

Boni-Score

Our credit score to tap unused customer potential

Your challenge

The customer journey is becoming increasingly digital: online purchases and transactions have now become the norm across many industries. To maximize the conversion rate in digital business processes and hence revenues, companies face the challenge of offering as many customers as possible their desired contract conditions or payment options. This also typically involves a higher risk of payment default, especially for consumers with a negative credit history who are often rejected. This negatively affects the conversion rate and customer retention, while potential customers are lost. However, this potential customer segment can be accessed using a more detailed assessment, with the same level of payment default risk. Offers or payment options tailored to the risk of payment default allow these consumers to contribute sustainably to your business success.

Our solution

The Boni-Score by Arvato Financial Solutions allows the improved classification of consumers with a negative credit history. Based on negative credit data and other personal data, a statistical process determines a score which represents the probability of payment. Consumers with a high score can therefore be accepted as customers despite a negative credit history, without increasing the risk of payment default. The Boni-Score by Arvato Financial Solutions is used throughout different industries – from online retail and telecommunications companies to banks and insurance firms.

Your advantages



Minimization of payment defaults



Detailed assessment of customers with a negative credit history



Increased conversion rates



Identifying new revenue potential



Easy integration



How the Boni-Score works

Combination of different score variables

To adequately determine the creditworthiness of a customer, the Boni-Score not only uses negative credit events as a basis for assessment. The score variables also encompass a range of information stored about consumers, combined from various data sources. This includes the relocation frequency, the total amount of claims or the sum of negative credit events for an individual.

Detailed assessment

A statistical process is applied to this information to calculate a score. This score represents the probability that the customer will meet their payment commitments. The score is much more powerful than a simple check for negative credit events and consequently enables not only an even better prediction of the payment default risk, but also much finer control in terms of managing the challenges of maximising sales and minimising payment default.

Risk-based payment type management

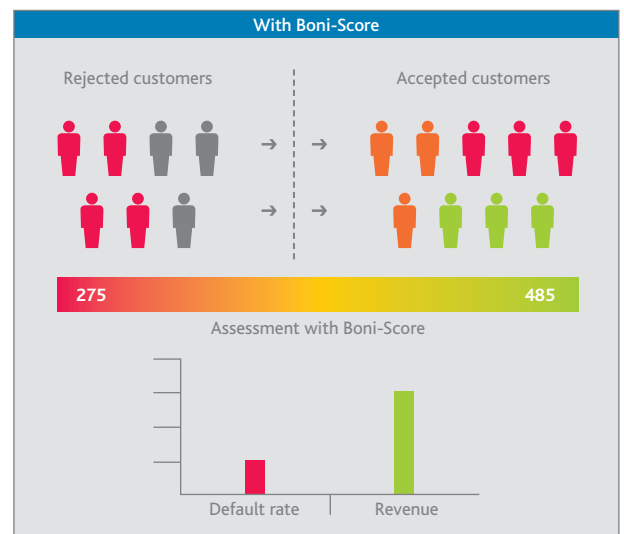
This allows online shops to manage consumers with negative credit events according to the involved risks: The credit score enables potentially valuable customer segments with a low probability of payment default to be further developed. This helps companies decide how business relations should proceed with a customer: For instance, in online retail it is possible to determine whether a customer is offered payment on account despite negative credit events – or in the case of banks, what conditions should apply to a borrower's loan.

Easy integration

The Boni-Score by Arvato Financial Solutions can be quickly and easily integrated into your system via a number of interfaces and combined with other solutions to create a holistic risk management.

The result

Customer segments with a negative credit history can be appropriately assessed with the Boni-Score by Arvato Financial Solutions, allowing them to be successfully activated. This enables a higher conversion rate and ultimately a boost to your business success.



Tapping additional potential from customers with negative credit events

Any questions? Contact us.

Arvato Financial Solutions

Risk Management Division . Phone +49 7221 5040-3131 . vertrieb-rm@arvato-infoscore.de

finance.arvato.com

