

TransUnion Tackles Online Credit Application Dropouts and Rising Fraud

New Seamless Onboarding service will help financial services industry offer digital access to products for consumers during pandemic and beyond

Manila, Philippines, September 16, 2020 – Global risk and information solutions provider [TransUnion](#) is extending its data and technology expertise to help financial institutions accelerate digital transformation and be able to provide consumers with an easy digital application and onboarding experience. With the demand for digital access increasing dramatically due to COVID-19-related restrictions, there is a need for finance services that can address not only consumer pain points but also the increase in fraud that comes with the rise in digital transactions.

Already available in other TransUnion markets, TransUnion Seamless Onboarding has been recently launched in the Philippines to help both financial institutions and consumers experience an end-to-end digital (or digital-assisted) onboarding process that delivers a friction-right experience, while increasing conversions and loyalty, reducing fraud, and driving operational efficiencies.

Delivered via a single platform and a single API that significantly reduces integration time and effort for financial institutions, TransUnion Seamless Onboarding encompasses identity verification, fraud prevention, credit risk decisioning, and service orchestration to bring a differentiated and holistic solution to the Philippine market. As an example for consumers, this means being able to instantly apply for finance products like credit cards via mobile or at a branch near the point-of-sale and getting approved soon enough to be able to snag a store promotion for 0% installment exclusive to that credit card.

“Improving customer journeys may seem like an insurmountable task. Financial institutions are often reliant upon legacy or multiple systems and have to choose between maintaining those systems and developing new platforms. At TransUnion, we have focused on designing a service that delivers a full range of solutions that are easy to integrate for our customers, and our flexible orchestration and plug-and-play offering is configurable to meet evolving business needs. The service helps institutions rise above new challenges, including competition from progressive FinTechs, and help them create an environment and experience where in the end, both the provider and the consumer win,” said **TransUnion Philippines President and CEO Pia Arellano**.

Addressing Consumer Pain Points and Risk of Fraud

Even before the pandemic, financial providers in the Philippines faced large dropouts during onboarding both offline and online, largely due to inconvenient, confusing, and time-consuming application processes and slow turnaround. Recent studies by TransUnion Philippines found that most banks’ digital channels use application forms that are very cumbersome and provide a poor and lengthy customer experience. When applying via a website, the process could take over 40 minutes, as entry fields are often redundant.¹

¹ TransUnion PH “mystery shopping” onboarding study, 2019. Statistics cover credit card and personal loan applications, averaged across channels and lenders studied.

In many instances, if applicants lose internet connection midway while filling in a form, they often need to restart the application from the very first page. Completed applications, meanwhile, require the consumer to go through a lengthy and manual verification processes involving multiple interactions with the bank agents. At bank branches, queues tend to be long and the verification is done manually or sometimes over the phone. On the other hand, turnaround times from credit application to approval take eight days or longer for 42% of credit cards, 51% of installment loans, and 91% of auto loans.²

Digital application processes that are not fast and easy and that don't effectively balance the consumer experience with risk management can cause financial institutions to lose large numbers of potential customers, especially amid a fast-growing local financial services industry driven by technology trends. TransUnion Seamless Onboarding eases the burden of manual review and stitched-together onboarding setups from multiple providers. With this, financial institutions can deliver a streamlined experience wherein consumers can complete their application in one sitting – anytime, anywhere – without compromising their privacy or security.

Customer safety when doing online transactions is even more important now as a [recent report](#) by TransUnion found that suspected fraud originating from the Philippines during the period from March 11-April 28 increased by 119% compared to the pre-ECQ levels. With TransUnion Seamless Onboarding, the Philippines' financial services industry will be able to address the increased risks of fraud that come with the rise in digital transactions as people continue to observe social distancing.

“TransUnion Seamless Onboarding encompasses a multi-layered fraud strategy that leverages TransUnion’s vast offline and online data, insights, and analytics to not only create a great experience for good customers but also effectively trap fraudsters. This way, we enable institutions to benefit from a more accurate risk assessment and reduced false positives,” Arellano said. “What we essentially offer is a holistic solution to the various facets of the digital journey within the finance industry, most especially in this uncertain business climate. There is significant opportunity to support digital transformation in the finance sector to further drive economic opportunity in the Philippines. While internet connectivity is yet to reach its full potential on this side of the globe, the current reality calls for innovative ways to reach the unserved and underserved markets, and TransUnion Seamless Onboarding may just be the missing link to finally close that gap.”

More information about TransUnion Seamless Onboarding can be found [here](#).

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About TransUnion

TransUnion is a global information and insights company that makes trust possible in the modern economy. We do this by providing a comprehensive picture of each person so they can be reliably and safely represented in the marketplace. As a result, businesses and consumers can transact with confidence and achieve great things. We call this Information for Good.® TransUnion provides solutions that help create economic opportunity, great experiences and personal empowerment for hundreds of millions of people in more than 30 countries. In the Philippines, we are a major credit reporting agency and offer a number of specialist services in acquisition, portfolio review, and management; fraud, identity, and risk management; and collections. We support organizations across a wide variety of sectors including finance, retail, telecommunications, and insurance.

<https://www.transunion.ph>

² 2019 TransUnion PH study on turn-around-times from credit application to approval for credit cards, installment loans, and auto loans