

Case study: West Bromwich Building Society

Application processing times are
reduced with Authenticate Pro



West Bromwich Building Society, often referred to as the 'West Brom' is the 9th biggest building society in the UK and has achieved record financial results for ten consecutive years. Formed in 1849, it is one of the longest established building societies in the country. It has more than 600,000 customers and a network of branches, predominantly in the West Midlands, Shropshire and the Welsh Borders, and a contact centre located in west Bromwich. Its pre-tax profits were £41.1 million in 2007 and it now employs close to 1,000 staff.

The West Brom aims to deliver value to its members through higher savings rates, lower mortgage rates and professionally-qualified one-to-one advice. It distributes its products and services through 48 branches (primarily in the West Midlands), via telephone and across the internet.

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Andrew Appleby
Project Manager
West Bromwich Building Society

Situation

The West Brom recognised that more consumers are looking to the web to acquire new financial products and services and manage their accounts. As a result, the society recently launched an online savings account called WeBSave, its first fully-web based savings account. As part of the development work for this new product, the West Brom had to automate various processes that had been previously paper-based. One of these processes was identity verification.

Due to money laundering regulations enforced by the FSA, the identity of a customer must be confirmed before

an account can be opened. Checking paper proofs of identity, such as driving licence or passport, would have meant that this part of the process would have to be completed offline. West Brom felt that this was not appropriate as it would have delayed the account opening process and could have led to customer drop-offs.

Solution

In preparing for the launch of the new system, the West Brom investigated different electronic authentication solutions. After comparing two competing solutions, West Brom selected Authenticate Pro from Experian. Authenticate Pro was able



to demonstrate a higher match rate and a lower cost per match than the competing solution.

Another key factor was the work that Experian had previously done with Intelligent Environments (IE). IE provides a system called NetFinance, an e-business platform that enables customers to apply for products and manage their accounts online. Experian had already completed a successful integration of Authenticate Pro with NetFinance, which meant that the combined solution was risk free.

Results

Now, when a customer completes their online application form, Authenticate Pro automates the electronic identity checking part of the process. The software compares the data contained in the applications, such as name, address, date of birth and previous address, with the 1 billion records that Experian holds to verify consumers. It looks at the number of electronic records the individual can be matched against, how far back in time they go and the processes that were in place when the records were created.

The data is then analysed to identify potential fraudsters or high risk individuals. An authentication decision (Yes, No or Refer) is then given in seconds, with no need for paper-based proof of identity such as a passport or driving licence.

Andrew Appleby, Project Manager for WeBSave comments, "Using Experian, we have been able to streamline the customer application process and as a result we have started to see significant time and efficiency savings. Previously, it took us on average 26 minutes to process an account application. With help from Experian's authentication solutions we expect to reduce this to just three minutes."

These time savings are particularly useful for the West Brom during campaign periods, when the number of new account applications can reach a peak of 1,500 per day.

Appleby adds, "Manually processing this volume of applications used to put a strain on our staff and call centre. With WeBSave, customers can now apply online and receive instant account decisions with minimal staff intervention."

Future plans

The West Brom has been so impressed with Experian's authentication solutions that it is now looking to use Authenticate Pro to validate the identify of applicants for its postal accounts. It expects that this will again reduce the application processing time and cut costs.