

Today's Topic:

CEO Challenges in Driving Cooperatives in a Consumer-focused World

In our lust for more “consumers” have we lost sight of how “owners” secure our futures?



Can we easily identify our opportunities, and how we're different?



“WE’RE DIFFERENT! ACCEPT THIS BASED ON YOUR FAITH IN OUR IDEALS”

“WE’RE DIFFERENT! BELIEVE IT BECAUSE WE SHOW YOU HOW”

- ❑ What are the competitive differences at the core of our business model?
- ❑ How would you drive your differences as a competitive advantage?
 - Can we list 10 unique differences that might be candidates to emphasize in our business plans?
 - Given these 10 differences, how could we change our regulatory and share insurance environment?
 - Do we share these 10 differences, based on today’s credit union community and the diversity within our communities?

The screenshot shows the Investopedia website header with the logo and navigation links: Topics, Reference, Advisors, and Market. The main content area features the article title "What is 'Competitive Advantage'", followed by a paragraph defining competitive advantages as conditions that allow a company or country to produce a good or service at a lower price or in a more desirable fashion. Below this is a section titled "BREAKING DOWN 'Competitive Advantage'" which explains that competitive advantages provide an edge over rivals and an ability to generate greater value for a firm and its shareholders. It highlights that the more sustainable the competitive advantage, the more difficult it is for competitors to neutralize it. The two main types of competitive advantages are comparative advantage and differential advantage.

In trying to gain comparative *advantages* over banks, have we lost ground on selling our comparative *differentials*?

Where are we today?



HAS OUR FAITH THAT CONSUMERS WILL SEE OUR COMPARATIVE ADVANTAGES VS. BANKS LED TO OUR DEMISE?

- Are individual credit unions counting on their comparative advantages, or their differentials?

“Compared to a bank, I have these advantages...”



A reaction to this statement might be, “Then you’re just a better bank” (or more likely, “Not really”)

“I’m not a bank, and I do not compete with banks. I am a cooperative, completely different.”



A reaction to this statement might be, “Show me why I need a cooperative financial service firm”

- How do regulators/insurers help you succeed based on your *differential* advantages?
 - Should they? How would we start a collaborative project to ensure they do?
- How do trades help you succeed based on your *differential* advantages?
 - Should they? How would we start a collaborative project to ensure they do?
- How do vendors help you succeed based on your *differential* advantages?
 - Should they? How would we start a collaborative project to ensure they do?

It’s possible we have been forced into a box to compete on *comparative* advantages by the very people who should guarantee our *differential* advantages

Consider our tactics that prove we're different



DO YOU ENGAGE THEM? ARE THEY IN YOUR CONSUMERS' FACES?

- List 5 tactics you have engaged to show you are *different*, without saying you're just better at doing what banks do
- List 5 tactics you wish our network would add, so that we have a growing set of tactics for our future that prove we are different in a way that can't be denied?
- When you consider our system players:
 - List 3 tactics regulators/insurers could engage to help you succeed based on your *differential* advantages
 - List 3 tactics the trades could engage to help you succeed based on your *differential* advantages
 - List 3 tactics that vendors could engage to help you succeed based on your *differential* advantages
 - Do you believe they're even trying, or do we have to force their hands?

If you have 100 tactics to show you are *better* compared to banks, how many tactics do you have that show you're *different*, in a way that can't be denied?