



To Maintain High Conversion Rates, Know Why Borrowers Drop Off

Instant bank verification (IBV) and financial data sharing is not just a [technology shift for lenders](#), but also a cultural shift for borrowers — a way of sharing their information that's based on their consent.

Some will recall that credit and debit cards were met with a resistance to "pay with plastic." IBV is the new, unfamiliar technology of the digital era. To maintain high conversion rates and low cost of acquisition, understanding why your borrowers fail to connect should be top of mind.

As a leading [IBV](#) and [data enrichment](#) provider to hundreds of financial businesses, we're constantly working with our clients to understand why borrowers drop off and how to improve their experience.

Flinks is a financial data gateway, providing borrower bank account and identity verification services for financial institutions in diverse markets, including short-term lending, cash advance lending, and retail consumer credit markets.

Instant account verification has such a positive impact on the lending process that extra care should be put toward leading customers to connect with ease and confidence. We have a great deal of experience optimizing our client's application flow to ensure maximum conversion of their borrowers consenting to an IBV step in their workflow. We also proactively train CSRs and loan agents on how to handle all [objections, questions and concerns](#) from their customers.



Vlad Arutunian is Flinks' Head of Sales - US. He helps business leaders innovate with financial data, and has had a front row seat to the transformation of finance for more than 15 years.



In the digital era, trust is key

Online lending customers take out loans for many reasons, but they are all looking for a fast and convenient experience delivered by a lender they can trust.

An outstanding 96% of consumers worldwide are aware of at least one digital lending or other fintech service available to them, according to the [2019 Global FinTech Adoption Index](#). Likewise, many global consumers have adopted these services into their financial management routines. Despite this success, less than 46% are willing to share their banking data with other organizations.

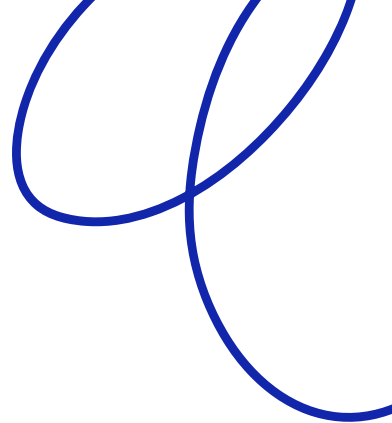
When asked to verify and connect their bank account information as part of their lending application, many users tend to drop off, a trend known as “borrower drop-off.”

Among fintech adopters, [71% worry about the security](#) of their personal data when dealing with companies online. Security, however, is only a minor part of the perceived problem.

What causes borrower drop-off

Over the years, we’ve collected many insights on the topic of borrower conversion along with some typical scenarios that lenders struggle with:

- **Confusing experience.** The borrower gets put too fast in front of the connection flow and doesn’t understand why they are asked to connect to their bank accounts.
- **No clear value prop.** The borrower doesn’t get what’s in it for them or why it’s necessary for them to connect their bank when seeking approval for a loan.
- **Complex experience.** The borrower cannot easily find their bank, or has a hard time navigating the connection flow (too many steps, unclear where they are in the process, etc).
- **Faulty user journey.** The borrower has encountered a technical problem with the connection flow and isn’t presented with an opportunity to get back on the right track.



Another issue many lenders face is the fact that they fail to accurately capture the voice of their end users as they encounter these and other scenarios.

In some instances, this is caused by a fully automated process where no one is engaging with the borrower in real time.

In other situations, CSRs may lack the proper training to ask customers guiding questions prior to and during the bank verification process, or fail to accurately and confidently overcome objections and concerns raised by consumers.

The best solution is tailored to your context

No matter the issue, we've seen it all. Here at Flinks, we proactively work with our clients to ensure they are set up for success when it comes to utilizing our IBV platform.

Our efforts have yielded positive, quantitative results for our customers by increasing loan volumes, reducing default rates, fraud and improving underwriting quality.

In turn, consumers enjoy much higher levels of customer satisfaction due to ease of use, enhanced privacy and convenience and greater chance for loan approval with larger loan amounts.

Optimize your loan application flow with Flinks

Find how we can help reduce drop offs and convert more borrowers.

[Talk to an expert >](#)

