



## Tapping into a whole new audience

Access to an entirely new demographic of Member

Double average loan size on applications via price comparison websites

Average loan size around £3,900 and average APR 26.72%

### About

Manchester Credit Union (MCU) is a member-owned financial cooperative which has been in operation for 30 years. It exists solely for the benefit of its members, with all profits generated returned in the form of dividends on savings or investments to improve services. This credit union is open to anyone who lives or works in the city of Manchester, Bury, Rochdale, Tameside, Trafford, Stockport and the High Peak. Operating under the mantra of: 'For people, not profit', MCU is governed by a volunteer Board of Directors who are elected by the members, alongside its Finance and Audit & Risk Committee.

### Background

MCU has used incuto's technology platform for a number of years. It became one of the first, pioneering credit unions to pilot the Loan Comparison Websites product via incuto and our partner Experian.

By positioning MCU's loans on price comparison websites, to viable individuals who would otherwise not have qualified with other lenders, this initiative is both helping increase the loan book and reach a wider audience of Members. With up to 40% of those searching for loans unable to borrow from mainstream banks and lenders, use of incuto's Loan Comparison Websites also plays a role in ensuring individuals do not turn to high-cost or illegal lenders.

### The process

After starting the initial integration process in March 2021, MCU worked with incuto and Experian to decide which products would be offered through price comparison websites, and define lending rules for applicants searching for products online.

*"It was a learning curve to really define what rules needed to be in place to ensure we could accept as many of the loan applications as possible," says Mandy Wilcock, COO for MCU. "We worked closely with both incuto and Experian to narrow down the criteria, with a focus on credit checks, and this definitely improved our acceptance rate."*

Before onboarding, credit unions need an up-to-date loan policy and clear lending criteria, details of the common bond and areas they are looking to cover, and to select which product they want to appear on the price comparison websites. Thinking about what questions will be on the loan application form, as well as how many there will be, is also important.

### Success

To date, MCU has processed **over 200 loans** as a result of using incuto's Loan Comparison Websites product. The **value of these loans amounts to over £700,000**, and their average loan size has doubled to around £3,900 with an **average APR of 26.72%**.

MCU also report that applications are coming from an entirely new section of the market.

*"We are processing loans from a lot more working men, usually aged over 30. This is a brilliant opportunity for us to tap into a new pool of Members," says Mandy*

***"Loan Comparison Websites are helping to spread the word about MCU to a whole new demographic within the Greater Manchester region, particularly as the panel of price comparison sites expands," Mandy continues. "Once you have refined your lending rules and acceptance rates increase, applications just filter through like any other new loans. It's great to have the opportunity to grow our loan book at the same time as serving new Members, some of whom wouldn't have heard of us otherwise, and hopefully form a long-term relationship with them."***

Manchester Credit Union Ltd. is authorised by the Prudential Regulation Authority, and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. FRN: 213400

### About incuto

incuto was founded on the basis that everyone deserves access to affordable finance. As part of the Fair By Design, accelerator programme, it aims to tackle the poverty premium whereby lower-income households pay more for finance, whether it is high-interest pay day loans or inflexible bank charges. Incuto is an innovative banking platform for Credit Unions, community banks and CDFIs. It allows these banks to better serve their communities by updating legacy technology, enhancing the end user experience and improving access to customers.

Our technology is a SaaS solution for our clients. We support back-office processes, financial education, communication, performance management and enhanced service provision. The missing link between Credit Unions and major distribution networks, we offer clients the chance to integrate their services with major organisations like Clear Bank, Post Office, Vocalink, Telefonica, Mastercard and Experian.

Please visit [www.incuto.com](http://www.incuto.com) for more information  
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