



Lending Volumes 4X thru Omnichannel Customer Experiences

AdalFi is a Digital Lending fintech which aims to unlock credit for Consumers and Small and Medium Enterprises (SMEs). AdalFi's platform delivers AI based proprietary credit scoring and pre-built digital customer journeys that integrate within the tech stack of AdalFi's lending partners.

AdalFi's revenue model is based on revenue sharing from loans scored and disbursed using its platform. The primary lending partners of AdalFi are traditional commercial banks who are seeking to cross-sell asset products to their deposit account customers.

AdalFi is thus able to identify a known prospect population (the credit scored pre-existing customers of its partner banks). The key challenge was Customer Activation: engaging the prospect population via digital marketing and ensuring smooth execution of the digital customer journeys resulting in loans disbursed.

AdalFi worked with Techlogix to implement MoEngage, an omnichannel Customer Experience Management platform, which gave AdalFi the ability to reach out to prospects for conversion, to track every step of the digital customer journey and to rapidly iterate the customer experience to improve loan completion rates.

Customer

Adal Financial

Industry

Financial Industry

Offering

Digital Experience

About the Client

AdalFi is a venture backed digital lending fintech with an innovative credit scoring and digital lending platform. AdalFi has partnered with 15+ banks to date and enabled its lending partners to give out 350,000+ loans over the past three years.

The Challenge

AdalFi faced a challenge: having signed its first partnership with a mid-sized bank to enable lending to an existing 1.5 million customers, AdalFi needed to show its partner an ability to convert prospects into actual loan borrowers.

The AdalFi team had built a digital customer journey and integrated it with the Core Banking system of its partner bank to enable instant disbursement of loans into customer accounts. This 60 second origination + disbursement journey had been a key selling point for AdalFi in signing up its bank partner. The Bank's digital team and the AdalFi product team had spent several months in designing a journey that had received excellent reviews in testing with prospective customers.

Having gone live, however, the Bank and AdalFi were not seeing up the signup and conversion rates they had targeted. Too few customers were coming to the platform and, of the ones that did, too many were dropping off. Something was not quite right. The key challenge for AdalFi was understanding what was not working, why it was causing a problem and how to fix it.

At that point, AdalFi engaged Techlogix for a Customer Experience diagnostic to help solve the problem.

The Solution: Instrumenting the Customer Experience and rethinking outbound messaging

The Techlogix team quickly realized that the biggest problem facing AdalFi was a lack of information. AdalFi had enabled Google Analytics on its platform. But the only data AdalFi was able to capture was page views. What was missing were detailed analytics on customer journeys and the ability to understand and segment user behaviour based on their attributes (such as credit limit, products qualified for, length of relationship with the bank etc.) Although these prospect attributes were available, they were siloed separately from the Google Analytics data, and it was quite complex to match the two datasets.

Introducing MoEngage Omnichannel Customer Experience Management

Techlogix implemented MoEngage, an omnichannel CEM platform, that gave AdalFi two key capabilities:

- Instrumenting each step of the digital journey with custom events and properties to shed light on customer types and their behaviors

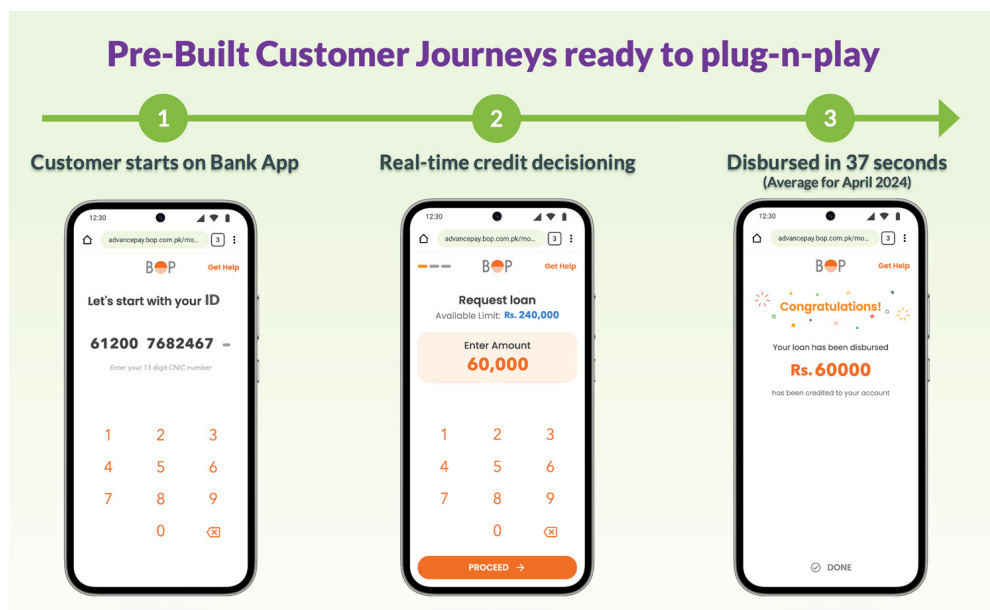
- Integrated outbound messaging with personalization and segmentation based on the instrumentation data

Instrumenting and redesigning the Digital Journey

As a first step, each pathway of the customer journey was illuminated with events captured in real-time which encoded attributes for the specific customer that was interacting with the digital app. This allowed AdalFi to understand exactly where customer drop-offs were occurring and for which types of customers.

For example, analysis revealed that prospects were disengaging on the page which showed the loan repayment schedule: there was a 17% drop-off on this specific page. The Techlogix Digital Team suggested that this page was unnecessarily complex and intimidating and proposed a redesign which simplified the information content. Since the change was very localized, the AdalFi team was able to deploy it within two weeks (after approval from the Bank partner). The results showed that the drop-off was reduced to 6%: an 11% improvement on that one page which resulted in a 4% improvement in overall loan completion rates.

Over the course of the next three months, the Techlogix and AdalFi teams worked together to understand differences in customer journeys based on segmenting customers by income, age, location, credit limit, credit score etc. This ultimately led to the development of three distinct customer journeys: first time borrowers, prospects who had taken at least one loan before and digital natives. Each journey had a different number of pages (step-by-step wizard-like journeys for first timers, more complex multi-input pages for digital natives), the messaging within each page had a different tone and emphasis and the branding was also subtly differentiated.



Each change was itself followed up with a rigorous analysis of outcomes in terms of engagement rates at each step of the customer journey. Ultimately, the two teams were able to achieve a 36% improvement in loan completion rates.

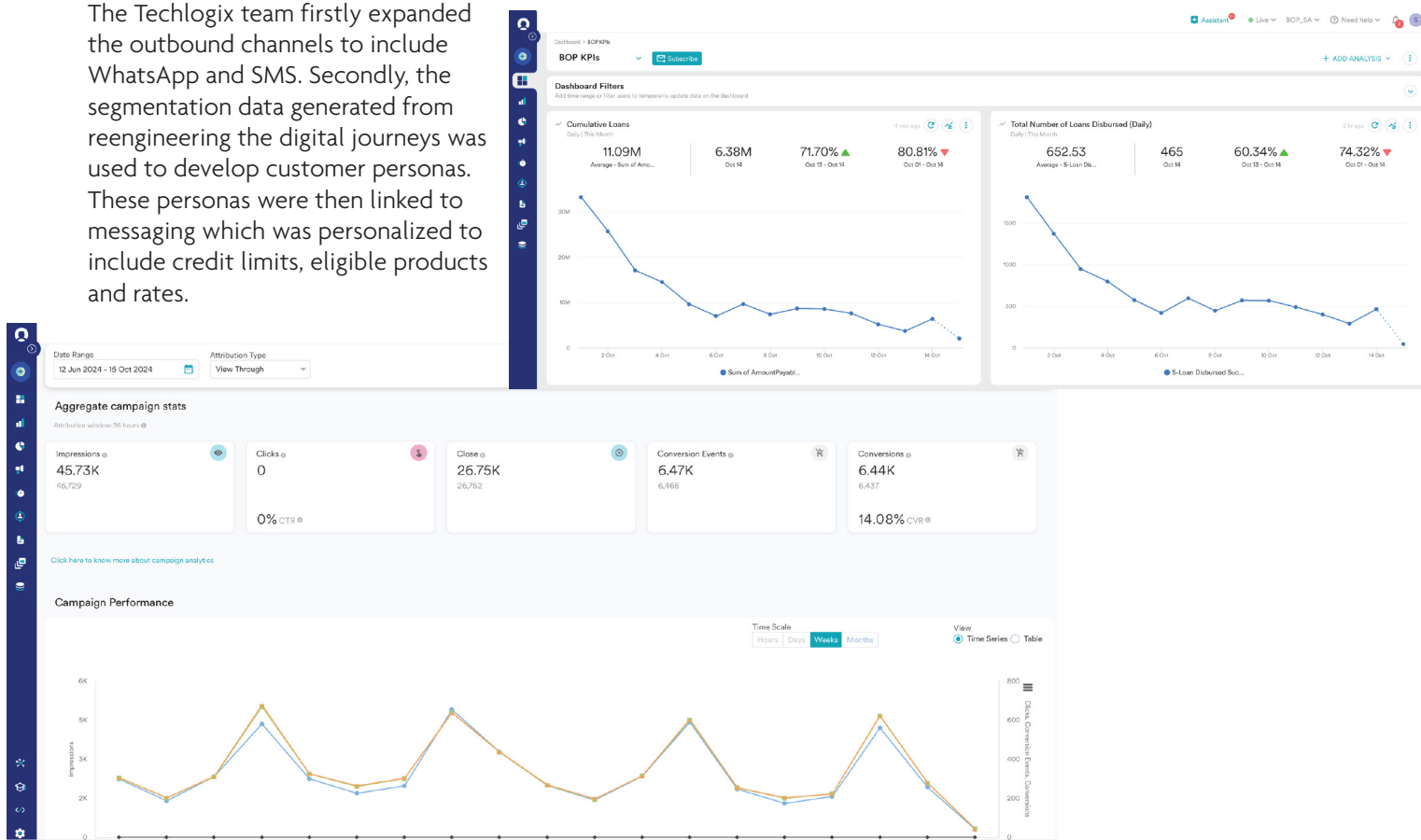
Rethinking Outbound Messaging

The AdalFi team had been using email as the primary channel for customer activation. However, the email campaigns did not make any substantive use of segmentation and went out on a fixed schedule with a relatively unchanged message and minimal personalization (only the name).

The Techlogix team firstly expanded the outbound channels to include WhatsApp and SMS. Secondly, the segmentation data generated from reengineering the digital journeys was used to develop customer personas. These personas were then linked to messaging which was personalized to include credit limits, eligible products and rates.

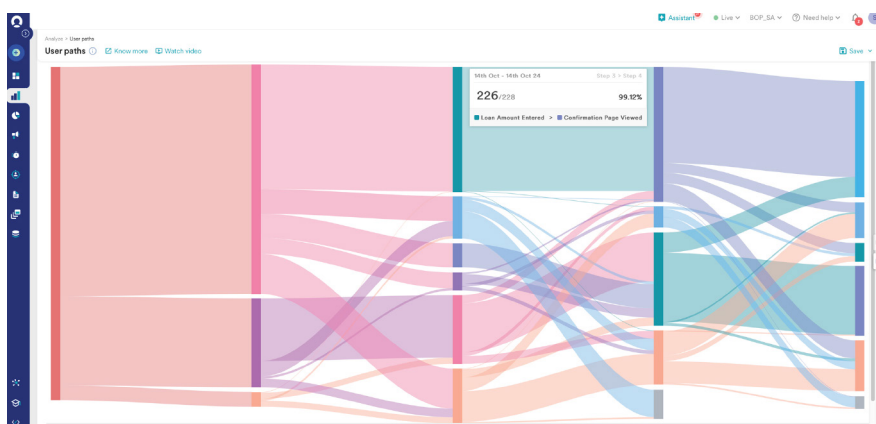
The outbound campaign cadence was completely rethought with an RFM (Recency, Frequency and Monetary) model to drive the level of engagement. This allowed AdalFi to engage with prospects in a way which matched the expected return.

Finally, the Techlogix team implemented MoEngage flows: messaging that was triggered by customer events. For example, drop-offs at particular stages in the customer journey would trigger an automated, personalized message encouraging the prospect to complete the journey. Flows had an immediate impact: the drop-off rate was reduced by 8%.



Conclusion: Expanding Loan Volume by 4X

A seven month journey undertaken by AdalFi and Techlogix led to a massive increase in initial customer engagement and a 44% reduction in drop-off rates. Over the course of next 12 months, AdalFi was able to expand its monthly loan volumes by 4X compared to the previous year. This led to a significant expansion of partnerships for AdalFi as it signed up another five banks as its lending partners based on the rapid growth and significantly improved outcomes.



“MoEngage has been a transformative addition to our technology stack. Our ability to understand what our customers do and to engage with them accordingly has completely changed the way we do business. The Techlogix team had a deep understanding of both the MoEngage platform and the business context of the Financial Services Industry and delivered extraordinary value as a consulting partner.”

Kaukab Raza Kazmi
Product Lead

Financial Services

www.techlogix.com/financial-industry-solutions

Techlogix implements mission critical systems and digital experiences for clients in the financial services industry focusing on Commercial and Microfinance Banks. Our implementation portfolio includes Core Banking, Compliance and Risk, Digital Banking, Customer Experience, Fraud and Identity Management, and Data Analytics & AI. We provide Application Management Services for these solutions with both onsite and offsite models. We also implement BPM and workflow optimization solutions which automate and improve operational processes within financial institutions.

Contact

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About Techlogix

Techlogix is an IT services, consulting, and business solutions company that helps its clients use innovation and emerging information technologies to digitally transform their business. Our globally distributed development teams build high performance solutions leveraging our practice-specific delivery methodologies. Our people combine the spirit of engineering excellence with a strong commitment to deliver a delightful end-to-end customer experience. Techlogix employs approximately 600 people in 6 delivery centers worldwide.

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