



Major Car Brand Takes the Hassle Out of Auto Financing

EXECUTIVE SUMMARY

Business Objectives

- Improve signing experience
- Ease the burden on processing teams
- Alleviate end of month process bottlenecks

The Challenge

- Customers spread out across large distances
- Incomplete documentation forces customers to revisit their applications

The Solution

- OneSpan Sign integration with the Pega Platform

The Results

- Convenient for customers
- Easier for dealerships
- Accelerated processing times by up to 70%
- Reduced error reworks
- Improved compliance
- Reduced risk with robust audit trails

This leading automotive financier saw massive productivity gains by cutting processing times by up to 70%

Moving from complexity to simplicity is a daunting challenge that requires effort and persistence, but if properly achieved, can yield significant benefits. This is what led the Australian financial arm of one of the most prominent auto manufacturers in the world to leverage OneSpan Sign and Pega as an integrated solution, enabling seamless digital workflows and simplifying their client experiences.

Through a network of hundreds of dealerships across Australia, this auto financier offers car loans to consumers and commercial customers. Changes in the Australian regulatory environment in 2018 as well as a broader drive towards greater digitization prompted an overhaul of the customer experience at the dealership locations.

Along with launching a new loan origination system, their product management team wanted to create a simple yet auditable way for customers to review and sign the right pieces of documentation from the comfort of their homes. By combining smart automation and business processes with electronic signatures, they created a purchasing process that was easier, more convenient, more secure, and less time consuming than ever before.

The Challenge

There is a cyclical nature to business at dealerships across Australia, with peak periods spiking at the end of each month. This created an operational bottleneck as each customer needed to sign a great deal of loan contract documents prior to the vehicle's delivery.

A typical loan contract packet would include application forms, direct debit consents, and other regulatory documents needed for compliance – all to be signed with ink and in person. It would take approximately an hour to complete and up to 17 hours in total processing time.

In addition, many rural customers were known to travel hundreds of kilometers to the nearest dealer. Any errors that were identified after their departure were notoriously difficult to get corrected.

To counteract the monthly contracting traffic jam and error-prone workflows, the project team agreed to implement and promote electronic signature for their loan contracts. Electronic signature enabled them to automate the enforcement of business rules to ensure all fields were completed. Furthermore, they could capture a more comprehensive audit trail of the signing process than was possible on paper.

Instead of putting their customers through the lengthy process at dealerships, they encouraged business managers to send customer contract packets a few days ahead of time for e-signature. This would allow the applicants to review the forms from the comfort of their homes and on their own time while alleviating the end-of-month paperwork congestion.

The Solution

The new experience needed to be more sophisticated than just the same manual in-person signing process turned digital.

Following an evaluation of the technology landscape, OneSpan Sign was selected as the preferred, white-labeled e-signature solution that could easily tie into Pega's cloud case management and sales automation platform.

With OneSpan and Pega, the workflows are smarter and better adapted to the customers' and business managers' needs, including tracking capabilities and sales dashboards.

The Rollout

After roughly 4 weeks of development, the new digital experience was ready to undergo a two-month pilot period.

The proof of concept involved a small internal sales team working with new and existing customers. The feedback from those familiar with the former in-person signing process was especially promising as many expressed the process was far more streamlined and easier to complete.

Following the success of the pilot, it was time to extend the new digital capabilities to the dealership network, starting with the signing of Australia's Privacy Act form during customer interviews. The development team later tackled the more complex workflows associated with signing loan contract packets.

From a change management perspective, a targeted rollout strategy was favored. The business managers' buy-in was essential for the success of the new experience, so on-site trainings were set up to run through real-life examples, allowing the business managers to test how the functionality would work from their end as well as the customers'.

By the end of the rollout, financing applicants could leverage multi-factor authentication to conveniently access their contracts on their own devices and proceed to e-sign them.



Early Results

Only a few months after the launch of the new digital experience in July 2020, the auto lending division in Australia was already signing 70% of all privacy consent forms as well as over half of consumer loan contracts electronically.

Today, once the customer e-signs their loan contract packet from home, the documents are immediately sent through to the settlement teams where metrics demonstrate a reduction of up to 70% in processing times - from over 15 hours on average down to only a few hours and in some cases, even less.

Moreover, by enforcing business rules throughout the signing ceremony, a large portion of the errors that created headaches for smaller dealerships are practically nonexistent. Once e-signed, business managers do not need to worry about downloading or scanning a stack of loan contracts. They can rest assured that the applications are filled out and signed compliantly.

Conclusion

Since the launch of the digital loan contracting experience across their dealerships, the auto financier has been growing rapidly, acquiring new brands and a larger customer base. The joint Pega and OneSpan Sign solution has the flexibility to scale out easily to ensure end-of-month bottlenecks are a thing of the past.

And this is just the beginning. The financing division sees an even larger opportunity to digitize and bring further simplicity to their complex commercial lending processes. Plans in the coming years include expanding into their fleet divisions as well as some in-life customer solution offerings.

About OneSpan

OneSpan helps protect the world from digital fraud by establishing trust in people's identities, the devices they use and the transactions they execute. We make digital banking accessible, secure, easy and valuable. OneSpan's Trusted Identity platform and security solutions significantly reduce digital transaction fraud and enable regulatory compliance for more than half of the 100 largest global banks and thousands more banks around the world. Whether automating agreements, detecting fraud or securing financial transactions, OneSpan helps reduce costs and accelerate customer acquisition while improving the user experience.

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CONTACT US

info@onespan.com

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