Smarter, More Effective Auto Loan Pricing Strategies

earnix

A real-time pricing and decisioning platform backed by robust data science, analytical modeling, and optimization

Auto lenders now face unprecedented pressure to stay profitable while reacting to changing customer expectations, market volatility, uncertain macroeconomic conditions, and competitive shifts quickly. Earnix Price-It™ gives auto lenders powerful, AI-driven analytical tools they need to support a wide range of use cases to overcome these challenging conditions – and meet their spread targets and other KPIs.

USE CASE #1

Customer-Level Price Modeling

With the Earnix Price-It solution, auto lenders can rely on AI-powered analytics, elasticity modeling, and optimization algorithms to determine the perfect "sweet spot" for loan and lease pricing using many different variables.

Key Capabilities

Predictive modeling

Understand the differences in price sensitivity, profitability, and risk.

Price granularity for segment-level pricing

Influence demand for more targeted risk segments.

Data visualization

Assess the effectiveness of existing pricing strategies.

Real-time price monitoring

Make better decisions using dynamic A/B testing and ongoing monitoring.

USE CASE #2

Portfolio-Level Simulation and Optimization

Earnix Price-It enables lenders to see how a given portfolio of customers would be impacted by a change in price. Now they answer questions like, "What will next week's/month's bookings look like, given a proposed change in price?"

Key Capabilities

"What-if" scenario simulation and forecasting

Manage the tradeoffs between volume, risk,and profitability.

Profitability optimization

Identify best scenarios to increase profitability without impacting volume or risk.

Portfolio composition

Assess the effectiveness of existing pricing strategies.

USE CASE #3

Fast or Real-Time Pricing Deployment

With Earnix Price-It, lenders are able to take their newly created pricing strategy and deploy it directly to the market without any intermediate steps or handoffs between internal teams.

Key Capabilities

Real-time price updates

Replace lengthy deployment cycles with real-time or as-needed updates

Vendor-agnostic LOS integration

Continue to use existing loan origination and management systems.

Role-based workflows

Improve collaboration as well as accuracy, speed, and process efficiency.

Built-in governance and audit trail

Enable completely transparent processes for better compliance.

USE CASE #4

Alternative Deal Structures

Earnix Price-It allows lenders to incorporate Alternative Deal Structures in their financing options. This helps minimize rehashing, reduce processing costs, increase loan profitability, and win more business.

Key Capabilities

A single, purpose-built platform

Present data-driven alternatives in real time.

Direct and indirect presentation options

Allow ADS integrations with dealer-facing portals and consumer sites.

Alignment with portfolio goals

See the effects on the profitability of each loan as well as that loan's effect on the lender's overall portfolio.

Interested in learning more about these use cases and how Earnix delivers the key capabilities to bring them to life?

Download our complete "Earnix Price-It for Auto Finance" now.



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