



BEYOND ONBOARDING

Buyer's Guide to Risk Decisioning Platforms

How to Enable AI-Powered Decisioning for
Smarter, Faster Risk Decisions Across the
Entire Customer Lifecycle

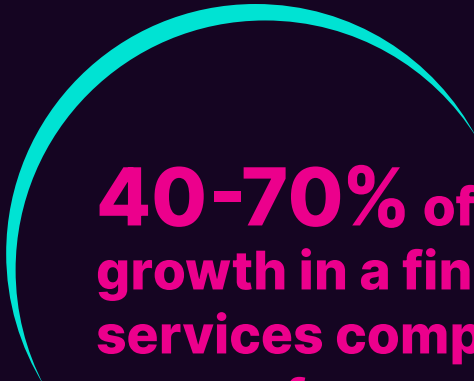
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Introduction

Does navigating the growing field of risk decisioning platforms feel like trying to find a needle in a haystack? Fear not - we've got you covered. We've developed this comprehensive guide to help you make an informed decision when choosing the right decisioning intelligence platform for your organization - whatever your decisioning needs. We'll look at what the benefits are of using an automated risk decisioning platform across the entire customer journey, the key features you should look for, and how best to make your choice.

Discussions of risk decisioning platforms often focus on onboarding and loan origination. But investment in the start of the journey is only one piece of the puzzle. Your growth depends not only on attracting new customers, but maximizing the value of your existing ones. While sophisticated, automated onboarding/origination solutions are key, it's important to also focus on the tools you use for the rest of your decisions. Not to mention the immense value in having one end-to-end solution for decisions throughout the customer journey. By eliminating siloed systems and sharing intelligence easily, the right decisioning platform will enable more accurate, faster decisions across the lifecycle, mitigating your risk and maximizing your growth.



40-70% of the growth in a financial services company comes from existing customers (Inciper)

Your risk decisioning platform should be able to take your decisioning beyond onboarding, to include:

Upsell/cross-sell opportunities

Targeting your customers effectively with AI-powered intelligence to enable the right offers at the right time, increasing the likelihood of acceptance

Strategic risk mitigation

Testing and deploying additional data sets and AI models for proactive credit line management and regularly evaluating your risk exposure and predicting portfolio performance

Pre-collections and collections strategies

Accurately predicting potential defaults before they happen, and identifying the best treatment strategies and most effective communication channels for the customers that do

Whatever your industry or use-case, whether it's lending to SMEs or offering Buy Now, Pay Later products, auto loans or credit cards, and however you deliver those products (embedded finance or digital banking, traditional branches or fintechs) - the right decisioning platform, covering everything from credit, fraud, compliance and product decisions, is key to long-term success, growth, and profitability.

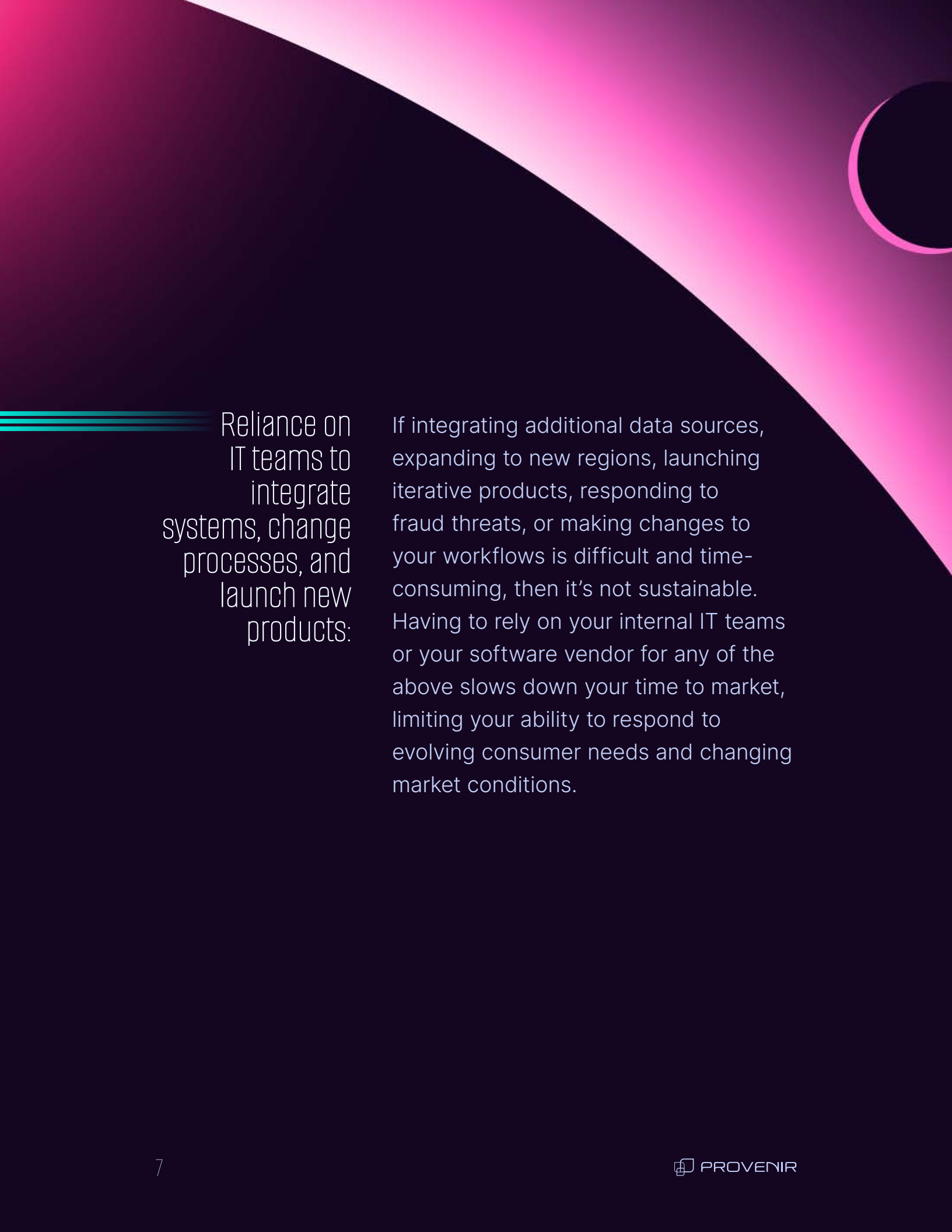
This buyer's guide for risk decisioning platforms will aim to answer some common questions, including:

- How can we use AI-powered decisioning to maximize customer value across the entire lifecycle?
- What are the key capabilities of a risk decisioning solution that will ensure success across credit, fraud, compliance, and product decisions, at onboarding and beyond?
- What role does data play in risk decisioning and how can we ensure the right data at the right time, across the lifecycle?
- What are the main benefits of an AI-powered decisioning platform?
- What's the best way to create an RFP for decisioning solutions?

Key Challenges Lenders Face in Making Risk Decisions

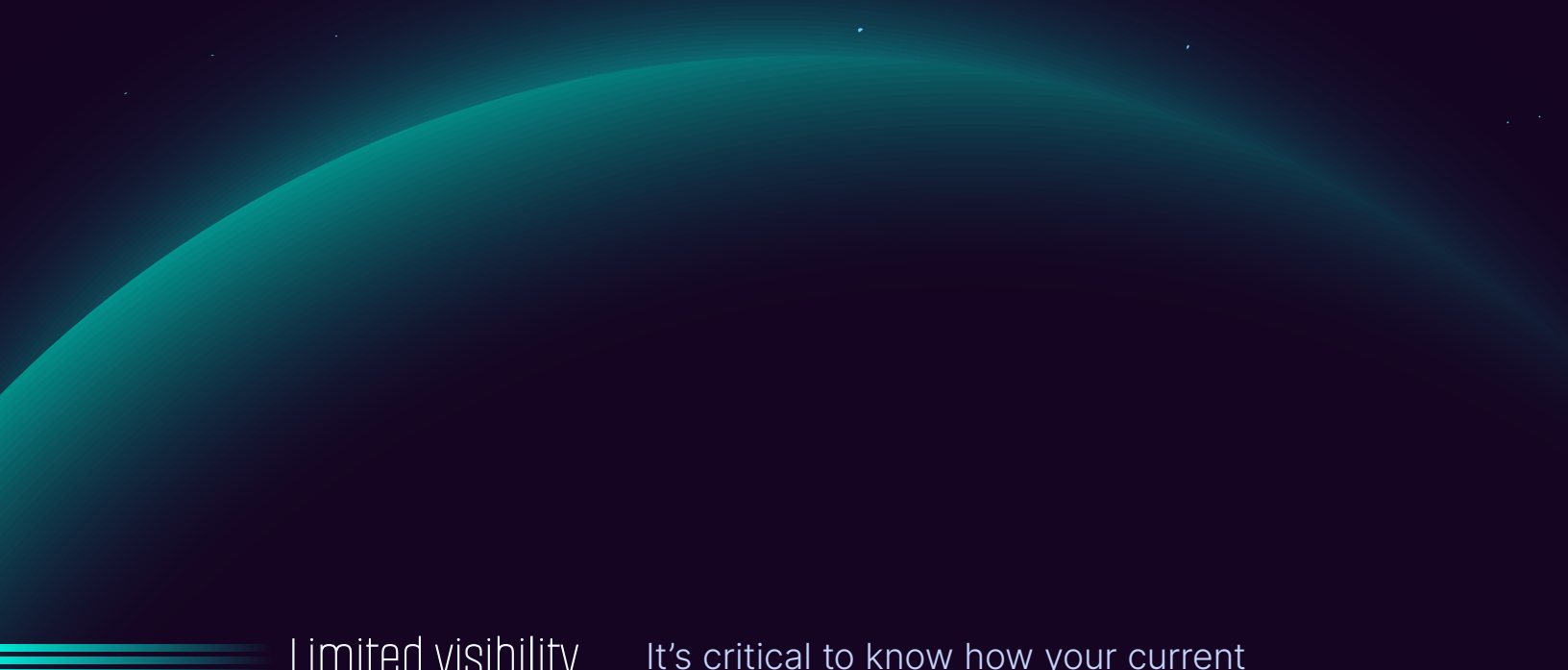
Lack of access to real-time and historical data:

Data and analytics are the key to smarter risk decisions across your customer portfolios, but ensuring the right people have access to the right data at the right time can be challenging. If your risk teams, fraud analysts, data scientists, etc. all have access to different data sets, how can you make cohesive, accurate decisions? Whether it's fraud prevention, identifying upsell opportunities, meeting compliance requirements, or determining collections strategies, the ability to access and integrate both real-time and historical data is key.



Reliance on
IT teams to
integrate
systems, change
processes, and
launch new
products:

If integrating additional data sources, expanding to new regions, launching iterative products, responding to fraud threats, or making changes to your workflows is difficult and time-consuming, then it's not sustainable. Having to rely on your internal IT teams or your software vendor for any of the above slows down your time to market, limiting your ability to respond to evolving consumer needs and changing market conditions.



Limited visibility
into how your
decisioning is
affecting your
business:

It's critical to know how your current risk models are performing, if your loan scorecard is still accurate, how reliable your fraud scores are, or how many of your customers are defaulting on payments and heading towards collections. Having instant access to insights has a huge impact on risk tolerances, revenues, and future growth. Without an on-demand, integrated view into how your decisioning models are performing across the lifecycle, it's challenging to change course, alter processes, and power profitable product innovation.



Predictive model and ML delays and decay:

Many companies report that their risk teams only deploy a small percentage of the models they build. Why?

Because businesses often find that risk teams and decisioning technology speak different languages. For every model that needs to be translated (i.e. from Excel to Python or vice versa), time (and money) is ticking. Easy machine learning model deploying is essential to enabling your ability to accurately respond to market threats or opportunities before your competition can. And getting the right risk models in place is not a one and done situation. Consumer behavior continues to change and your risk models need to keep up. Can your risk teams easily tell when your models go stale?

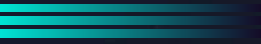
Poor case
management
delays customer
credit approvals:

If all of your data isn't in one place, it's easy to lose track of it. With any issues like missing documents or borderline credit, you're facing a manual stop that makes it extra difficult to track customer credit approvals. Your team might not have an efficient way to view all the pending cases at one time or easily drill down into the case details. In an era of instant everything, without effective case management, you're basically asking customers to wait for doors to open on sale day, instead of just shopping online.



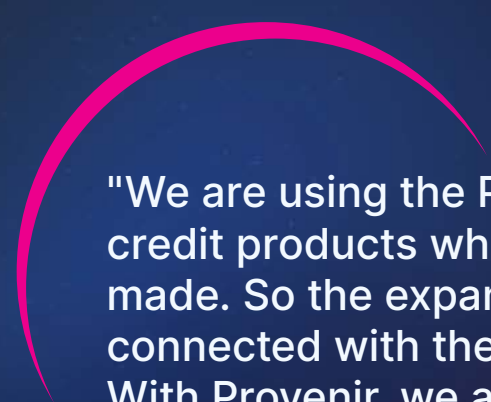
“With cutting-edge technology, intuitive design and unparalleled efficiency, Provenir is the go-to solution for making smarter risk decisions. And with its deployment across all the markets we operate in, Provenir is truly a global solution. High availability of the system gives us confidence as a long-term chosen solution.”





Technology can't scale/grow with your business:

Startups and larger financial services institutions can have very different decisioning requirements. One of the biggest obstacles financial services companies face is having technology that can support their business as it evolves and grows. For example, people often find it a challenge to support decisioning as application volume grows and their offerings expand, or expand their product lines and enter new markets/geographies. Scalability capability is key.



"We are using the Provenir decision engine in all of our credit products where automatic credit decisions are made. So the expansion of the use of Provenir is tightly connected with the expansion of our product portfolio. With Provenir, we are able to make loan decisions faster and also offer different refinancing options than most of our competitors - this gives customers more flexibility with shorter decision times."

 **Bigbank**



Evolving fraud threats:

Fraudsters and their methods are evolving almost as rapidly as the tools we use to detect and prevent fraud. In order to stay on top of continuously changing fraud behavior and the rapid advance of new threats, you need an end-to-end decisioning solution that can learn and iterate just as quickly. Access to readily available data sources, ability to orchestrate and integrate those data sources, and AI model creation and monitoring at all points across the lifecycle are key to optimized fraud prevention.



Managing multiple solutions:

To create an optimized risk decisioning ecosystem, you need to be able to rapidly deploy, learn, and iterate new processes to power continuous innovation - including enabling decisions on everything from fraud prevention, compliance, loan origination, renewal strategies, upsell opportunities, and collections.

Bringing this info together often means using multiple software solutions, all run on their own independent UI. This makes it extremely difficult to orchestrate information and processes, can be labor and time intensive, and requires users to be trained on multiple systems. But with a more holistic view of your decisioning processes and your data, you'll get a more accurate view of your customer and much better intelligence from your AI models.

Together, these obstacles lengthen each step of your product development lifecycle, slow the launch of new products, delay your response to fraud threats, and limits both your strategic agility and innovation.

Project Planning: Defining Risk Decisioning Requirements

Accurately defining your business requirements is the first step (and a critical one!) to ensuring a successful RFP process. First, look to solidify and validate the fundamental idea for the project - have you looked at the market conditions, key trends, competitive players/products? Once you've done your research and developed your business case (including, but not limited to: problem statement, financial analysis, opportunities, metrics for success/KPIs, etc.) then you need to define both the functional and non-functional requirements for your desired solution.

Some aspects to consider incorporating into your desired requirements could be:

- Increased speed and efficiency in managing risk decisions end-to-end across the lifecycle
- Improved accuracy in risk decisioning to mitigate risk and increase revenue/growth
- Eliminated/reduced vendor reliance and the burden on IT/development team
- Eliminated siloed environments for data, decisioning, fraud assessment, compliance, case management, insights
- Reduced complexity of managing multiple online fraud detection tools and more connected adjacent capabilities (i.e. fraud scores, identity checks, device validation, etc.)
- Improved customer experience and a cohesive, end-to-end solution
- Ability to use predictive analytics and advanced insights, including AI/ML to improve the customer journey
- Maximized customer lifetime value across the entire lifecycle, including opportunities beyond onboarding for portfolio management, customer management, collections, cross-sell/upsell opportunities
- Improved strategic agility to be able to drive change when necessary

Things to think about when creating an RFP for a holistic risk decisioning solution:

An effective RFP aims to provide as much detail as possible about your company, the specific project you are working on, the problems you need to solve, and your desired outcomes. Some things to think about including could be:

- Company History
- Scope of Work
- Key Deliverables/ Requirements
- Selection Criteria
- Future Scope/Scale
- Timeline

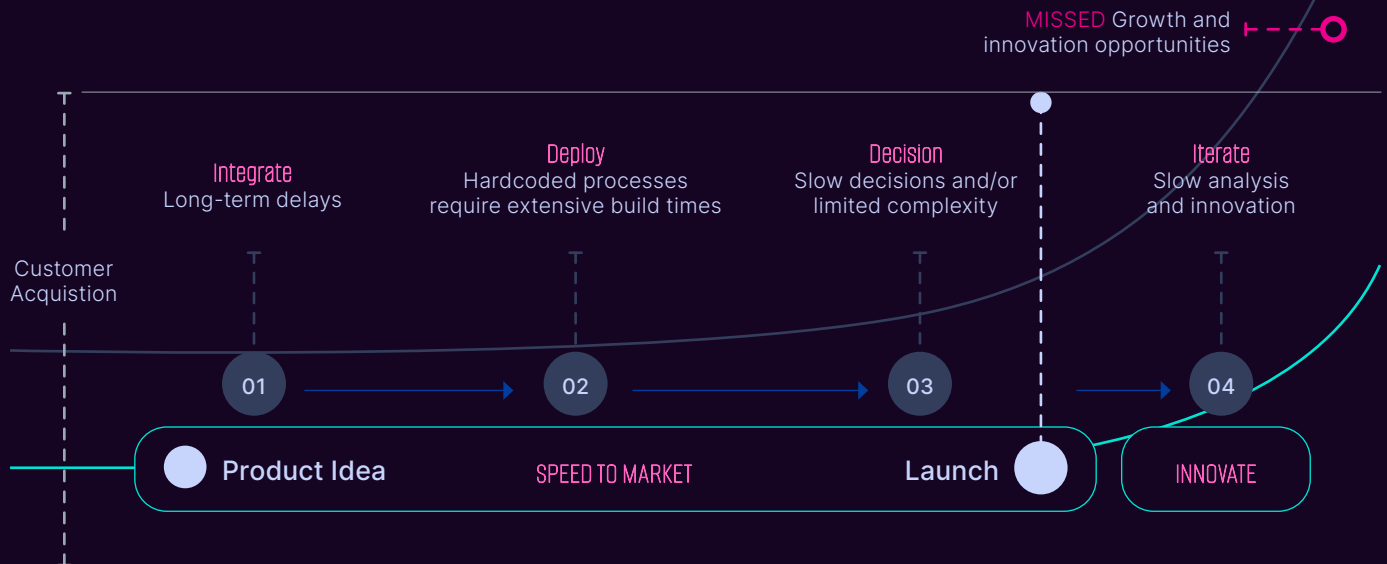
Working with a trusted partner to review and refine your requirements is key to a successful RFP - you may not have done this before, but the experts have! Lean on their experience and benefit from the value of their expert recommendations to ensure you've covered all your bases. For more info on how to craft an RFP that will best meet your needs, [contact us anytime](#).

Key Technology Considerations:

- AI-enabled + model-agnostic
- SaaS
- Cloud-native
- Seamless data integrations
- Compliance
- Data availability and security
- Vendor reliance, IT/ Development time
- Case Management
- Insights
- Customer Lifecycle Management

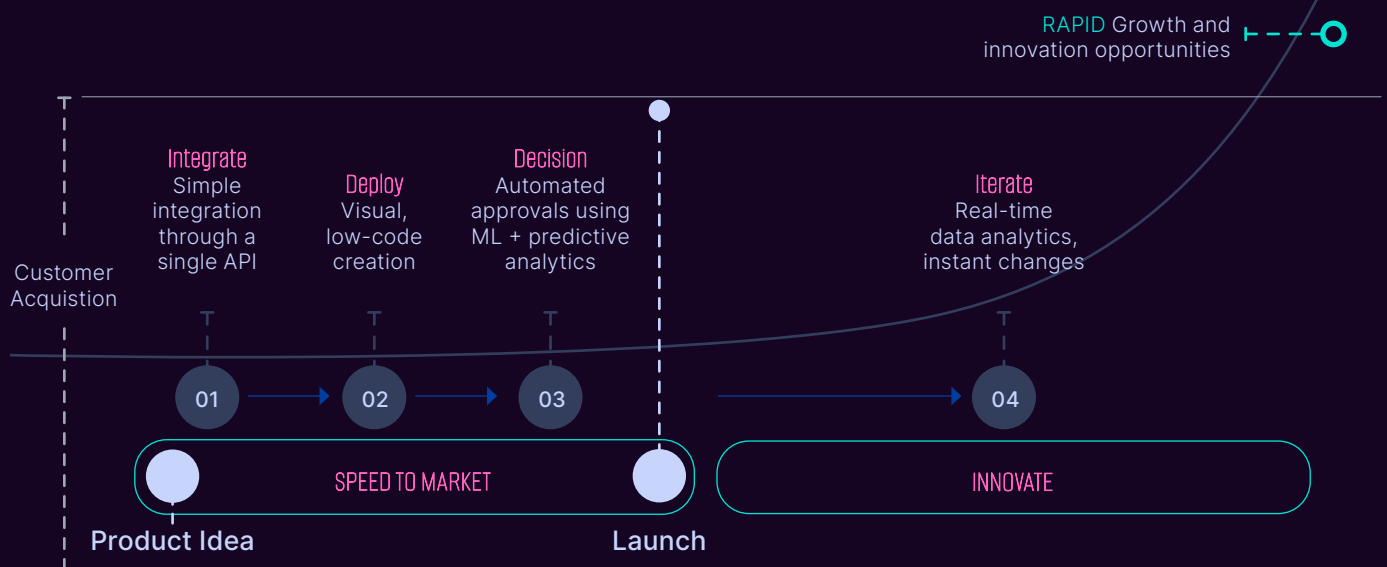
The Challenge

With Legacy / Hardcoded Technology



The Possibility

With Provenir



Benefits of AI-Powered Decisioning Across the Lifecycle:

The use of artificial intelligence and machine learning is growing. AI in financial services is seen as a \$450 billion opportunity. But how can you use AI and machine learning most effectively in your decision engines to see true value across the entire customer journey?

Using embedded machine learning to power your risk decisioning processes enables:



Improved decisioning accuracy:

Spot patterns in your data that manual intervention can't, for superior decisioning accuracy at all stages.



Enriched customer relationships:

Maximize the lifetime value of your customers by using customer data to show you how, when and what offers to give to your current customers. Predict when they are most likely to convert and automatically respond, giving them exactly what they need - before they shop around.



Superior fraud detection:

Auto-optimize your decisioning to manage evolving fraud threats, at all points in the customer lifecycle. Maximize detection capabilities while reducing false positives.



Proactive decisioning:

Predict instead of reacting to delinquent accounts, or even better, identify pre-delinquency patterns using real-time data in order to minimize losses and reduce the number of accounts sent to collections.



Expanded customer base:

Say yes to customers you haven't been able to approve before, and move outside of your current lending base without increasing risk.



Greater financial inclusion:

Power financial inclusion with decisions based on real-time, alternative data.



Optimized pricing:

Enable personalized pricing at all stages, to maximize profitability and the likelihood of acceptance.

Revenue growth: All of the factors above - mitigating losses and expanding your customer base - mean one clear benefit: increased revenue growth opportunities.

The Role of Data:

It's impossible to make accurate risk decisions without data. But knowing what kind of data to use when can be challenging - especially when looking at decisions across credit, fraud, compliance, and product. Are you looking for bureau data or alternative/open banking data? Are you interested in real-time, on-demand data, or only integrating historical views? What's essential to decisioning success is a mix of all of the above. All financial services organizations use data to make informed decisions throughout the customer journey, but having to manually access and integrate data sources is time-consuming and creates the potential for errors or omissions. By looking to a wide-range of data sources, including alternative data sources like rental payments, social media interactions, website info, travel data, past payment history, default rates, job changes, etc. you can ensure:



A more accurate view of identity verification and compliance



A more holistic view of risk and creditworthiness across the customer journey - including origination risk, upsell opportunities, pre-collections strategies, and treatment



Improved fraud prevention and detection

Having a variety of data available on-demand is essential to enhancing your decisioning. Third-party data providers, connected through a centralized platform or marketplace, can make this data consumption effortless, giving you the ability to access and integrate numerous data sources in minutes. You can then use that data to test your decisioning workflows, and iterate/adapt with ease. Be sure to ask potential risk decisioning providers about the partners they work with, how easy it is to integrate new data sources into workflows, and if they have suggestions on the best data sources to use for your particular product.



BBVA, a leader in digital banking with over 7,000 branches in more than 30 countries, wanted to create a clear brand experience across their global footprint. Provenir was able to provide flexible, scalable technology that empowers BBVA to create standardized decisioning processes that can automatically adjust to variations required for each location and individual customer. "Provenir lets us quickly tailor the data we need, and having the flexibility to implement models in different formats is a key advantage of the platform."

BBVA

Customer Outcomes



SoFi, a leading digital personal finance company, aims to help people achieve financial independence. With an ever-changing political landscape in the U.S., and faced with the aftermath of the pandemic, student loan holders were uncertain about their future - and SoFi wanted to help, providing the opportunity to refinance at historically low rates.

Wanting to leverage low-code technology and agile processes to increase SoFi's approval rate and ensure the ability to refinance as many loans as possible, they turned to Provenir.

SoFi was able to complete the project and go live in a shorter timeframe than anticipated, resulting in a reduction in development resources of 44%, and at a cost that was over 57% less than the cost of development of similar application platforms. As a bonus, SoFi has realized a more than 25% improvement in underwriting speed, and have streamlined their regulatory and compliance processes. Now, SoFi has shared their learnings with the wider organization to drive improved application development efficiencies across the entire company - and the whole customer lifecycle.



44% reduction in development resources

57% reduction in development cost

25% improvement in underwriting speed



Carbon, a digital bank with operations in Nigeria, Ghana, and Kenya, aims to deliver greater access to credit and quality financial services in Africa. With the use of the Provenir Platform, they were able to reduce their decisioning time by 50%, easily integrate new data sources, and scale to support growth. With the ability to easily configure scorecards, models and rules, and the availability of advanced analytics and data from all transactions, they are able to optimize existing models and continually improve decision quality.

“The flexibility of the Provenir platform allows us to easily configure scorecards, models and rules as well as integrate with new data sources. Delivering on customer expectations and providing a superior experience that is safe and reliable is a key priority for us. Partnering with Provenir allows us to give customers greater access to credit and quality financial services and we look forward to helping reshape the overall payment experience in Africa.”



Provenir's AI-Powered Decisioning Platform:

Provenir's AI-powered decisioning platform enables faster, more accurate risk decisions across the entire customer journey. With purpose-built technology for data orchestration and risk decisioning processes across identity, fraud, compliance, and credit, the Provenir Platform offers embedded machine learning to give you the flexibility to iterate, expand, and scale on your timeline. With our low-code, cloud-native SaaS offering, you can reduce vendor reliance (and the burden on your IT team), power instant credit decisioning at onboarding and beyond, make decisions based on multiple layers of fraud detection capability, and get new products to market faster than the competition.

Eliminate disparate systems and siloed environments, and discover how Provenir's AI-powered decisioning platform provides the foundation for more accurate, automated risk decisions across the *entire* customer journey - enabling superior experiences, profitable growth, and reduced losses.

Book a Demo