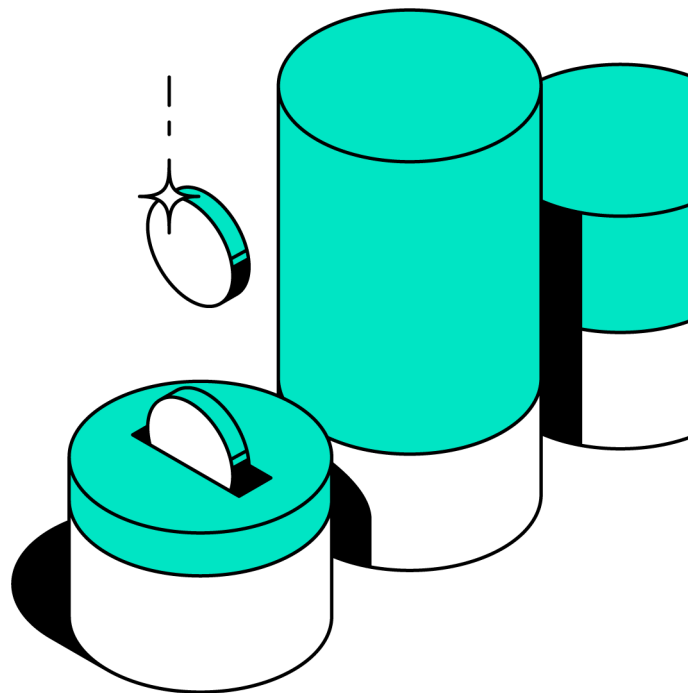




MoneyLion®

# Transforming Declined Leads into Revenue

**A Comprehensive Guide  
for Financial Institutions**



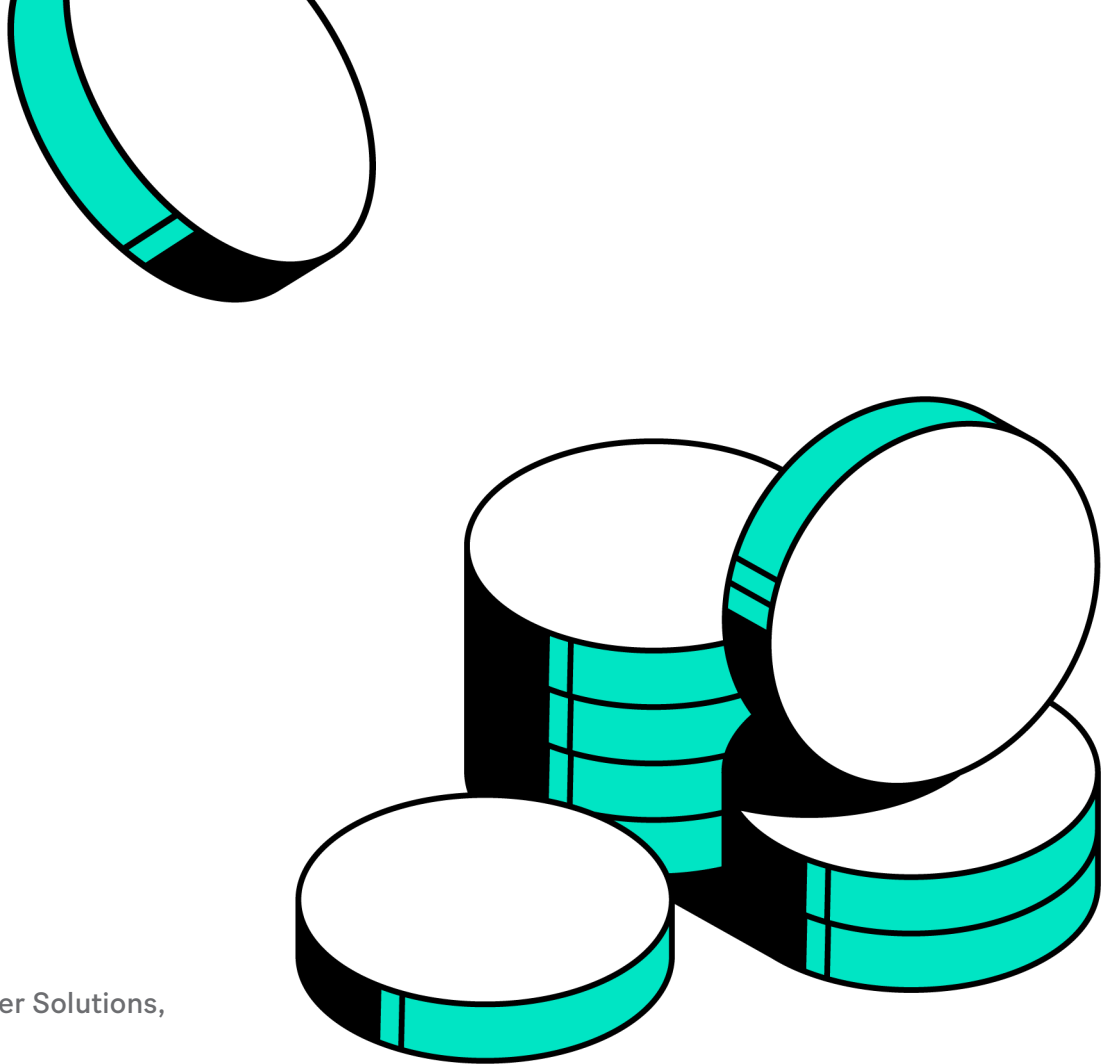
**ENGINE**  
By MoneyLion

Engine Insights

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# Introduction

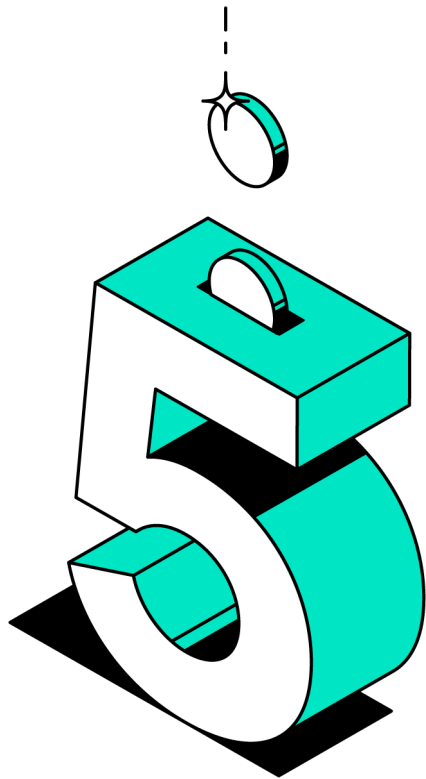
According to the Federal Reserve Bank of New York, the overall rejection rate for credit applicants increased to 21.4 percent in June 2024. When a consumer is declined for a product, offering them alternative solutions reinforces the brand's commitment to helping them solve their financial problems. This enhances the brand's image as helpful and consumer centric, fostering loyalty and trust.

**A well-implemented declines program can be a substantial revenue stream for Financial Institutions (FIs), with some in this space seeing offer rates of up to 90% by providing a variety of third-party products.**

By connecting consumers declined by first-party products to third-party products, FIs can earn referral fees or commissions. This approach transforms these

leads into a significant revenue stream, which can substantially offset customer acquisition costs.

Finally, a declines program provides valuable data insights into consumer behavior and preferences. Understanding the offers presented to and purchased by declined consumers can guide the product roadmap and marketing strategies. These insights can help FIs tailor their products and services to better meet consumer needs, ultimately leading to higher conversion rates and customer satisfaction.



# The 5 keys to a successful declines program

Creating a declines program and evolving it into a marketplace by connecting with an ecosystem of third-party products can bring exponential benefits to FIs. This whitepaper explores the critical considerations for implementing

a declines marketplace, including enhancing operational efficiency, delivering exceptional consumer experiences, managing reputational and regulatory risks, and securing sustainable financial benefits.

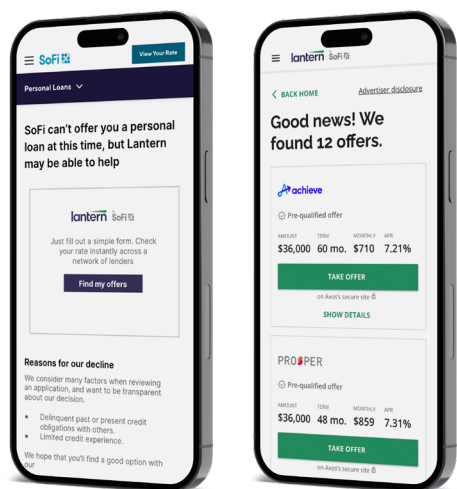
# 01

## Offer Optionality and Pre-Qualification

To maximize revenue yield, it is crucial for FIs to offer a diverse array of products that cater to the specific needs of declined consumers, providing them with various options to fit their individual and unique needs. Relying on a single provider and an additional source of capital is unreliable given current macro trends in underwriting and consumer credit stability. Based on our experience, a successful declines marketplace can drive up to four times the approval rate by connecting consumers with products that span the entire credit spectrum, from subprime to prime. This approach has enabled us to achieve the

widest consumer credit coverage in the industry, allowing more consumers to be matched with financial products through a financial institution's site.

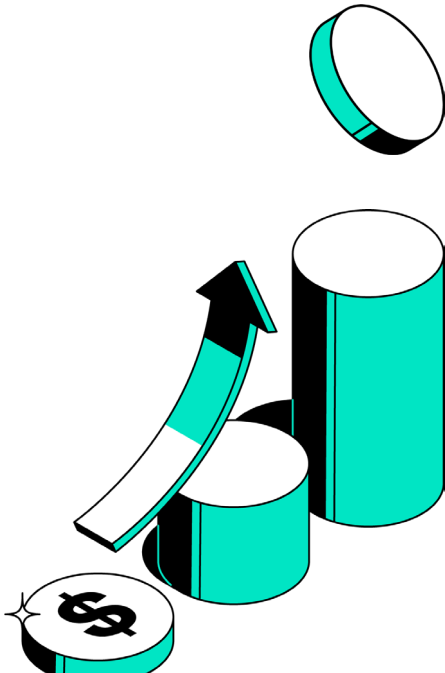
Integrating a waterfall declines experience is an ideal solution, and including pre-qualified or pre-approved offers of credit is even more powerful. While some consumers might qualify for a 3rd-party lending option, others might not, requiring a secondary alternative credit solution. By matching declined consumers with the right third-party products, FIs can dramatically enhance customer satisfaction, improve lifetime value (LTV), and monetization



# 02

## Analytics and Yield Optimization

Clear insights into performance drivers and knowing which levers to pull to optimize performance when the market shifts are crucial to a successful declines program. Changes in approval rates, marketing spend, APRs, and the macroeconomic environment all impact decline programs and must be addressed through yield optimization efforts. Data analytics and reporting capabilities are typically what set a declines program apart, as the program needs to be constantly monitored and fine-tuned to maximize revenue yield and ROI.



# 03



## Brand and Compliance Risk Management

When presenting a marketplace of offers to declined consumers, it is vital that these offers and brands align with the FI's own brand integrity. Consumers initially approached the FI due to brand trust. Ensuring that the alternative offers are relevant, high quality, and trustworthy preserves this trust, turning a potential negative experience into a positive brand reinforcement.

Navigating the regulatory landscape is a complex but crucial aspect of implementing a declines marketplace. Ensuring that all aspects of the declines program operate within

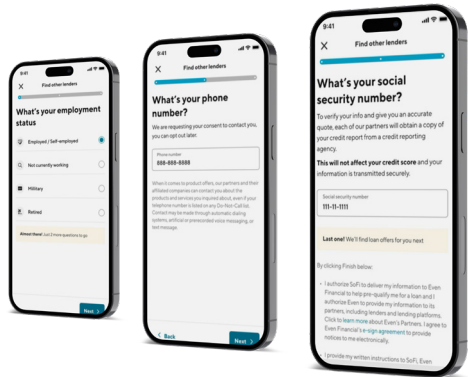
legal boundaries protects the FI from potential risks and enhances its reputation for reliability and trustworthiness.

FIs must have mechanisms in place to maintain control over the brands and products presented to their declined consumers to effectively manage reputation and compliance risks. These mechanisms should approve, govern, and track the journey of declined leads in a timely and user-friendly manner, including robust reporting and escalation workflows.

# 04

## Native User Experience (UX)

Ensuring a seamless UX is essential for maintaining consumer engagement and trust. By utilizing white label APIs, SDKs, and other embedded integration methods, FIs can create a cohesive and intuitive user experience that aligns with the rest of the user journey. A native UX that is easy to navigate helps keep consumers within the FI's ecosystem, reducing the chance of cart abandonment.



“A unified user experience refers to the approach of delivering a consistent and seamless interaction across all user touch-points. This includes consistency in design, functionality, and messaging across different platforms and devices, creating a harmonious and integrated experience for users.”

[\*How To Create A Unified User Experience Across Every Device\*](#), DESIGNRUSH



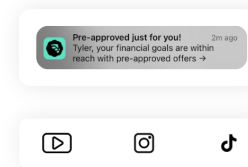
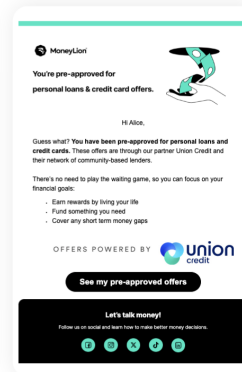
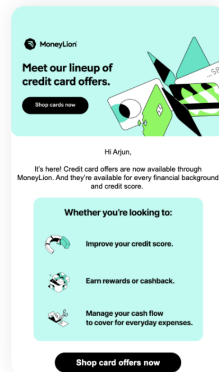
# 05

## An Omnichannel Lifecycle Marketing Strategy

Sustained and consistent consumer engagement is vital for the long-term success of a declines program. Modern-day consumers can be fickle, and engaging them often requires an omnichannel marketing strategy. Adopting a lifecycle marketing program that activates a diverse array of channels—such as targeted email campaigns, in-app interactions, discovery feeds, and social media—can greatly reinforce consumer engagement with the FI’s ecosystem, maintaining consumer interest and loyalty over time.

“Brands with a top omnichannel customer engagement see a 9.5% yearly increase in annual revenue, compared to 3.4% for poor omnichannel brand strategies.”

[28 Omnichannel Statistics Every Enterprise Needs to Know for 2024](#), Digizuite



# Conclusion

## A declines marketplace offers FIs a unique opportunity to turn declined leads into valuable assets

By carefully selecting the right declines partners and focusing on the key fundamentals outlined in this whitepaper, FIs can enhance their revenue streams, improve brand perception, offset marketing costs, and gain critical consumer insights. Embracing a declines marketplace is not just about monetizing unapproved leads; it's about building a more resilient, consumer-centric, and data-driven financial institution.



To learn about how **MoneyLion** is powering financial marketplaces and connecting financial products to best of breed financial marketplaces, visit [engine.moneylion.com](https://engine.moneylion.com)

# About MoneyLion

MoneyLion is a leader in financial technology powering the next generation of personalized products and content, with a top consumer finance super app, a premier embedded finance platform for enterprise businesses and a world-class media arm. MoneyLion's mission is to give everyone the power to make their best financial decisions. We pride ourselves on serving the many, not the few; providing confidence through guidance, choice, and personalization; and shortening the distance to an informed action. In our go-to money app for consumers, we deliver curated content on finance and related topics, through a tailored feed that engages people to learn and share. People take control of their finances with our innovative financial products and marketplace - including our full-fledged suite of features to save, borrow, spend, and invest - seamlessly bringing together the best offers and content from MoneyLion and our 1,100+ Enterprise Partner network, together in one experience.

MoneyLion's enterprise technology provides the definitive search engine and marketplace for financial products, enabling any company to add embedded finance to their business, with advanced AI-backed data and tools through our platform and API. Established in 2013, MoneyLion connects millions of people with the financial products and content they need, when and where they need it.

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