



DIGITAL LENDING CASE STUDY

Core-Connected Technology Delivers a Full-Service Digital Lending Experience From a Mobile App

AT A GLANCE

CHALLENGES

- Obtaining loan funding quickly and securely.
- Accessing loans outside of business hours.
- The competition is getting better and is becoming less traditional

BENEFITS

- Quick access to loan funding.
- Increase decision turnaround.
- Improve document flow with the addition of eSignatures.



"The minor adjustment of taking our loan applications digital has made a major impact on our bottom line, it has resulted in a 61% increase in our loan portfolio."

YSEMNY ABOOD

CEO

[Local 804 Federal Credit Union](#)

OBJECTIVES

Local 804 found its loan portfolio at an all-time low (\$5.7 million). Total assets were increasing and their Net Worth Ratio was a healthy 23.12, but without the necessary interest income, Local 804 could find themselves facing financial difficulty before long.

SOLUTIONS

Local 804 knew they needed to offer their members a more convenient way to apply for loans. Adding a digital lending strategy that was natively integrated into the credit union's core system and mobile app were priorities.

When asked about the impact of offering digital lending solutions to their members, Local 804 CEO Ysemny Abood said, "The minor adjustment of taking our loan applications digital has made a major impact on our bottom line, it has resulted in a 61% increase in our loan portfolio."

BENEFITS

Paperless

No more paper applications and improved document flow by incorporating eSignatures.

Consistency

Digital platforms make a good first impression and offer the consistent experience members can expect to have throughout their relationship with your CU.

Cost

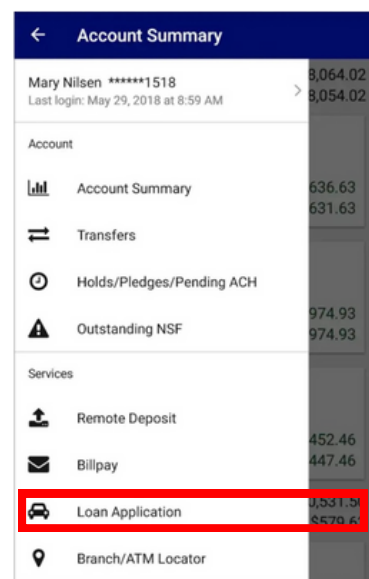
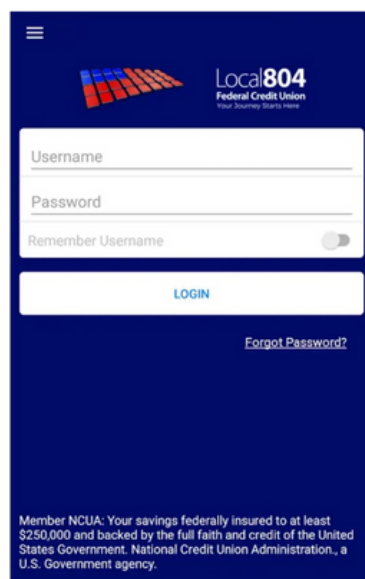
Decreasing time spent working on loan applications in-branch coupled with digital lending platforms has been shown to cut overhead costs by 30-50%.

Speed

Members can get an answer quickly after applying and your credit union can provide a seamless application and decisioning process.

LOCAL 804'S LOAN-TO-SHARE RATIO WENT FROM 50%, BEFORE IMPLEMENTING DIGITAL LENDING, TO 78% AFTER.

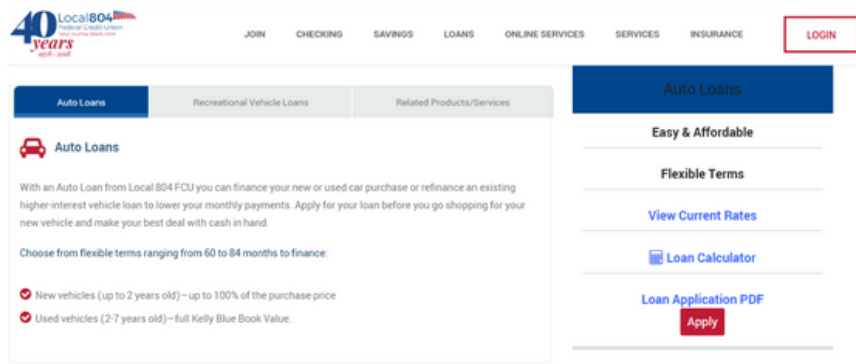
Local 804's Loan-to-Share Ratio directly reflects the success they are experiencing through their digital lending efforts. When asked about the excitement this has generated for the credit union, Abood shared, "We couldn't be happier about the success we've seen through offering our members more convenient ways to apply for loans. Many of our members have our mobile banking app and can apply through a channel they are already in."



The credit union offers both Apple and Android versions of their mobile banking app and both carry a similar user experience and functionality. "We found that offering loan applications in the main navigation menu of our app has generated good awareness of our loan suite. In a sense, it acts as a form of marketing to our existing membership which has played extremely well with our initiative of meeting our members where they are", Abood confided.

SINCE IMPLEMENTING DIGITAL LENDING, LOCAL 804 FEDERAL CREDIT UNION HAS GROWN ITS LOAN PORTFOLIO BY 61%

During this eye-opening experience, Local 804 decided to re-evaluate its member experience as it related to lending. They found that their current lending process was too cumbersome and required members to apply in-branch. They also discovered that most of their local competition was offering digital loan applications. "We realized that we needed to meet our members when and where they need us, not the other way around", Abood explained. "This meant taking our lending offers digital. We were expecting to see an uptick in new loans but we didn't expect it to happen as quickly or at the scale which it did".



Ysemny Abood, CEO

When asked about the increased efficiency of implementing digital lending, Abood explained, "Clearly our numbers show that we have been able to do more with less. To me, that's what technology is all about. We want to grow our credit union and we know that efficient technology coupled with capable employees will achieve this aim."

As a small credit union in a competitive market, Local 804 continues to add value to its membership by leveraging modern digital technologies.