

# Multinational Retailer Builds Consumer-Credit Origination System with Mendix

A leading multinational retailer relies on the Mendix App Platform to create a sophisticated, multichannel credit-origination system for its in-house store credit cards – a key source of profitability. The resulting system takes in tens of thousands of applications every week through in-store, Web, SMS, email, and fax channels and makes instant credit decisions.

- Complete rewrite of key system – in just a few months
- Integration with more than 20 different internal and external databases and applications
- Credit decisions in under five minutes – instead of one to two days

## Challenge

For retailers operating on the thinnest of margins, it's essential to capitalize on every available revenue stream to maximize profitability and lock-in customer loyalty. One key avenue: capturing repeat customers through profitable store credit cards.

At one major regional retailer operating more than 500 stores in five countries, store credit is tied to 75 percent of all sales revenue. Each month, more than 100,000 credit applications arrive that require prompt decisions regarding whether to extend credit and what the appropriate credit limit is.

Unfortunately, the retailer's previous application-origination system had, over the years, become increasingly inflexible.

## Highlights

- 2.5 full-time developers and some business analysts completed entire application in less than six months
- Agile development and rapid prototyping techniques
- Faster credit decisions - from days to just minutes

## Mendix App

- Separate processes for different credit-application channels – Web, SMS, in-store/POS, fax/mail, and email
- Tight integration with FICO Blaze Advisor
- Dashboards for users and supervisors

## Company

- Major multi-national retailer with 500 stores in five countries

**“** *The Mendix App Platform allowed the retailer to build and deploy a robust credit origination system, integrated with FICO, in a vastly quicker and more flexible way.* **”**

As business needs evolved and new channels such as Web, SMS, and in-store applications emerged, the retailer recognized it needed a new, contemporary approach built from the ground up – one that could integrate with more than 20 separate back-end applications and databases. But with a small IT team and a long queue of projects – and an urgent need to speed time-to-market – the retailer also needed a cost-effective, feature-rich solution for account origination that was scalable and easy to implement and maintain.

This solution, based on best practices, needed to enable the retailer to reduce the time required to capture applicant data, accelerate credit decisions, and respond to customer preferences for new ways to apply, such as Web or SMS text messaging.

## Solution

The retailer chose the Mendix App Platform to create a new and comprehensive multi-channel store-credit application-origination system. A cross-functional team used the Mendix App Platform to rapidly create prototypes using agile development methodologies and subsequently build them out as fully functional applications. The result: a flexible, future-proof system with strong integration to numerous systems and databases – inside and outside the organization.

Customers can apply for a credit card in numerous ways – through the call center, by fax/mail, at the point-of-sale, by SMS, or on the company's website. Specific process workflows were designed to capture data for each of these use-cases. Once the application arrives, the data is validated and cross-checked on the company's mainframe (for factors such as previous fraud experience) and then is fed via Web Services to FICO's Blaze Advisor rules engine. After

retrieving credit scores and other relevant data, the system can issue an approval or direct the application for manual underwriting, potential fraud follow up, or other exceptional processes. If approved, the customer receives a pre-agreement that he/she submits during his/her next purchase, which initiates the account activation.

The team also created queue-management functionality to enable automatic escalation, work rebalancing, supervisor visibility, and more. Dashboards show who's handled how many applications in the past hour, day, or month; average waiting times; and more.

## Results

The Mendix App Platform allowed the retailer to use an iterative and agile approach, producing immediate tangible results fast, gathering feedback, and making changes quickly.

To minimize risk, the retailer deployed the solution in a phased approach – one sales channel at a time. After a day or two of problem-free operation, a subsequent channel was brought online. The few tweaks required after deployment were handled within a day – instead of the two weeks it previously took to fix a bug or make a change.

Most importantly, credit decisions are dramatically faster. With the previous credit-origination system, credit decisions took one to two days. Today, with the Mendix-based system, the retailer can confidently issue credit decisions in less than five minutes. That means it can capture a credit customer in real-time just as he or she makes a purchase, improving customer satisfaction and loyalty – and the profitability of the retailer.

## About Mendix

Mendix is the app platform company for the enterprise. We enable companies to build, integrate and deploy web and mobile applications faster and with better results, effectively driving ROI in days not months. Learn more, join our user community and get started for free at [now.mendix.com](http://now.mendix.com).

agile. social. mobile. **now.**

## Trusted by Industry Leaders Worldwide



genzyme

Initial

