

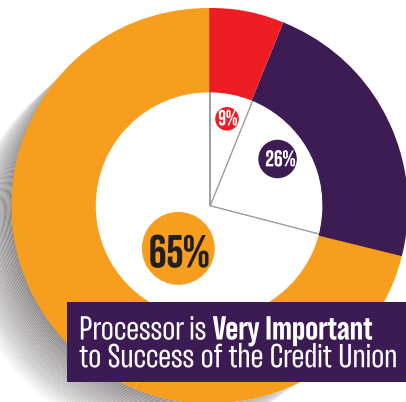
Happiness Report defines the importance of a solid relationship with a Payment Processor

Each year Member Access Processing (MAP) conducts a survey of credit union leaders with the aim of understanding how they experience and evaluate payment solutions at their corresponding financial institutions. The MAP Happiness Report is a comprehensive examination of how satisfied or “happy” credit unions are with their payment solutions and providers. “Happiness” refers to the positive emotional response that credit union leaders experience in their day-to-day participation with their payments solutions, including processing, implementation, settlement, fraud, profitability, and member experience. This viewpoint rests on MAP’s core belief that happy credit unions make for happy members.

Payment solutions serve as a daily touchpoint for most credit union members. A touchpoint refers to any interaction or point of contact between a customer and a company or brand. When using a credit or debit card, members are more engaged and aware of the credit union through its daily use than, per say its lending products. Given an auto loan or mortgage is usually paid on monthly basis, it involves lesser engagement. While the weight of payments to a credit union’s revenue is minor overall, payments play an outsized role with respect to a member’s experience with respect to the credit union’s brand and their satisfaction with the institution.

The success of a credit union can depend on factors beyond a fidelity to providing a profitable core lending solution. As financial cooperatives that are owned and operated by their members, a focus on daily touchpoints necessitates a concentration on payments. Moreover, most credit unions are unable to support more than a single Full-Time Employee (FTE) dedicated to card operations, creating a heightened dependence of medium and smaller credit unions on their Card Processing Company.

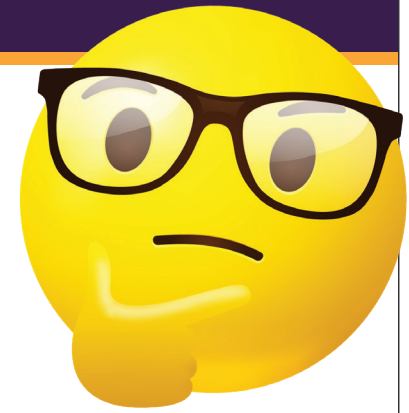
Considering these factors of influence on the credit union, assessing an institution’s happiness with its card processor and overall payment solution become ever more significant. The results from the MAP Happiness Report 2022 demonstrate of the Card Processor relationship, with nearly 65 percent of respondents stating that their Card Processor is “Very Important” to the success of their credit unions and less than 9 percent rating the relationship “somewhat Unimportant” or “Not important.” As one of its most important relationships, the support and ease of day-to-day interactions is crucial to credit union happiness. The 2022 MAP Happiness Report is a longitudinal study



of credit union leadership to assess their institution’s “happiness” with their card processing and payment solution providers.

The results of this year’s Happiness Report were consistent with past surveys. For the fourth consecutive year, respondents listed “Credit Union Advocacy or Credit Union Service Organization” as the top consideration for choosing a card processing provider, followed closely behind by a processor’s “Competitive Product Offering.”

However, happiness grew significantly from 2021. A majority of respondents stated they were “Very Happy” with their debit (69.5%) and credit (67.1%) programs. This is an 18-point increase for debit and nearly a 17-point increase for credit from 2021 even though the engagement measure of card processing providers has remained relatively unchanged.



A primary reason for the increased happiness is that credit unions are feeling more confident in their card services capabilities. In response to whether they are concerned “that members may leave your credit union if your card services don’t offer the most current capabilities”, respondents have stated they are less concerned than in 2021 and prior years. The spike and subsequent return to normal undoubtedly reflects the increasing credit union members’ reliance on card services which grew substantially during the early part of the pandemic. Though the preference for card services and card usage were rising prior to 2020, the numbers increased rapidly in 2020 and 2021. The current satisfaction and confidence seems to indicate that credit unions are adjusting to this new normal of credit and debit card reliance.

“The true value of a solid card processing relationship is dependant on my factors and requires a commitment to engaging a credit union at all levels of the relationship,” said Cyndie Martini, President and CEO of Member Access Processing (MAP). “MAP’s enduring relationship with our clients comes from our commitment to serving the credit union staff as they would serve their members.”

MAP’s Happiness Payment Report surveyed 209 credit union executives in the U.S. about their debit and credit payment providers. Respondents were executives and department directors in the areas of credit union operations, card management, risk management, Lending, Finance, and IT.