

CASE STUDIES

Deliver on Digital

The Three Phases to a Better, Faster Customer Experience



PHASE 1

Automate and enhance credit decisions for a better customer experience

Credit union increases approval rates by 22%

An \$800 million credit union wanted to review its traditional underwriting guidelines and consider new methods for scoring consumers. The credit union felt its traditional underwriting guidelines were too conservative and could be declining too many applications.

Working with TransUnion, the credit union decided to incorporate trended credit data to better understand how consumers' credit behaviors are changing over time. After implementing a dual-score strategy with

a traditional risk score and TransUnion CreditVision® trended credit data, the credit union found new opportunities to approve members they were previously declining and price these approvals appropriately.

Overall, the credit union **improved their approval rates by 22% for members that traditionally scored as prime or near prime.** They were also able to maintain healthy margins and strong performance with this change.



PHASE 2

Protect against fraud with the appropriate safeguards

Financial institution averts more than \$1M in fraudulent applications

A financial institution noticed suspicious similarities between some applications but had no way of verifying connections. For suspicious applications, a fraud analyst would request some mix of a phone call, a notarized copy of identification, pay stubs, proof of residence, etc. from the consumer.

Before using iovation®, up to three departments – the call center or loan center, the lending department and the fraud department – would review the same application for signs of fraud. The most suspicious applications could take more than eight hours of review by multiple

staff members. With iovation, they could compare the stated and actual IP address and dozens of other risky device characteristics to make automated decisions in the lending and fraud departments.

Between April and June, the credit union **averted more than one million dollars' worth of fraudulent applications** each month. Now, **each application that makes it to review takes about five minutes** for one department, down from hours for three departments.



PHASE 3

Optimize engagement with customers and prospects

Automaker improves targeting efficiency by 81% across digital channels

A luxury automaker needed to accurately target consumers who were likely to convert and wanted to build a custom lookalike audience using a robust dataset of auto owners.

First, known owners of the client's model were combined with those of seven competitive models. This created a seed aligned with the client's goal of identifying people likely to purchase the model. The TruAudience® Platform then used machine learning to analyze roughly 2,700 data points per profile, weighing each according to relative importance to build a predictive model. The model identified 124 predictive factors related to consumers with a high likelihood to buy the automaker's sedan or a competitive model.

The predictive model calculated a score for 99% of U.S. adults, pinpointing consumers more likely to convert for the automaker. Using the top scores, the lookalike audience of eight million prospects represented consumers resembling those who recently bought the client model or competitive vehicles. The **custom lookalike audience identified 43% of actual owners – a 65% improvement in targeting accuracy.** The analysis showed the lookalike audience **produced an 81% improvement in targeting efficiency when put head-to-head with demographic segments.**

If you have questions about the three phases of a strong digital experience, contact us at **tu_info@transunion.com** or contact your TransUnion representative.
