



USE CASE

TRANSACTIONAL INSIGHT AND KPIs TO IMPROVE AFFORDABILITY/CASHFLOW ASSESSMENT AND LIMIT MANAGEMENT

Transaction Insights from Open Banking delivers a significant uplift in the accuracy of the consumer affordability or business cashflow assessment. Gain a deeper understanding of how much customers can afford to borrow and what they are able to repay based on detailed insight into a customer's financial behaviour in real-time.

Helping your analytics teams to enhance scorecards and models for consumers and SMEs:

Affordability Aggregates

Deltas

Cashflow KPIs

Flags

Balance evolution KPI

Trended insights

Ratios

Transactional data improves decisioning strategy performance



IMPROVED ACCURACY

More granular and comprehensive data to inform models and scores

Greater accuracy/predictivity of credit decisions

Better forecast of affordability and cashflow



BOOSTED SCORES

Standalone transactional scores

Significantly enhance the performance of models and scores when blended with other data (e.g. GINI boost)



CURRENT VIEW

Near real-time profile of customers

More accurate view of income/expenditure

Analyse months of history to understand recurrency of expenses and spend behaviour



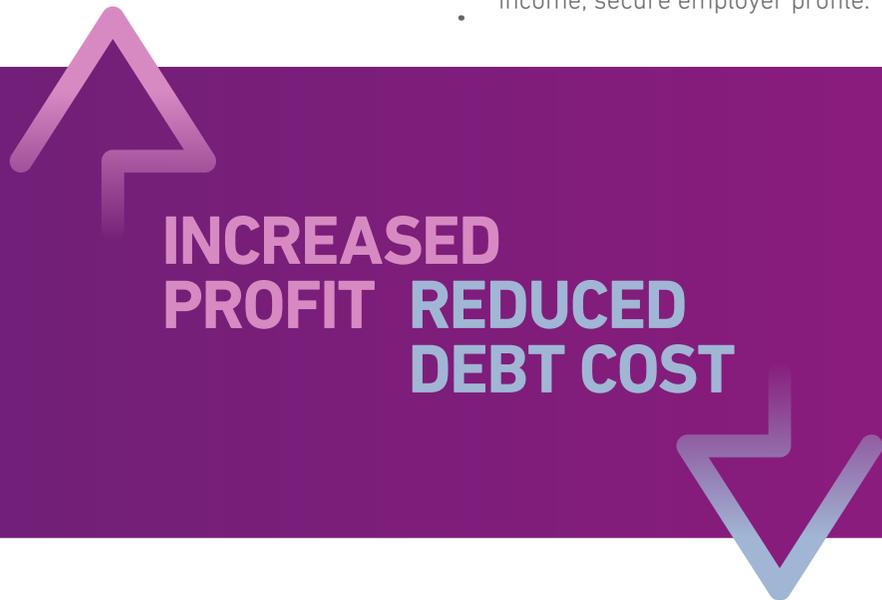
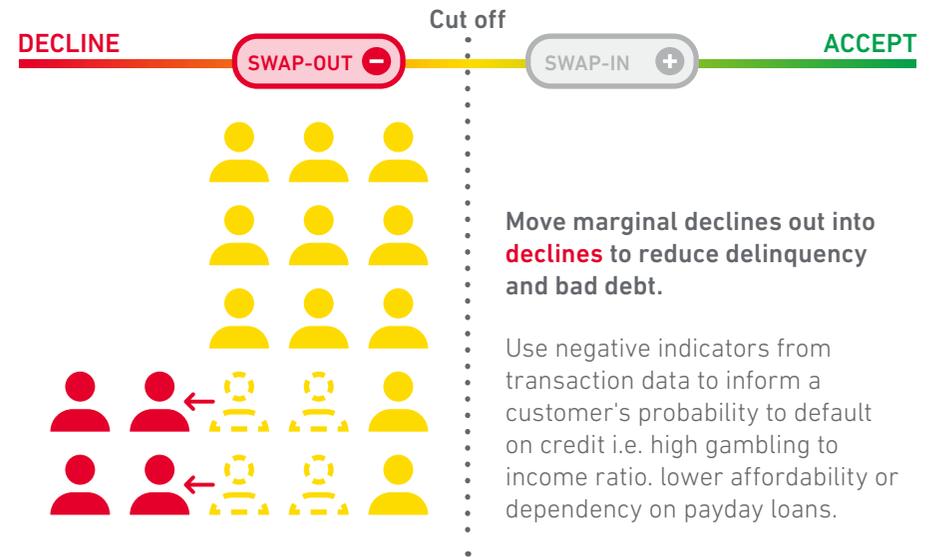
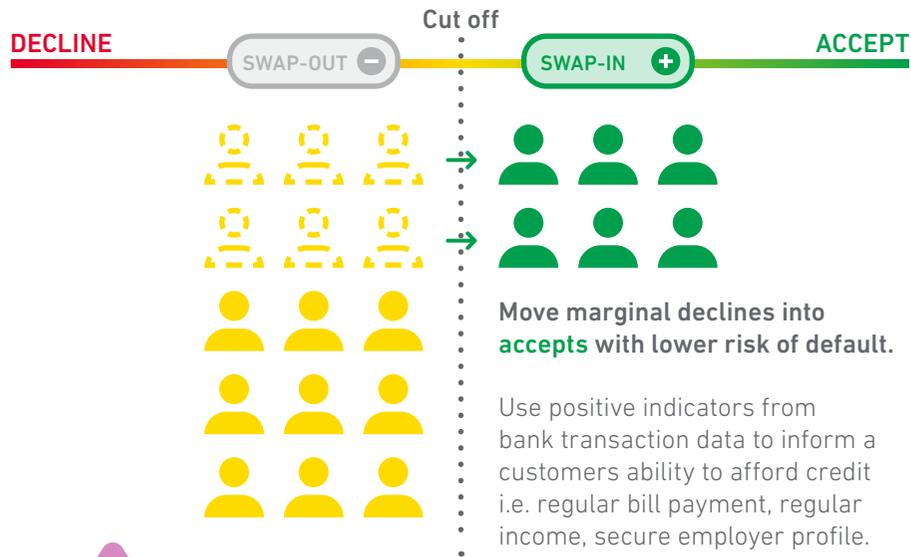
GREATER PERSONALISATION

Enriched profiling to provide customers with personalised products and services

Fair and responsible lending with ongoing affordability monitoring

IMPROVE CREDITWORTHINESS DECISIONS AND BROADEN CREDIT ACCESS

Improve understanding of affordability for marginals, increase acceptance rates and improve bad debt rates

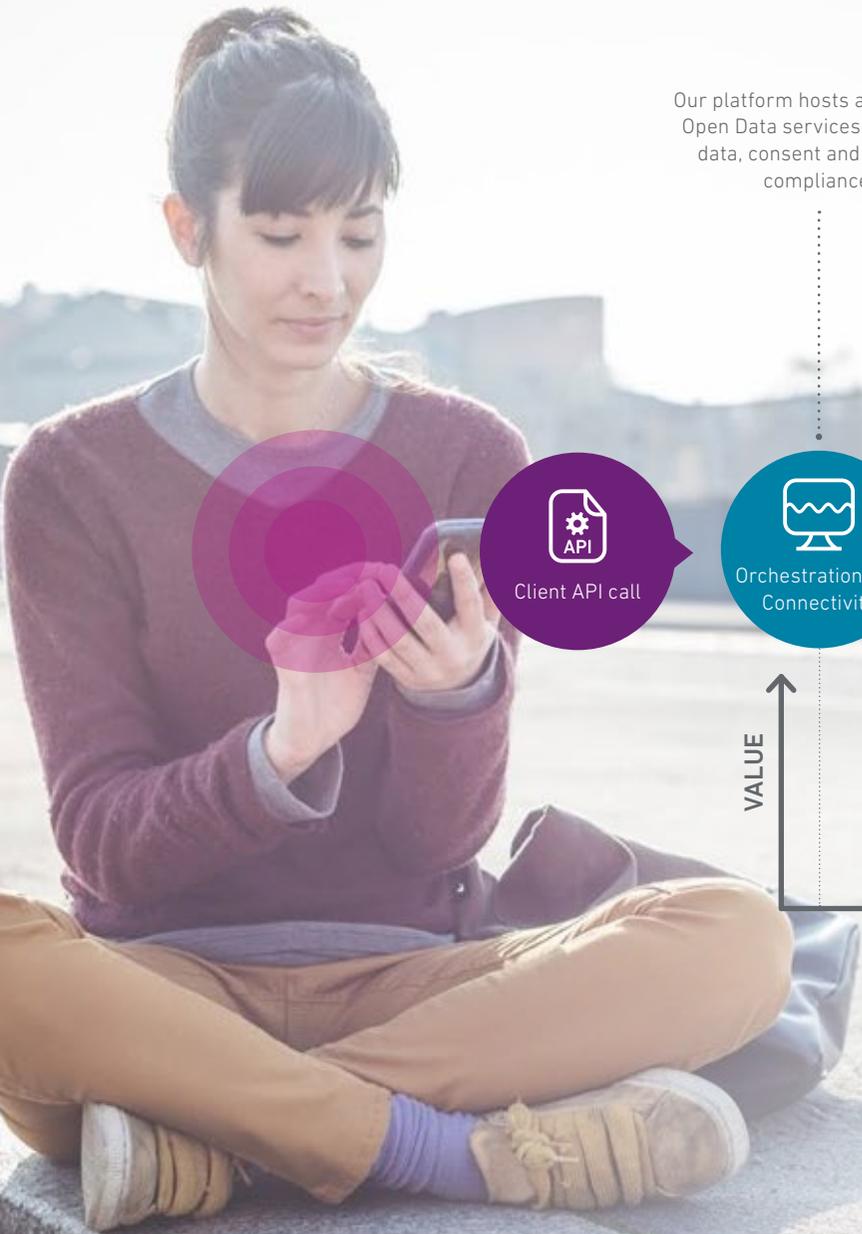


Transaction Insights provide positive and negative indicators that provide insight into a customer's ability to afford credit, which is used to improve cut off measures.

Positive indicators are used to swap in marginal declines into accepts without increasing the risk appetite. This means more acceptance and a wider pool of customers.

Negative indicators are used to deliver improved levels of predictiveness for probability of default models. These allow marginal cases to move into declines that may otherwise have been accepted. This reduces delinquency and the bad debt rate.

OUR OPEN BANKING SERVICES INCLUDES ORCHESTRATION, CATEGORISATION AND ADVANCED ANALYTICS



Our platform hosts all Experian Open Data services, manages data, consent and ensures compliance.

We've developed and trained market specific engines that are maintained by our local experts to perform with accuracy levels greater than 90%

ID Verification powered by Account Owner Verification using transactional data

Client API call

Orchestration and Connectivity

ID Verification

Categorisation

Affordability

Aggregations and Transactional Score

Blended Bureau Data

Integrated Decisioning

VALUE

EXPERTISE REQUIRED

Advanced scoring, analytics and monitoring

Affordability solutions that deliver market relevant aggregations and KPI's to support better decisions with explainable outcomes.

Advanced analytics is used to analyse collected information to deliver improved affordability and credit risk scoring performance.

Build and deploy into decisioning environment.

We can support clients with an end to end solution. From connectivity and orchestration, to the more complex affordability and probability of default models and scores, our experts will help assess your specific goals to deliver an optimal uplift in your performance. We work with you to build and deploy the improved models into your decisioning workflows.

HOW WE CAN HELP



Experian helps you grow your business by making fast, accurate lending decisions with confidence. Gain clarity through data and analytics, supporting you with expertise to optimise performance whilst ensuring fair and responsible lending.

We'll help you maximise effectiveness by enabling you to:



Access best-in-class data to gain in-depth information about customers and their risk profile



Integrate AI/ML at speed giving you a continuous understanding of opportunities and risks



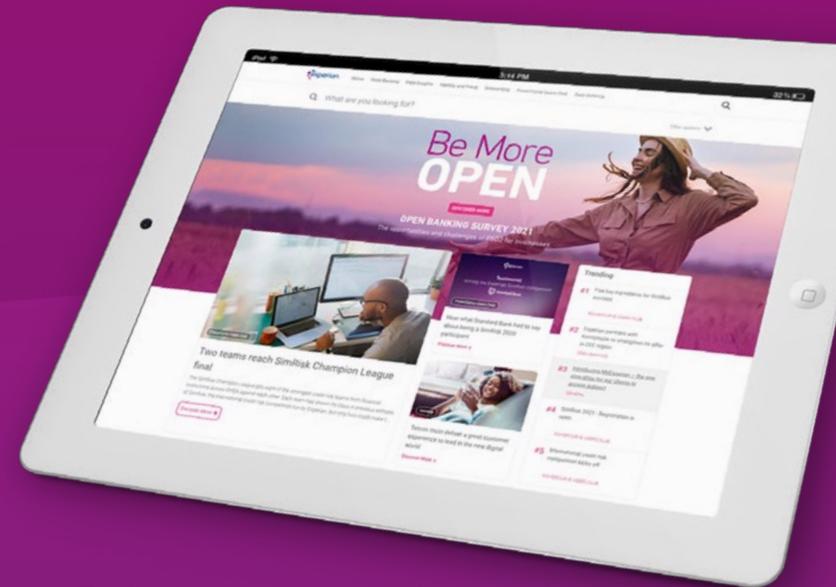
Ensure regulatory compliance with model monitoring and validation requirements



Turn insight into action accelerate deployment of models into live operational environment



Monitor models and scenarios in real time enabling you to adapt in an instant



To find out more, get in touch.

Please contact your local Experian office or visit the Experian Academy website.