

Case Study



CoVantage Credit Union

Flexibility of the Virtual Channel Improves Member Experience and Saves Staff Time

Taking advantage of the flexibility provided by Architect™: SDK from Fiserv, this credit union streamlined the marketing and loan application process for its holiday loan program. The result: cost savings, improved staff productivity and reduced time to apply.



Like many other financial institutions, around the holiday season, CoVantage Credit Union offers a holiday loan special. CoVantage's program is called Holiday Bucks, and it offers unsecured loans at low rates from November 1 through December 24 each year.

The program is popular among members, providing good loan growth for the credit union. However, beginning as early as September, members start to call to find out if CoVantage is offering the program and when it will be available. Fielding calls – as well as the big influx of applications that needed to be processed each fall – took its toll on staff productivity.

"Some years, it seemed to take up an enormous amount of staff time," said Melissa Wilhelm, online marketing specialist for the credit union.

Going Virtual

With a goal of improving the member experience and boosting staff productivity, CoVantage decided to transition as much of that loan volume as possible to its virtual



Client Profile

CoVantage Credit Union got its start as Antigo Co-op Credit Union in 1953 to serve the employees of the bulk oil plant for which it was founded. In 2001, the Antigo, WI-based community-chartered credit union changed its name, but not its focus on doing business for "people-not-profit." Today, the credit union provides a full array of financial services, including mortgage, business and consumer lending, to more than 90,000 members in northern Wisconsin and upper Michigan. It holds assets of \$1.4 billion and employs 370 staff members.

channel – both the application process and the marketing messaging. In the past, the marketing for Holiday Bucks had included traditional advertisements, billboards, social media, targeted emails and online ads, which always had a good click-through rate.

CoVantage is a longtime user of Architect, a single, end-to-end digital banking solution that gives financial institutions the control and flexibility to quickly respond to consumer and business needs. The Virtual Services team at CoVantage knew Architect: SDK would enable them to create exactly the member experience they wanted to provide.

The team built a virtual lending application that pulled member information from the account processing system. An authenticated consumer member could simply verify information rather than keying it in, reducing the time it took to complete a loan application from about 10 minutes to one to two minutes. The time to process an application also decreased – from 15 minutes to about five minutes.

The marketing team then changed the online promotion for the program to reflect the new, convenient application and started showing the ads the minute Holiday Bucks loans were available: November 1 at 12:01 a.m.

The credit union targeted the ads using criteria in the member profile, so once members had applied (whether denied or approved), they wouldn't see the ads anymore. The ads also presented options – apply, learn more, sign up, hide the ad permanently, or hide the ad for a predetermined amount of time – which gave members more control over what they saw.

More and Better Loans

The decision to move the loan program to the virtual channel proved to be the right one. In the first year, the credit union experienced a 30 percent year-over-year increase in loan applications. In 2014, it received \$3.1 million in loan applications. In 2015, that number climbed to \$4 million. And in 2016, it was \$7.2 million.

“And because we were no longer advertising in-channel to anyone who had already applied, the quality of the applications improved as well,” Wilhelm said.

In addition to saving time for both members and staff, the channel shift saved the credit union money as it no longer had to pay a \$4 per-application fee.

But the most obvious benefit was an all-around improved member experience. The credit union was no longer taking members outside of online banking, no longer asking for pages and pages of information that was already on file, and no longer marketing a loan to someone who had already applied for one, especially anyone who had already been denied.

In 2017, the credit union moved to Architect for its mobile app and now offers simple loan applications for mobile members as well.

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"By promoting and offering a simple, in-channel option, we saw a 30 percent increase in loan applications over the previous year in the first year alone. And because we were no longer advertising in-channel to anyone who had already applied, the quality of the applications improved as well."
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Melissa Wilhelm
Online Marketing Specialist
CoVantage Credit Union
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Connect With Us

For more information about Architect, call us at 800-872-7882 or visit www.fiserv.com.

Challenge

CoVantage CU wanted to improve the member experience and save staff time involved in its annual Holiday Bucks loan program.

Solution

The credit union decided to transition the application process as well as the program marketing to the virtual channel. Using Architect: SDK, the team built a virtual lending application that pulled member information from the account processing system. They also implemented targeted marketing that kept members from receiving marketing messages after they'd already applied.

Benefits

- Reduced time to complete an application from about 10 minutes down to one to two minutes
- Reduced time to process an application from 15 minutes down to about five minutes
- Saved about \$4,000 in application fees over two years
- 30 percent year-over-year increase in loan applications the first year, with increases every year since
- Improvement in quality of loan applications



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