

SUCCESS STORIES - SUMMARY

Project Name	Client	Brief Description	Key Analyses
Risk Reporting	Consumer Financial Services	Risk and profitability reporting and analytics to reduce default, fraud & compliance risk	<ul style="list-style-type: none">Tableau

CREDIT MODELING AND RISK ANALYTICS FOR A FINANCIAL SERVICES COMPANY

ABOUT THE CLIENT

Client was a **financial services** company that provides financing to consumers making purchases at stores across United States



SITUATION

- Company wanted support in tracking delinquency rates and charge-offs along with the risk profile of the consumers being approved for financing
- Merilytics partnered with the company to perform risk and profitability analytics **to reduce default, fraud & compliance risk and generate higher ROI**



VALUE ADDITION

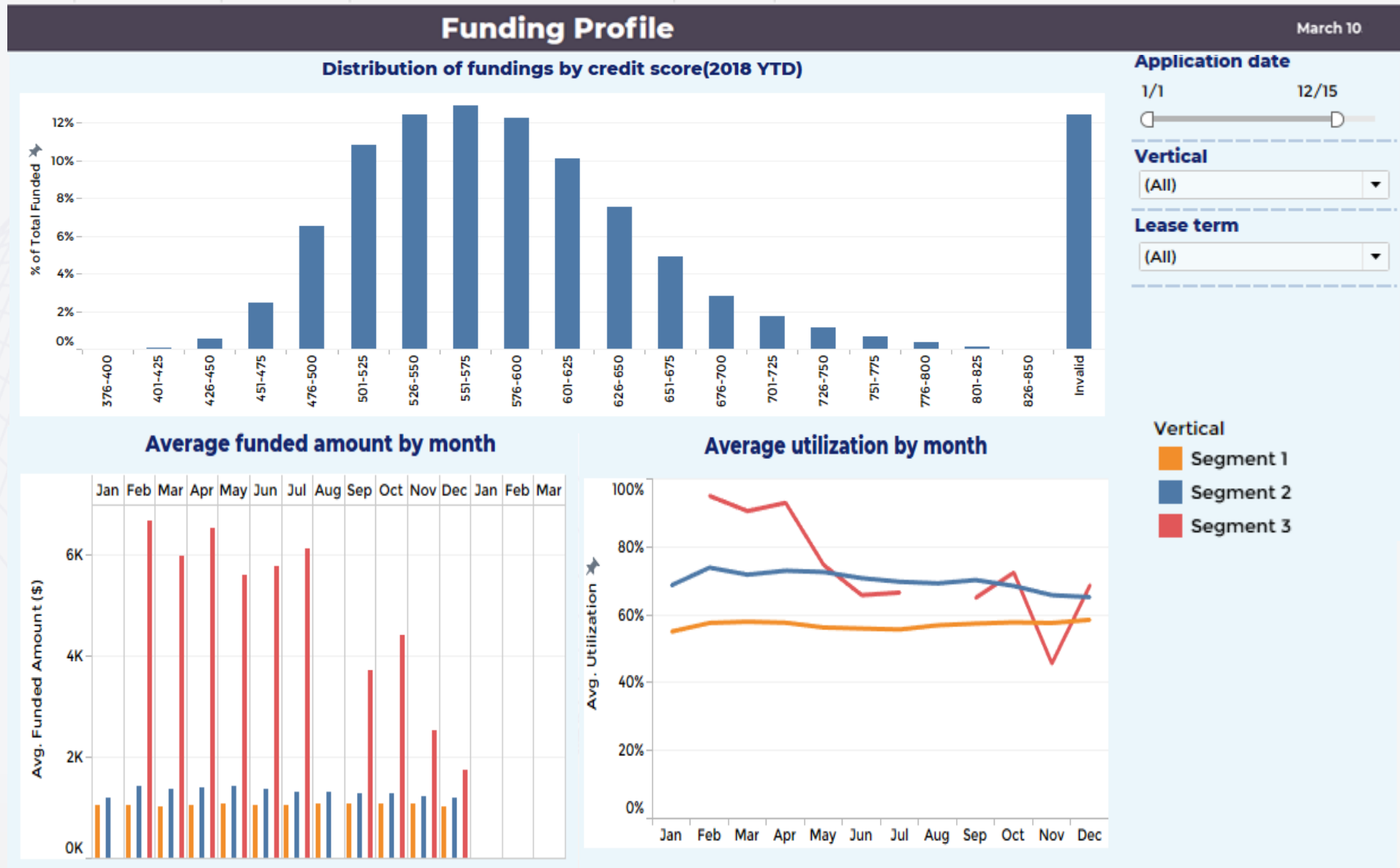
- **Risk Analytics:** Deployed **automated reports** that monitor several risk and profitability metrics at various frequencies (weekly and monthly level) and by tenure months, segment & funding tranche using visualization tools such as Tableau. The metrics monitored include:
 - Early performance indicators: Missed first payment, approval and funding rate, credit score distribution
 - Borrowing balance: delinquency rate, forbearance rate
 - Fraud indicators: fraud closure rate, previous inquiry rate
 - Profitability: cash flow at various stages of payment cycle
- **Compliance Analytics:** Used **text mining** on contracts to identify underwriting issues and ensure compliance with statutory requirements. **Used NLP tools** to evaluate if call center representatives are complying with mandatory disclosures and avoiding blacklisted words and phrases



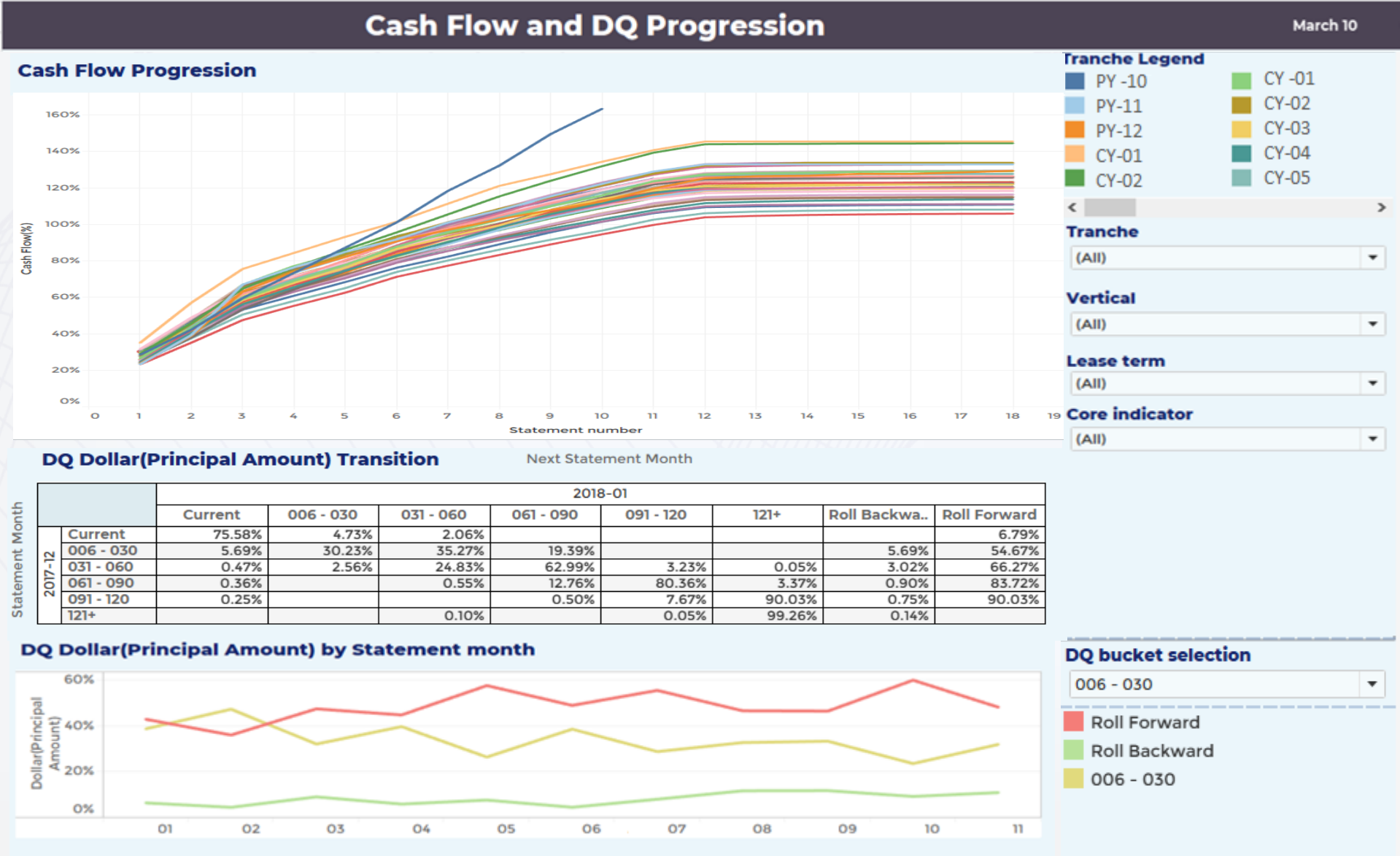
IMPACT

- Facilitated client **to monitor and benchmark risk metrics real-time** against targets **and respond to systematic and seasonal changes** in fundamental business drivers
- Reduced legal risk from underwriting errors and non-compliance to statutory requirements

CLIENT WAS ABLE TO MONITOR VARIOUS METRICS THROUGH AUTOMATED DASHBOARDS (1/3)



CLIENT WAS ABLE TO MONITOR VARIOUS METRICS THROUGH AUTOMATED DASHBOARDS (2/3)



CLIENT WAS ABLE TO MONITOR VARIOUS METRICS THROUGH AUTOMATED DASHBOARDS (3/3)

ILLUSTRATIVE

