



# How CAP COM FCU is Staying at the Forefront of the Digital Lending Revolution

## CASE STUDY

“With CUnexus, not only are we getting the best technology available today—we’re taking a huge step to position ourselves for future success.”

**Cliff Carignan**

Senior Lending Administrator, CAP COM FCU





**Established:** 1953

**Headquarters:** Albany, NY

**Asset Size:** \$1.6 Billion

**Membership:** 116,000

**Number of Branches:** 10

#### BACKGROUND

CAP COM FCU is a not-for-profit, member-owned financial cooperative based in Albany, NY, with 116,000 members. Established in 1953 for employees of the New York Telephone Company, the credit union, which holds \$1.6 billion in assets, offers a full range of financial services, along with award-winning customer support.

CUOneXus delivered a long-term solution to drive operational efficiencies throughout the lending process, while concurrently maintaining the highest quality experience for members and staff.

## The Goal

CAP COM FCU's over-arching goal was to ensure its continued relevance and dominance within the competitive financial services marketplace, where customers increasingly expect frictionless digital interactions across multiple channels. Operating at 105 percent loan-to-share, its focus was not exclusively on loan growth. Instead, the credit union sought to integrate the technology and channels needed to compete nationally on digital products, while still offering personalized local service and competitive rates.

"We wanted to make sure we never became Blockbuster when Netflix is setting customer expectations."

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# The Challenge

As CAP COM FCU’s leaders examined the lending technology solutions available on the market, they found a number of conventional programs that depended on standard application processes and direct mail promotions. But with a less than one percent response rate from these single-channel methods, it would be hard to justify an average cost of \$20,000 in postage alone for each pre-approval campaign.

CAP COM FCU’s leadership searched for a cost-effective pre-approval solution that integrated into the credit union’s existing loan origination system and promotional campaigns. They also sought a loan growth engine with an easy lending process and an omni-channel marketing platform to communicate offers across all delivery channels, especially through online and mobile banking.

## THE CUnexus SOLUTION

CUnexus partnered with CAP COM FCU to address the credit union’s short- and long-term needs, delivering:



Comprehensive prescreened lending, integrated into CAP COM FCU’s loan origination system



Perpetual loan approval, giving members instant access to loans, whenever and wherever



Personalized information for members regarding their loan options across all channels, from mobile and online to in-branch and by telephone



Reduced loan application and processing times, which improved the lending experience for members and processing capacity for staff

# Results

CAP COM FCU’s pre-approved loan system using the CUnexus platform launched on June 1, 2017. With promotions for auto, home equity, credit card, and personal loans, the automated loan system delivered stellar results.

CAP COM FCU Funded Loan Totals

● Without CUnexus ● With CUnexus

Fiscal Year	Summer (Jun-Aug)	Fall (Sep-Nov)	Winter (Dec-Feb)
2015	\$64,231,156	\$61,105,446	\$48,550,786
2016	\$59,732,677	\$66,231,694	\$66,641,887
2017	\$84,957,565	\$79,764,232	\$65,925,442

## Notable Funded Loan Growth



Summer 2016 to Summer 2017:  
**42.2% increase**



Fall 2015 to Fall 2017:  
**30.5% increase**

“With CUnexus, we finally found a lending platform that addressed numerous challenges, from simplifying the loan application process to delivering a consistent customer experience across every touchpoint. And we could easily overlay it onto our existing loan origination system!”

Cliff Carignan

Senior Lending Administrator, CAP COM FCU

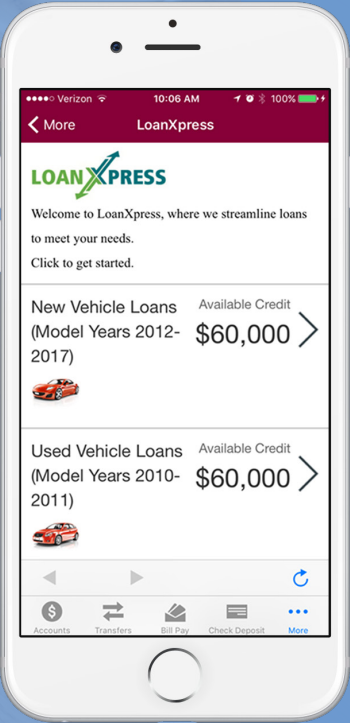


# Auto and Personal Loans With and Without CUneXus

CAP COM FCU’s branded LoanXpress product—powered by CUneXus’ technology—grew the institution’s YOY personal and auto loan funded totals within less than a year of deployment.

Institutions like CAP COM FCU traditionally see low funding rates for auto and personal loans in given months as a result of natural consumer buying cycles or lack of marketing investment for specific loan types at different points in the year.

But the perpetual access to pre-approved loans provided by the CUneXus solution enabled CAP COM FCU to present customized auto and loan offers to their customers anywhere, anytime without specialized marketing campaign investment.



## Personal Loans

Without CUneXus   With CUneXus

Fiscal Year	Summer (Jun-Aug)	Fall (Sep-Nov)	Winter (Dec-Feb)
2016	\$8,650,060	\$8,137,584	\$7,126,571
2017	\$12,835,675	\$10,904,667	\$9,922,947
% from LoanXpress	26.53%	20.55%	19.74%

## Auto Loans

Without CUneXus   With CUneXus

Fiscal Year	Summer (Jun-Aug)	Fall (Sep-Nov)	Winter (Dec-Feb)
2016	\$23,135,648	\$20,303,759	\$19,945,397
2017	\$33,927,217	\$30,638,077	\$27,537,035
Growth	46.64%	50.90%	38.06%



“Personal loans were flying off the shelf – and they were all for members with at least 720 FICO scores. People realized they could easily turn to us instead of using a credit card, and they’d probably get a better rate.”

Cliff Carignan  
Senior Lending Administrator, CAP COM FCU

# Improved Efficiencies for Staff and Members

The personalized, pre-populated screens generated by CUnexus significantly improved staff efficiency and shortened the time members had to spend on their applications.

Comparing pre- and post-implementation efficiencies for in-branch interactions revealed significant improvements.

Average time to introduce an approved loan offer by staff:	< 1 minute	
Loan applications generated in branch closing same day:	95%	
Average time for credit card applications:	9 minutes vs. 16 minutes	✓ 43%
Average auto loan time, from application to funding:	8 minutes vs. 40 minutes	✓ 80%
Average personal loan time, from application to funding:	10 minutes vs. 25 minutes	✓ 60%

“I just got a call from a member who had accepted a pre-approved personal loan for five thousand dollars on his mobile app. Reviewed the application, sold payment protection, had him docu-sign the forms, then posted, funded and boom! All done!”

CAP COM FCU front-line staff member, following roll-out of CUnexus loan platform

## CREATIVE IN-HOUSE PROMOTION BRINGS CAP COM FCU “BACK TO THE FUTURE”

The leadership team at CAP COM FCU was committed to ensuring staff members not only understood the new loan application platform, but also welcomed its use. Prior to the CUnexus roll-out, senior members of the team produced a fun and informative internal campaign based on the movie “Back to the Future.” They created a series of amusing short videos as in-house “teasers” for the new process, before introducing CUnexus services—branded as LoanXpress—in an all-staff meeting designed to entertain, inform and engage the staff.



The in-house campaign resulted in an enthusiastic buy-in for CUnexus from employees across the company.

“We wanted to make sure everyone understood the new process, and when staff saw that CUnexus was actually making their lives easier, they were completely sold.”

Cliff Carignan  
Senior Lending Administrator, CAP COM FCU

# Preparing for the Future

With the launch of LoanXpress, CAP COM FCU has future-proofed its lending strategy, empowering itself to:

**Stay at the forefront of digital innovation**

**Remain competitive with the largest national financial institutions**

**Increase loan volume, even in traditionally slow periods**

**Improve general operational efficiency**

**Significantly decrease loan processing time**

**Carry out its commitment to providing excellent member and staff experiences**

“Thanks to CUneXus, we’ve been able to drive digital lending innovations, while also significantly improving the customer experience—these are the factors we know will keep CAP COM FCU competitive over the long term.”

**Cliff Carignan**  
Senior Lending Administrator, CAP COM FCU

# Satisfied Members & Employees

**Comments from CAP COM FCU’s frontline staff, shortly after going live with CUneXus:**

“I just accepted a pre-approved offer for a member and it’s finishing processing now. Is that all I had to do? WOW...that was simple!”

“Just had a member call because she got a letter in the mail regarding our pre-approved loans. She wanted to know if it was a real mailer from us because it seemed too good to be true!”

“I got a call from a member whose roof has been falling apart and her garage roof already has leaks. She’s on a fixed income and works at a local jewelry shop. She called us because she got our pre-approved loan mailer. She asked for all my credentials because she said the offer had to be a scam. I said, ‘No ma’am, this is far from a scam.’ She called it a gift from God because she wasn’t sure if she could pull the money together in time to fix her roof. I worked with her for a while until we found an affordable payment. She has been a loyal member of CAP COM since 1977, even though she now lives in Plattsburgh. She wanted to cry when I told her we are here for her.”

“I had a member come in yesterday afternoon who works for a local bank in a management position. He had been contemplating buying a new car and got one of our letters saying he was already prequalified. He came in at 4:05 and left by 4:20 with a check in hand! He was very pleased to be a member of CAP COM FCU and said he does all his personal banking with us.”

“Wow! I just took a loan call for a member who was pre-approved for an auto loan. Danny was looking, however, to purchase a boat. In a 19-minute call, we discussed all of his options, including financing the full amount of the boat and additional equipment that he wanted to purchase. Danny agreed that a personal loan was his best option. He was hoping to have everything wrapped up by tomorrow and was pleasantly surprised to hear that his application would be completed in less than 20 minutes! This is a great method for improving the member experience! Thank you for bringing this project to fruition.”





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