



SEAMLESS FINANCING PROGRAM CAPTURES SALES, INCREASES CUSTOMER SATISFACTION FOR ABC WAREHOUSE



QUICK FACTS

Annual Revenue: \$200M+
Headquarters: Pontiac, Michigan
58 locations in MI, OH & IN



SOLUTION

Point of Sale (POS) Integration
Waterfall to secondary revolving credit & lease
Multiple lenders

FULL SPECTRUM FINANCING PROGRAM GROWS SALES, IMPROVES CUSTOMER EXPERIENCE FOR ABC WAREHOUSE

ABC Warehouse's "No Frills" approach to selling appliances, televisions, electronics and computers has helped the company become the largest appliance and electronics retailer in its area. However, in 2010, the retailer found that more than half of its customers were being declined for its primary credit option.

The retailer chose to work with Vyze to create and implement a simple financing solution that makes financing options available to all of its customers. With the platform, ABC Warehouse can now reenergize their sales and improve the overall customer checkout experience.

“ It was important to us that our financing solution would operate seamlessly at our points-of-sale. ”

—David Dirven, VP, Operations

THE CHALLENGE

In 2010, ABC Warehouse noticed that its business was negatively impacted when customers were denied primary credit upon checkout. Approximately 60 percent of customers looking to finance purchases were not approved for the store's available credit.

Denial of credit at the point of sale proved to be not only embarrassing and uncomfortable for customers, but it also typically resulted in customers abandoning purchases, causing ABC Warehouse to lose sales.

The Midwest retailer decided to implement additional consumer financing to increase and facilitate sales while ensuring a positive customer and associate experience.

“We could not risk complicating the checkout process for either customers or our associates, potentially turning customers away.” said David Dirven, Vice President of Operations for ABC Warehouse.

When seeking out a financing solution, the retailer sought a partner that could:

- Provide a seamless customer experience using a single credit application for multiple credit options
- Deliver a fast credit application process, preventing delays at the register
- Strengthen customer relationships and brand loyalty
- Provide the ability to test and change lender matrix without impacting sales
- Endure for the long-haul





“ Not only has Vyze allowed us to deliver a superior financing experience to all our customers, it has also resulted in newly acquired customers, increased customer loyalty, and higher sales. ”

—David Dirven, **VP, Operations**

THE SOLUTION

To meet its financing needs, ABC Warehouse chose Vyze’s lending solutions. The Vyze solution provides access to multiple lenders and financing products including revolving credit, loan and lease products and integrates with a retailer’s current systems.

ABC Warehouse integrated the Vyze solution with its point-of-sale system. If the primary credit provider declines a customer, then the system immediately pre-screens the individual for additional revolving credit from Santander Consumer USA (SCUSA). If the customer does not qualify for the SCUSA option, the system subsequently waterfalls to a lease option offered by Why Not Lease It. All of this happens without the customer filling out an additional application, and there are no hard hits on the customer’s credit if he or she isn’t approved.

Independent research has shown that roughly 90 percent of consumers say they’d consider additional financing options if declined, but more than half of consumers say they are less likely to apply for those options if they have to complete multiple credit applications. With the Vyze single streamlined application, those that are typically denied by primary credit are more likely to move forward with the purchasing process.

Additionally, Vyze piloted several lenders and tested their underwriting criteria to find the right fit for ABC Warehouse, which—like all electronic retailers—works with tight profit margins. Because Vyze works with multiple lenders, it was able to negotiate with several financing providers to find a sweet spot for ABC: financing that the retailer can afford but that still yields a positive return. Over time, as lenders have transitioned, Vyze has made changes to ABC’s financing mix without requiring any additional investment.

THE RESULTS

The Vyze solution not only increased sales for ABC Warehouse but also enhanced brand loyalty.

In just a half-year period of **Q4 2014** and **Q1 2015**, the retailer provided secondary financing to:



OR ABOUT **3%** OF OVERALL SALES.

WITHIN **SIX MONTHS** OF THE FIRST PURCHASE:



SINCE 2014, VYZE HAS HELPED ABC WAREHOUSE CAPTURE:

OVER **\$1.5 MILLION** IN REPEAT FINANCING SALES

IN 2015, ABC WAREHOUSE PRESENTED FINANCING OFFERS TO OVER **5,000** ADDITIONAL CUSTOMERS

Consumers who, without Vyze, may not have been able to make a purchase.



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Vyze is a leading financial technology company for brands. By combining full spectrum lending supply, technology, and support under one roof, Vyze is able to deliver brands simpler, more satisfying financing experiences for their customers, wherever and whenever they shop.