

Roll Rate Performance Service

Industry comparison, portfolio
analysis and forecasting



In a climate of growing concern with the ability of highly indebted consumers to meet repayments, it is increasingly important to ensure that portfolio performance is closely monitored. A regular review process – supported by sufficient and timely information – will identify any issues or undesired trends and allow your business to react while adequate alternatives for action still exist. Experian has a proven track record in providing information that has long helped the Credit Risk Manager to control acquisition and customer management strategies. We are now capable of adding value to the strategic planning process by providing a comparative view to the industry and forecasting analysis, which can be easily adjusted to reflect the impact of future strategic and operational initiatives.

Experian can offer market-leading analytics to highlight the performance of your portfolio against industry standards, provide evidence of changes in performance over time and predict future performance on an iterative basis using certain assumptions.



What is the Roll Rate Performance Service?

The Roll Rate Performance Service is a key element of our Collections Information Service, which includes consultancy, analytics and technical solutions. Our experienced, specialist Collections Consultants will undertake a comprehensive performance review of your lending portfolio, spending time analysing your key portfolio metrics and then comparing your organisation's performance against industry standards.

The outcome includes an independent view of performance metrics and trends, including an annual summary, two 12 month forecast scenarios and, depending on the performance of the portfolio, can lead to recommendations to improve performance.

For further information, please contact your Experian Account Manager, or call the New Business team on 0115 901 6016.

Experian's Roll Rate Performance Service comprises the following elements:

- Portfolio performance analysis – based on historical and current year performance of the portfolio and focuses on receivables volume, delinquency trends and roll rates
- Industry comparison – key performance metrics are calculated on an historical, monthly basis and then compared with industry trends across relevant portfolios
- Adjusted forecasting scenarios – assumptions are made regarding future portfolio trends to forecast portfolio performance going forward. By adjusting key metrics, different scenarios are reviewed and the impact on expected delinquency volumes is highlighted, along with the expected impact on write-off and provision expectations

How does it work?

At the heart of the Roll Rate Performance Service is CAIS (Credit Account Information Sharing) data. We extract an historical view of your portfolio on a monthly basis and produce a monthly view of total receivables distributed by the delinquent CAIS statuses. We repeat this process across the industry for relevant lending portfolios to enable comparison of the key portfolio metrics.

Key features

- Monthly performance report – an updated report is generated to accommodate the data that is appended to the CAIS database on a monthly basis. This report includes an overview of the current portfolio performance, highlights historical trends and presents an expected future forecast
- Monthly portfolio summary review – provides an at-a-glance overview of the key performance indicators along with a predicted view of future performance over the next 12 months

- Quarterly 'health-checks' – four times per year, we will deliver the summary review in person and discuss the key portfolio trends and how they can be exploited / addressed. This is an ideal opportunity to discuss initiatives we have been involved with across the industry and identify which will be relevant for your portfolio

Key benefits

- Outlines the performance trends of your portfolio – is it improving, deteriorating or is there no change and are any such movements in line with the rest of the industry
- Makes recommendations to help reduce collections and recoveries costs e.g. delinquency, provisions and write-offs
- Identifies potential solutions to improve the performance of your portfolio and the expected level of improvement
- Identifies the impact of any strategic decisions on portfolio performance e.g. new account selection and targeting
- Is designed to compliment or enhance your existing collections and recoveries workflow systems

Compliance

Experian works closely with regulators, including the Office of the Information Commissioner, to ensure that procedures, products and systems are developed within the appropriate framework.

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