



Credit Scoring

Automating Originations, Limit Management and Pre-Approvals



Open Analytics

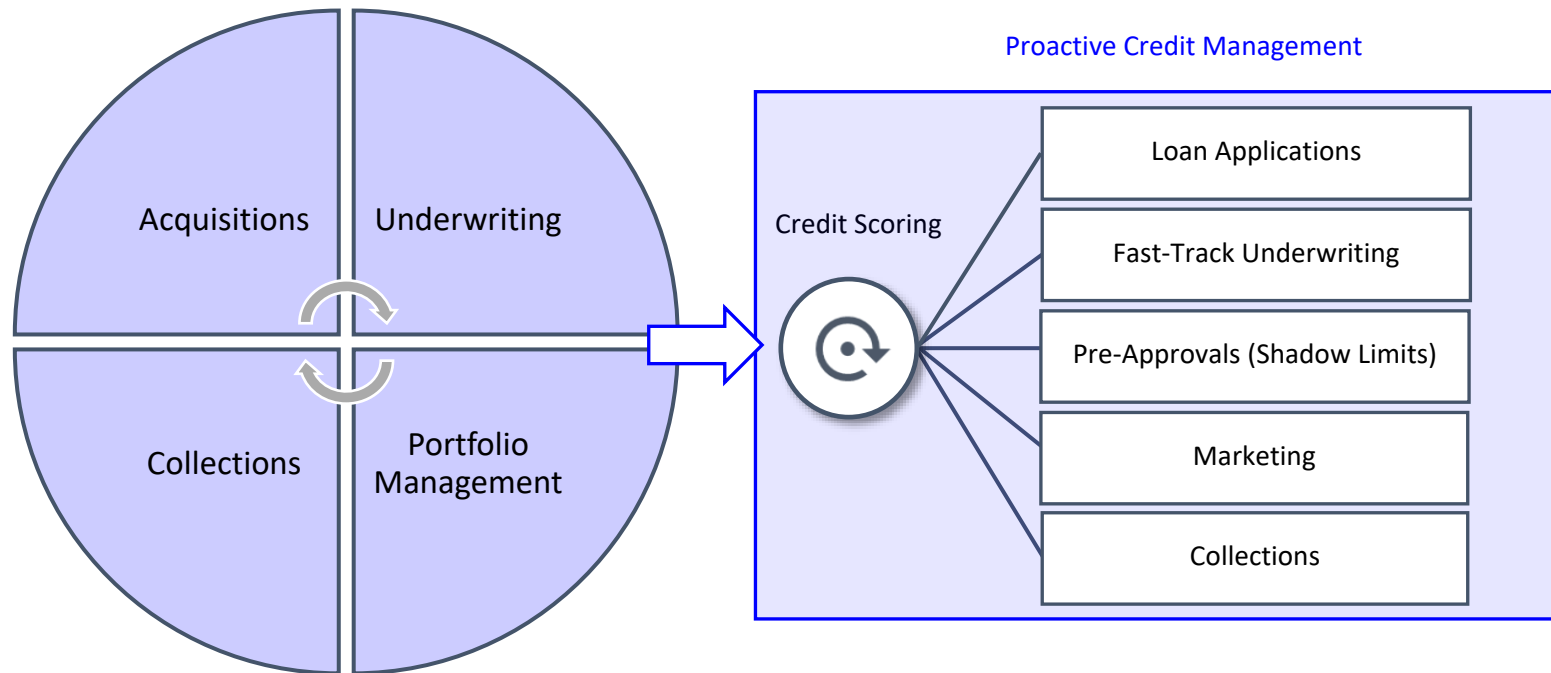
open-analytics.com.au

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Introduction

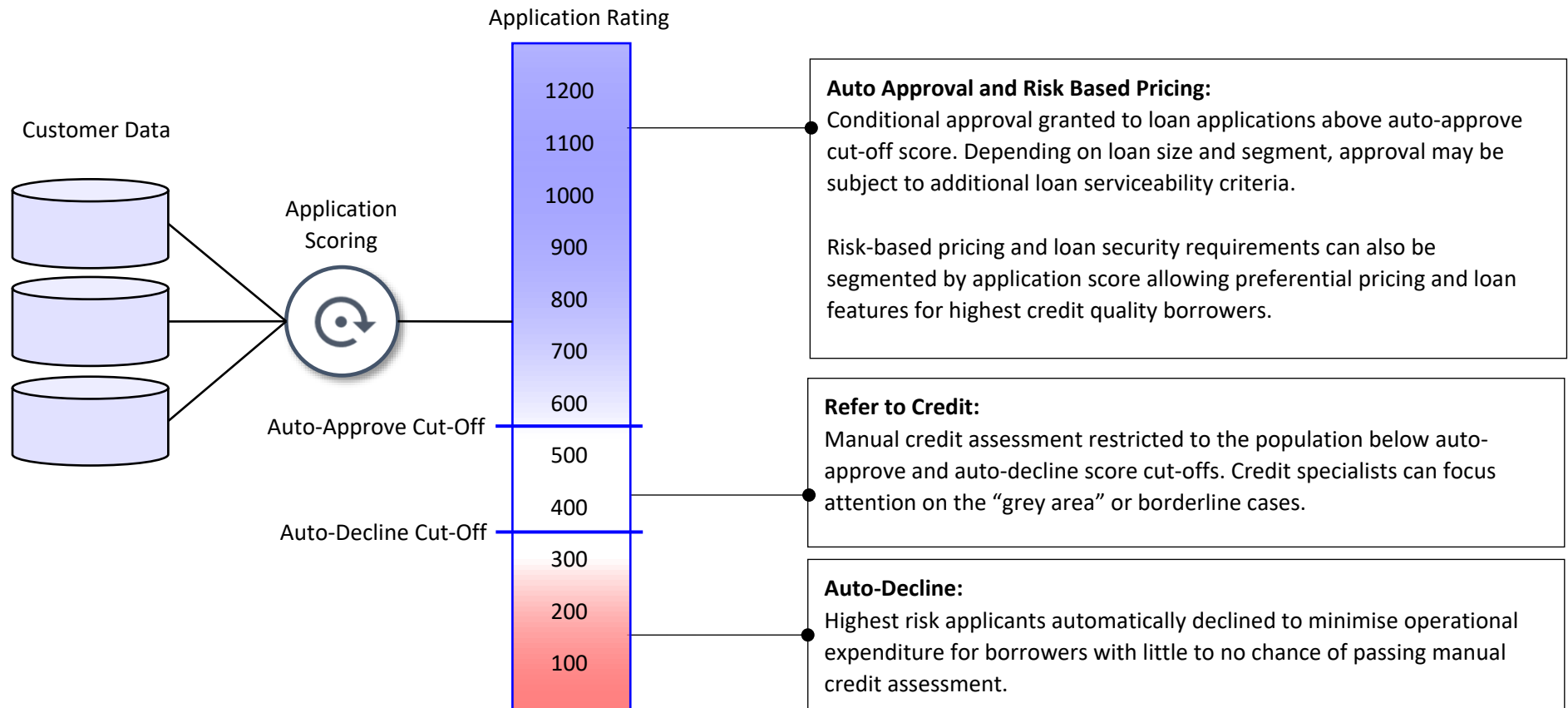
Open Analytics credit scoring solutions enable proactive customer management, pre-approvals and better automation of credit processes across the entire credit lifecycle. We provide application scoring for auto-decisioning new lending and behavioural scoring to facilitate existing customer management.



We offer a range of deployment options including hosted behavioural scoring models and in-house deployed application and behavioural scoring models. For those looking to implement their first scoring model we also offer low-cost and easy to deploy “generation-1” credit scoring solutions.

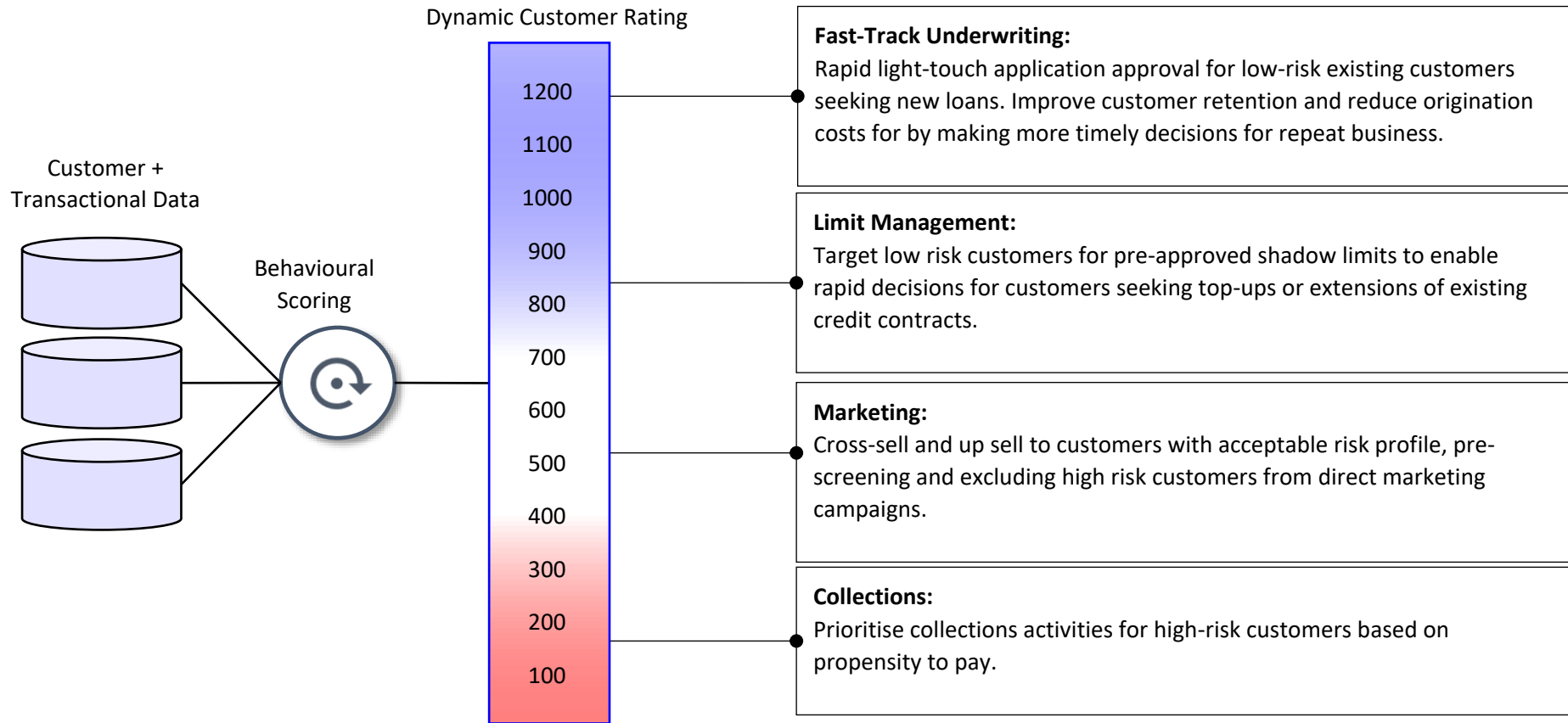
Application Scoring

Application scoring is used to assess the credit risk for new loan applications. Application scores facilitate better automation of loan application decisioning, increasing rates of straight-through-processing and minimise time-to-yes for successful loan applicants. Apart from driving accept-reject-refer decisioning, application scores can also be used for to set differential pricing and loan security requirements to benefit high credit quality customers.



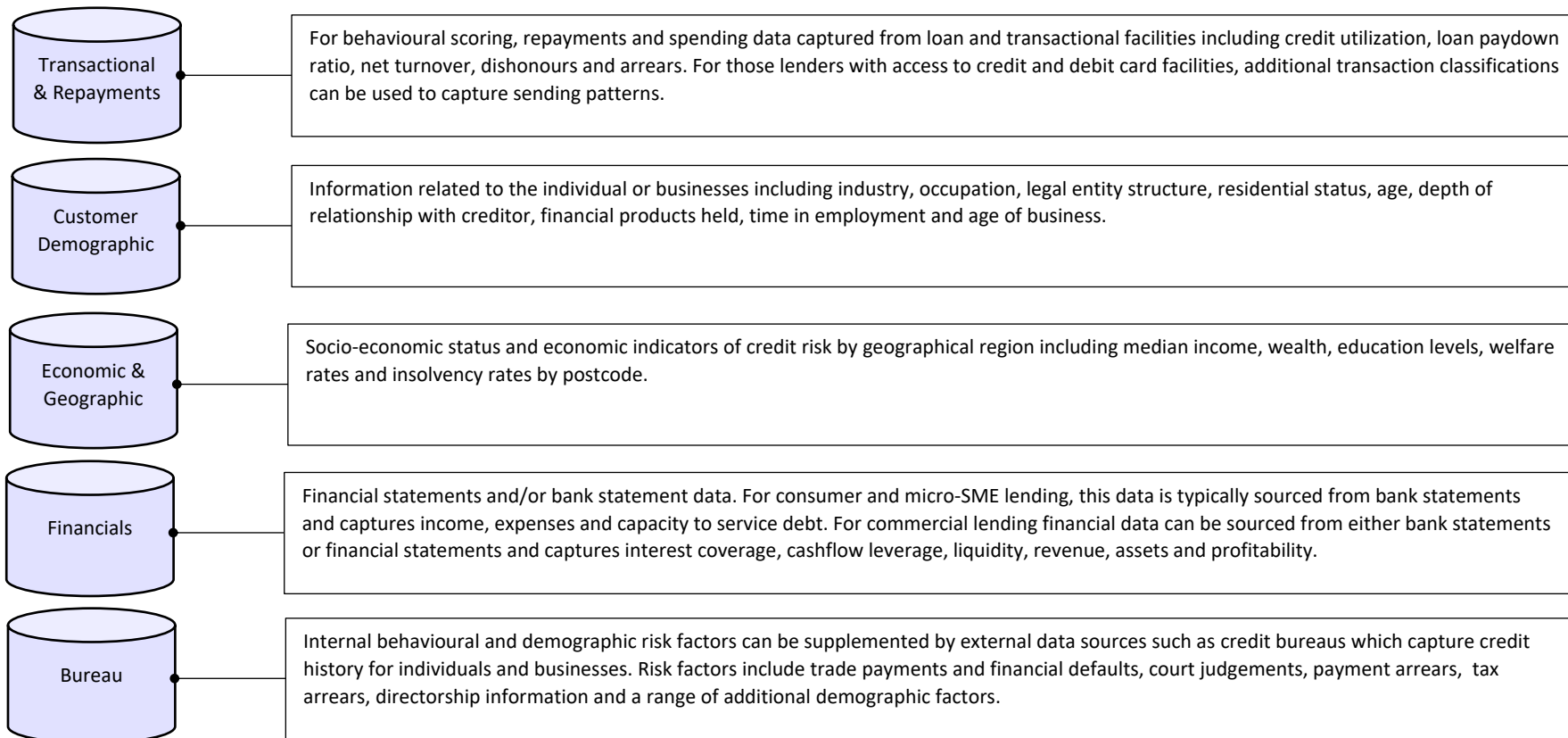
Behavioural Scoring

Behavioural scoring dynamically segments your existing borrowers by level of credit risk. Dynamic customer risk segments or ratings can then be used to drive fast-track underwriting for repeat business, limit management, direct marketing and collections. Behavioural scoring is one of the most effective tools to facilitate automated decisioning and is surprisingly under-utilised by Australian lenders despite being lower cost than many other more commonly adopted credit models.



Data Sources

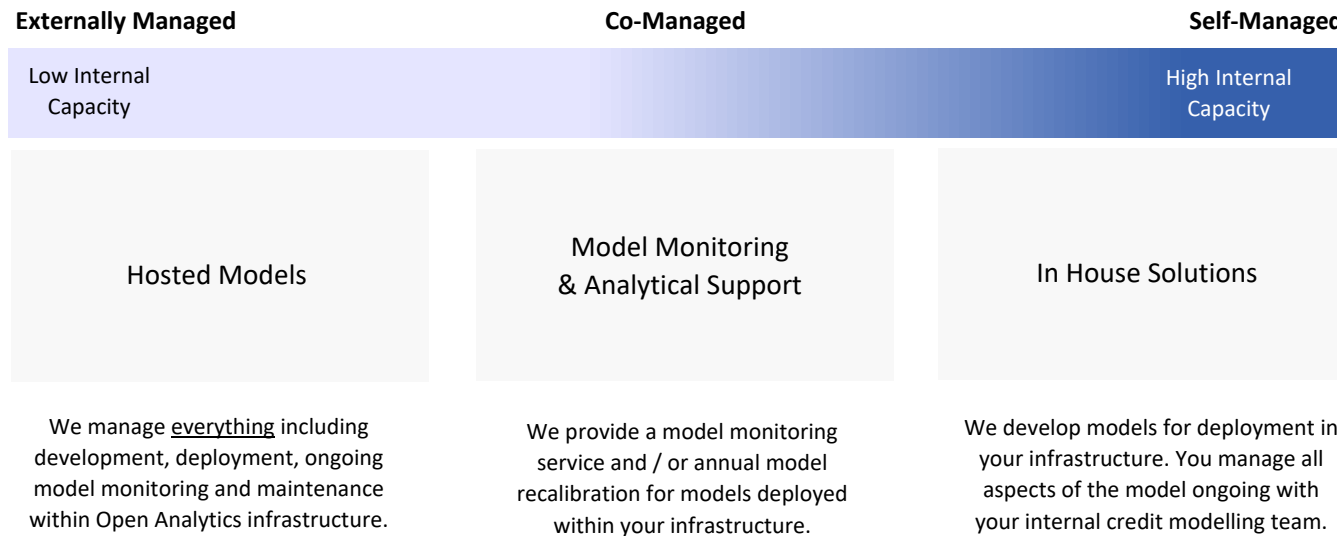
Credit scoring leverages a range of risk factors including behavioural, financials, demographic, credit history and other data types. Key data sources that can be included in credit scoring models are summarised below.



The data included in any given credit scoring model is varied and depends on the nature of lending products, customer type and maturity of your IT infrastructure. You do not require all possible data types to develop an effective credit scoring model.

Flexible Deployment Options

We offer flexible deployment and model management solutions that range from fully hosted to fully in-house maintained (and options in between). Under all deployment options the model calculation is fully transparent and is your intellectual property. For audit purposes we provide documentation and details of the model calculation.



Whatever your internal capacity to manage credit models, we work with your team to provide the best fit solution for your needs and budget.

Model Transparency

Regardless of whether you choose a hosted solution or an internally deployed model, we ensure you have 100% transparency regarding the model design and calculation. All models are explainable so credit managers and your customers know why a decision leveraging credit scoring has been made. We provide a unique model attribution algorithm and metadata which decompose credit scores into underlying risk factor attributes, allowing assessment of each customer against each model factor.



Pricing

For established lenders with sufficient data assets and IT infrastructure, Open Analytics offer on-premise customised models. Fixed model development pricing for application and behavioural scoring is provided below.

Model Type	Fixed Fee (1 Segment)	Per Additional Segment
Application Scoring	95,000	30,000
Behavioural Scoring Model	85,000	25,000

Behavioural scoring can be deployed in-house or hosted by Open Analytics. Pricing for our hosted behavioural scoring solution is provided below. Model development and implementation is free with a commitment to a minimum 12-month term.

Hosted Behavioural Scoring	Implementation Fee	Monthly Instalment	Minimum Term
Standard (1-2 Segments)	Nil	5,500	12 months
Per Additional Segment	Nil	2,500	12 months

All prices are in Australian dollars and exclusive of GST.

Is your organization looking to implement your first credit scoring model or a low complexity basic scoring model?

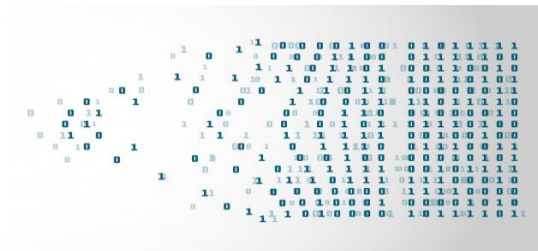
We offer low-cost entry level scoring solutions, typically suited to early-stage second tier banks, credit unions, fintechs, utilities or other non-bank creditors. Pricing starts as low as \$55,000.

In order to be eligible for entry level scoring discounts, a number of conditions apply, please contact our team at contact@open-analytics.com.au to discuss if this is right for you.

About Open Analytics

Open Analytics is an Australian financial services consulting company founded on a vision to modernise and strengthen underwriting, risk management and customer engagement for banks and credit providers. We offer a unique design methodology and holistic approach to implementing pro-active, efficient and ethical credit risk management and decisioning processes with a strong emphasis on long-term sustainability and optimized risk-reward outcomes.

Credit Data Architecture and Data Enrichment



Expertise in structured data-model implementation, designed to enrich the value of lender's data assets by increasing interpretability, traceability and consistency of data.

Credit Modelling and Machine Learning



Specialised in advanced predictive modelling and machine learning methods which maximize the use of a broad range of data types to predict and mitigate credit risk.

Credit Risk Management and Decisioning



Credit policy and automated decisioning process design including acquisitions strategy, underwriting policy, marketing, credit line management, risk-based pricing and collections.

Open Analytics provide a combination of credit risk and data science expertise required to deliver our client's objectives. Our blend of traditional credit risk management and advanced technical modelling capabilities makes us unique in our ability to develop best in market credit models and automated data-driven credit processes. We have a unique skillset in designing the complete pipeline to manage all aspects of building, implementing and managing predictive models. We deliver complete solutions covering data sourcing, data preparation, data quality control, feature engineering, model development, model deployment, validation and model monitoring.

Contact

For any questions regarding our behavioural scoring solutions, please contact our team at: contact@open-analytics.com.au