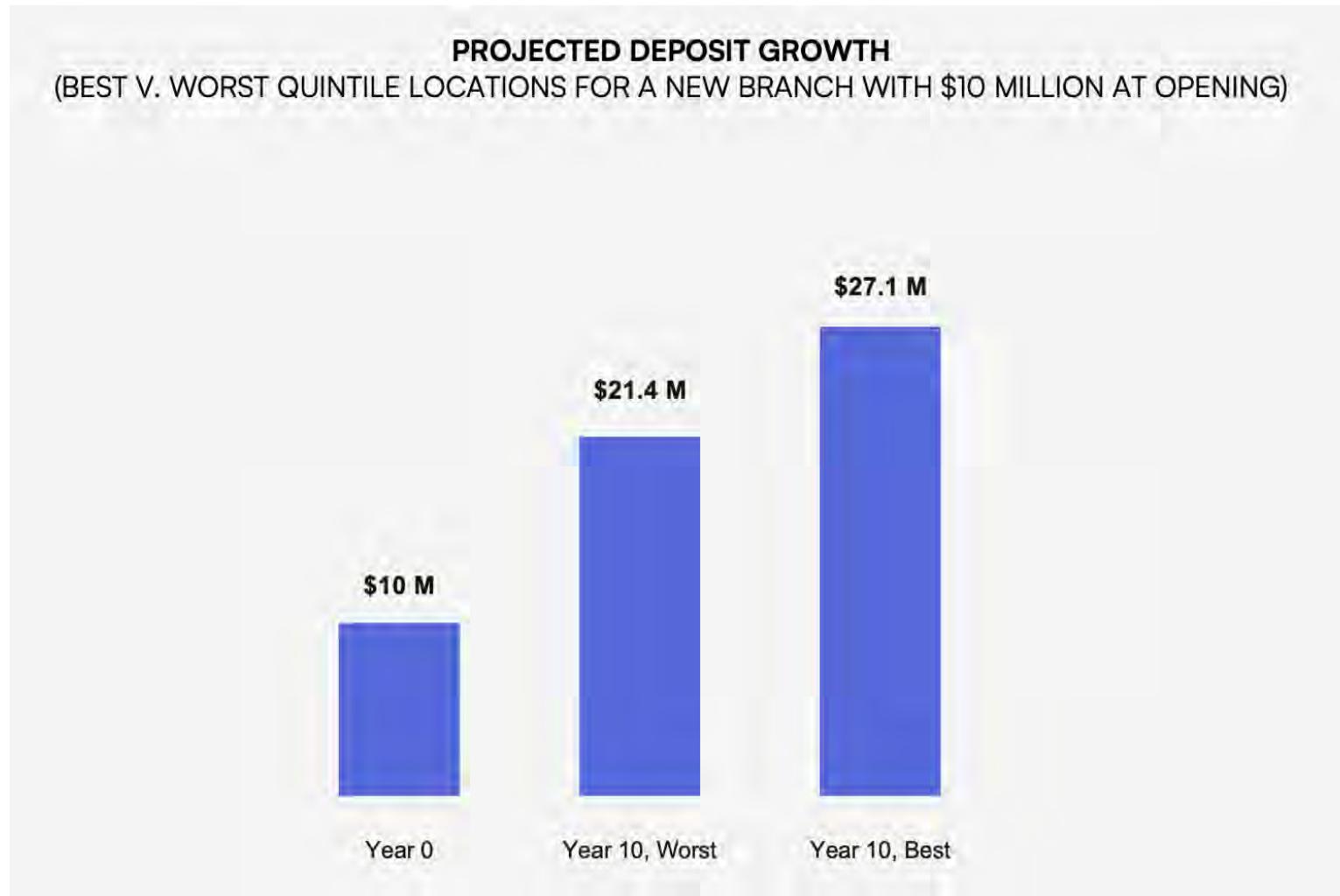
Largest Credit Unions in the Country are going to a Multiple Common Bond Charter



Benefits of a Multiple Common Bond Charter:

- Opens eligibility as broadly as possible
- Employer Groups
- Associations
- Communities
- Expanded merger opportunities
- One Examiner (NCUA)
- Federal Preemption

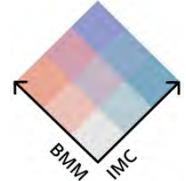
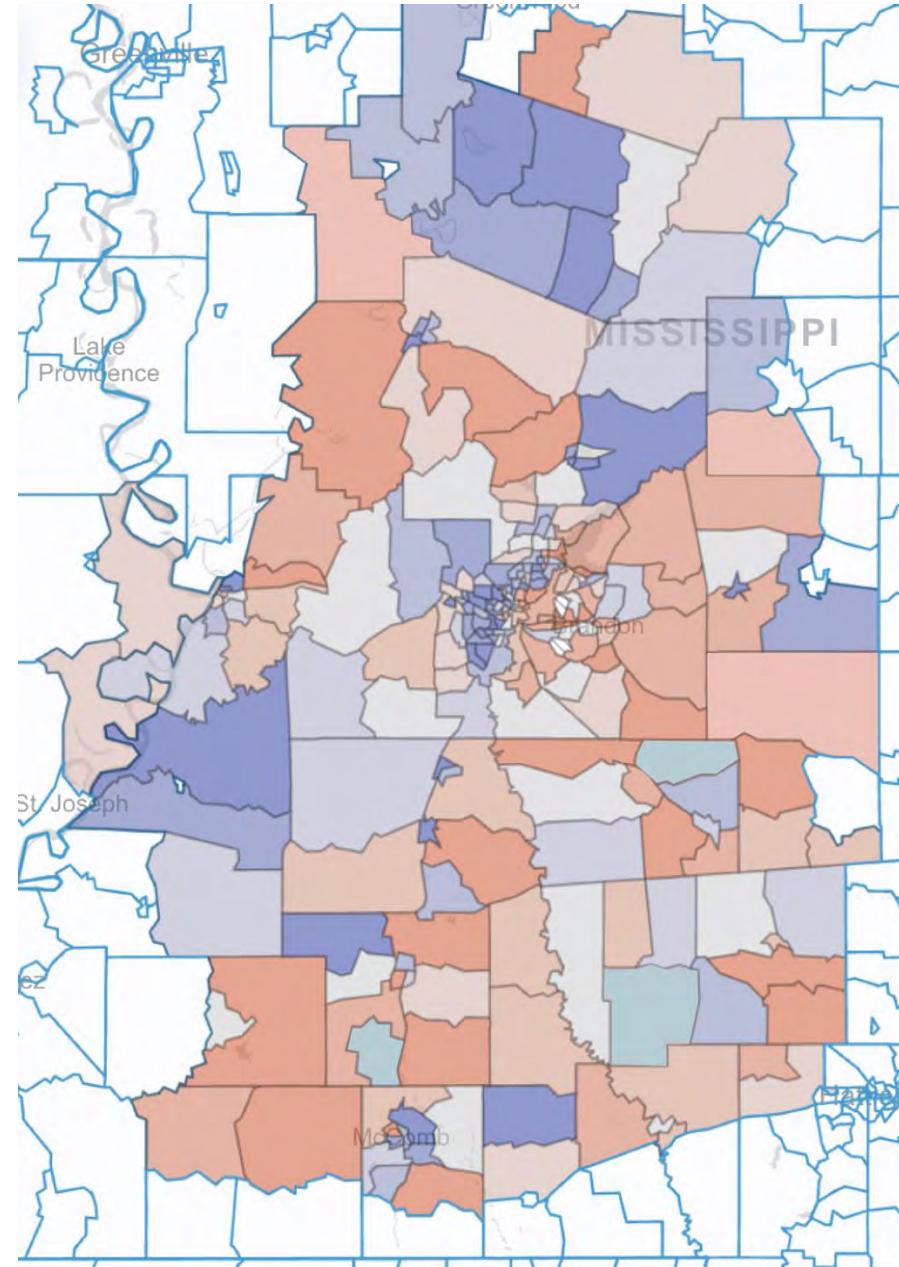
Strategic Branch Placement Increases Member Acquisition and Growth Potential



Algorithms and Predictive Models Inform Areas to Consider for Expansion

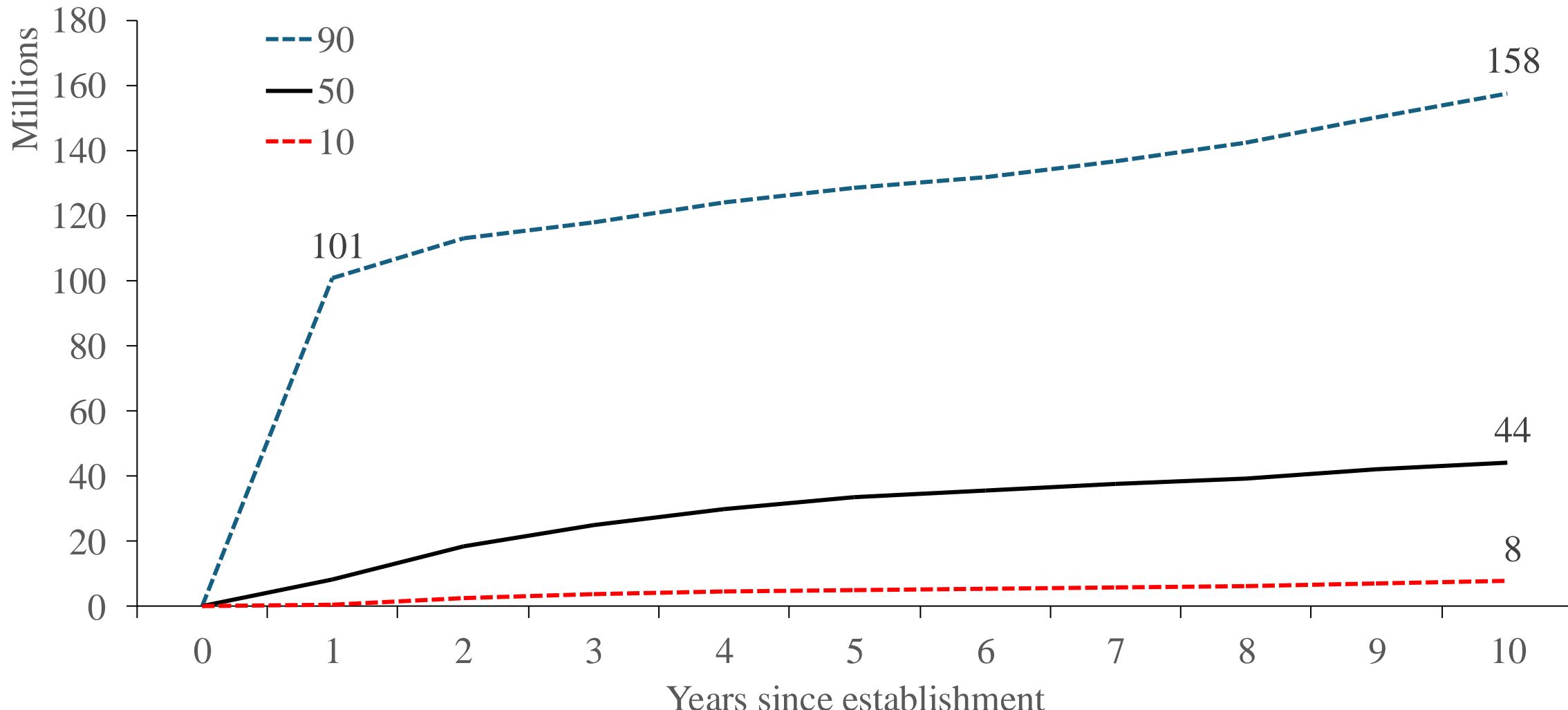
Uncover areas of concentration for ideal member profile demographics

Leverage predictive models for growth for branches (by deposits, loans, and product type)



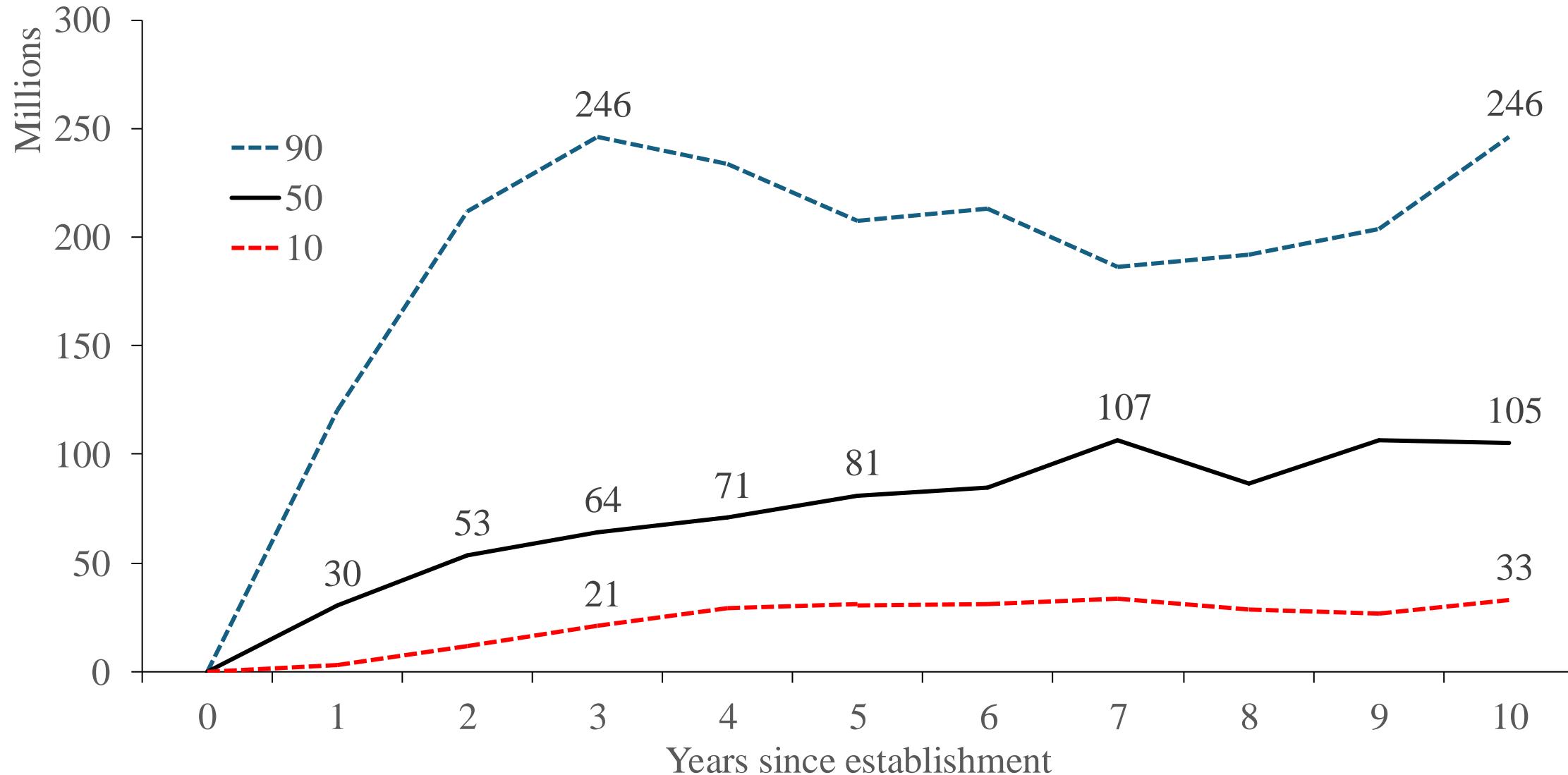
New Branch Deposit Volumes (\$ million) across Percentiles

(Among all BHCs in June 2024)



New Branch Deposit Volumes (\$ million) across Percentiles

(Among Bank Holding Companies (BHCs) with 5-9 Branches and \$1-2 Billion in Deposits on June 2024)

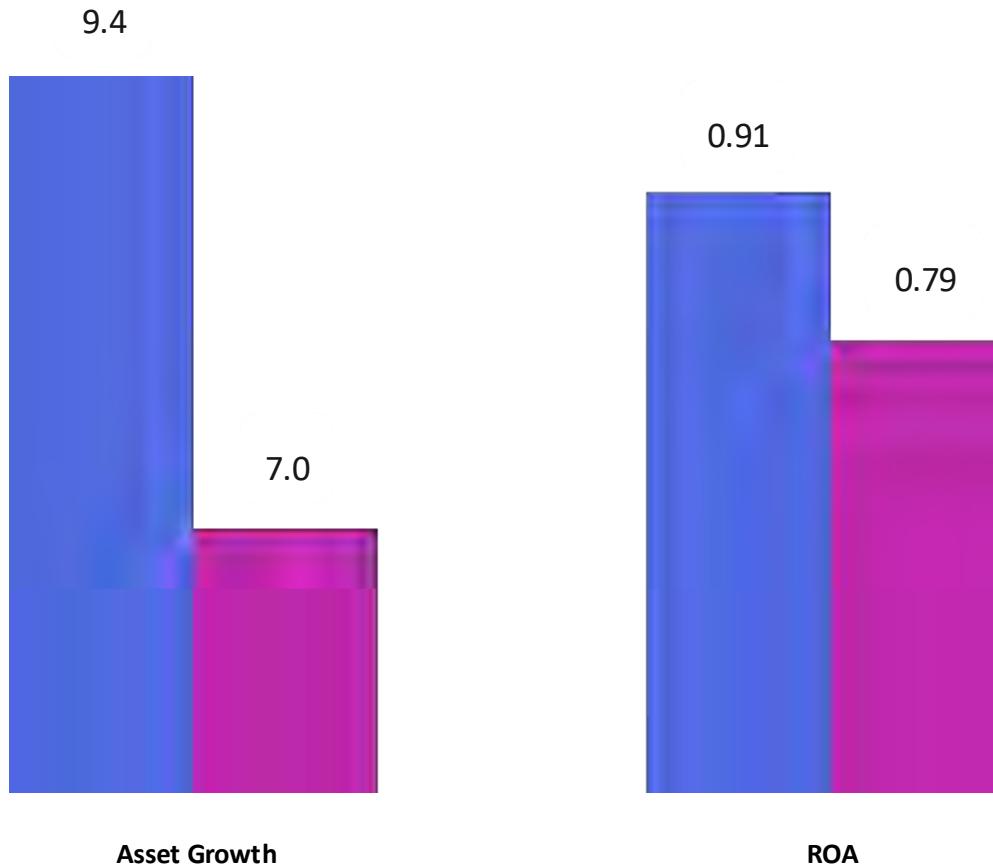


Unlocking Additional Growth with Regulatory Tools

Low Income Designation – A Secret Advantage

(%, ASSET WEIGHTED: 2014 - 2023, AVERAGE)

— LID — NON-LID

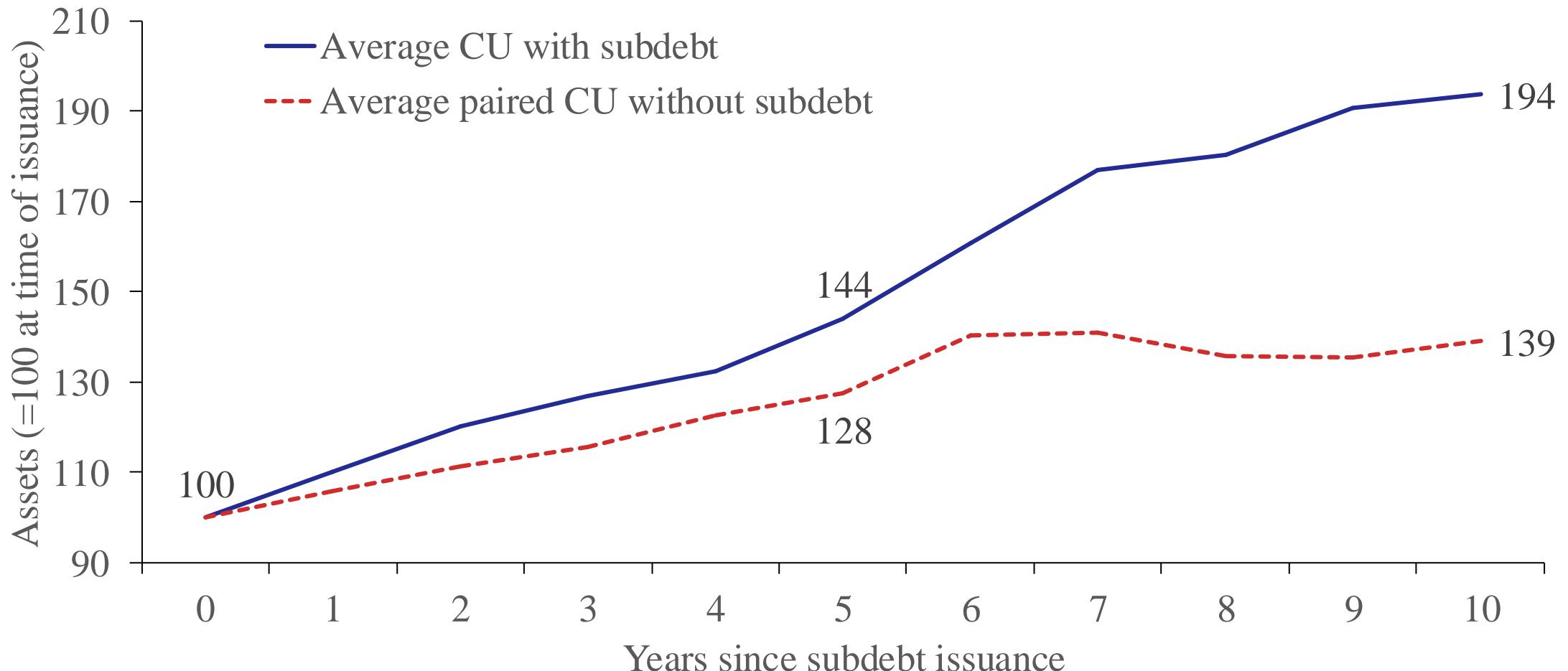


Benefits of a Low-Income Designation

- ✓ Ability to accept non member deposits from any source up to the greater of \$3M or 50% of the total shares
- ✓ Exemption from compliance with the member business loan cap of 12.25%
- ✓ Ability to apply for technical assistance grants and low-cost loans from the NCUA's Community Development Revolving Loan Fund
- ✓ Ability to include Subordinated Debt in the net worth ratio calculation
- ✓ Expand membership to others affiliated with the community, such as people who perform volunteer services and participate in associations located in the community*

Credit Unions with Subdebt Have Grown Substantially Faster than their Peers

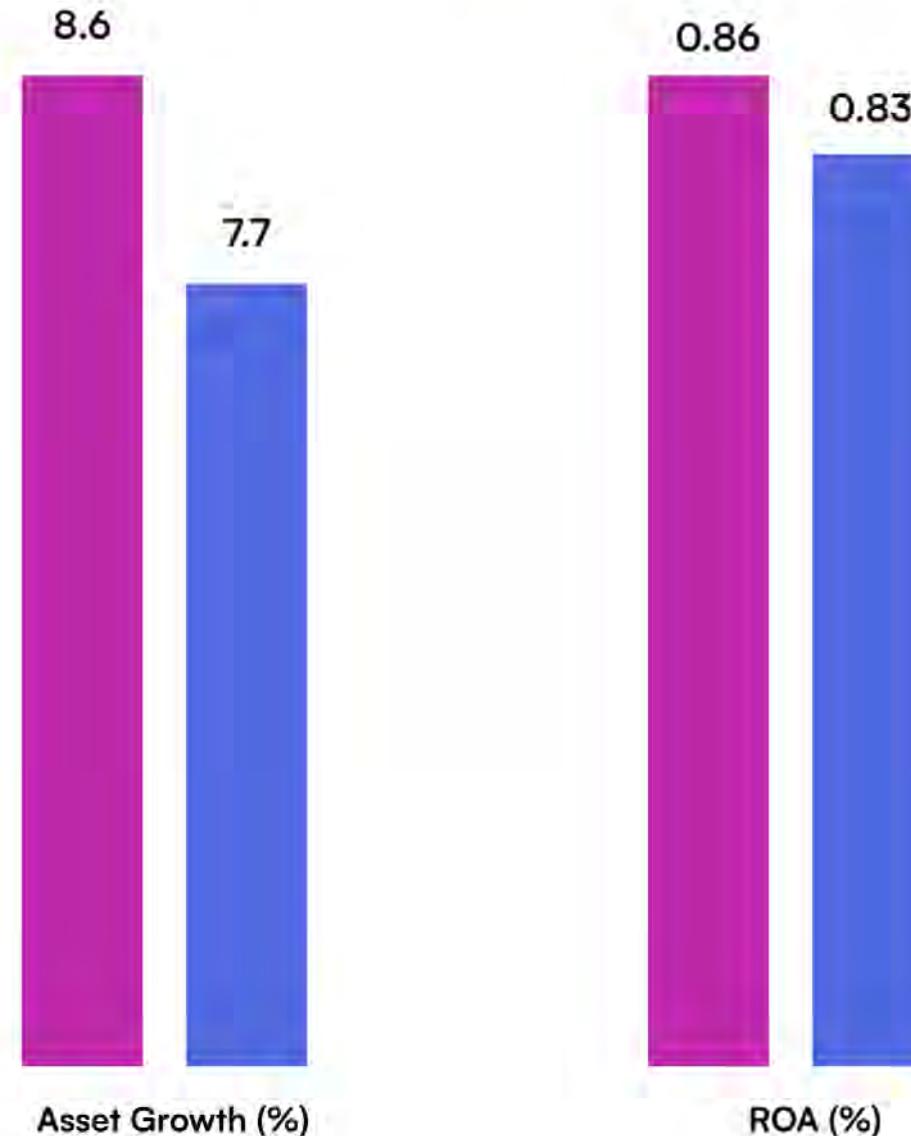
(113 non-new CUs w/ subdebt vs. paired CUs, 1996–2024)



The Community Development Financial Institution Fund: Another Secret Advantage

(10 - year averages: 2014 - 2023, %)

CDFI NON-CDFIS



Potential annual funding sources

	TECHNICAL ASSISTANCE AWARDS	FINANCIAL ASSISTANCE AWARDS	SMALL DOLLAR LOAN PROGRAM AWARDS
AWARD AMOUNT ESTIMATE	Up to \$150,000 (for "emerging CDFI's" or CDFI's <\$100M in assets)	Up to \$1,000,000	Up to \$500,000 (\$350,000 for LLR, \$150,000 for TA)
PURPOSE	Capacity development	Growth of products/services to underserved communities	Growth of Small Dollar Consumer Loans
USES	Capacity development to launch/sustain a CDFI's endeavors	Sustain and expand a CDFI's financial products and services	Expand/launch Small Dollar Loan program

Thanks!



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Appendix



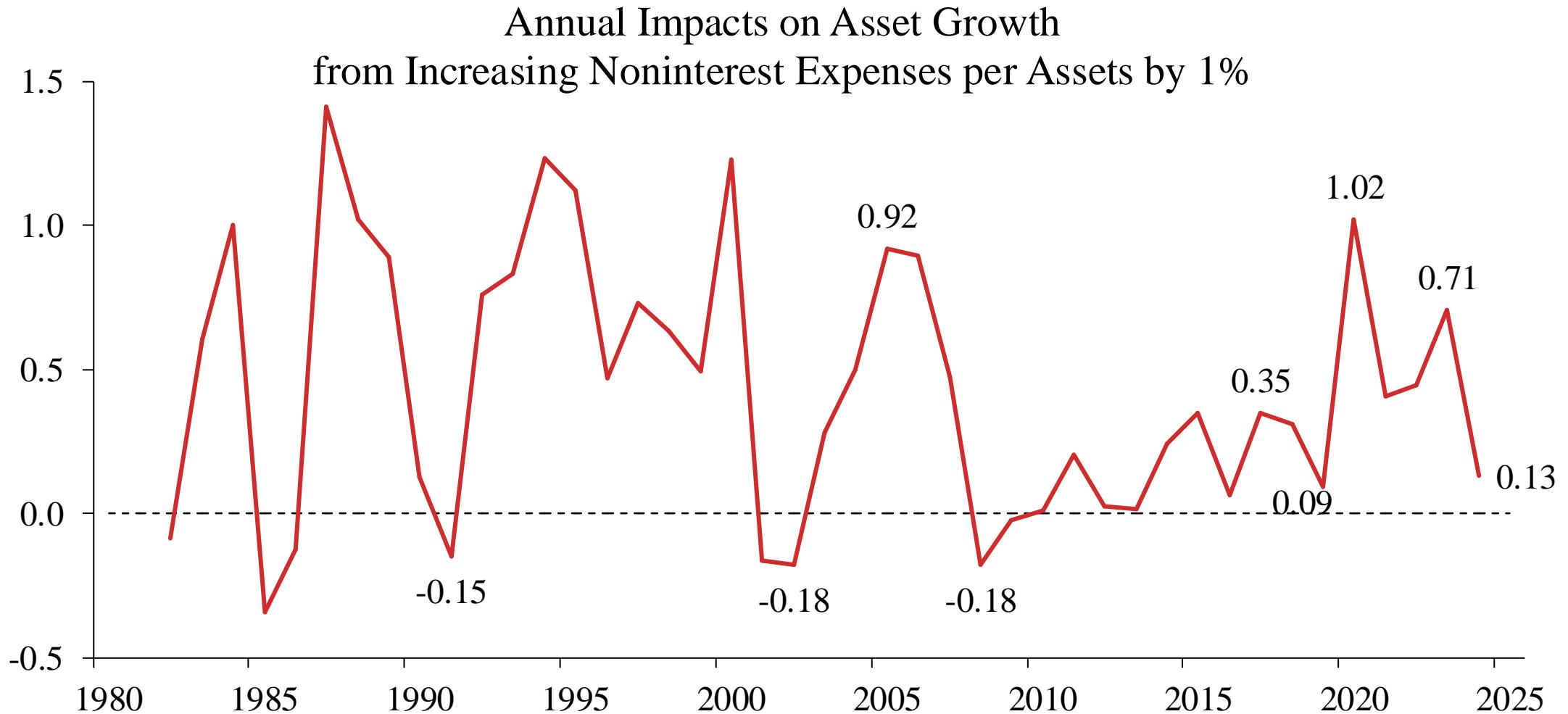
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Some Supplementary Results



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Increasing Noninterest Expenses per Assets: A Growth Driver during Most Economic Expansions



High ROAs Do Not Cause Fast Asset Growth, but Are Necessary to Grow without Capital Ratios Falling

