

WHITE PAPER: CREATING A VIRTUAL PRESENCE

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The opportunity

As broadband becomes more prevalent the need to have a solid internet presence is more important than ever. It is estimated that 50% of US citizens have some type of broadband internet connection. 53% of people in the US have used online banking at some point. Wi-Fi locations are on the rise. Mobile internet appliances and smart phones are increasingly becoming the choice of more people. Electronic content is also growing every year. CD sales are down nearly 30% due to iTunes and video is expected to be the next medium to move to the internet. Social networking is also on the rise and most people have used Google to find something. We're spending more and more time online and this will certainly continue to grow in the next five years.

Industry background

The small loan industry (including consumer finance, payday loan and mortgage companies) has typically operated as store-front businesses. The customer would respond either to a direct mail flyer, print advertisement or signage and walk into a local branch to apply for a loan. In the consumer finance industry, most companies built their lending model and software systems around this type of behavior. Existing customers have historically made their payments in person. This provided an opportunity to solicit credit worthy customers for additional finance opportunities.

Many things are changing in our society today, things that threaten the long-term viability of the store-front model. First, direct mail is becoming less and less effective. Most people are inundated with junk mail, email solicitations and television advertisements. If you get 2% return on a direct mail campaign in today's marketplace that is considered a success. As fuel prices rise, customers are finding it more costly to come into an office and make payments in person.

Automating the process

In order to improve the customer experience and speed up the process, you need the right tools. First and foremost, you need a secure method of receiving loan applications via the internet. Then you need the ability to automatically retrieve the credit report and render a timely decision to the customer. Once the decision has been rendered, you need to originate the loan and produce the loan documentation. Upon acceptance of the loan terms by the consumer, the loan information must be transferred to a loan servicing system.

The Kwik-Loan Solution

Kwik-Loan solves this problem with a comprehensive software solution that handles all aspects of the loan process from application to servicing. The Kwik-App and Kwik-Dealer modules handle the entry of consumer and dealer loan applications. Once these applications are submitted, Kwik-Decision takes over and renders an automatic decision (approved, denied or pending) to the applicant. Manual decisions on pending applications can be rendered via the Kwik-Manage module. Once a loan has been approved, the documents can be produced and transferred electronically for customer acceptance. Then they may be transferred to a 3rd party LOS system via Kwik-Connect or automatically completed within the EnCompass SAAS solution.

About Compass Technologies

Founded in 1999, and headquartered in Buford, GA, Compass Technologies is an established leader in providing a total loan software solution to the loan industry.