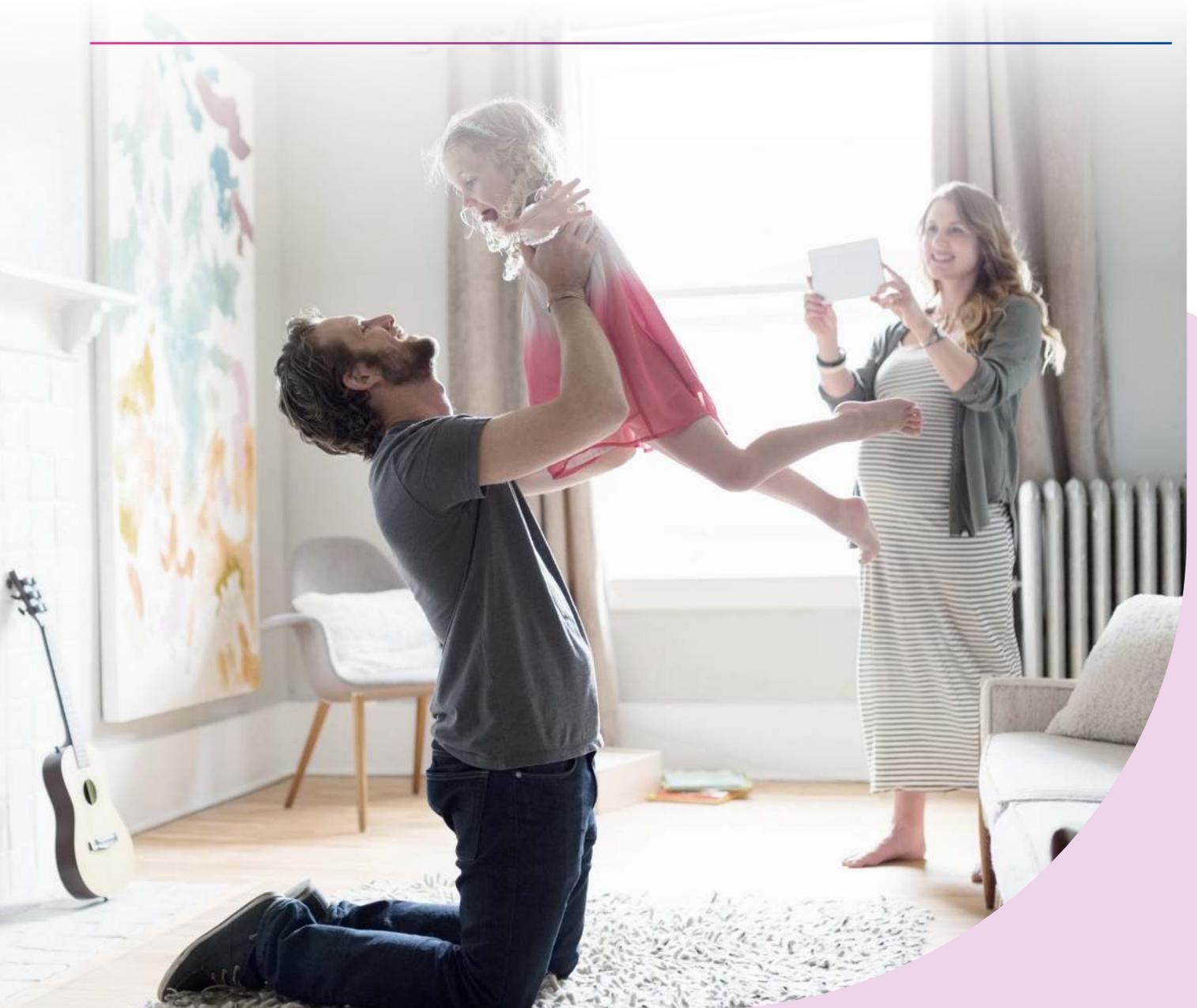


## Affordability

Putting the consumer at the heart of affordability

---



## Introduction

The introduction of Payment Services Directive 2 (PSD2) and the development of Open Banking is a great opportunity to re-evaluate your affordability processes. The access to more data and insight will allow you to quickly make fairer decisions about a customer's ability to afford a product or service.



## What is personal affordability?

Experian's Affordability solution brings together all the components required to efficiently make quick informed decisions about an individual's financial well-being.

### **Data access**

Bank account transactional data can be delivered securely in real-time allowing you to make appropriate informed decisions.

### **Data analysis**

Large volumes of customer transactional banking data can only create meaningful insights once it has been structured. Through our automated categorisation engine takes the data in real time before splitting the transactions into categories of income and expenditure in seconds.

This will make it easier to understand whether an individual will be able to afford the required level of repayments for a loan or mortgage.

### **Powered by AI and machine learning**

Experian transactional data categorisation engine uses machine learning to help achieve 98% accuracy on previously seen data.

Unlike rules based approaches to categorisation, our solution quickly adapts to changes in transaction descriptions and previously unseen account information and achieves 90% accuracy on unseen data. This helps future-proof the solution and significantly reduces ongoing total costs-to-serve.

## The benefits of personal affordability

Experian's Affordability solution enables organisations to grow revenue, reduce costs and improve the quality of decision making, ensuring that consumers get access to products and services they can afford.

### **Improve customer experience**

Make real time decisions on someone's ability to afford what they want, allowing consumers access to services more quickly and reliably.

### **Reduce operational cost**

The automated exchange of data can reduce the amount of manual intervention required to make a decision, improving your operational efficiencies.

### **Make more informed decisions**

Categorised transactional data gives you more detailed information to understand a consumer's income and spending behaviour, allowing you to treat them fairly.

## How does it work?

Experian's Affordability solution can be incorporated into both a face to face and digital application process, providing complete flexibility for you and your customers.

- 1 We offer a quick implementation approach that allows you to use Experian's predefined screens and data transfer methods to be quickly operational.

By using an Experian component ("widget") deployed to your organisation's web page, the customer can consent to the instant sharing of bank transaction data allowing you to understand their income and expenditure.



Customer logs on to their current account to source statement data.

- 2 This widget is linked to our data orchestration platform. This platform manages the customer's consent, terms and conditions and privacy notices, as well as accessing and transferring the transactional data from the account holding bank to the requesting organisation.

3 Trusso Experian's categorisation engine sorts the banks transactional data into over 90 categories which are mapped to 6 aggregate types of income and expenditure.

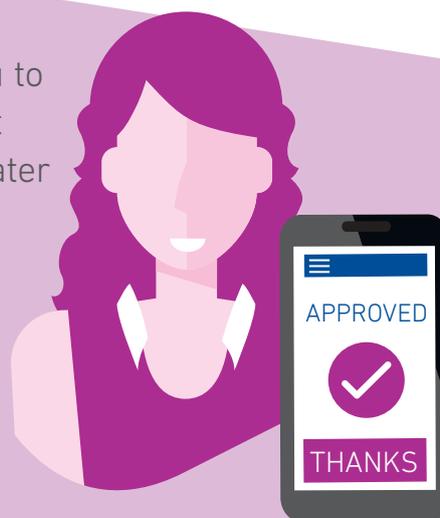


4 The categorised data is then returned back you through the orchestration platform along with minimum and maximum disposable income values and a colour-coded overall "comfort value".



Categorised data

5 This will then enable you to make an informed credit decision based on a greater understanding of the customer's affordability and communicate it to the customer.





For more details on Experian's personal affordability service and other elements of our Open Banking proposition, contact your local regional office.

## Contact your local Experian office

### Denmark

Lyngbyvej 2  
2100 Copenhagen  
[www.experian.dk](http://www.experian.dk)

### France

Tour PB5  
1 avenue du Général de Gaulle  
92074 Paris La Défense Cedex  
[www.experian.fr](http://www.experian.fr)

### Italy

Piazza dell'Indipendenza, 11/b  
00185 Roma  
[www.experian.it](http://www.experian.it)

### Germany

Speditionstraße, 1  
40221 Düsseldorf  
[www.experian.de](http://www.experian.de)

### Netherlands

Grote Marktstraat 49  
2511 BH, Den Haag  
Postbus 13128, 2501 EC, Den Haag  
[www.experian.nl](http://www.experian.nl)

### Norway

Karenlyst Allè 8B, 0278 Oslo  
Postboks 5275, Majorstuen  
0303 Oslo  
[www.experian.no](http://www.experian.no)

### Russia

5, bldg. 19, Nizhny Susalny lane  
105064 Moscow  
[www.experian.ru.com](http://www.experian.ru.com)

### South Africa

Ballyoaks Office park  
35 Ballyclare Drive  
2191 Bryanston, Sandton  
[www.experian.co.za](http://www.experian.co.za)

### Spain

Calle Príncipe de Vergara, 132  
28002 Madrid  
[www.experian.es](http://www.experian.es)

### Turkey

River Plaza, Buyukdere Cad. Bahar Sok.  
No: 13 Kat: 8 Levent  
34394 Istanbul  
[www.experian.com.tr](http://www.experian.com.tr)

### UAE

Dubai Islamic Bank Building 01  
Office 102, First Floor  
Dubai Internet City  
[www.experian.ae](http://www.experian.ae)

## About Experian

Experian unlocks the power of data to create opportunities for consumers, businesses and society. At life's big moments – from buying a home or car, to sending a child to college, to growing a business exponentially by connecting it with new customers – we empower consumers and our clients to manage their data with confidence so they can maximise every opportunity. We gather, analyse and process data in ways others can't. We help individuals take financial control and access financial services, businesses make smarter decisions and thrive, lenders lend more responsibly, and organisations prevent identity fraud and crime.

For more than 125 years, we've helped consumers and clients prosper, and economies and communities flourish – and we're not done.

Our 17,000 people in 37 countries believe the possibilities for you, and our world, are growing. We're investing in new technologies, talented people and innovation so we can help create a better tomorrow. Learn more at [www.experianplc.com](http://www.experianplc.com).