

Constant Unlocks New Non-Interest Fee Income for Banks and Credit Unions

Loan protection products are typically sold at origination leaving untapped potential for sales during the life of the loan

PORTLAND, ME, UNITED STATES, July 11, 2024 /EINPresswire.com/ -- [Constant](#), a leading provider

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Borrowers who didn't choose debt or asset protection when they took out their loan rarely hear about these safety nets again, even though they could protect against unexpected repairs or expenses”

Catherine York Powers

of loan operations technology, today announced the launch of its solution designed to boost non-interest fee income through the offer of loan protection products. [Income Builder](#), enables financial institutions (FIs) to offer extended warranty, GAP, debt protection, auto insurance and other products not just at the origination of loans, but throughout the loan lifecycle - and in digital banking. Constant makes it easy for borrowers to adopt these new products by automatically adding the cost of the premium to their loan, eliminating upfront charges.

Redefining Insurance Sales

With overdraft and NSF fee income at historic lows, FIs are looking for ways to diversify revenue. The sale of loan protection products typically occurs at loan origination often resulting in missed opportunities for both FIs and their borrowers. Income Builder's innovative solution offers these products continuously, providing multiple opportunities to make timely and personalized offers. This approach ensures that borrowers receive relevant product suggestions based on their loan status and actions they take, enhancing the likelihood of acceptance and increasing overall account holder satisfaction.

Personalized, Real-Time Offers in Digital Banking

Income Builder differentiates itself by delivering loan protection and insurance offers directly within digital banking interfaces, a capability that is currently unmatched in the market. Constant offers Income Builder via its current integrations with the top online banking platforms.

To help account holders avoid one-time, upfront charges, Constant includes the premium cost in the borrower's current loan through its automated loan modification feature. This makes it

convenient for accountholders to purchase the insurance product and increases adoption.

Currently, accountholders can: 1) receive offers based on their loan status and the steps they take to manage their loan, 2) access product education, and 3) schedule calls or request contact for detailed offers via user-friendly buttons on their loan account pages.

Income Builder Phase 2 will include integrations with insurance providers to extend the accountholder experience.

Maximizing Fee Income for FIs

This innovative approach helps FIs maximize fee income by creating continuous sales opportunities for loan protection and other insurance products. Constant's automated workflows, such as skip-a-pay, due date change, CPI reversal, loan payoff, total loss reporting and more, are designed to trigger relevant product offers.

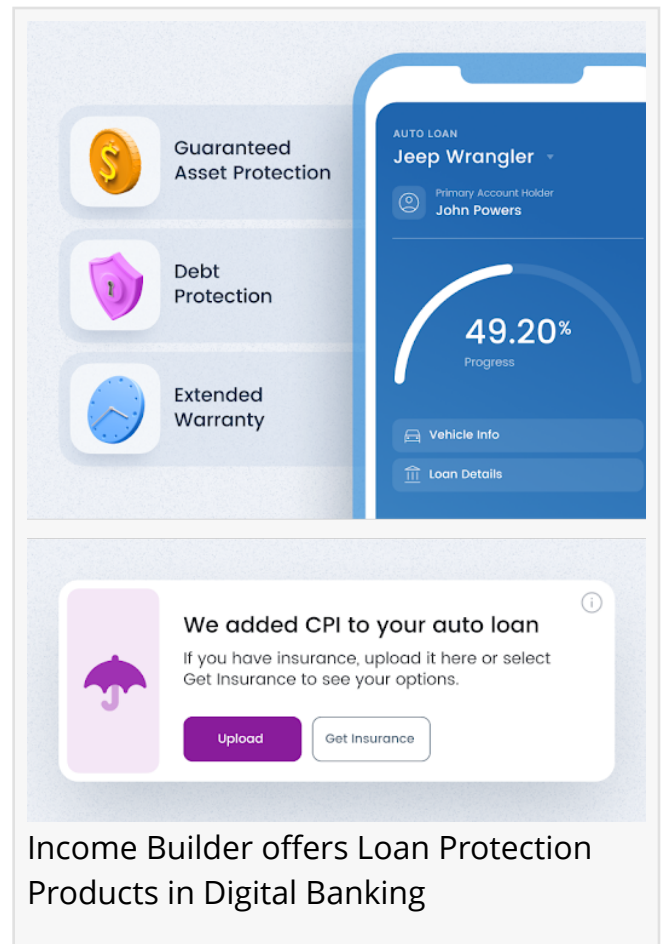
Additionally, FIs can utilize Constant's access to more than 120 core system fields to create targeted digital banners and campaigns like promoting debt protection to borrowers who meet any mix of requirements such as 1) skipped a payment in the last 90 days; 2) selected increased auto expenses as the reason; 3) and are current on their payments.

Supporting Data and Market Insights

Industry data shows that loan protection products sold at origination penetrate less than 30-40% of all eligible loans leaving significant potential for post-origination sales untapped. This number can be significantly lower for FIs with large indirect auto portfolios. Income Builder's platform addresses this gap by offering products throughout the loan term, ensuring that accountholders receive offers when they are most relevant and needed. This approach not only increases product adoption rates but also enhances the overall accountholder experience by providing valuable financial protection solutions at critical times.

Join the Future of Loan Protection Sales

"Borrowers who didn't choose debt or asset protection when they took out their loan rarely hear about these safety nets again, even though they could protect against large, unexpected repairs



or expenses," stated Catherine York Powers, Constant's CEO. "And our clients and prospects are increasingly concerned about the drop in non-interest income due to the heavy scrutiny of overdraft and NSF fees. By offering these products continuously after origination, we help FIs diversify their fee income and keep accountholders informed of their options. The additional benefits include increased borrower engagement and self-service and lower operating costs to further expand margins."

Income Builder is available in Jack Henry Banno, NCR Digital Insights, Q2, Alkami and in Lumin Digital.

FIs looking to enhance their insurance product sales, create new origination leads and improve borrower engagement can learn more about Income Builder's innovative platform by visiting our website.

About Constant

Constant is a leading provider of loan operations software dedicated to helping FIs maximize their income, automate common loan operations efforts, and improve borrower digital engagement. Our platform is integrated with the top online banking platforms and core processing systems to deliver a range of benefits to FIs from revenue diversification and reduced operating costs to increased self-service for accountholders.

For more information, visit Constant's website or contact press@constant.ai

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