

Digitized Card Origination Driving Business Growth

Case Study



23%

GROWTH IN RETAIL LOANS (2015-16)

3.5M

CREDIT CARDS IN USE

18,000

BRANCHES AND ATMS

\$100B

TOTAL ASSETS

ABOUT THE CUSTOMER

The customer is a large private sector bank in India with more than US \$100 billion in assets and a network of 4,000 branches and more than 14,000 ATMs. The Bank offers a wide range of banking products and financial services for corporate and retail customers through a variety of delivery channels and specialised subsidiaries in the areas of investment banking, life, non-life insurance, venture capital and asset management.

In recent years, the Bank has substantially strengthened its retail and rural business with robust growth in its retail loan portfolio. The Bank has a long track record of innovation using technology to enhance the services provided to customers.

BUSINESS NEED

In 2014, the credit card market was growing quickly in India, and the Bank wanted to expand their business by increasing the market share. However, the Bank's existing technology platform prevented them from launching new products quickly, automating processes to reduce costs and scaling up their card business. They needed to remove manual intervention in processes such as application processing, deviation/credit approvals and credit limit enhancements. The Bank wanted to put in place a seamless, workflow based on-boarding system with a robust risk management framework to support their future business growth.

\$45B



VALUE TRANSACTIONS OVER DIGITAL CHANNELS (2015-16)

34%



INCREASE IN CREDIT CARD RETAIL ADVANCES (2015-16)

30%



REDUCTION IN APPLICATION PROCESSING TIME (PLANS TO REACH 70% BY 2017)

1000



APPLICATIONS SOURCED DAILY (TO BE INCREASED TO 10,000 BY 2017)

10%



INCREASE IN CREDIT CARDS ISSUED (2015-16)

16%



INCREASE IN CREDIT CARD TRANSACTION VOLUME (2015-16)

SOLUTION

The Bank had a longstanding partnership with Nucleus Software, as it was using Nucleus' solutions for retail lending and transaction banking. Following a thorough evaluation of the available solutions, the Bank decided to use Nucleus Software's next generation lending platform FinnOne Neo, to manage its credit card origination process. The Bank chose FinnOne Neo due to its unique combination of advanced technology architecture, ability to support flexible workflows and comprehensive automation capability to meet its business objectives. The Bank knew that FinnOne Neo would provide them with faster go-to-market, easy maintenance and the ability to scale their business without worrying about technology.

RESULTS DELIVERED

With FinnOne Neo Customer Acquisition for credit cards, the Bank has been able to reduce the time taken to launch new products and on-board new customers faster and more efficiently. By automating this process, application processing time has been reduced significantly by 30%. Making use of FinnOne Neo's comprehensive credit risk assessment process, the Bank has been able to enhance operational efficiency and rapidly scale up its card operations without compromising on the quality of its credit portfolio. The Bank plans to increase the applications sourced per day to 10,000 by 2017. The Bank has also put in place a workflow based paperless origination process, which has reduced cost and enhanced productivity.

- Reduced time to market
- Auto allocation of applications to agencies
- Automated credit limit calculation and credit limit enhancement
- Workflow driven credit limit approvals
- Deviation management
- Rule based field investigation waivers
- Automated applicant check with major credit scoring systems
- Real time customer verification check from government system interfaces
- 360 degree view of complete application details
- Paper less origination process
- Robust multi-channel communication engine