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University Credit Union's Vendor Selection Journey For Intelligent Virtual Assistant Technology
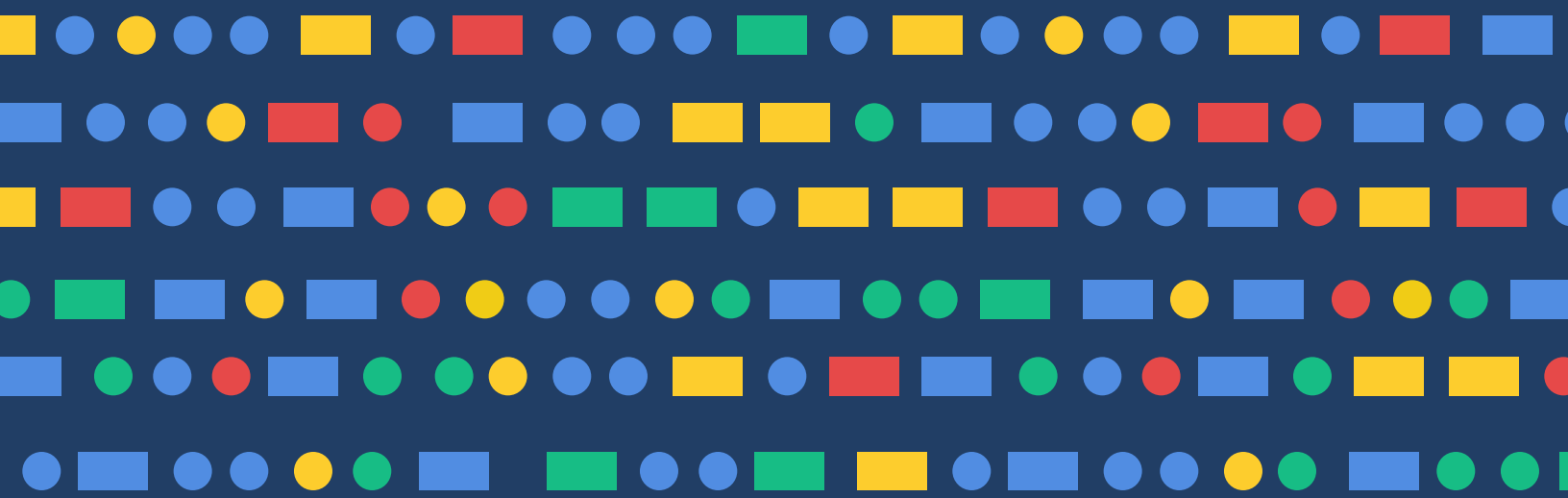
Case Study

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About University Credit Union

University Credit Union, headquartered in LA, California, is a purpose-driven financial cooperative dedicated to giving the University Community a financial edge. It is one of the fastest growing Credit Unions in the United States and serves over 41,000 members and has assets over $800M

Project Background

Vision

In 2017, University Credit Union(UCU) developed a 5-year plan focused on evolving their long term business model. Considering they serve the university community, that is highly technologically savvy and geographically scattered, UCU had to elevate their offerings and member service efficiently by focusing on being a leader in the digital space. The 5-year plan reflected the same.

"Considering the tech-savvy university community is our target audience, we are focused on being a leader in the digital space."

- **Dr. David Tuyo**, CEO, University Credit Union

The Progress

Executing the 5 year plan, UCU evaluated their technology ecosystem and looked at technology investments that would help them achieve their goal with a renewed focus. With concerted efforts around this, UCU has been able to increase the portion of the business that originates online from 10% to over 40%. This has led to a strong growth in revenues, assets and membership in the past 3 years.

The Next Step

Even with an ever increasing portion of the business originating online and significant growth, there was scope for even greater growth and efficiencies to be had.

- A significant portion of the applications that were started online, were never completed

- There were several bottlenecks in the contact center operations, which, if rectified, could greatly improve service levels to members

- There were several upsell and cross-sell opportunities to be explored

"We are trying to solve bottlenecks at the call center level but while evaluating the Intelligent Virtual Assistant technology, we saw various other applications of it. For instance, it will enable us to improve service levels for our members & assist members to complete online applications that were started but were never completed."

- **Dr. David Tuyo**, CEO, University Credit Union

Technology Selection

The road to Artificial Intelligence & Intelligent Virtual Assistants

After extensive research and understanding of case studies of several Credit Unions incorporating Artificial Intelligence (AI), the executives at UCU were convinced that AI, specifically, Intelligent Virtual Assistant, was the technology that would help them overcome the challenges they were facing.

Affordability

"We were not sure of our ability to afford technology like AI and ML due to the narratives in the outside world. When it came to our knowledge that other Credit Unions with similar asset size ranges, like Gesa, were investing in AI, we were convinced to take a granular look. On going deeper, we understand that all financial institutions with more than $100M in assets can leverage different aspects AI with Intelligent Virtual Assistants."

- **Serge Rizk**, CFO, University Credit Union

Considering the possibilities with a technology such as Intelligent Virtual Assistants, the UCU team were initially concerned about its affordability. On gaining knowledge of credit unions of similar sizes incorporating Intelligent Virtual Assistants and understanding how the technology could be implemented at a modular level, it became clear that it was affordable and had massive ROI generating potential.

# Creating significant competitive advantage for UCU

After extensive research and understanding of case studies of several Credit Unions incorporating Artificial Intelligence (AI), the executives at UCU were convinced that AI was the technology that would help them overcome the challenges they were facing.

UCU expects to

- Reduce training time of support staff
- Improve operational efficiency across the organization
- Improve member response accuracy rates by up to 95% and greatly improve first call resolution rates
- Offer personalized interaction experience for members
- Continuously learn from member interactions and improve

With Intelligent Virtual Assistants, UCU expects to improve their revenues significantly - with up to 90% of the business expected to originate online. They also expect to elevate their member experience to never before seen levels in the industry.

On timing of sanctioning the project amid the coronavirus pandemic
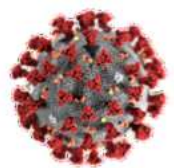
"This project is part of our long term strategy and it made sense to advance considering the accelerated shift of members towards digital channels. The decision to invest has come after extensive evaluation and the technology is proven to deliver value. We believe that institutions that take action during tough times by adding significant value to their members & by serving them in creative ways will be poised for success in the long term."

- **Dr. David Tuyo**, CEO, University Credit Union

UCU will also be able to serve its membership base across the world in a fast and efficient manner. It will also enable them to maintain great relationships with partner universities that are highly tech savvy.

Vendor Selection & Evaluation

Vendor Identification

After extensive research and understanding of case studies of several Credit Unions incorporating Artificial Intelligence (AI), the executives at UCU were convinced that AI was the technology that would help them overcome the challenges they were facing.

UCU identified vendors by

- Researching industry publications
- Reading AI implementation case studies in the Credit Union space
- Speaking with other Credit Union decision makers in their network
- Hands-on evaluation of Credit Union Intelligent Virtual Assistant implementations which acted as a proof of concept

Vendor Shortlisting & Evaluation Criteria

Pricing, key functionalities offered, and the technological roadmap of the partner were key factors in choosing a partner for this project

- **Estella Nagahashi**, EVP, Chief Operating & Lending Officer, University Credit Union

UCU evaluated vendors based on the following criteria

- **Pricing** - An affordable solution

- **Functionality** - A solution having a wide range of functionality that can add value to all aspects of the organization and to all members

- **Experience** - Having deep domain knowledge and having several successful live implementations delivering impact

- **Vision** - Having a long term vision, technology roadmap and insights into the possibilities with the technology

"An important step for vendor selection was interacting with live Intelligent Virtual Assistant implementations in other Credit Unions. This acted like a proof of concept test for us."

- **Tristan Dion Chen**, CMO, University Credit Union

UCU & interface

After an extensive vendor selection process, UCU chose interface as its partner for Intelligent Virtual Assistant Technology

"From our evaluation, it is clear that **interface** *is far ahead of even the second best vendor operating in the Intelligent Virtual Assistant space."*

- **Steve Sercu**, CTO, University Credit Union

The major reasons for UCU choosing interface are

- Deep understanding of the credit union space

- An industry leading offering focused on delivering value & ROI from day 1

- Having the most successful AI implementations across Financial Institutions in North America

- Out of the box solutions for all banking needs

- A well defined long term vision and product roadmap

- An offering that is affordable by all financial institutions

*"**interface** will enable UCU to offer premier experiences on all member facing channels while greatly improving efficiencies across the organization."*

- **Dr. David Tuyo**, CEO, University Credit Union

Scope of the Project

Phase 1

- Members will be able to get information about UCU products and services instantly

- AI will assist members to identify and select the best offerings

Phase 2

- Guidance over voice and text to help members & prospects successfully apply for new products

- Enabling applications in a conversational manner

- Automated follow ups in case of drop-offs or errors in application forms

Phase 3

- Enable members to perform any transactions by conversing with the AI agent

Phase 4

- Call center automation through AI enabling better member experience and instant service

Phase 5

- Provide proactive experience to members and help them save more and make better use of University Credit Union's products and services
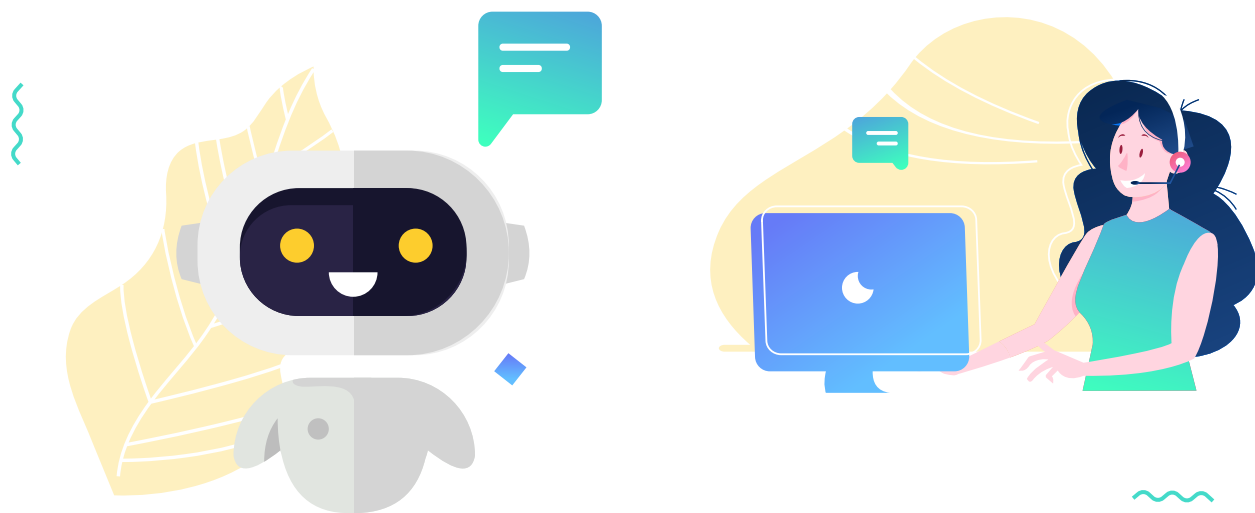
Key Impact Metrics

38K

Queries answered

94%

Accuracy in responding to queries

$187K

saved from support operations

233 Hrs

of member time averted

About interface

interface powered intelligent virtual assistants act as an out-of-the-box "personal bank teller" and help members through every step of the journey – from being a prospect to an active member. interface is currently engaged with several financial institutions across the world.

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