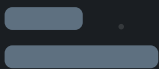




Case Study

VR Bank Südpfalz

How VR Bank Südpfalz transforms loan applications and retirement planning with [conversational AI](#)



VR Bank
Südpfalz

Overview

With roots stretching back to 1865, VR Bank Südpfalz is a historic yet forward-thinking cooperative financial institution based in the town of Landau, in the southern district of Rhineland-Palatinate, Germany.

The business not only provides brokerage and services like loans, credit cards, pensions, investments and stock planning for other banks to offer to their customers, but also has a consulting arm. This is called CUX and it now enables banks to engage their account holders via intelligent conversational AI capabilities.


Using a conversational AI app, AVA powered by Botpress, VR Bank has automated mundane processes, scaled operations, and created better customer experience.

VR Bank Südpfalz's network now comprises:


- 430 employees**
- 38 bank branches**
- 100,000 clients**

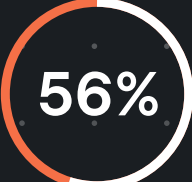
Results in a nutshell


 **€450,000**
a year savings in loan origination costs

 **€2,250,000**
Potential savings in loan origination for CUXs customers

 **€530,000**
a year savings in retirement planning processes

 **Unique and interactive**
customer experience combining a humanlike avatar with the functionality of a chatbot

 **56%**
containment rate
(substituting time-consuming and inefficient banking processes)

 **On-premise deployment**
in highly regulated environment

Meeting a technical and regulatory challenge

Many industries face constant pressure to transform culturally and digitally, but perhaps none more so than financial services. Due to expanding regulation and increasingly tech-savvy customers, banks are having to evolve more quickly than at any other time in their history.

However, VR Bank Südpfalz is well across this trend and is setting the standard for early adoption of the latest technology.

One area where VR Bank Südpfalz has recently used a modern digital platform to drive transformation is in its interactions with customers. The business had spotted that fielding requests for loans to purchase or build a property was taking up huge amounts

of time and information. The process was also encumbered with a string of regulatory requirements demanding an intense attention to detail from staff.

To put things into perspective, VR Bank Südpfalz receives more than 3,000 real estate loan applications a year. The processing cost of each application often exceeds €400 – amounting to an annual business overhead of over a million euros.

A digital assistant with the power to cut costs in loan origination

To speed up the loan application process, VR Bank Südpfalz turned to Botpress. After defining the requirements and understanding the unique characteristics and needs of the end users, VR Bank designed and developed an interactive chatbot experience. This resulted in the birth of a conversational AI solution called AVA.

Combining a humanlike avatar with the functionality of a chatbot, AVA works in an interactive way to help the bank intelligently gather and store information about loan applications. Online 24 hours a day, seven days a week, AVA engages website visitors or app users by sending them an invitation to start a conversation. As the customer begins the chat, the avatar asks questions about the type of finance they're seeking, such as a home improvement loan or the purchase of a property. The information communicated via AVA is fed straight into the bank's CRM system for an agent to complete the contract. This helps VR Bank Südpfalz employees avoid having to manually input details, speeding up the entire application process.

AVA understands natural language and is able to answer questions and explain the various steps of the application process, reducing the need for customers to pick up the phone with queries.

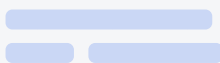
And the chatbot's constant availability delivers significant customer convenience while freeing up the VR Bank Südpfalz team to focus on more meaningful client care.

On top of this, AVA has directly helped VR Bank Südpfalz to reduce the cost of processing each loan application by €150, resulting in an annual saving of €450,000.

The distinct quality of AVA has enabled VR Bank's consulting arm to also implement this for their customers.

With 15,000 requests annually this totals up to 2,250,000.

Presently, AVA is an expert in two subjects: housing loans and state-backed retirement planning. Other sectors, such as telecoms, are being considered for development.

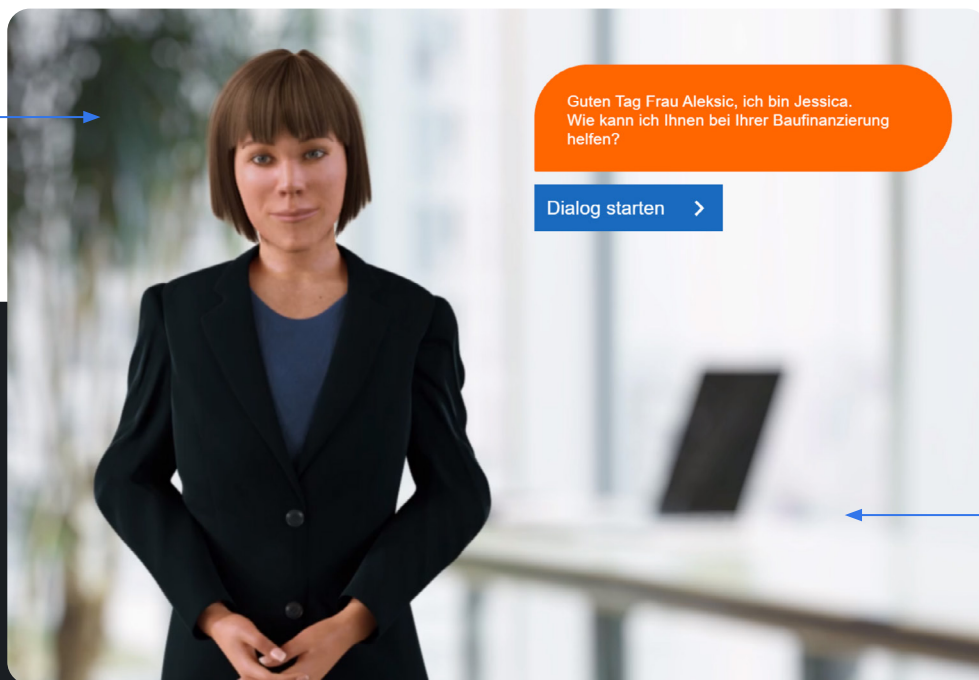


A digital assistant for retirement saving and planning

Owing to AVA's effectiveness in loan origination, VR Bank Südpfalz spotted an opportunity to expand the chatbot's remit to cover retirement saving and planning. Perfectly suited to this new task, AVA is able to show customers how their retirement plans are performing and offer advice about how to optimize investments.

The conversation can be repeated annually, giving customers the opportunity to stay on top of their plans and maximize returns. The beauty of using a conversational AI chatbot like AVA for this kind of task is its ability to offer accurate and personalized information to each customer. This can be particularly challenging for humans to do, due to how regulatory requirements vary from client to client.

To date, VR Bank has been able to reap an average of **€530,000** (at around **€53** for each conversation covering over **10,000** customers) from automating the retirement planning processes at their bank.



Why Botpress?

Botpress's integrated conversational design and development platform not only provided software developers and UX designers at VR Bank to work on creating a great experience for their customers, but also facilitated collaboration with subject matter experts to integrate their business knowledge about loan application processes into conversational design.

From VR Bank Südpfalz's perspective, a key appeal to working with Botpress is its approach to speed and flexibility: the bank was able to start building quickly and take control of the customization of the end product. The result is a chatbot that aligns with both VR Bank Südpfalz's unique requirements and long term vision. Additionally, the ability to deploy AVA from VR Bank Südpfalz's own server was also a key deciding factor in the partnership.



- ✓ Ability to customize
- ✓ Visual collaboration tools for business teams, subject matter experts, and developers
- ✓ Extensibility of the platform via Javascript. E.G, using a 3rd party zipcode verification
- ✓ Open source and easy to try for proof of concept
- ✓ On premises deployment

“Botpress provides a great backbone of the software solution that we provide for our customers. It is highly customizable for our needs and we plan on extending our services in the future.”

David Mika, Innovation and Digital Transformation, VR Bank



“Very good user experience. Everything of relevance was covered in the AVA conversation. 5/5 stars.”

–A customer of the retirement savings and plannings conversation

“AI-enabled conversations were unknown to me beforehand, but the flow was very good and helped me through the process.”

–A customer of the loan origination process

Today the chatbot is used by **70%** of the customers who start with chat, out of which **80%** complete the conversation with success, creating a total of **56% containment rate**.





About Botpress

Headquartered in Canada and serving clients across the globe, Botpress sets the standard for modern open-source conversational AI platform technology.

The business works with a range of household brands to deliver improved online customer service experiences, in addition to time and cost savings. This empowers its partners to focus on more meaningful interactions with customers and speed up sales conversions. Botpress's conversational AI platform is configurable via open APIs and integrable with partner servers, enabling innovators to develop intuitive chatbot functionality at their pace and on their terms.

For more information, visit www.botpress.com, [Twitter](#) and [LinkedIn](#).

