

Consumer Lending: Student Loan Finance

IMPLEMENT APPIAN, THE DIGITAL TRANSFORMATION PLATFORM™ TO STREAMLINE STUDENT LENDING AND DRIVE LOAN VOLUMES

- Streamline loan processes with a full spectrum of automation tools, from RPA to BPM to Case Management
- Rapidly introduce premium services including refinancing terms and loan consolidation options with dynamic contact center support
- Simplify targeting and selling with integrated data for customer segmentation
- Manage regulations holistically with a digital platform and integrated view reporting

THE STUDENT LOAN FINANCING MARKET IS BOOMING

With more than 20 million attending colleges annually and 60% of Americans dependent on borrowing for education, the lucrative student financing business is exploding.

Financial Institutions and reputed loan servicers are turning to digital platform technology that can deliver superior customer service to grow their share of the market. Proven technology can unleash the power to improve the complete lending process and drive operational efficiency.

This is a competitive necessity since FinTech companies have already entered the market and private lenders are poised to grow share. Newly emerged FinTech companies—such as SoFi—are already competing with deeper understanding of customer segments and by differentiating through services in Student Loan Refinancing, and then cross-selling multiple additional product lines.

Realizing that there is over \$1 trillion – and growing – in outstanding student loans, finance companies are seeking to address all facets of the opportunity: including financial literacy education, refinancing and consolidating loans, launching tools to help borrowers pay off the loans faster, and differentiating on the basis of enhanced personalized customer service.

SIMPLIFY LOAN PROCESSES, ATTRACT NEW CUSTOMERS AND STAY COMPLIANT

Student lending companies face significant challenges as they manage an increasing number of accounts:

- Growing monthly payment processing requirements present a huge burden
- Servicing mistakes impact efficiency and customer satisfaction
- Industry practices and regulatory demands create repayment challenges

And the challenges are escalating as student loan debt—both volumes and amounts—are quickly rising.

As the cost for higher education is rising, the demand for student loans is also on the rise. The Consumer Financial Protection Bureau (CFPB) reports that student debt is outstripping credit cards and auto loans, forming the second-largest source of household debt, estimated at \$1.45 trillion. This astronomical figure is spread across 44+ million students, with millennials accounting for 45% of the debt at \$25,000 per student.

THE SOLUTION: DIGITAL PLATFORM TECHNOLOGY CAN UNLEASH THE POWER TO TRANSFORM THE LOAN LIFECYCLE

With Appian, The Digital Transformation Platform™, loan servicers can address all facets of the student loan business.

Lenders can take advantage of increased visibility across all data sources to enable segmentation—from two-year associate degree candidates to those aspiring to earn an MBA or other advanced degrees—driving loan count and volumes. Loan servicers could target and capture segments with a compelling personalized value proposition, offering attractive interest rates, customized service, and dynamic call center support.

With a customer-centric segmentation approach and integrated third-party data—such as the latest FICO score—loan servicers can launch educational seminars to help borrowers overcome the financial literacy gap. Deploying a platform approach, lenders can also enable students to upload financial information and obtain customized lending recommendations.

With quickly available actionable information, lenders can send reminders when bills are due via personalized communication. Related timely information could include any refinancing and loan consolidating options, leading to satisfied and loyal customers.



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Finally, an integrated platform approach would also enable lending servicers to comply with all regulations holistically—and stay one step ahead of the regulators.

THE IMPACT: QUICK LOAN APPROVALS, ENHANCED SERVICING, INCREASED LENDING VOLUMES

Appian, The Digital Transformation Platform™, has the power to automate processes, improve regulatory compliance, and transform customer experiences—so the lending process is faster, easier, and more accurate.

Achieve a Comprehensive and Integrated View

Appian fosters personalized configuration, and enables upsell and cross-sell of related services. With Appian, lenders can implement processes to remediate issues identified during the data gathering and analysis phase.

Speed Up and Simplify the Lending Process

Appian assembles data from all sources into a comprehensive view, which can be easily modified. Consequently, lenders can expedite borrowers through the process to obtain student loans and provide faster access to funds.

FOCUS

Focus your efforts to meet all compliance challenges. With Appian, you can:

- Manage basic cases and more complex scenarios within the same process
- Create comprehensive views across events, departments, products and regions
- Conduct ongoing screening with reasonable review and escalation of exception cases

TAKE CONTROL

Take control of performance with the Appian application platform, a powerful yet easy to use platform for managing complex business processes.

Quickly build and deploy enterprise apps for:

- Customer Acquisition
- Compliance
- Customer On-Boarding
- Product Management
- Business Operations
- Integration with Fintech

PREPARE FOR THE FUTURE

- Pressure is mounting to deliver innovation in the financial services sector. Alleviate the pressure with Appian. Streamline operations, reduce costs, facilitate collaboration, and navigate change.
- Unify relevant information and systems to get work done with Appian. Achieve significant efficiency in work execution while leveraging your legacy IT investments.

Implement Holistic Compliance

Address the relentless pressure around compliance with Appian proactively and as part of the complete lending lifecycle. Appian's easy to build and change rules enable lenders to collaborate and manage simple or complex procedures across all business units and regions.

Foster Collaboration & Communication with The Borrower

Appian enables efficient yet flexible end-to-end loan process, including completing the application, submitting relevant documents—such as appraisal and title report—scheduling appointments with loan officers, ongoing communication, and finally closing the loan.

Launch Customer-Centric Apps at Light Speed

Customers demand and expect a seamless experience, so lenders must strive to deliver speedy customer experiences. By launching simple, user friendly apps on web and mobile devices, borrowers can apply online at the time and location convenient to them.

Improve Productivity and Efficiency

Digital tools can eliminate manual reports and enhance communication and transparency. Even though the extent of work may appear enormous early on, digital technology can make the entire process faster, easier, and more accurate.

COMPANIES FROM ACROSS THE FINANCIAL SERVICES SECTOR TRUST APPIAN:



Appian

Appian provides a leading low-code software development platform that enables Financial Services Institutions to rapidly develop powerful and unique applications. The applications created on Appian's platform help companies drive digital transformation and enables competitive differentiation. For more information, visit www.appian.com