



How Australia Post helped Advantedge save time and money

Notifying lenders of rate changes in a compliant manner is a necessity for Advantedge Financial Services (Advantedge), a part of the National Australia Bank (NAB) group. Using Australia Post's new high-speed printing capabilities and sophisticated data integration has helped Advantedge save money, increase productivity, improve professionalism and reduce operational and regulatory risk.

Customer: Advantedge Financial Services, part of the NAB group

Website: www.advantedge.com.au

Industry: Finance

Challenge: Advantedge needed to send out rate-change communications to customers in a more efficient manner and provide customisation for its clients, without impacting operational or regulatory risk.

Solution: Australia Post's high-speed print production services.

Results:

- Full-colour, fully customised communications sent to each customer.
- Increased productivity, as Advantedge personnel no longer needed to manually change letter templates and cut the data.
- Automated process has reduced operational and regulatory risk.
- Mailing savings of tens of thousands of dollars, in addition to savings on pre-printing letterheads for individual mortgage managers.

Background

Advantedge Financial Services, a wholesale mortgage lender, has been part of the National Australia Bank (NAB) group since November 2009. Advantedge works with around 40 independent mortgage managers, handling the administration and providing the funding for approximately 110,000 residential loan customers. This administration frees up the mortgage managers to sell and service home loans.

"Each mortgage manager operates as a small business in their own right, responsible for their own marketing, distribution and operations, subject to regulatory rules and strict guidelines," explains Peter Fourtzis, Product Manager at Advantedge.

The challenge

In order to comply with regulatory requirements, Advantedge must notify all the customers it funds within a set timeframe, if there is a nanocycle or Reserve Bank of Australia (RBA) rate change. "There's a high level of customisation, because each mortgage manager has their own business brand, plus there are different loan and repayment types, as well as different payment amounts," says Fourtzis.

"Our previous process was very mundane and involved a lot of double handling and unnecessary resources, including people and processes. We were required to pre-print and store personalised letterheads, ready to supply to Australia Post. When a change was briefed into the product team, two Advantedge personnel had to drop what they were doing and spend two days amending the letter template, cutting the data nine or 10 times, testing and reviewing the files, and then loading all the files into the live system."

The narrow timeframes and the manual nature of the data management created a high level of operational risk for Advantedge.



Nick Thurlow (Australia Post) and Peter Fourtzis (Advantedge).

The strategy

Advantedge wanted a more efficient rate-change notification process and less operational risk. When Australia Post's print production division invested in a new, high-speed full-colour OCE printer, Advantedge decided to try out the new system.

The solution

Australia Post and Advantedge worked together to create a single template, where the data would drive the fields that needed to change – from mortgage manager logos, to customer names, repayment clauses and repayment details.

"We put in a lot of hard yards setting up the template, testing it and reviewing the process," says Fourtzis.

The results

The new printing capabilities mean that Advantedge no longer has to pre-print and store letterheads for the mortgage managers. Full-colour printing and full customisation can be provided on each customer communication, where appropriate.

Advantedge provides a single data file that drives the customisation of each letter. "This has removed the need to cut the data multiple times and has turned a very complicated mail-merge task into a seamless, one-touch process," says Fourtzis.

The new system has also freed up staff time: now, it takes a single staff member five to 10 minutes to implement the rate-change notifications.

There have been real dollar savings, too. "Not only are we saving on the printing costs for the pre-printed base stock and in staff productivity, the biggest savings are in our mailing costs," says Fourtzis. "Within the 110,000 or so

loans we service, a customer could have multiple loan splits, with each requiring separate notification letters. The new system is able to recognise when the same borrowers are at the same address, so we can now post the notifications for the multiple loans in a single envelope. This has resulted in significant mailing savings."

In fact, the savings on the first rate-change notification run in August 2013 covered the costs invested in changing over to the new system.

Call-centre volumes have reduced and the mortgage managers are pleased with the easy-to-understand wording of the new template.

"I cannot speak more highly of the Australia Post team," enthuses Fourtzis. "They took the time to really understand what we were trying to achieve, they were resilient, open to feedback and willing to make the necessary changes to get it right."

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This case study is based on information provided by Advantedge Financial Services and illustrates how the organisation has used Australia Post production services. Many factors contributed to the results and benefits described. Australia Post does not guarantee comparable results elsewhere.

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