

2025 CREDIT UNION INNOVATION SUCCESS STUDY

Creating an Innovation Strategy That Drives Differentiation & Member Loyalty

Filene 



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AMERICAN INNOVATION INDEX STUDY

- In its 8th year, the study quantifies the innovativeness and social innovativeness of over 160 companies in 16 industries from the customer point of view.
- The study has proven that customer-focused innovation is a strong driver of customer loyalty and has a direct impact on the bottom line.
- This study is the basis of the **Credit Union Innovation Success Study** sponsored by Filene

Methodology

Nationally representative online survey of 5,145 U.S. adults, comprising nearly 25,000 customer relationships.

Key Metrics:

- Innovation Index
- Social Innovation Index
- Brand Attractiveness
- Customer Loyalty

Study Sponsors and Co-Authors

- Fordham University's Gabelli School of Business
- Norwegian School of Economics
- Illuminas, a Radius Company

americaninnovationindex.com



KEY METRICS - 2025 RESULTS

CREDIT UNIONS

COMPANIES

The Credit Union Innovation Index

An innovative credit union is one that is creative, sets trends, and comes up with new solutions for members.

65₋₂

70₊₁

The Credit Union Social Innovation Index

A socially innovative credit union is one that focuses on innovating for the benefit of society and the environment.

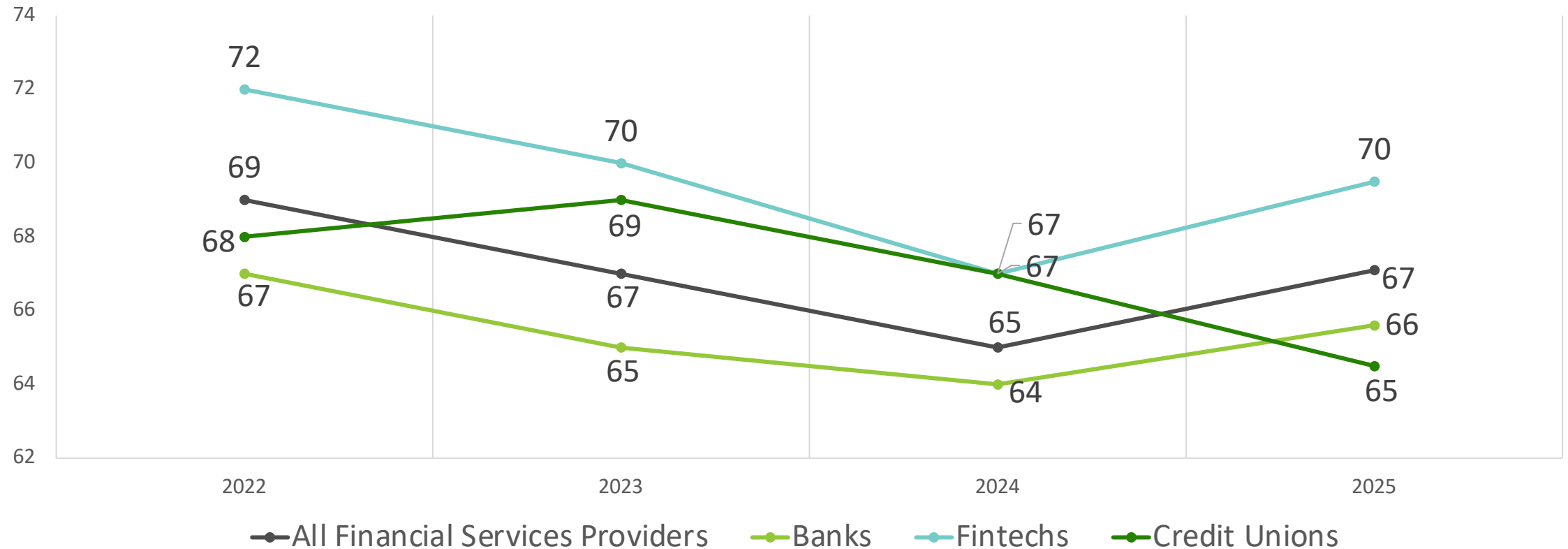
60₋₁

63₊₁

Data Source: 2025 American Innovation Study. Indexes are based on a composite of rating questions and range from 0 to 100.

CREDIT UNION INNOVATION PERCEPTIONS DECLINE, WHILE OTHERS REBOUND

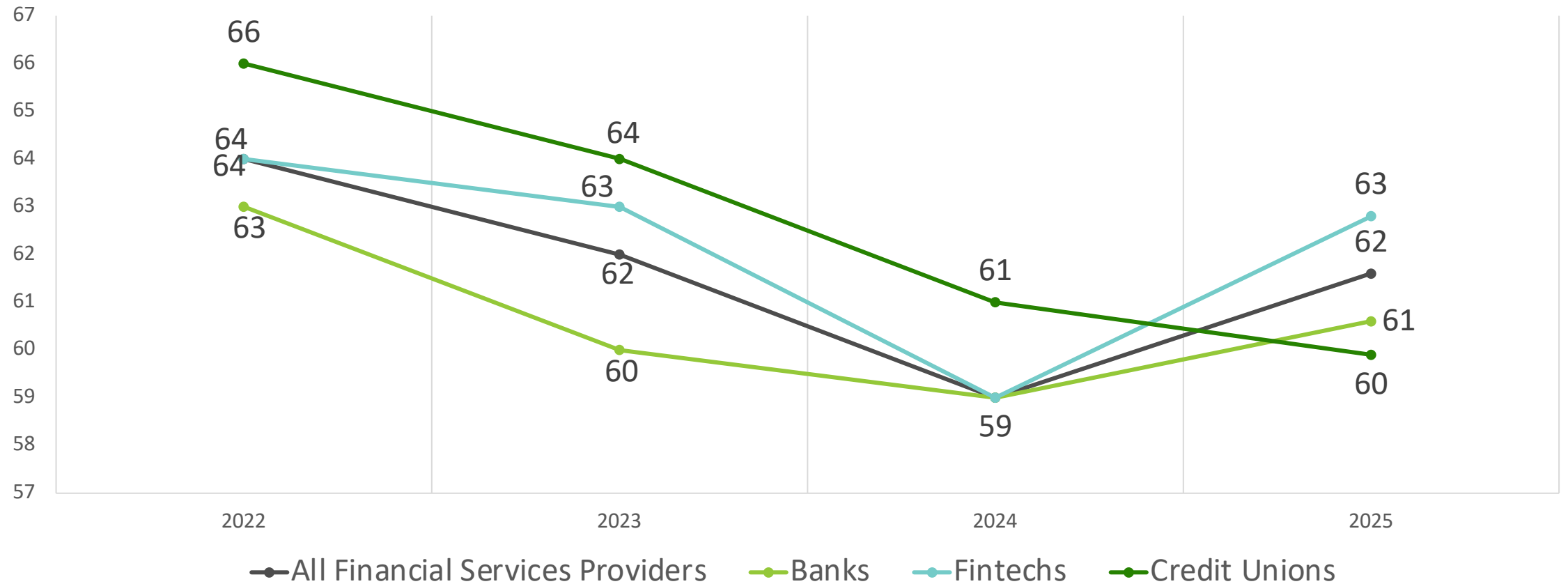
Innovation Index Scores for Financial Service Providers



Data Source: 2025 American Innovation Study.

SOCIAL INNOVATION HAS EXPERIENCED A SIMILAR TREND

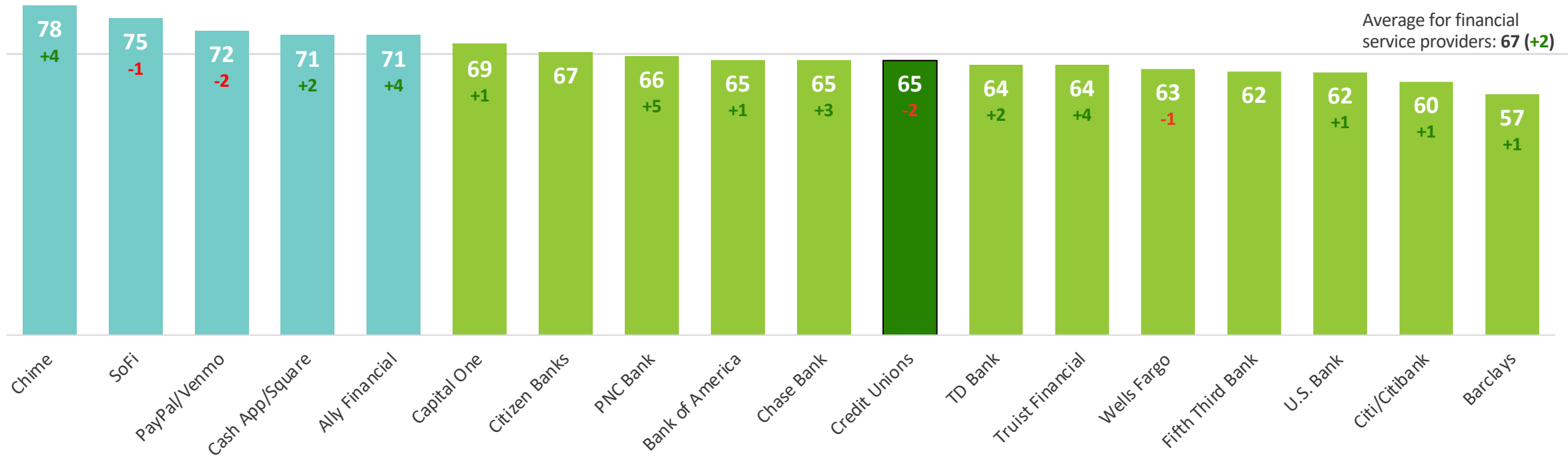
Social Innovation Index Scores for Financial Service Providers



Data Source: 2025 American Innovation Study.

CREDIT UNIONS TRAIL TOP BANKS GIVEN RECENT DECLINE IN PERCEPTIONS

2025 Innovation Index Scores for Financial Service Providers

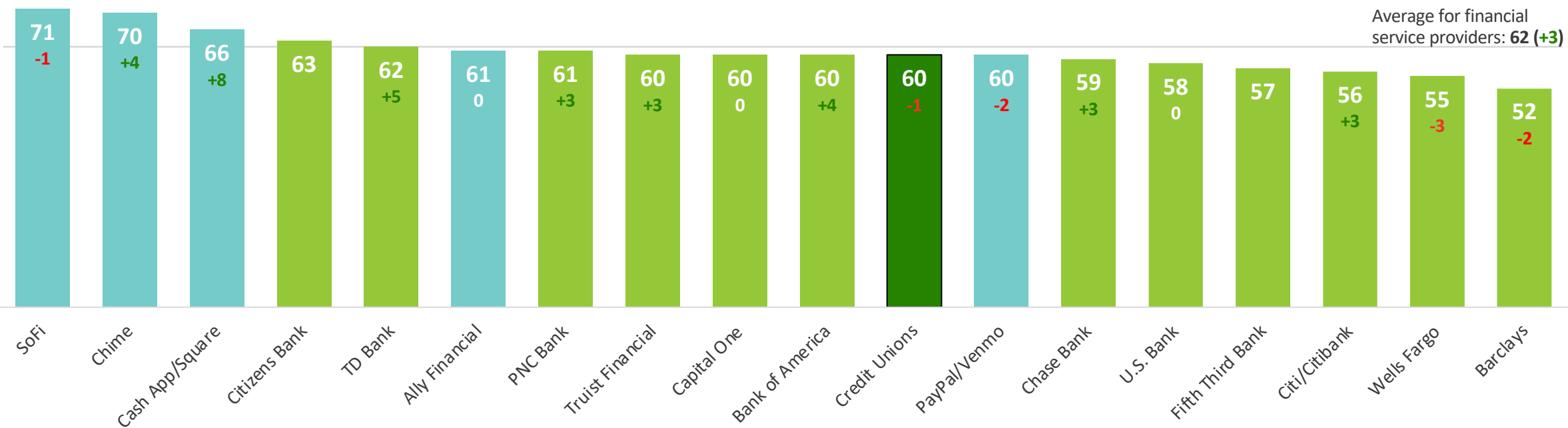


Data Source: 2025 American Innovation Study. The credit union score is the average of anyone reporting a relationship with this institution type. Citizens Bank and Fifth Third Bank were not included last year due to small sample sizes, thus do not include significance testing.

Credit Unions
 Banks
 Digital Banks/Fintechs

CREDIT UNIONS ARE SLIGHTLY BELOW AVERAGE ON SOCIAL INNOVATION

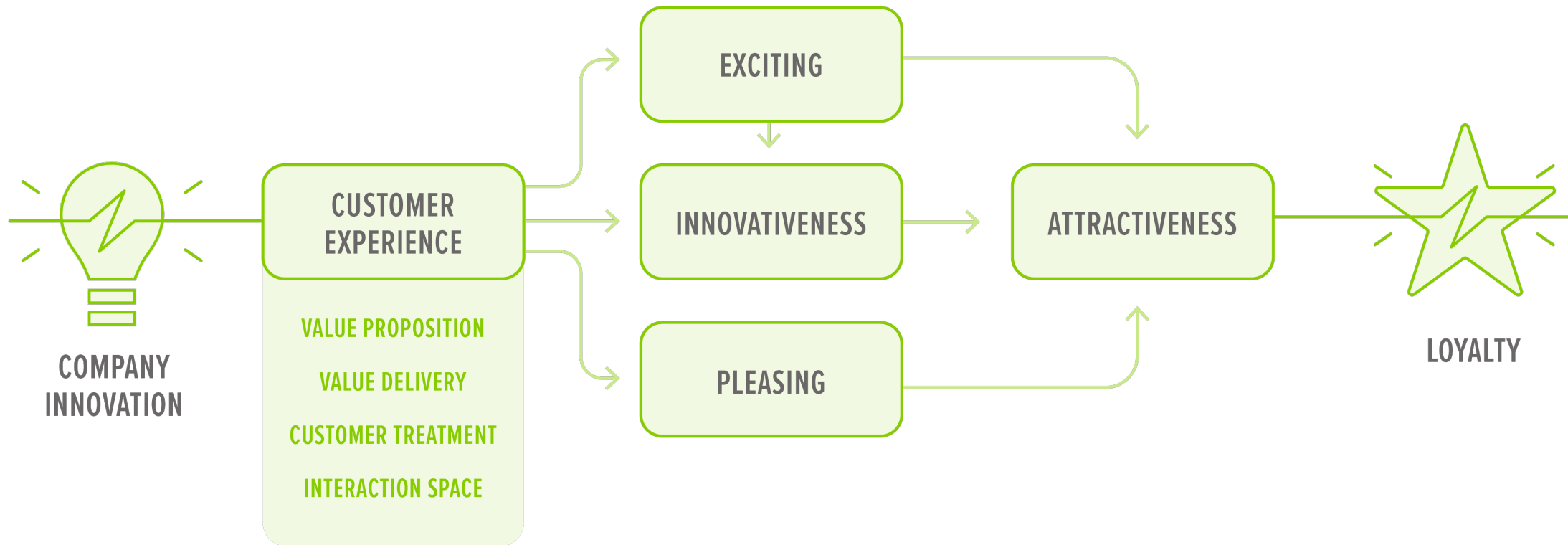
2025 Social Innovation Index Scores for Financial Service Providers



Data Source: 2025 American Innovation Study. The credit union score is the average of anyone reporting a relationship with this institution type. Citizens Bank and Fifth Third Bank were not included last year due to small sample sizes, thus do not include significance testing.

Credit Unions
Banks
Digital Banks/Fintechs

PRIORITIZE INNOVATION TO INCREASE LOYALTY AND ULTIMATELY SHARE OF WALLET





HOW TO DRIVE INNOVATION

**An innovative credit union is one that is creative,
sets trends, and comes up with new solutions for members**

HOW IS YOUR CREDIT UNION INNOVATIVE?

Service Excellence

Provides personal attention to members, and listens to members' needs

New Products & Services

Introduces new and personalized products and services to meet the changing needs of members.

Provides easy ways to invest and plan for retirement, despite members' lack of expertise.

Innovative Online & Mobile Banking

Provides excellent online app/website for members to conduct business

Low Fees & Competitive Rates

Provides low/no fees and competitive rates

Community Focus & Local Presence

Gets involved and gives back to the local community

Rewards & Special Offers

Offers rewards, such as special offers, to loyal members

Data Source: 2025 American Innovation Study

TABLE STAKES FOR CREDIT UNION INNOVATION



SAFE AND SECURE TO DO BUSINESS WITH

“[It’s innovative because] the FI provider is making wise choices regarding information security and cybersecurity that protect members and personal data regardless of the engagement platform (in person, website, mobile app, etc.), including their 3rd party vendors.” [18 YO, Male]



ALLOWS ME TO DO ALL MY BANKING IN ONE PLACE



FAST AND RESPONSIVE SERVICE

“When I can call and am quickly connected to a local representative during normal business hours. I don't think I've ever had to wait for more than a couple minutes on hold and I love that the representatives live in my community. This is the #1 reason we stick with [my CU], as it is a very unusual benefit in this day and age.” [41 YO, Female]

Data Source: 2025 Filene Credit Union Innovation Success Study (attributes); 2023 Filene Credit Union Innovation Success Study (quotes)

“Allows me to do all my banking in one place” was added in 2024. No open ends asked.

TABLE STAKES FOR CREDIT UNION INNOVATION



BETTER INTEREST RATES ON DEPOSITS OR SAVINGS

"[Credit unions] have a great high yield interest rate." [65+ YO, Female]

"[Credit unions] have great products with higher interest rate return than other financial institutions." [65+ YO, Male]



BETTER INTEREST RATES ON LOANS

"Offering better [loan] rates helps to stay competitive and therefore will retain membership and ultimately gain more members." [47 YO, Female]



LOWER FEES/ELIMINATED OR REDUCED FEES

"With increased interest rates, fees eat into my dollars. Fees are also how big banks fleece their customers." [50 YO, Male]

"Most banks are trying to make profit off customers instead of having fees that are fair for both banks and its customers." [32 YO, Female]

Data Source: 2025 Filene Credit Union Innovation Success Study (attributes); 2023 Filene Credit Union Innovation Success Study (quotes)

DIFFERENTIATORS FOR CREDIT UNION INNOVATION



CARES ABOUT ITS MEMBERS

“Address my needs individually. Find innovative ways to help me with my finances if I don’t already have a service that does.” [56 YO, Female]

“Customer service taking the extra steps to listen to me and find a solution, even if it requires extra work on their end.” [Undisclosed age, Male]



MAKES ME FEEL LIKE I BELONG

“A lot of banks are cold and cruel. Being open to your customers and showing concern is not the industry norm.” [37 YO, Female]

“In this new world we live in we are most often just a number. With [my credit union,] we are an individual.” [79 YO, Female]



AVAILABLE WHEN I NEED THEM

“It’s a feeling of security to talk to a real person, especially in a stressful situation that they will be there to help.” [71 YO, Female]

“Being innovative regarding availability would be 24/7 availability of representatives to provide services and work through issues.” [62 YO, Male]



REWARDS ME FOR MY LOYALTY

“Offering overdraft fee refunds after you’ve been with an institution for a certain amount of time.” [58 YO, Male]

Data Source: 2025 Filene Credit Union Innovation Success Study (attributes); 2023 Filene Credit Union Innovation Success Study (quotes)

DISRUPTORS FOR CREDIT UNION INNOVATION



PRODUCTS AND SERVICES ARE PERSONALIZED FOR MY NEEDS

“Most banks are rigid whereas CU does its best to fit what customers need, putting their needs before a bottom line.” [Undisclosed age, Female]

“This helps me feel more confident and secure that I personally am using a financial service that is actually relevant to my life.” [26 YO, Female]



ADAPTS TO CHANGE QUICKLY

“Most FIs are stuck in a traditional mode of doing business. Being adaptable is a refreshing way to meet the customers' needs.” [74 YO, Female]

“Quickly adapting to change is something only smaller businesses are traditionally able to do.” [24 YO, Male]

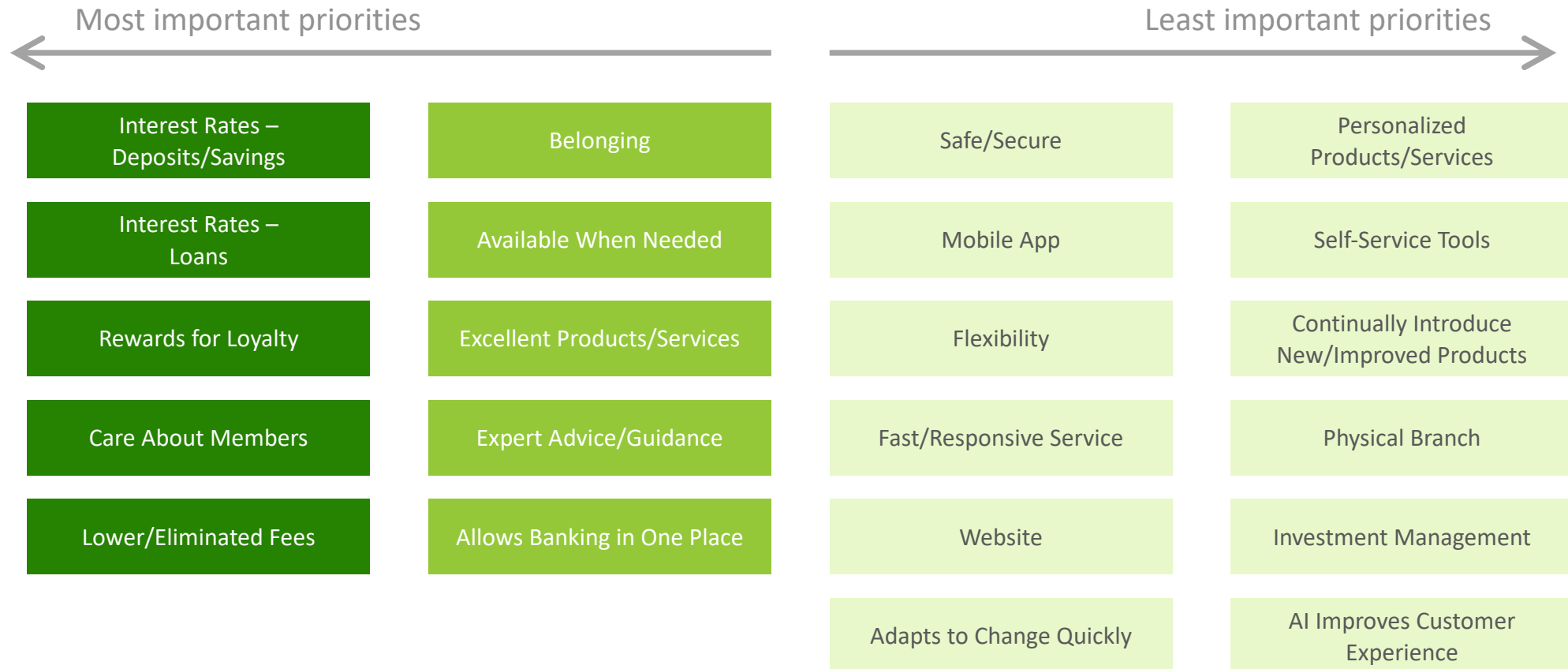


CONTINUALLY INTRODUCES NEW AND IMPROVED PRODUCTS AND SERVICES

“New, competitive ideas always coming from the financial industry, and I expect my institution to stay on top of what's fresh to offer me things that uniquely meet my needs.” [43 YO, Female]

Data Source: 2025 Filene Credit Union Innovation Success Study (attributes); 2023 Filene Credit Union Innovation Success Study (quotes)

PRIORITIES FOR CREDIT UNIONS TO IMPROVE INNOVATION



Data Source: 2025 Filene Credit Union Innovation Success Study



HOW TO DRIVE SOCIAL INNOVATION

**A socially innovative credit union is one that focuses
on innovating for the benefit of society and the environment**

HOW IS YOUR CREDIT UNION SOCIALLY INNOVATIVE?

Community Involvement & Support

Provides community giveaways, sponsorships, engagements

Donates to local causes and charities, encouraging employee/member volunteerism

Member-Focused & Customer Service

Provides a welcoming environment to foster members' trust

Has efficient communication to save members time

Environmental Initiatives

Offers paperless communications, recycling, shredding documents, disposing of electronics events

Financial Education

Offers seminars to help guide members in their financial lives

Data Source: 2025 American Innovation Study

TABLE STAKES FOR CREDIT UNION SOCIAL INNOVATION



TRUSTED TO ACT IN MEMBERS' BEST INTEREST



LOWER FEES/ELIMINATED OR REDUCED FEES

"Eliminating the overdraft fees gives people more money to be financially solvent. More money equals more investment in the financial institution's services." [56 YO, Female]



TREATS MEMBERS FAIRLY AND RESPECTFULLY

"Everyone wants to feel respected as a person and a customer, whether they're rich or not-so-much. It's socially innovative to treat everyone with dignity, no matter what their financial situation is." [49 YO, Female]

Data Source: 2025 Filene Credit Union Innovation Success Study (attributes); 2023 Filene Credit Union Innovation Success Study (quotes)

"Trusted to act in members' best interest" was added in 2024. No open ends asked.

DIFFERENTIATORS FOR CREDIT UNION SOCIAL INNOVATION



HELP MEMBERS SAVE TIME AND MONEY

“Saving people time is the same as saving them money, so when I don't have to drive all around town looking for a branch or spend more than 5 minutes on hold it helps.” [58 YO, Male]



APPRECIATES ME FOR BEING A MEMBER



MAKES ME FEEL LIKE I BELONG

“When a provider makes me feel like I belong, it means I have a chance or a voice in how the provider interacts with society and protects (or at least avoids harming) the environment.” [70 YO, Male]

“It is too easy to feel depersonalized when doing daily business. Feeling like one belongs, makes business dealings more friendly and personal.” [23 YO, Male]

Data Source: 2025 Filene Credit Union Innovation Success Study (attributes); 2023 Filene Credit Union Innovation Success Study (quotes)

“Appreciates me for being a member” was added in 2024. No open ends asked.

DISRUPTORS FOR CREDIT UNION SOCIAL INNOVATION



ADAPTS PRODUCTS/PRACTICES TO SERVE NEEDS OF MEMBERS AND THE LOCAL COMMUNITY

“Financial institutions need to know their local areas to understand what the financial needs are. A local bank might give a loan in an economically depressed area that a nationwide bank would just look at as a risk.” [38 YO, Nonbinary]

“At my local [financial institution’s] branch, there are a lot of Spanish speaking customers. This branch is staffed with several bilingual staff, especially on these days to make it easier for the customers who may not speak English as a first language.” [Undisclosed age, Female]



ADVOCATES FOR RIGHTS AND WELL-BEING OF PEOPLE LIKE ME

“Having an organization look out for my rights and well-being shows that they care about the welfare of the community where the organization is located. Knowing this it fosters a sense of community among the members.” [55 YO, Male]



PRODUCTS/SERVICES FRIENDLY TO ENVIRONMENT

“Friendly environmental products protect the future of our planet and our community and ensure their sustainability for many years to come. It sets a good example for other businesses to do the same.” [73 YO, Female]

Data Source: 2025 Filene Credit Union Innovation Success Study (attributes); 2023 Filene Credit Union Innovation Success Study (quotes)

PRIORITIES FOR CREDIT UNIONS TO IMPROVE SOCIAL INNOVATION



Data Source: 2025 Filene Credit Union Innovation Success Study

PRIORITIES FOR LEVERAGING INNOVATION

- **Prioritize innovation** to increase loyalty, and ultimately share of wallet
- **Emotional outcomes have meaning to members**
- **Differentiate by showing members you care:** Caring includes rewarding loyalty, showing appreciation and making members feel they belong
- **Focus on improving the lives of members**

THANK YOU FOR JOINING US!



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