

Engagement with the Credit Union Sector

Church Urban Fund
February 2014

Bethany Eckley



Background

- Credit Unions have been proposed as a potential solution to the problem of financial exclusion and payday lending (Department for Work and Pensions 2012, Archbishop of Canterbury 2013).
- Consequently, we conducted a survey to deepen our understanding of current engagement with this sector; to identify barriers to engagement that will need to be overcome if credit unions are to grow.

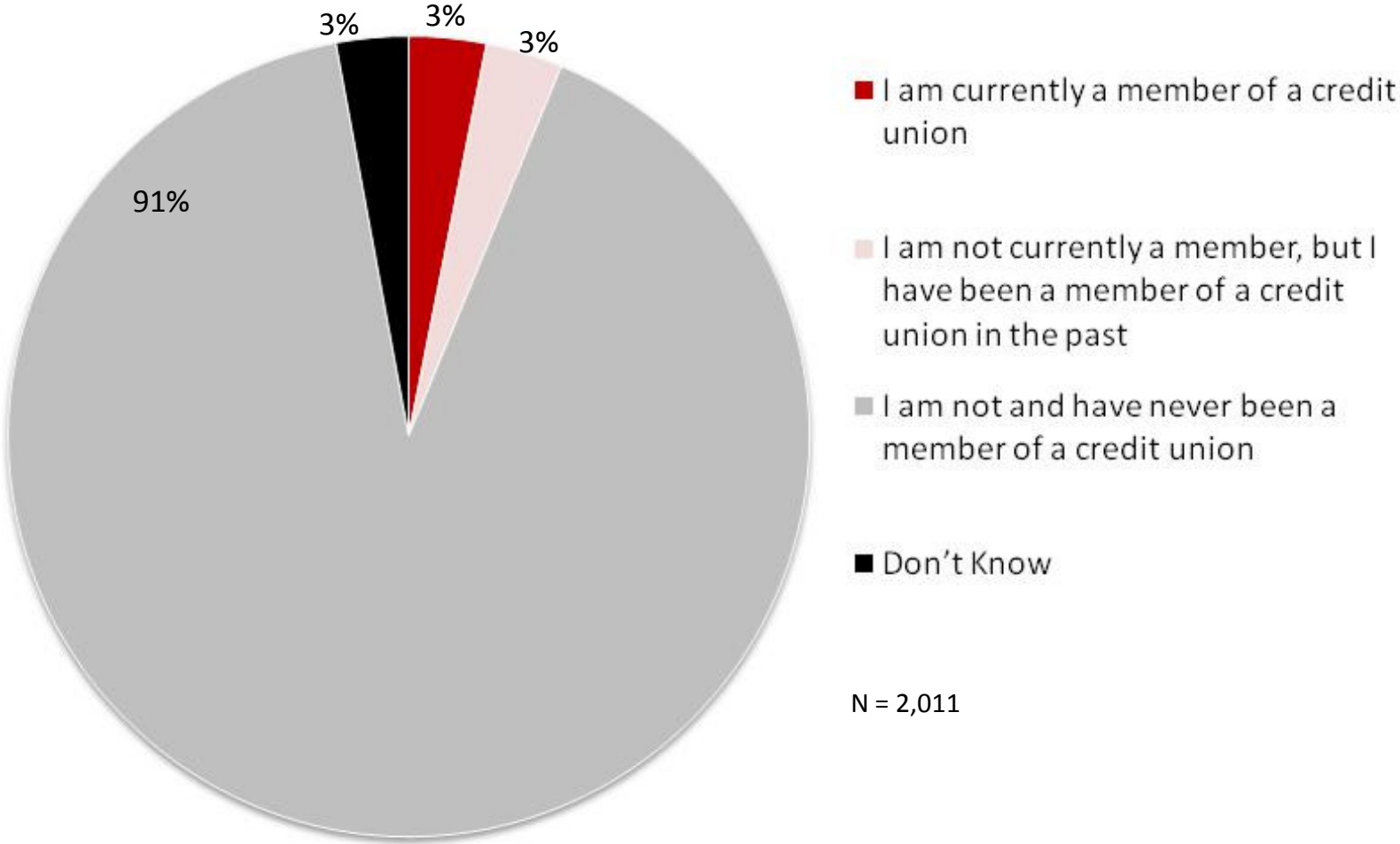


Methodology

- Survey sent via Ipsos MORI:
 - To a representative panel
 - Aged 16 to 75, in Great Britain
 - In November 2013
- We received 2,011 responses.

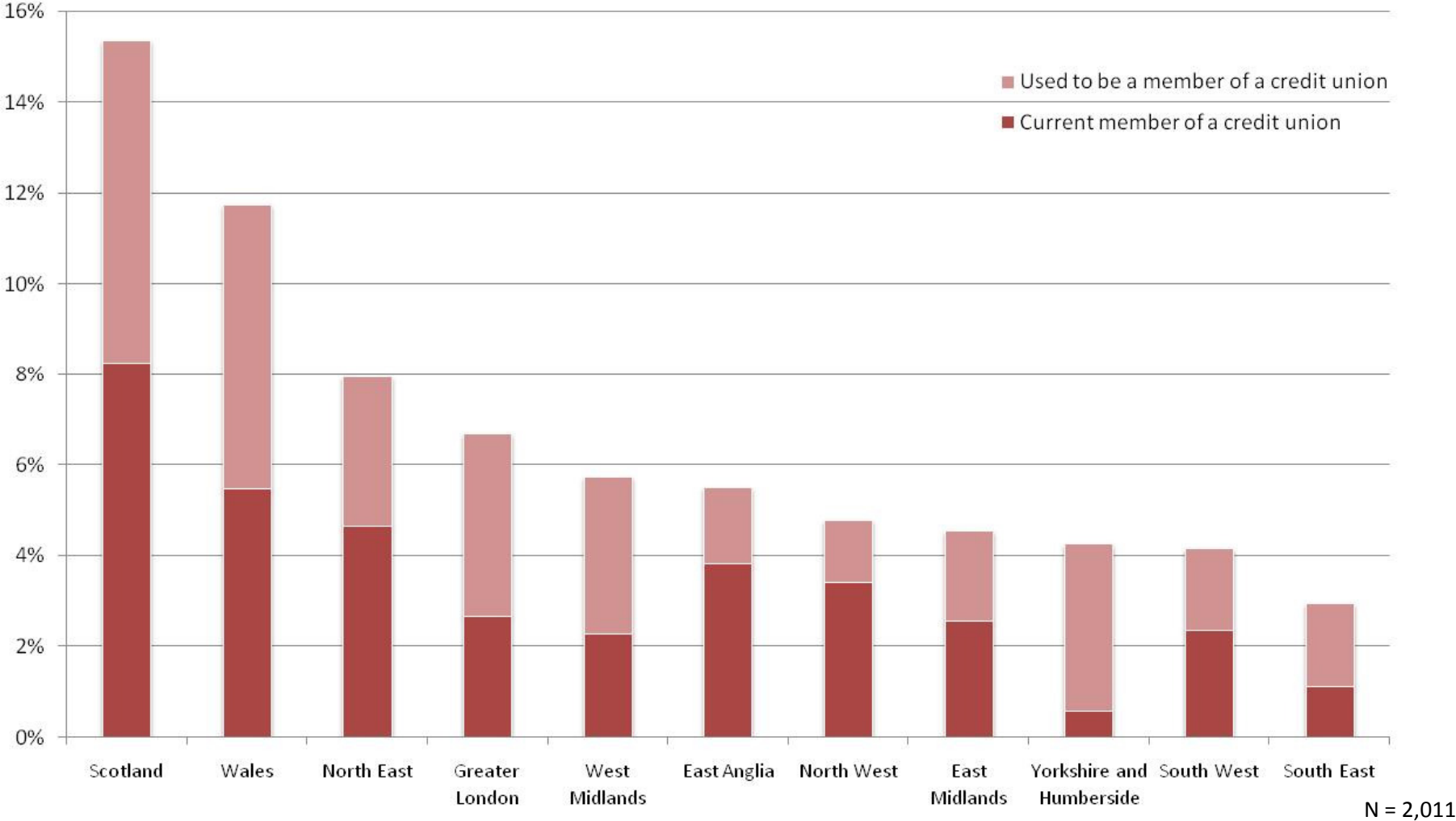


1.1 Over 90% of people are not and have never been a member of a credit union.



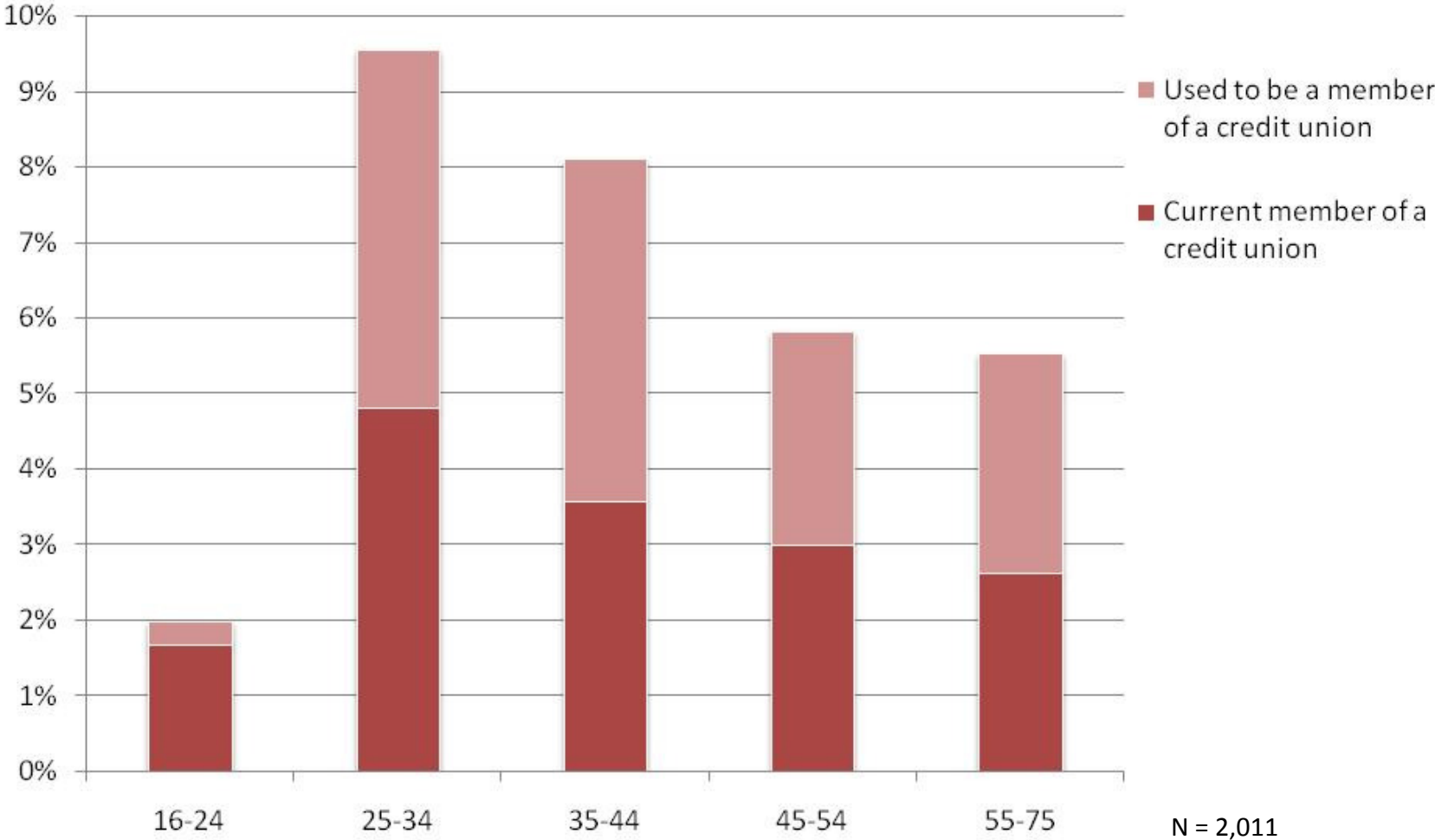
Q: Are you personally a member of a credit union at the moment, or have you ever been a member of a credit union in the past?

1.2 The Scottish and Welsh are much more likely to have been a member than those in South East of England...



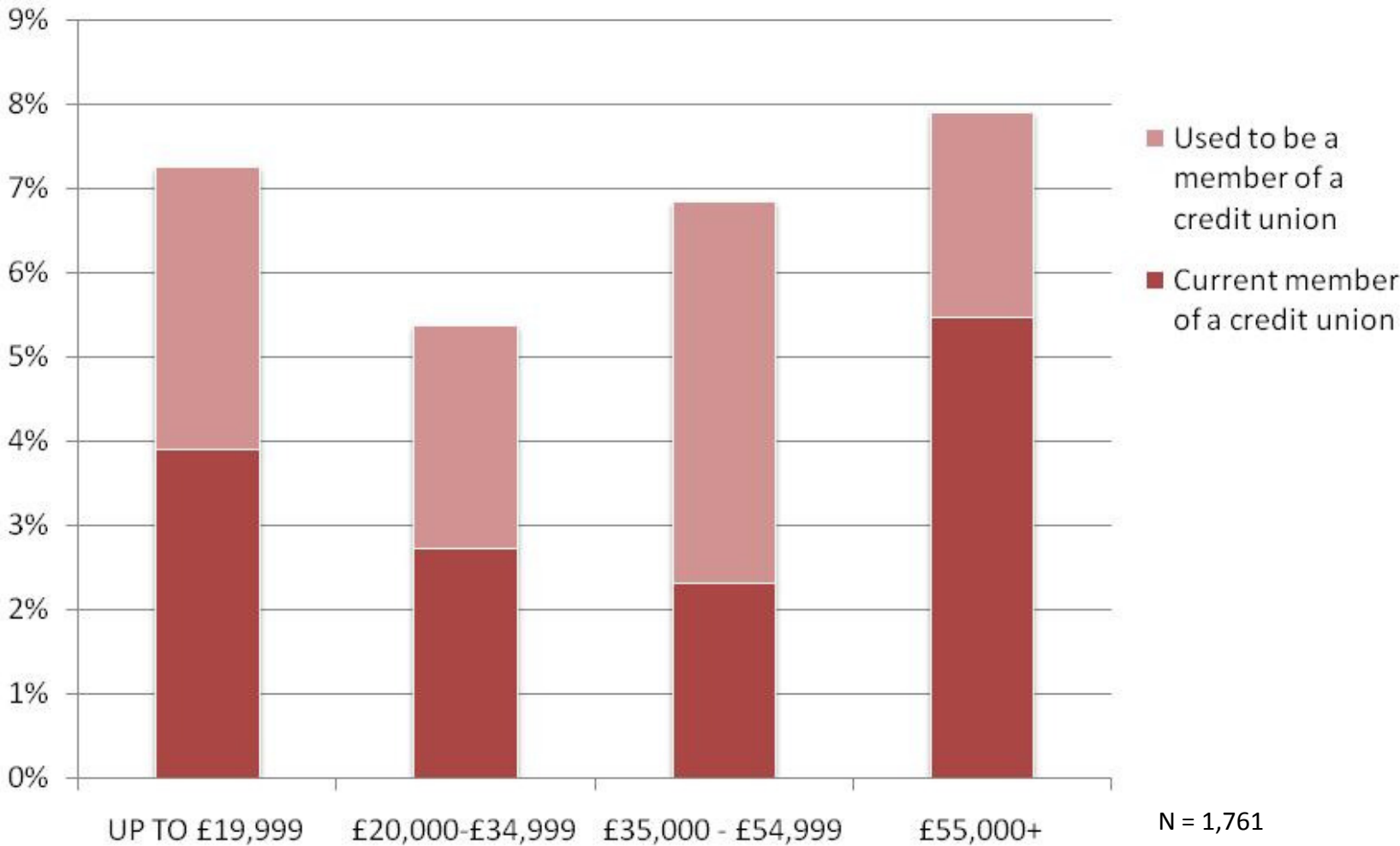
Q: Are you personally a member of a credit union at the moment, or have you ever been a member of a credit union in the past? (By region)

1.3 ... as are those aged 25-34. Just 2% of adults under 25 have ever been a member of a credit union.



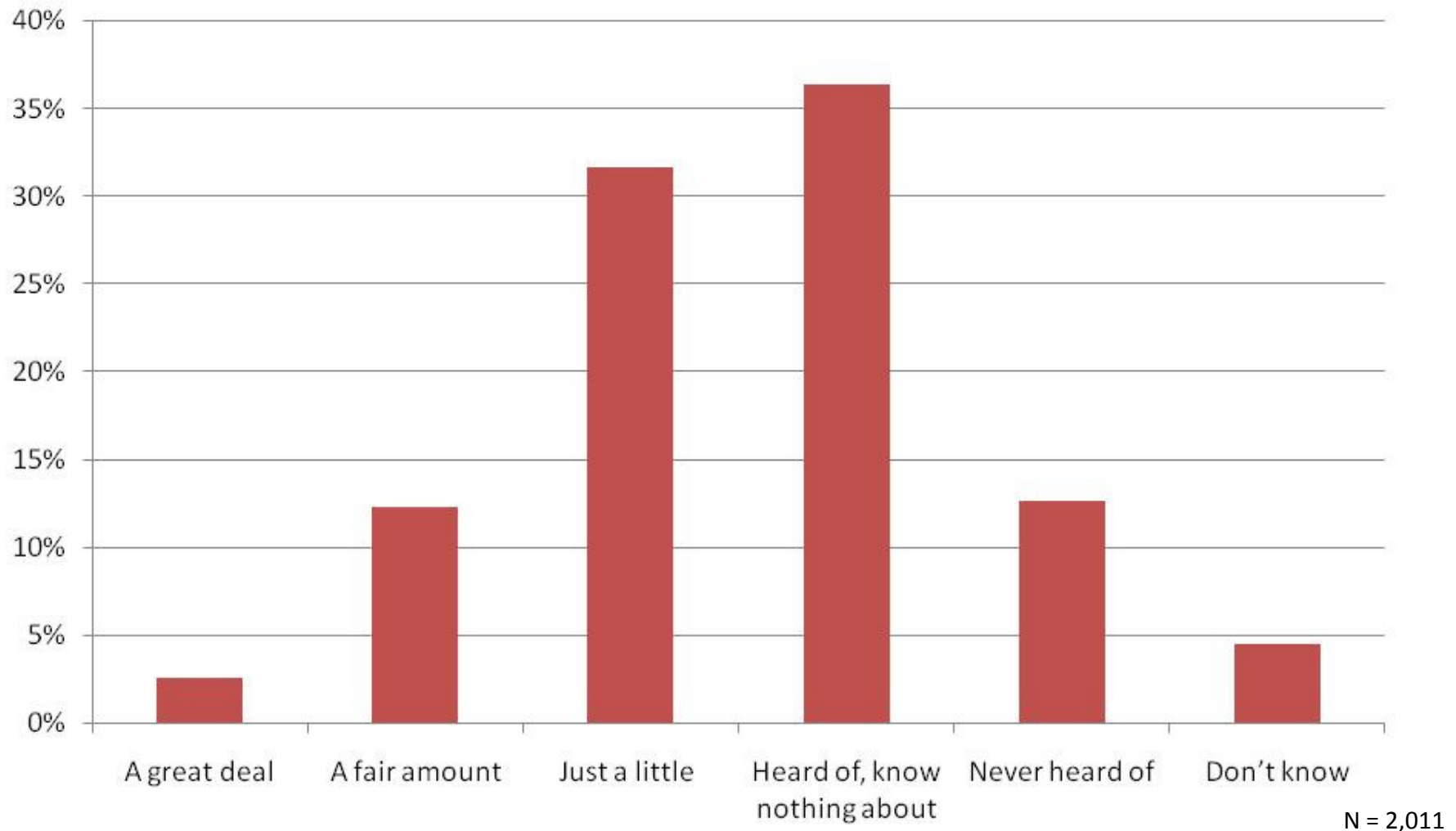
Q: Are you personally a member of a credit union at the moment, or have you ever been a member of a credit union in the past? (By age)

1.4 Income, however, is not a major factor in determining membership of credit unions.



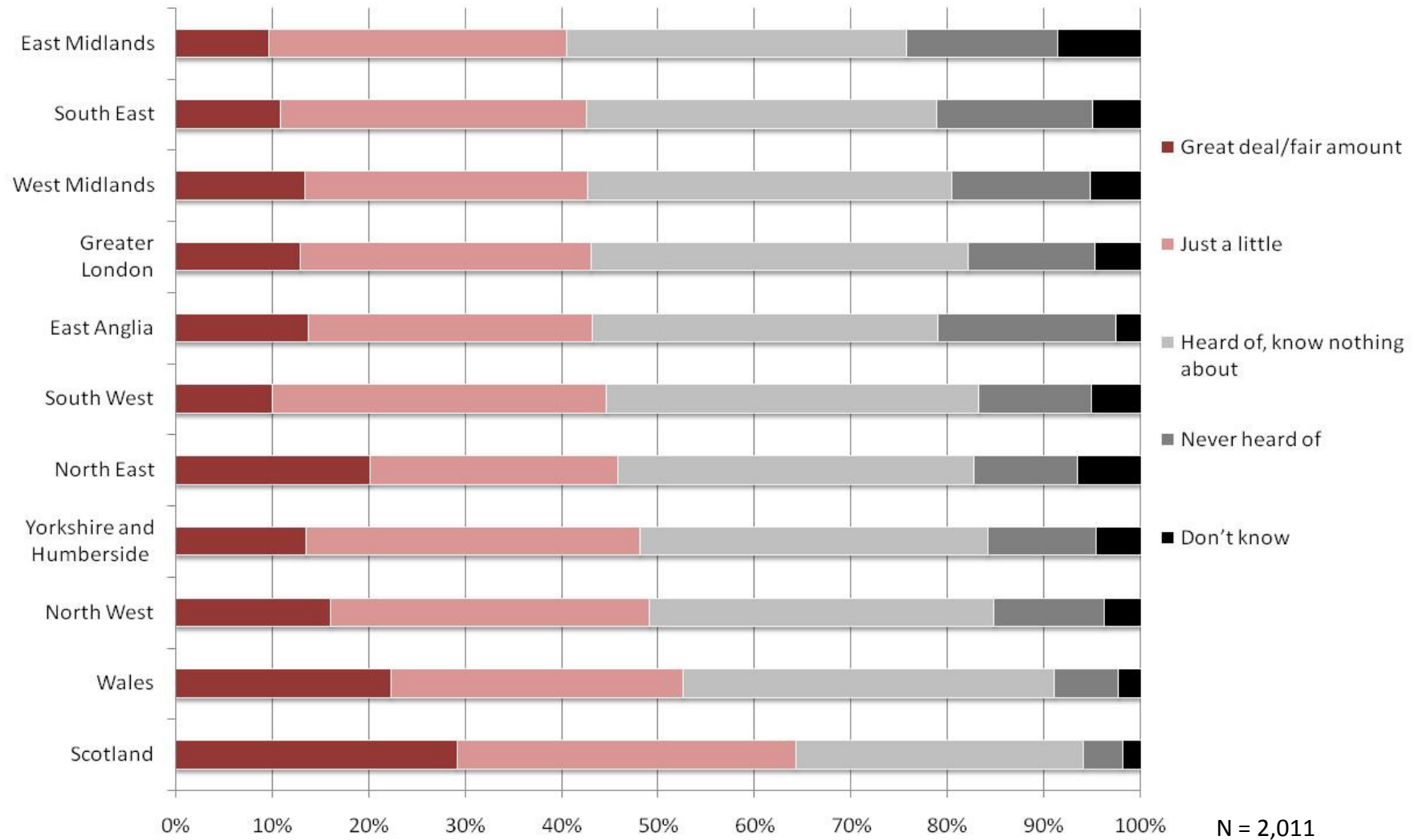
Q: Are you personally a member of a credit union at the moment, or have you ever been a member of a credit union in the past? (By income)

2.1 While 8 in 10 have heard the term 'credit union', more than half do not know anything about how they work.



Q: How much would you say you know about credit unions and how they work?

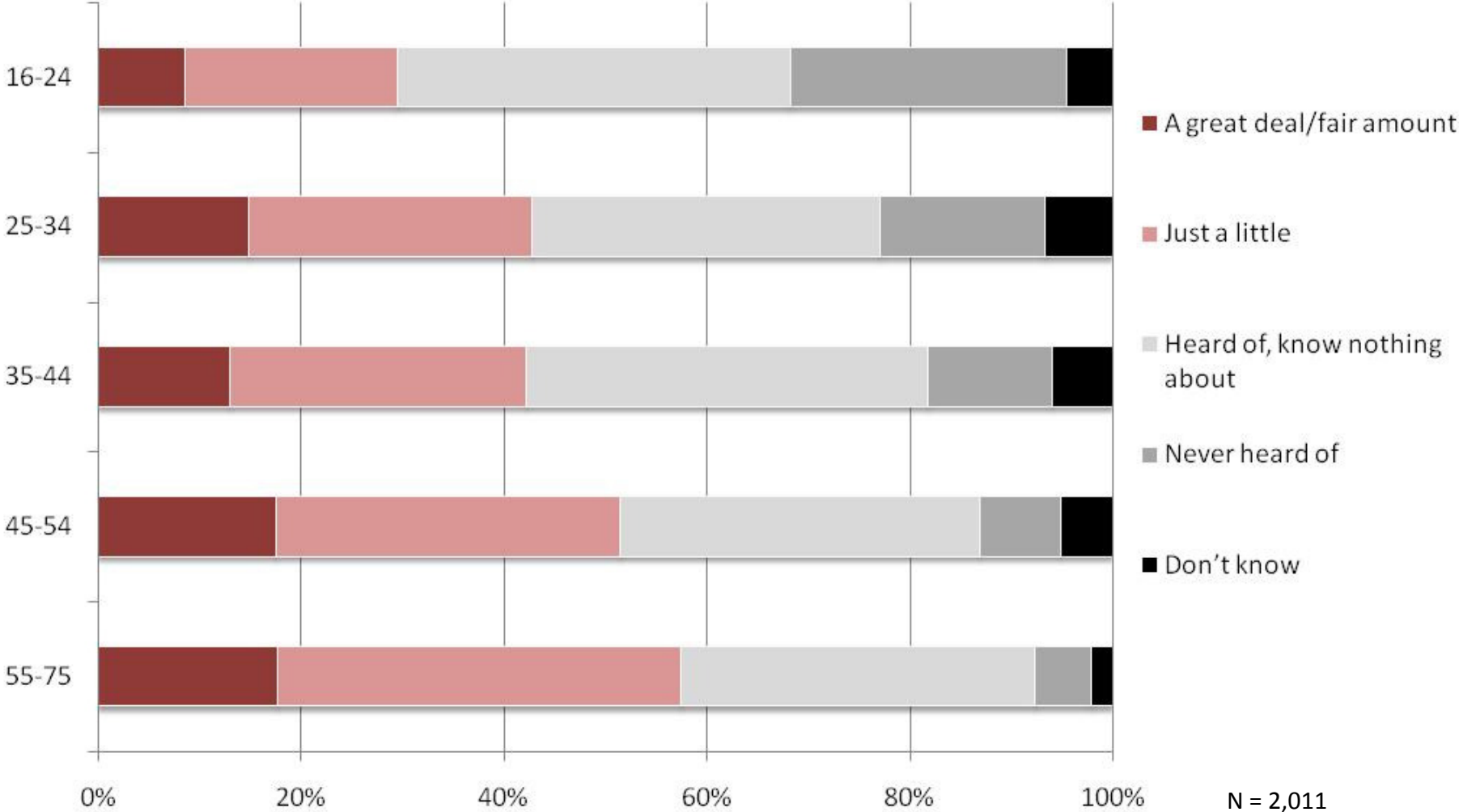
2.2 Understanding of credit unions is greater in Scotland and Wales than in England.



Q: How much would you say you know about credit unions and how they work? (By region)

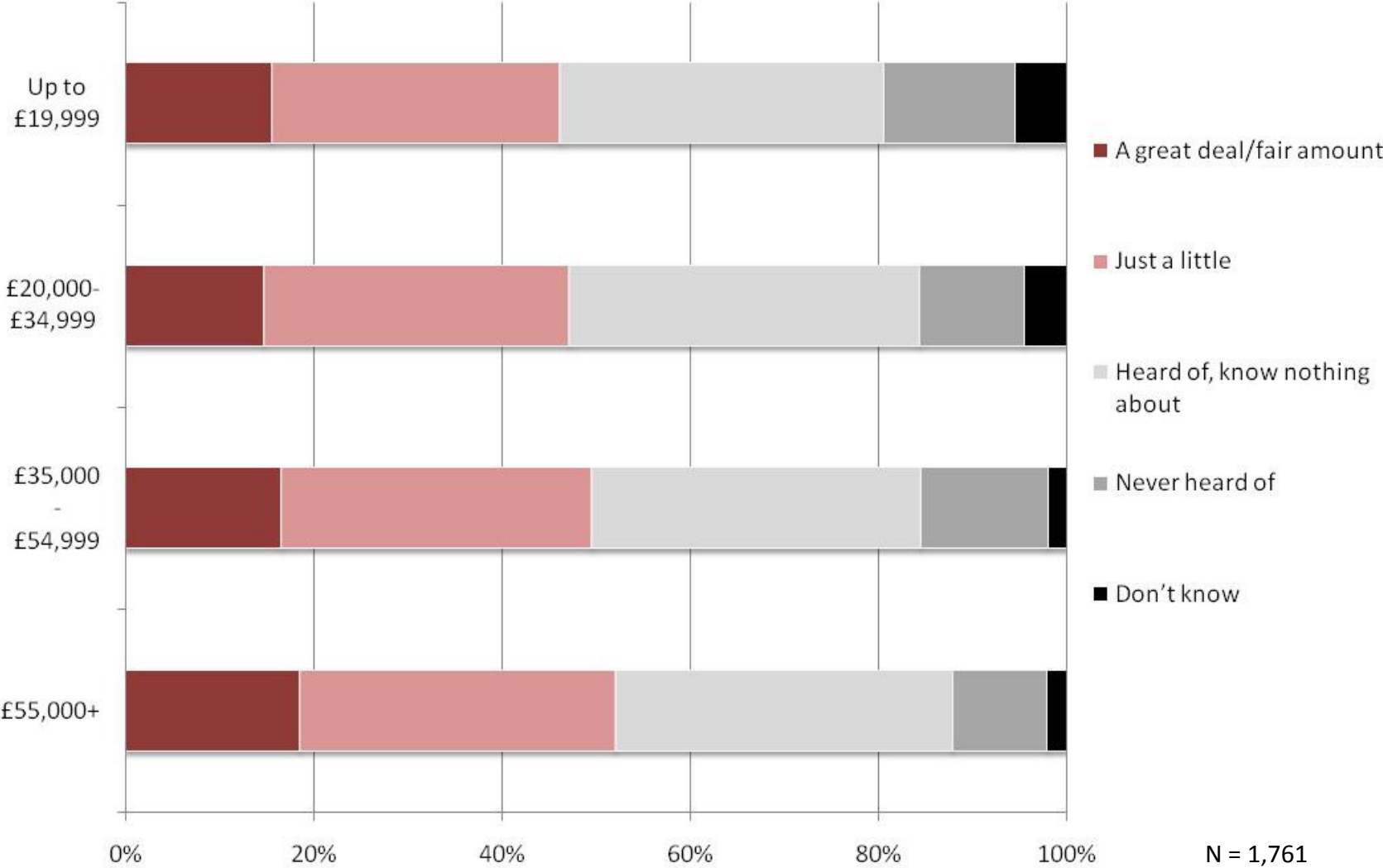
Church Urban Fund

2.3 A third of 16-24 year olds have never heard the term credit union.



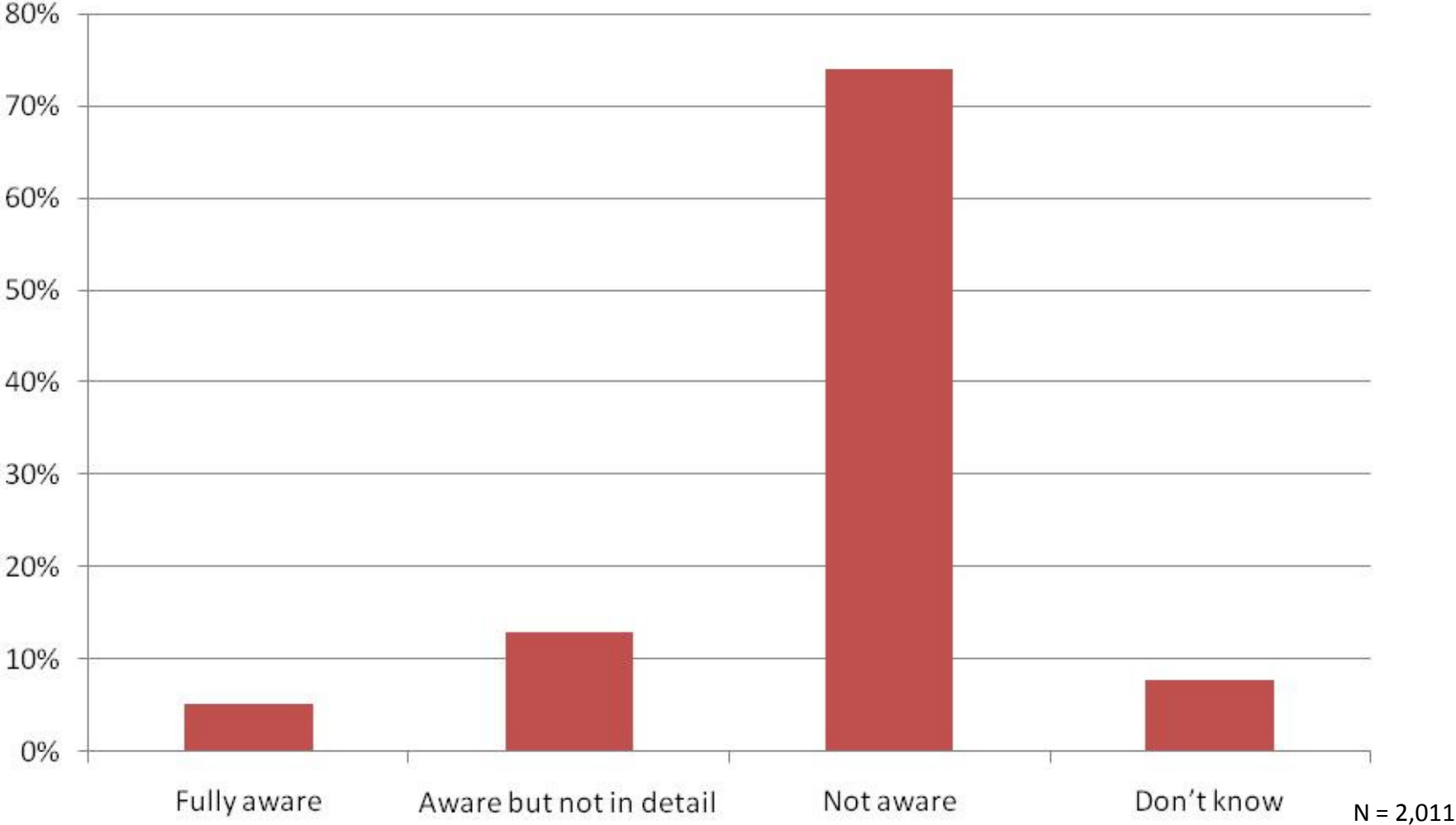
Q: How much would you say you know about credit unions and how they work? (By age)

2.4 However, knowledge of how credit unions work does not vary strongly by income level.



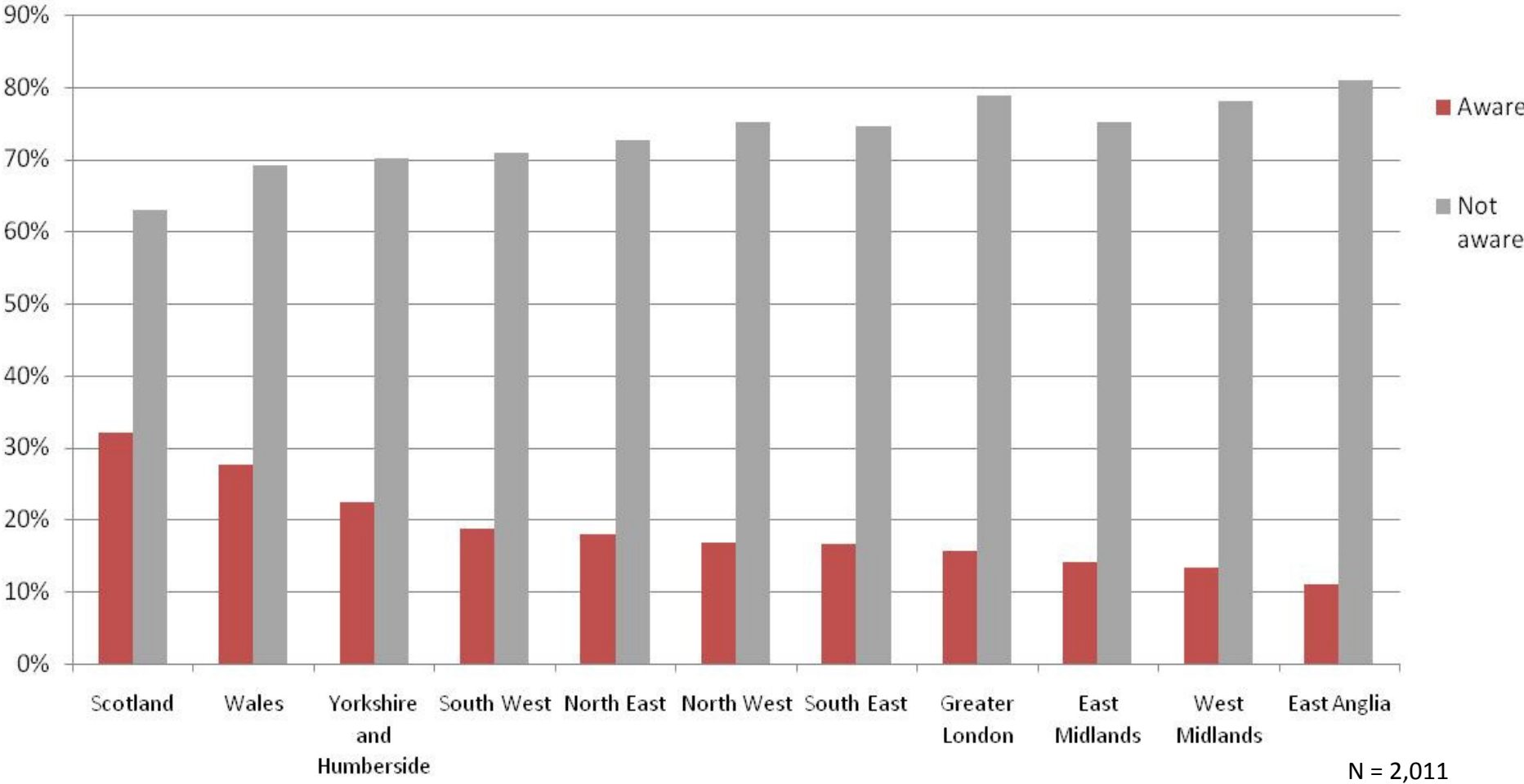
Q: How much would you say you know about credit unions and how they work? (By income)
Church Urban Fund

3.1 Three quarters of people are not aware of a credit union they would be eligible to join.



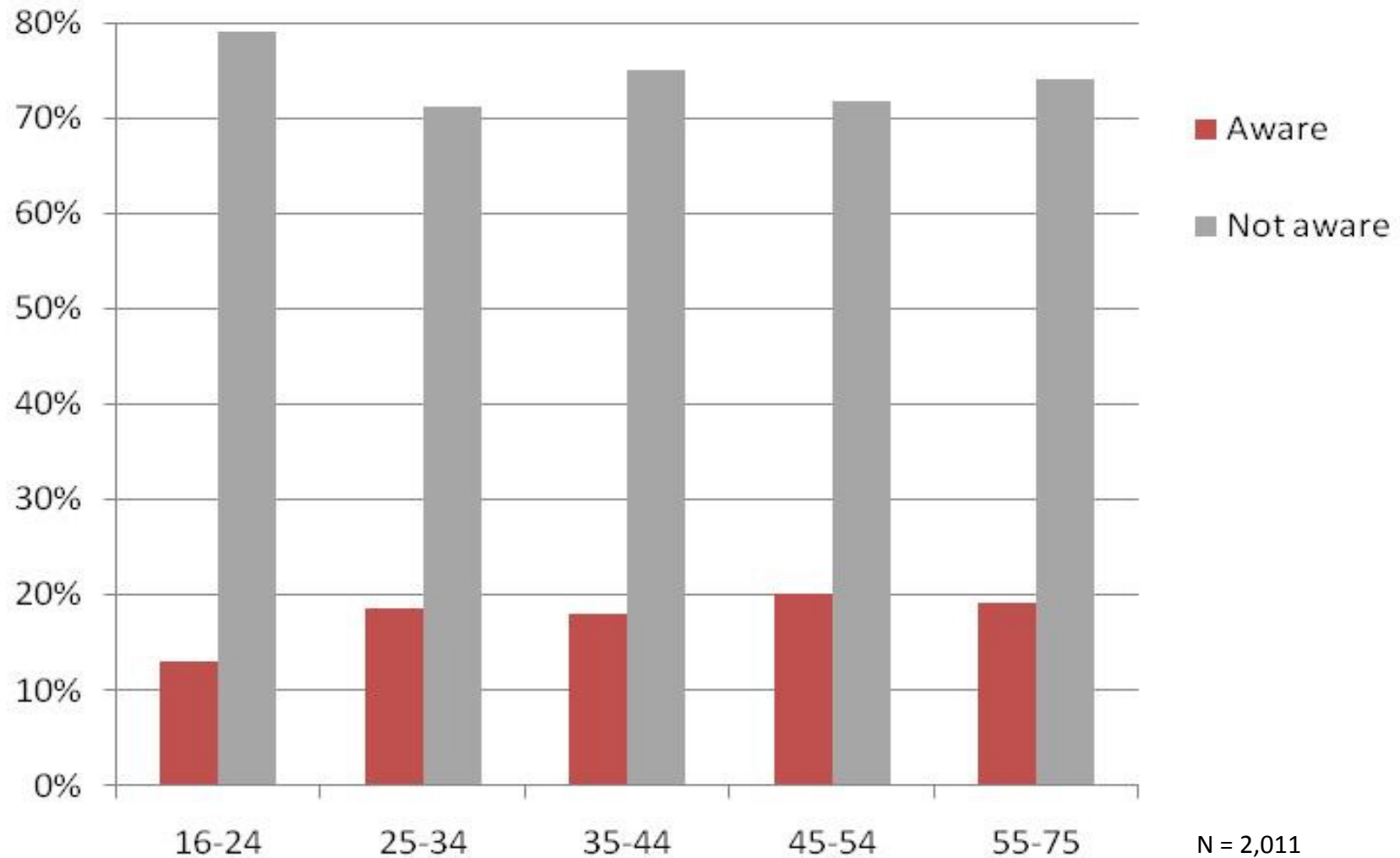
Q: To what extent are you aware of a credit union that you are eligible to join?

3.2 Awareness varies by region, and is at its lowest in East Anglia.



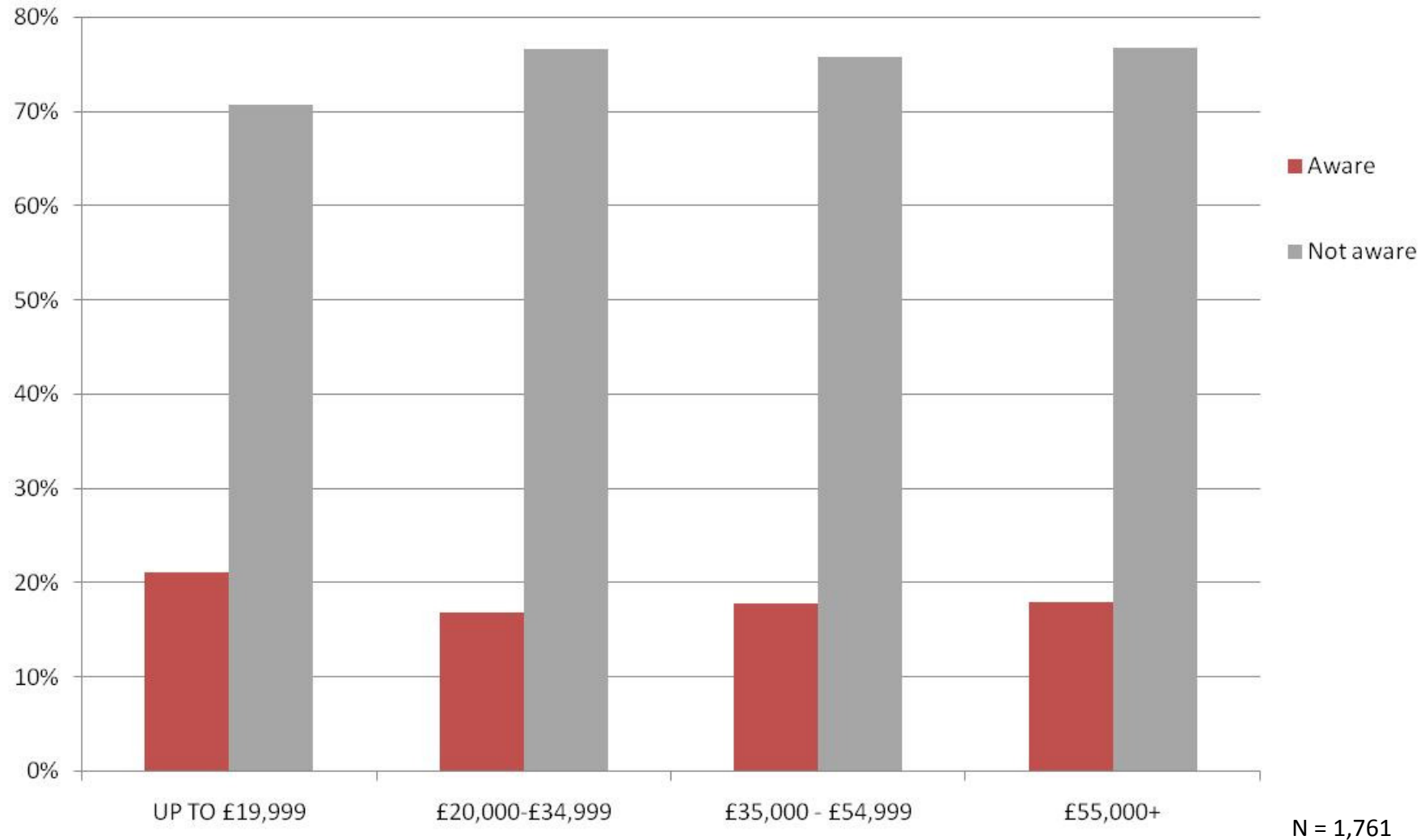
Q: To what extent are you aware of a credit union that you are eligible to join? (By region)

3.3 People under 25 are least likely to be aware of a credit union they could join.



Q: To what extent are you aware of a credit union that you are eligible to join? (By age)

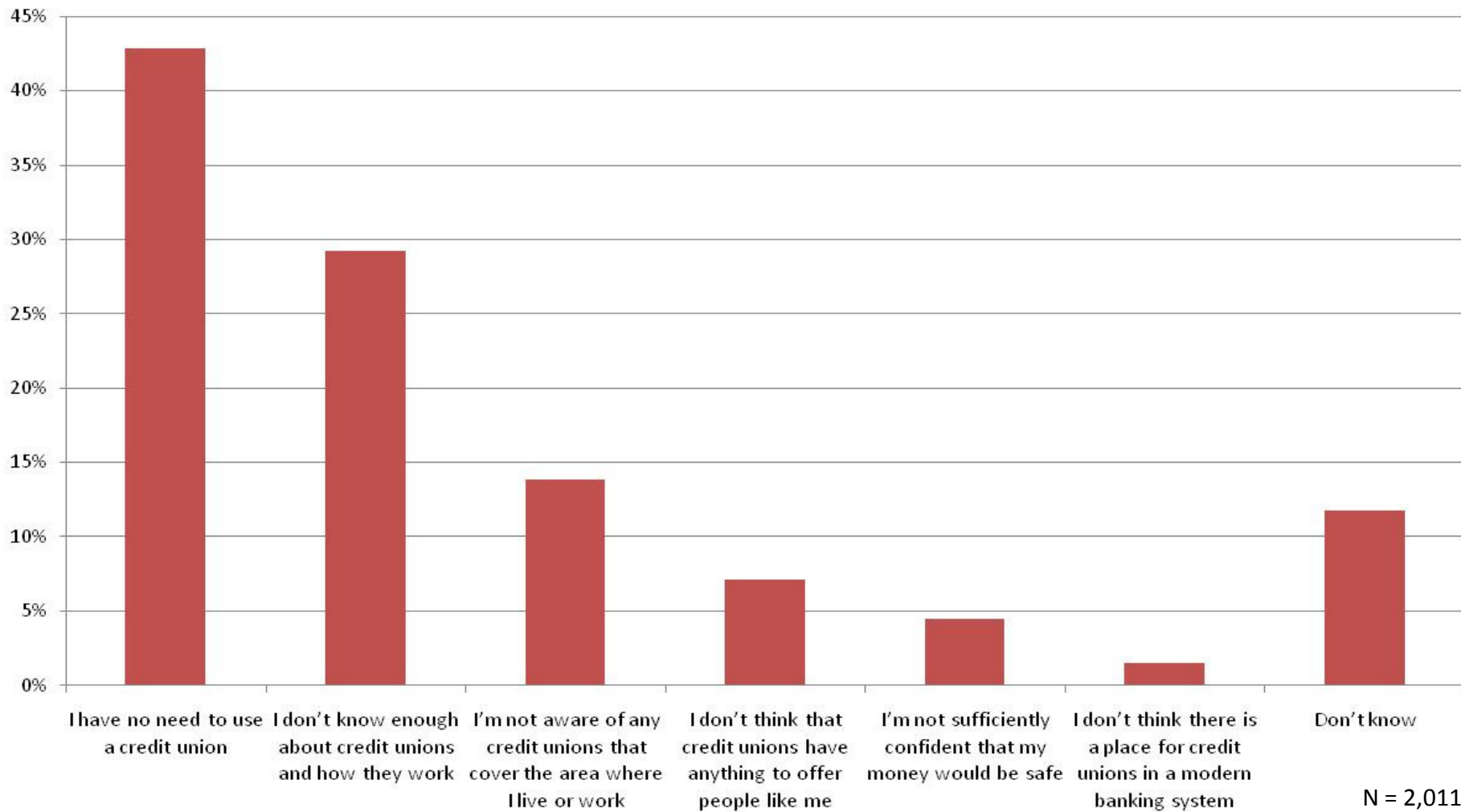
3.4 Awareness of eligible credit unions does not vary strongly by income level.



Q: To what extent are you aware of a credit union that you are eligible to join? (By income)

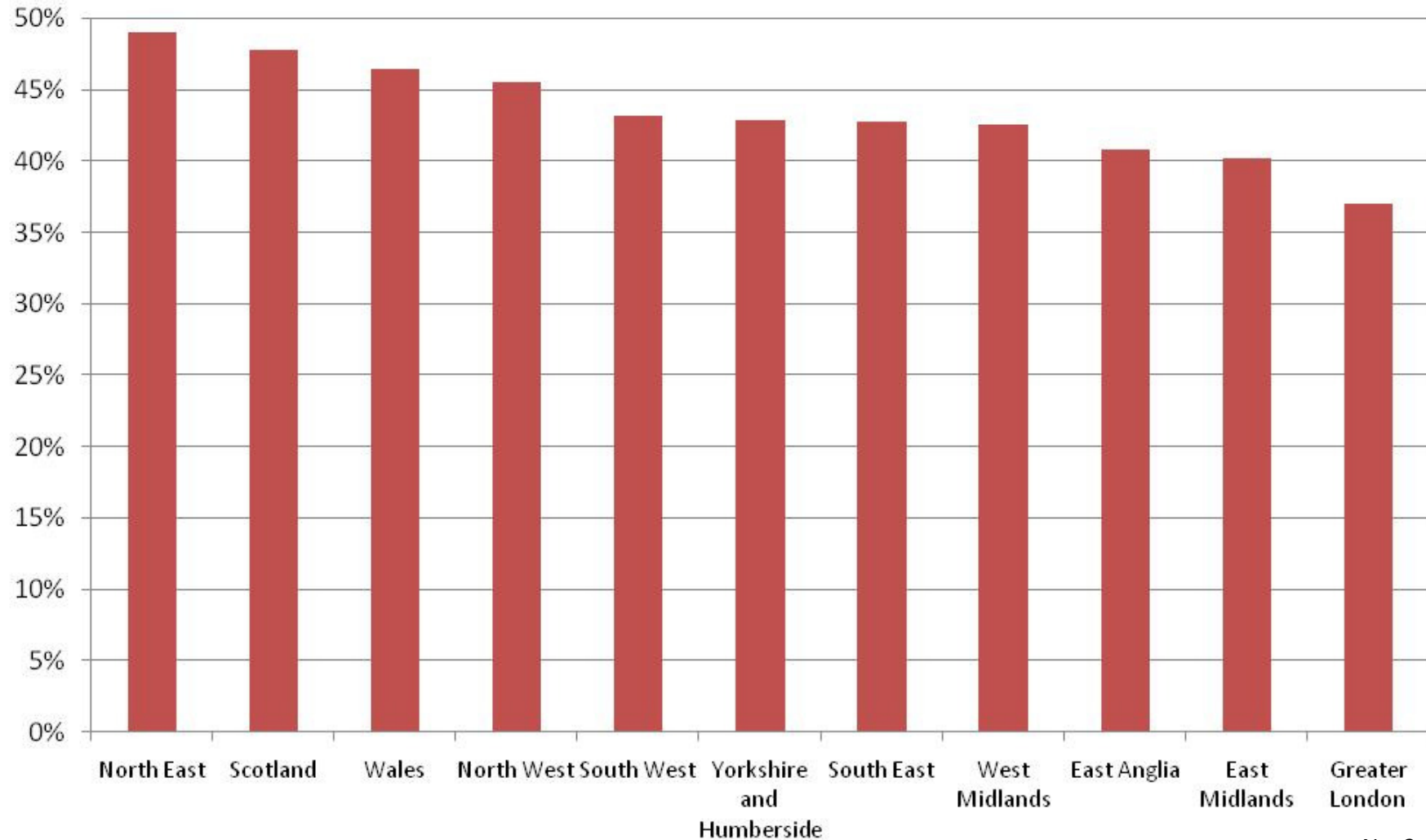
Church Urban Fund

4.1 Most people do not join a credit union because they feel they have no need to do so.



Q: Which, if any, of the following statements describe why you haven't joined a credit union?

4.2 Those in the North East are most likely to think that they do not need to join a credit union.

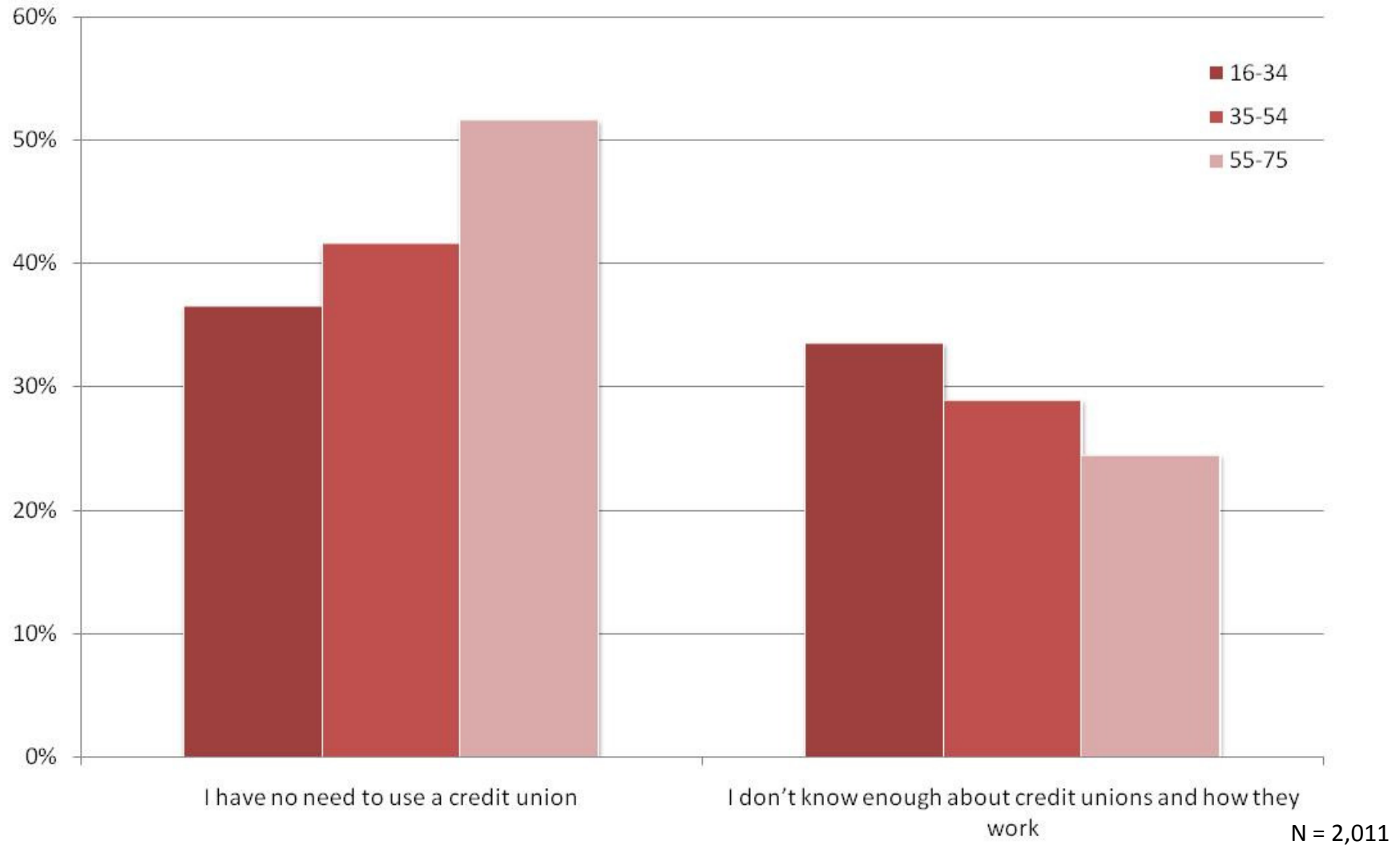


N = 2,011

**Q: Which, if any, of the following statements describe why you haven't joined a credit union?
(By region)**

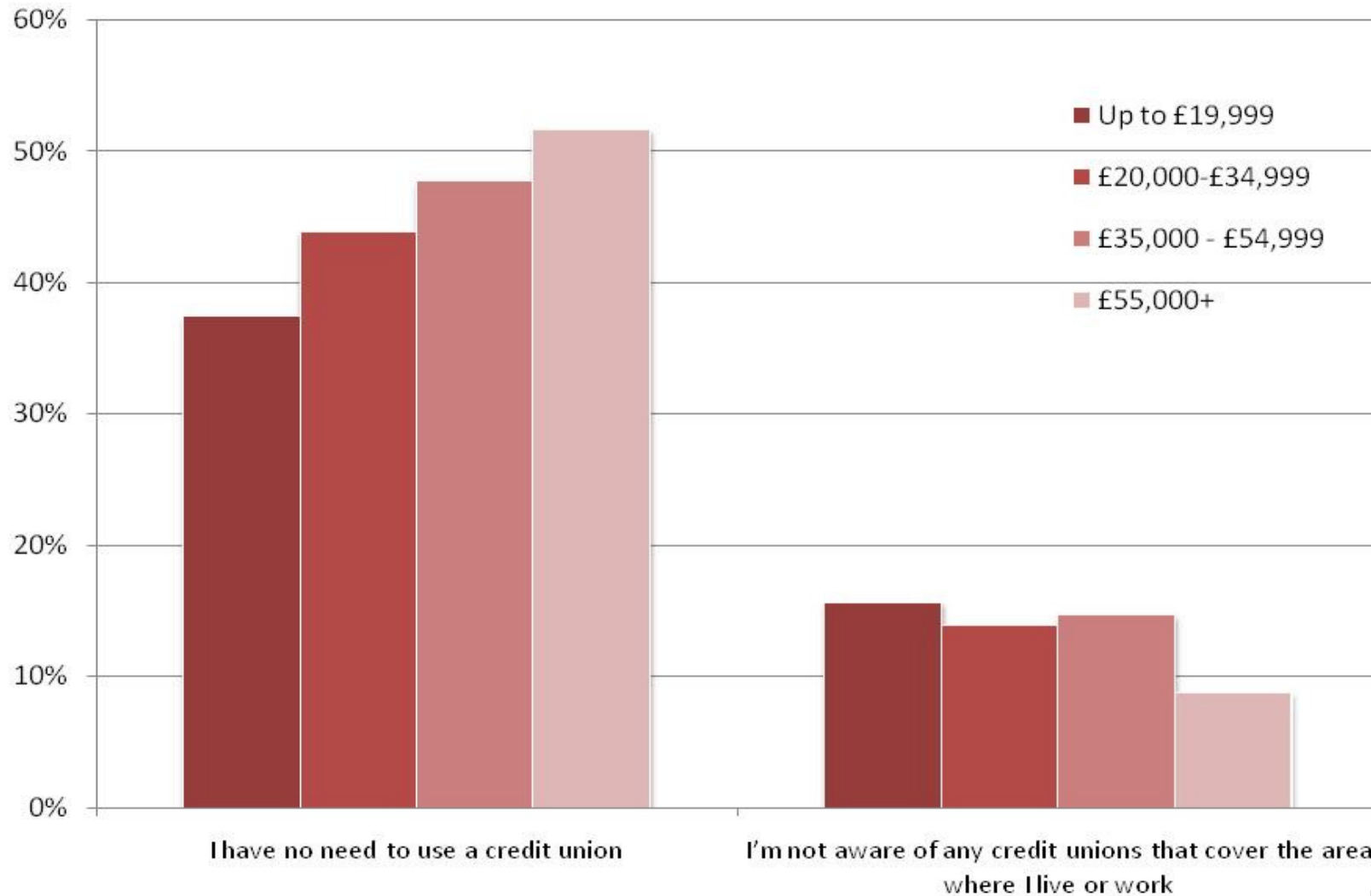
Church Urban Fund

4.4 A perceived lack of need, rather than lack of knowledge, is a barrier for those over 55.



**Q: Which, if any, of the following statements describe why you haven't joined a credit union?
(By age)**

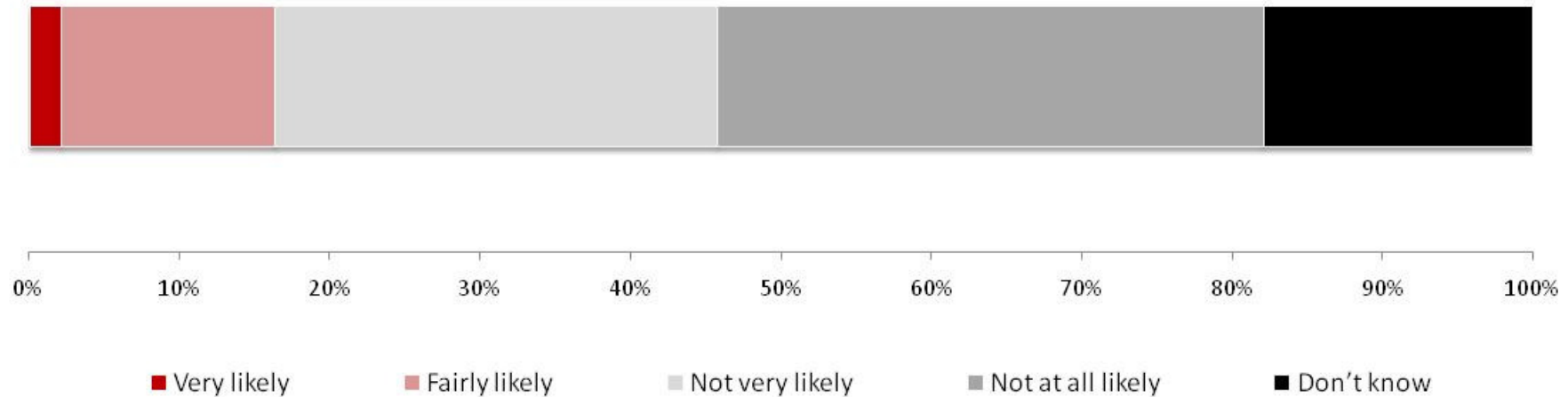
4.3 Over a third of those on low incomes also think that they have no need to join a credit union.



N = 1,761

**Q: Which, if any, of the following statements describe why you haven't joined a credit union?
(By income)**

5.1 Only 1 in 6 say they are likely to consider joining a credit union in the future.

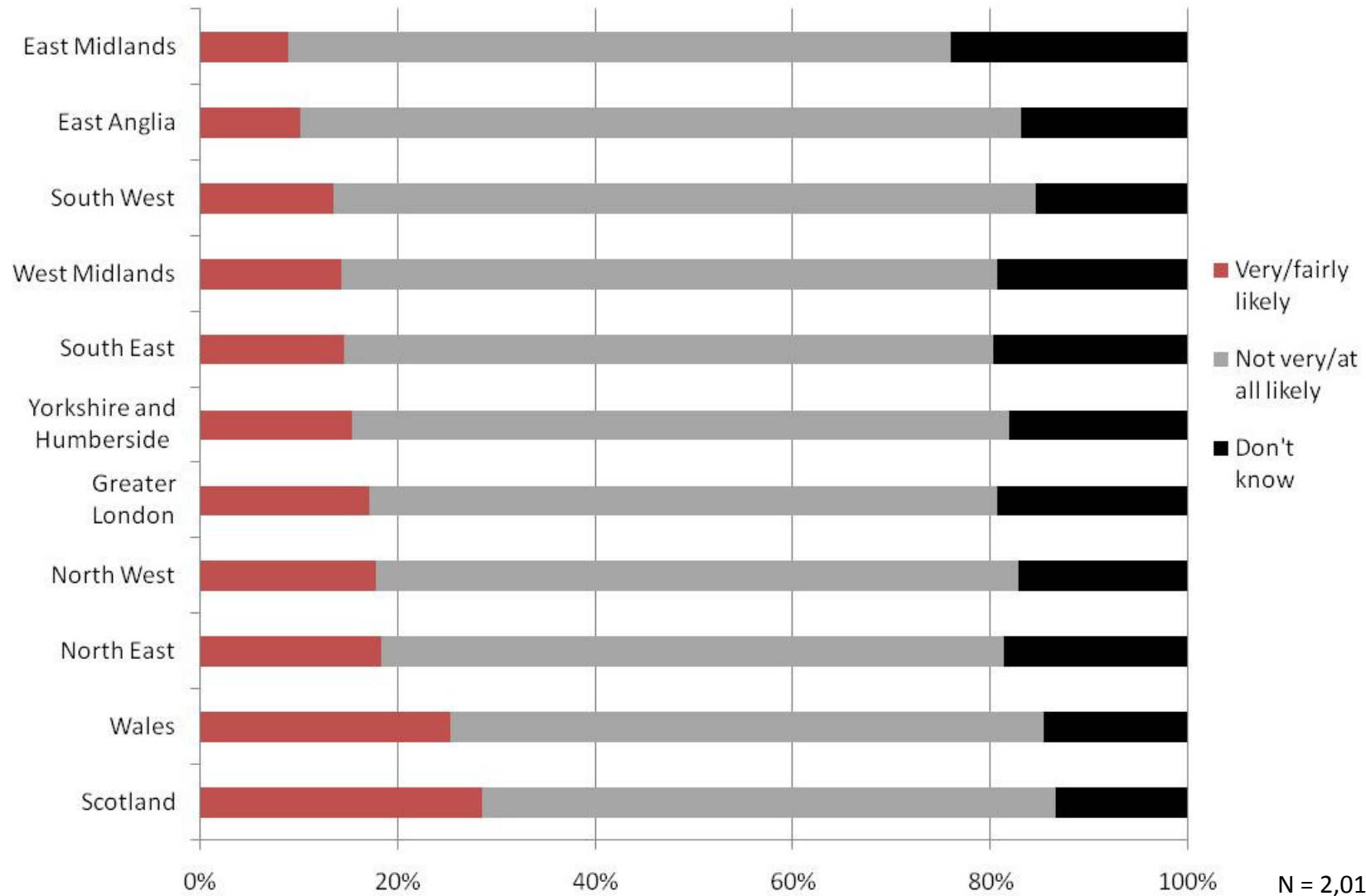


N = 2,011

Q: On balance, how likely is it that you personally would consider joining a credit union at some point in the future?

Church Urban Fund

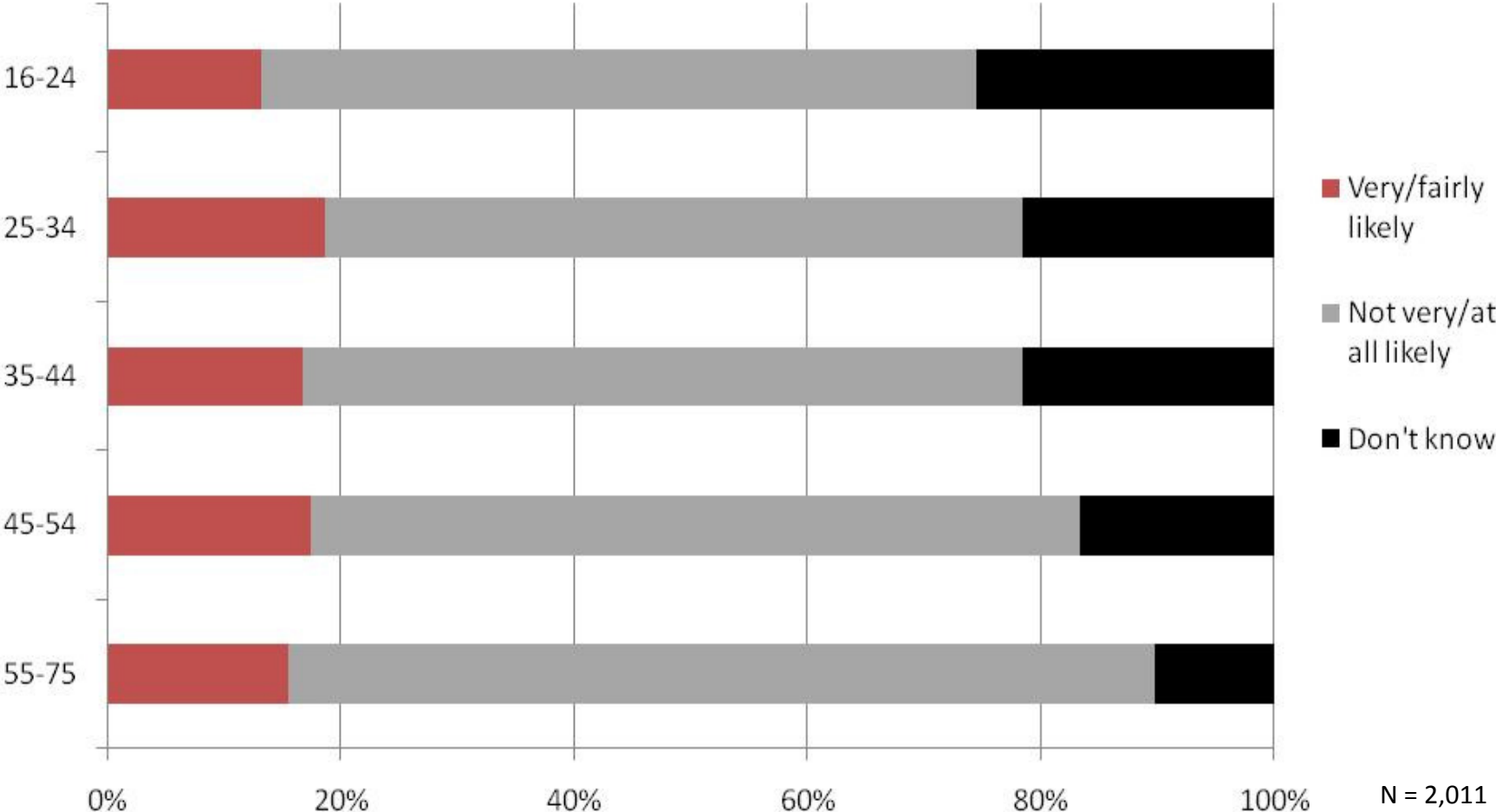
5.2 People in the East Midlands are least likely to consider becoming credit union members...



Q: On balance, how likely is it that you personally would consider joining a credit union at some point in the future? (By region)

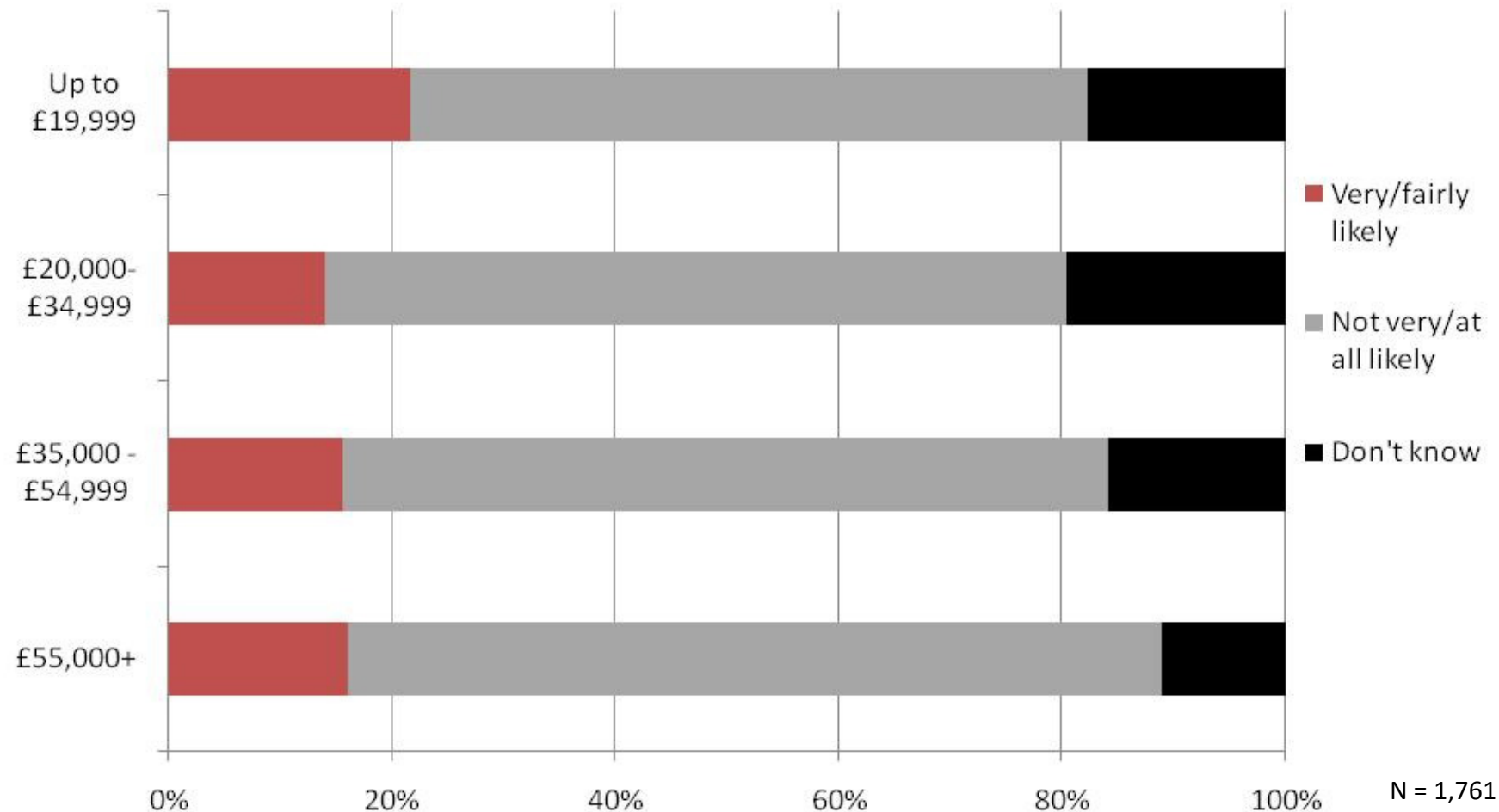
Church Urban Fund

5.3 ... as are those under 25.



Q: On balance, how likely is it that you personally would consider joining a credit union at some point in the future? (By age)

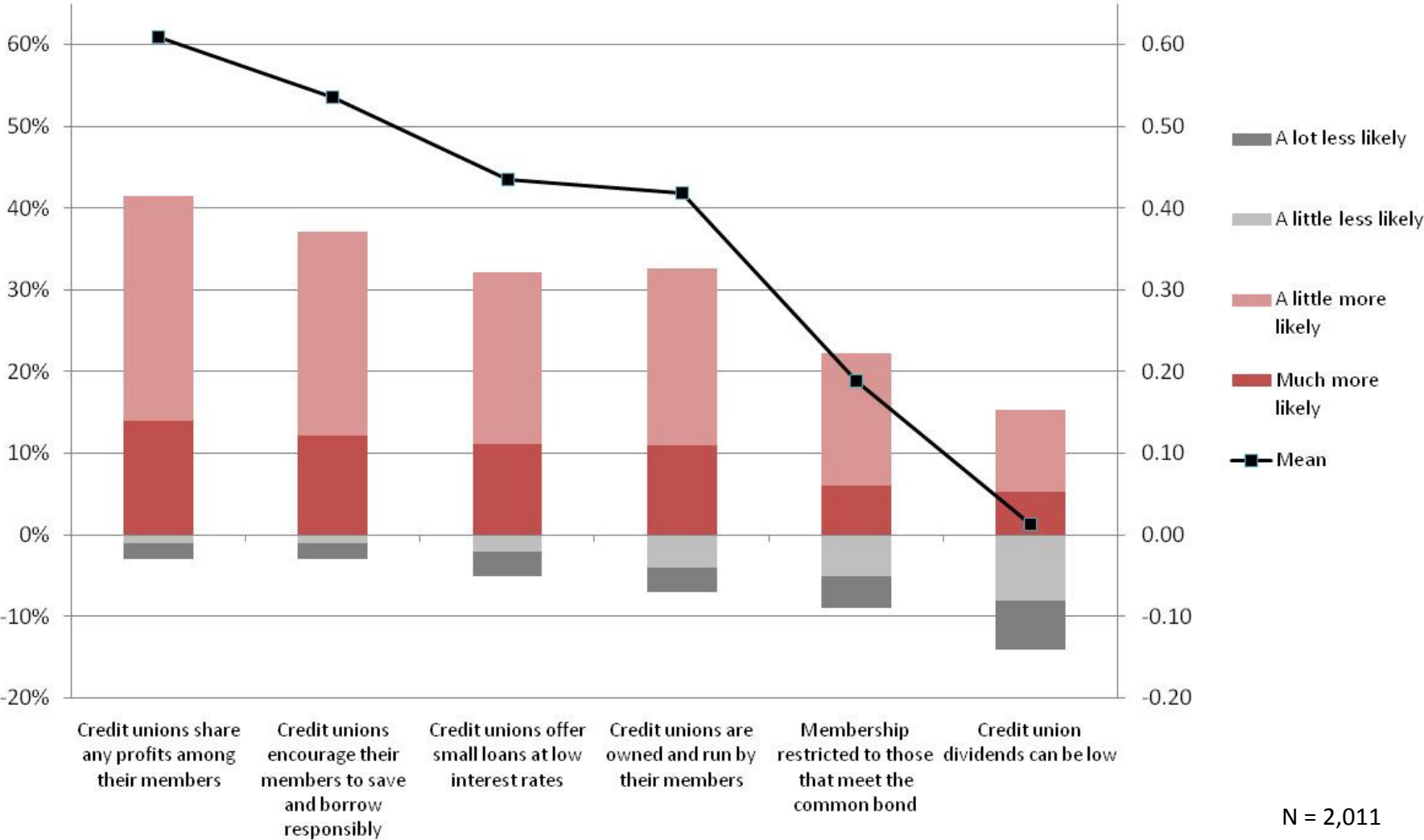
5.4 Those on lower incomes, however, are more likely to consider becoming a member.



Q: On balance, how likely is it that you personally would consider joining a credit union at some point in the future? (By income)

Church Urban Fund

6.1 The sharing profits among members and responsible lending are the most attractive features of credit unions.



Q: To what extent would the following features of credit unions make you more or less likely to join a credit union?

Church Urban Fund

www.cuf.org.uk/research

