August 2017

Deep Analytics & Advanced Algorithms Enable Auto Lenders to Instantly Evaluate Alternative Loan Offers Without Risk

What is this breakthrough in Auto Finance?

New auto industry solution generates multiple optimized deal structures in real-time, enabling lenders to effectively manage risk and enhance profitability

A new FICO solution instantly discovers and evaluates millions of alternative offers to deliver the best offers to auto lenders, empowering them to aggressively compete for business without compromising risk standards, growth targets, or compliance requirement

The core of the FICO solution is a sophisticated decision engine that leverages prescriptive analytics to improve performance and optimize deal offers in real-time

Automotive industry-specific loan origination solution utilizes predictive analytics and decision management software.

What this auto finance tool algorithm does—One More Time:

Leveraging its deep analytic expertise coupled with advanced algorithms and the latest optimization technology, FICO enables auto finance companies to instantly evaluate millions of alternative offers to aggressively compete for business without compromising risk standards, growth targets, or compliance requirements.

<u>Backstory on this Decision Management Software:</u>

As the automotive industry and car buying experience dramatically change, auto finance companies need to make data-driven lending decisions in real time. In a recent report by Deloitte on "[Financing The Future of Mobility: Auto finance in the evolving transportation ecosystem](#)," the digital disruption to origination and underwriting of auto loans is made clear.

Historically, customers have rarely relished the process of initiating a loan with its reams of paperwork and long wait times at the dealership. This paper trail is already beginning to change, as auto retailers look to adopt customer-centric omnichannel retail models."

<u>How Ken Kertz, FICO Sr Director, Auto Practice sees breakthrough:</u>

 "By enabling finance companies to balance competing priorities with an analytically driven approach, today's digital-first consumers can expect simplicity and instant gratification at every touchpoint of their car buying journey. Given increasingly fierce competition, dealers must be equipped to deliver instant, compelling, profitable, and flexible financing offers across digital channels and in the dealership."

Leveraging the power of the FICO® Xpress Optimization Suite and FICO® Origination Manager, the new auto industry solution is designed to generate multiple optimized deal structures for approved applicants, giving the customer and the finance professional greater flexibility to balance competing business outcomes (such as lowering risk or winning market share), as well as negotiate and instantly adjust the terms of the loan (length, interest rate, or monthly and down payments).

<u>What can Lenders and Dealers expect from this FICO new system</u>:

At the core of this offering is a sophisticated decisioning engine that enhances productivity and profitability for lenders by enabling them to respond to loan applicants instantly, eliminate negotiation turnaround times, manage risk, and significantly reduce manual paperwork.

<u>What you need to know about FICO:</u>

FICO (NYSE: FICO) powers decisions that help people and businesses around the world prosper. The company is a pioneer in the use of predictive analytics and data science to improve operational decisions.

For more information about this analytic driven system, please visit www.fico/en/auto-lending.

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