



# Driving Digital Transformation for a Leading European E-commerce Entity's Credit Business

## A Case Study

### About the Client

Founded in Germany in 1949, the organization is a part of a globally active trade and service group. Having expanded into real estate and financial services, the group is present in more than 20 European, North American, South American and Asian countries. With more than 3 million articles from over 6,800 brands, the company is one of the biggest online retailers for fashion and lifestyle in the world and the second biggest online retailer with the end consumer (B2C). Providing jobs for nearly 5000 people in Germany and with over 11.5 million customers across the globe, the company had revenues of more than 5 billion Euros in 2021/22.

### Strategic Vision

The existing business model of the company was a traditional retail business model based mainly on eCommerce, but also on catalogues. The retail business model was complemented with additional services, such as warranty extension. The organization was looking to expand its business model from a focused retail business model to a combined marketplace and retail business model (also called "hybrid platform") in order to unlock further growth potential. It was, thus, transforming its portal to a marketplace allowing third party retailers reselling on this portal.

Considering the payment division as a key strategic area, the organization planned to setup a Germany based payments entity (also called "payment hub") to handle the payments between the customer, the marketplace and the merchants. The payment hub will process all the payments between the company's customer and the payment hub and will offer specific payment methods to the customers based on credit and fraud checks. The payment hub will then control the full payment value chain including payment reminders / dunning process and also the debt collection.



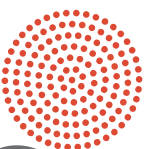
**The company is one of the biggest online retailers for fashion and lifestyle in the world**



**The company was looking to expand to a combined marketplace and retail business model to unlock further growth potential**



**With Intellect, the company can provide a wide range of credit solutions to customers and seamlessly onboard partners into the marketplace**







In order to be able to support the target picture, the company was looking for a technology partner who could help it provide a variety of solutions for the customer and partner accounting based on open line items (incl. claims mgmt., dunning and debt collection).

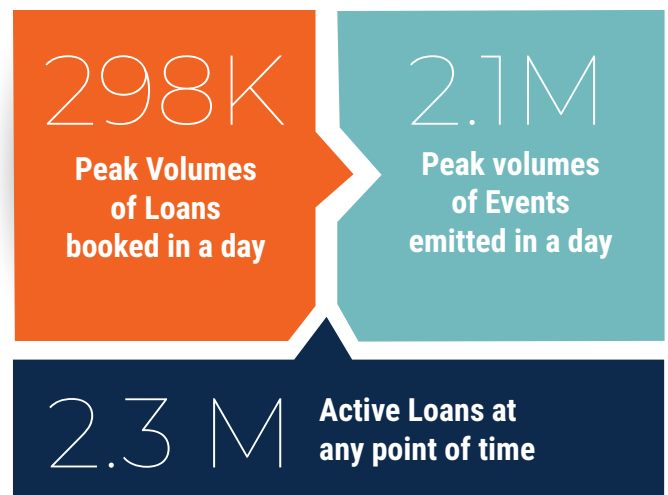
The organization selected Intellect's Digital Lending solution for the complete digitalization of their credit business. The lending solution, from Intellect's robust IDC platform, promises a scalable, future-proof technology to support all forms of credit arrangements that the Client's business requires. The Digital Lending solution designed with API first strategy is capable of managing the entire credit lifecycle from origination to maturity, offering a real time 360-degree view of customer's credit portfolio. The entire project was done as a DIY engagement resulting in a seamless implementation.



## Leveraging Technology to Drive Growth in Business

The GDPR compliant integrated cloud-based system will provide the company a very high level of flexibility to configure and launch on the fly - new credit products, new interfaces, new business rules, new event driven alerts/notifications and new reports/ dashboards, real-time accounting for customers and partners.

By leveraging Intellect's state-of-the-art platform which is powered by a MACH architecture, the company is now able to provide a wide range of credit solutions to its customers – from simple financing arrangements to large volumes of retail customers including dunning, re-financing and factoring arrangements. The integrated solution has not only helped the company curate segment-specific credit products and drive faster go-to-market but has also enabled functionality extension through a wider set of RestAPIs and seamless onboarding of partners into the marketplace.



## Bank of the future

The fully containerized solution deployed in cutting edge AWS EKS+Fargate infrastructure has resulted in a substantial reduction in the infrastructure cost and provided the power of on-demand scale for seasonal peak. The system is processing 2.3 Million active loans at any point in time with a peak volume of 298,613 Loans booked and 2,131,200 Events emitted in a day. The development of its own payments division to offer customers and marketplace partners payment and credit services from a single source will enable the company to become the central engagement point for their customers resulting in it gaining/ retaining their position as the leader in the target markets.