

How can you make the loan application process quick and easy for your customers?

Barclaycard does this –
with the digital account check.

For its customer, Barclaycard, Arvato Financial solutions implemented the solution digital account check to fully digitize the checking process for online applications for instalment loans on the German market. digital account check retrieves online and in real time all of the account information required for the application. The result: A new, paperless credit product, with low processing costs and increased customer satisfaction.

↓ 01 Initial Situation

Until now, the process of applying for instalment loans was time-consuming for both the applicants and credit providers. Customers were already able to apply for credit online, but then had to follow this up by sending copies of their bank statements and other documents by post. The lack of connectivity between the online and physical parts of the process and the resulting waiting times had a negative impact on customer satisfaction and the conversion rate. This also involved a lot of work for the lenders as they would have to check all documentation manually in order to determine creditworthiness and the ability to make repayments. As a result, the full potential of online granting of loans was not fully exploited.

↓ 02 About Barclaycard

Barclaycard is the brand for flexible payment and financing solutions in the German private banking business. With more than 1.9 million credit cards issued, the direct bank is one of the leading credit institutions and has more than one million customers, served by around 650 employees. Barclaycard celebrated its entry into the German market in 1991. Their key selling point: the credit card. Since 2008 the financial institution has also offered consumer loans. With the introduction of the Barclaycard Express-Kredit, the company was the first financial institution in Germany to offer a credit product with a completely digital application process. Internationally, Barclaycard has over 12,000 employees and more than 30 million clients, and operates in 20 countries.



The Results

For the credit provider

- Increase in rate of loan applications completed
- Reduction of processing costs due to a faster credit decision
- Increase in acceptance and completion rates
- Digital account analysis for creditworthiness and ability to make repayments
- Comprehensive risk assessment in real time
- Completion of the digital credit process

For the applicant

- Shortening of the loan application process from 5 days to under 30 minutes
- Faster transfer of funds
- Convenient, paperless, digital loan application



↓ 03 The solution and how it works

To optimize the loan application process, Arvato Financial Solutions implemented the digital account check at Barclaycard. Applicants can now easily log into their Barclaycard website from the comfort of their own home, using the login details of their online banking account. By granting consent, the customer allows Barclaycard one-off access to their account, to facilitate a fully automatic online assessment of the data relevant to the credit decision. The account access data is then deleted.

↓ Digital account analysis

digital account check performs a digital account analysis in line with a set of basic rules previously agreed with Barclaycard. All relevant information about the applicant can then be collected from the bank and subsequently aggregated and assessed. Barclaycard is then provided with the result of the analysis, which automatically includes data from all sources such as external creditworthiness. Data protection requirements are fully complied with. Thanks to flexible interfaces, digital account check is integrated seamlessly into the existing application process.

↓ Risk assessment in real time

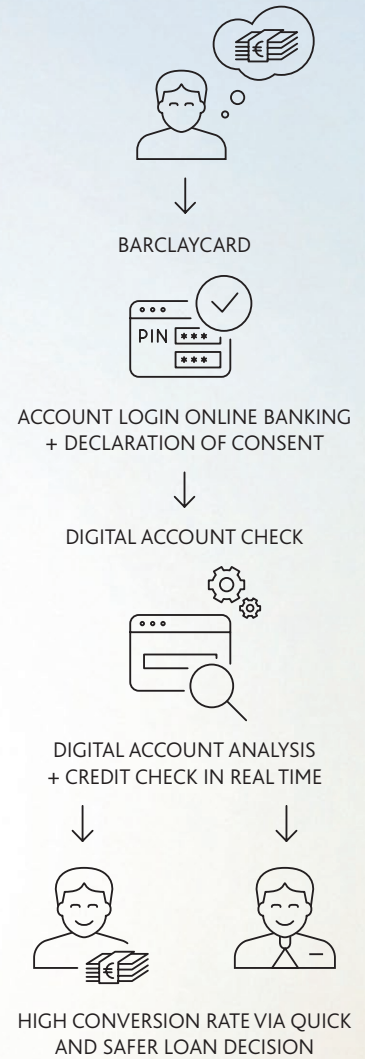
This allows Barclaycard to carry out a comprehensive risk assessment in real time and through the online analysis of the current account, the results of which can be afforded the same status as the information available from the main bank. It examines the creditworthiness and ability to make repayments in the loan application process by means of an online budget calculation, and determines the liquidity indices and possibility of default. digital account check enables plausibility checks on income and expenditure to be made, while preventing fraud, such as the falsification of bank statements.

With the help of digital account check, Barclaycard has introduced a new, completely digital credit product. Customers are no longer required to submit any necessary documents by mail, which previously would have had to be checked manually. In this way, Barclaycard is able to deliver its customers a convenient and fast loan application process, resulting in a higher conversion rate.

»With the digitization and streamlining of the application process, we have significantly reduced the time it takes for a decision to be made. For us, digital account check was the missing piece of the puzzle which has enabled us to deliver a fully digital credit process. We are consequently expecting a significant increase in the number of credit agreements.«



Thomas Mörchen
Head of Product Management Loans & Deposits,
Barclaycard



Our Services

- Seamless transmission of online bank account information and analysis in the ongoing application process
- Integration of external credit rating information
- Definition and integration of basic rules
- Many years of expertise in the field of credit application

Do you have any further questions? Please feel free to contact us.

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