MAJORITY

CASE STUDY

MAJORITY

Address verification decreased
undeliverable debit cards

Challenge

Incorrect or incomplete address info resulted in 10% undeliverable debit cards and inhibited "know your customer"(KYC) compliance.

Solution

Implemented US Address Autocomplete and US Address Verification into the registration flow of the MAJORITY mobile app.

Results

Address autocomplete and verification improved the user experience in the app while reducing undeliverable cards to 3-5% and fulfilling KYC requirements.

PRODUCTS USED

- US Address Verification
- US Address Autocomplete

smarty

The Client: MAJORITY

MAJORITY is the first digital financial services company dedicated to the success of modern migrants in the US. Founded in 2019 by Magnus Larsson, a Swedish migrant to the U.S., MAJORITY understands the unique banking needs of migrants and offers an all-in-one mobile banking solution. Even without a Social Security number, customers can open an account, get a free Visa® Debit Card, send money, and make international calls.

Over the last couple of years, MAJORITY has significantly expanded its user base through word of mouth and by hiring people from the communities it wishes to serve.

The Challenge: Incorrect or missing address info resulted in undeliverable debit cards

As the company scaled up, they discovered a significant issue: undeliverable debit cards. Many customers were frustrated because they couldn't set up their accounts and didn't get their cards due to incorrect or incomplete addresses used for application. In addition to their customers feeling stranded without a card, MAJORITY needed valid addresses as part of its "know your customer" (KYC) process.

The KYC process is a legal and ethical obligation for financial institutions to know and verify their clients' identities. Typically, the required identifying information includes name, date of birth, address, and identification number. Most of MAJORITY's customers are new to the United States, so they don't have a Social Security number yet. A verified residential address for each customer is critical for MAJORITY's operations.

Initially, MAJORITY used the Google Maps API in their app to help users find and fill in their addresses. However, many users forgot to add in their secondary address data, such as apartment unit numbers. As a result, 10% of cards shipped out were undeliverable.

The Solution: Address validation improved accuracy and deliverability

To fix their undeliverable address problem and improve customers' signup experience, MAJORITY implemented Smarty US Address Verification and US Address Autocomplete into the mobile app's registration process flow.

Once users enter their name and date of birth, the next step asks for their address. Smarty US Address Autocomplete auto-suggests results as the user begins typing. Once they select an address, secondary address data is displayed for the user to select. After selecting both a primary and a secondary address, the complete address is run through address verification. This step hinges on Smarty's strength in validating full address data, which Google Maps doesn't do.

"A main challenge we have is that our user base isn't used to the U.S. address system," said Nick Schuurman, Product Team, MAJORITY. "Being able to help them find and select the right address—with secondary address data—is a huge improvement."
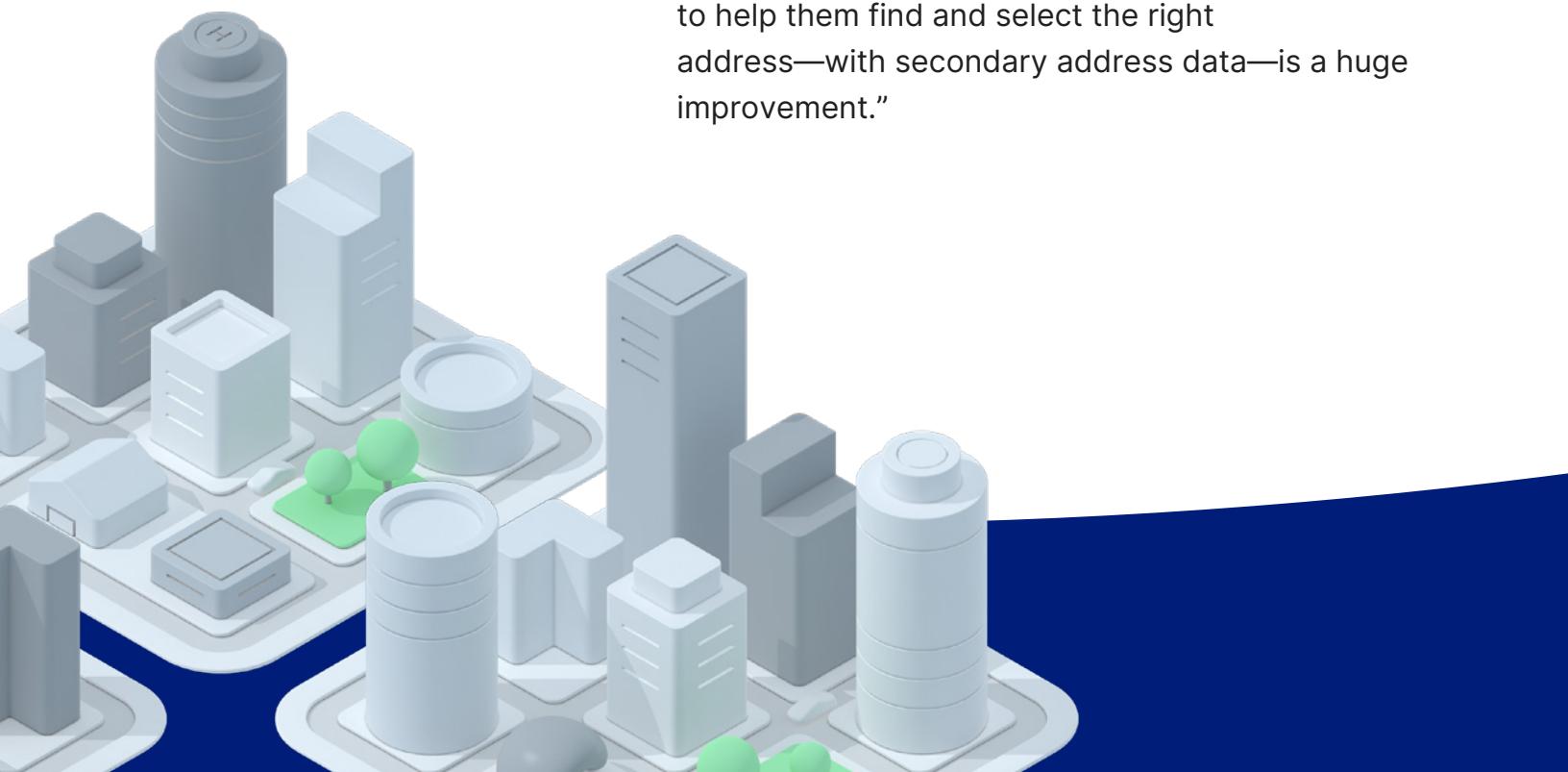
The Results: 50-70% decrease in undeliverable debit cards

Since implementing Smarty US Address Verification and US Address Autocomplete, only 3-5% of shipped cards are undeliverable, and those are mainly due to addressee name mismatches.

> **Our users often live with family members or rent rooms, and if their name is not on the door, USPS won't deliver them.**
>
> **Nick Schuurman**
> Product Team, MAJORITY

The USPS sends MAJORITY a report of all the undeliverable cards and after implementing Smarty, nearly 80% of undeliverable cards are due to name issues, not invalid addresses.

Before Smarty

10%

Of cards undeliverable

↓

After Smarty

3-5%

Of cards undeliverable

Questions?

Learn more at Smarty.com

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