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*The Paperless Future: New  
Opportunities for Shared and  
Secured Cards*

**SEPTEMBER 13, 2017**





# Agenda

Define General Purpose Reloadable Card

Credit Union Growth

Ubiquitous Technology

Your Plan

Cupre works for your Credit Union

Questions

Useful Links



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# Definition

*A network branded prepaid card that facilitates credit union growth among targeted market segments*



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# Definition

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Good Funds Model

Avoid Debt Cycle

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GPR Account  
(not just a card)

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Rewards

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Plastic

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App

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Engagement

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Issuer

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Merchant

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Gaming



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# Credit Union Growth

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Average credit union grew by 874 members

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Potential membership grew by 57,000 members

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While average cost of new member is \$200



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# Credit Union Growth

| Credit Union Size   | Mbrs 2016 | Mbrs 2017 | Change | Potential Mbrs 2016 | Potential Mbrs 2017 | Change |
|---------------------|-----------|-----------|--------|---------------------|---------------------|--------|
| <9.9mm; 1,628       | 827       | 813       | -1.69% | 12,376              | 12,575              | 1.61%  |
| 10mm to 19mm; 777   | 2,099     | 2,075     | -1.14% | 38,087              | 45,258              | 18.83% |
| 20mm to 49mm; 1,084 | 3,937     | 3,922     | -0.38% | 105,274             | 116,155             | 10.34% |
| 50mm to 99mm; 720   | 7,994     | 8,076     | 1.03%  | 220,819             | 250,502             | 13.44% |
| 100mm to 249mm; 701 | 16,021    | 16,266    | 1.52%  | 452,839             | 495,405             | 9.40%  |
| 250mm to 499mm; 331 | 33,766    | 34,847    | 3.20%  | 940,014             | 984,830             | 4.77%  |
| 500mm to 999mm; 229 | 60,075    | 62,307    | 3.72%  | 1,543,599           | 1,706,567           | 10.56% |
| Billion+ ; 638      | 84,453    | 90,686    | 7.38%  | 1,669,659           | 1,993,126           | 19.37% |



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# Ubiquitous Technology

“Prepaid cards are the most rapidly growing payment instrument. General purpose reloadable (GPR) prepaid cards, in particular, have gained considerable traction especially among the unbanked and underbanked.”\*

Pew reports:

80% of U.S. adults own a smart phone; exceeding 90% for those under 50.

Every age group, every income level, every education level; black, white and Hispanic.



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\*Federal Reserve Bank of Kansas City 2014 Study





# Ubiquitous Technology

Any cellphone    Smartphone

|            |      |     |
|------------|------|-----|
| Total      | 95%  | 77% |
| Men        | 96%  | 78% |
| Women      | 94%  | 75% |
| White      | 94%  | 77% |
| Black      | 94%  | 72% |
| Hispanic   | 98%  | 75% |
| Ages 18-29 | 100% | 92% |
| 30-49      | 99%  | 88% |
| 50-64      | 97%  | 74% |
| 65+        | 80%  | 42% |

|                                |     |     |
|--------------------------------|-----|-----|
| Less than high school graduate | 92% | 54% |
| High school graduate           | 92% | 69% |
| Some college                   | 96% | 80% |
| College graduate               | 97% | 89% |
| Less than \$30,000             | 92% | 64% |
| \$30,000-\$49,999              | 95% | 74% |
| \$50,000-\$74,999              | 96% | 83% |
| \$75,000+                      | 99% | 93% |
| Urban                          | 95% | 77% |
| Suburban                       | 96% | 79% |
| Rural                          | 94% | 67% |

*% of U.S. adults who own the following devices*



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# Your Plan

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Identify your target

Location

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SEGs

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GPR Account not Card

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Plastic

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App

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Engagement

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# Your Plan

Structure

Staff

Communication

Documentation

Control your social media

Facebook

Twitter

Instagram

No silos

Card products

Applications

Websites

Define attainable goals

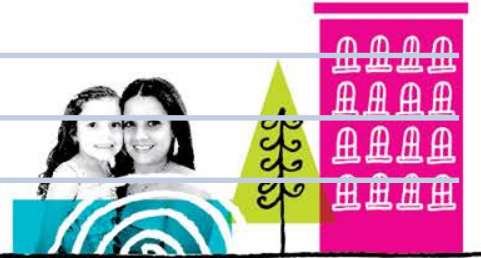
Marketing Calendar

Measurable

Attainable



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# New Member Opportunities

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Turn Data into Members

Know your sources

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Receive Information  
Regularly

Use it

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Target Market  
Opportunities

Community Events

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Education Events

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# A New Way

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New Member Opportunity

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Works for the Credit Union

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Community Service

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Generate Income

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# Community Service

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Engagement Tools

Remove Barriers for  
Unbanked

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No Fear of Rejection

Financial Freedom

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Education Opportunities

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Share Credit Union Values

Earn Trust

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No Tricks

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No Gimmicks



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# Income Vs Expense

Sales

Branch and Online Sales

Revenue Share

POS Revenue

Credit Union Sales

Recurring Expenses

- Credit Unions
- Members/Consumers

ATM Interchange Expense

Monthly Fees

Positive Funds Balance



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# Useful Links

Perform your own peer analysis

- <https://www.ncua.gov/analysis/Pages/call-report-data/custom-query.aspx>

Small credit union resources and grants

- <https://www.ncua.gov/About/leadership/Pages/small-credit-union-initiatives.aspx>

Find the right CUSO for the job

- <https://cusoregistry.ncua.gov/Search/Search>



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# Thank you!

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