FORRESTER

The Total Economic Impact™ Of Experian Ascend Platform

Business Benefits And Cost Savings Enabled By Experian Ascend Platform

A FORRESTER TOTAL ECONOMIC IMPACT™ STUDY
COMMISSIONED BY EXPERIAN, MARCH 2025

Table Of Contents

Consulting Team:

Alexis Ouelhadj

Sanny Mok

ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key outcomes. Fueled by our customer-obsessed research, Forrester's seasoned consultants partner with leaders to execute their specific priorities using a unique engagement model that ensures lasting impact. For more information, visit forrester.com/consulting.

Executive Summary

For banks and lenders, the need for more accurate and efficient credit operations has never been greater. The sheer volume of applications and rising fraud threats require a balance between thorough review and efficient decision-making. Experian Ascend Platform provides advanced analytics and automates the review process, which can ultimately lead to more precise credit decisions, improved operational efficiency, better financial performance, and reduced risk.

Experian Ascend Platform™ is a cloud-based analytics, decisioning, and fraud platform that leverages robust data and artificial intelligence to improve credit and fraud decisions.[1] The Experian Ascend Platform provides advanced analytics and automates the review process, which ultimately enables more precise credit decisions, higher operational efficiency, improved financial performance, and reduced risk.

Experian commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Experian Ascend Platform.[2] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Experian Ascend Platform on their organizations.

Return on investment (ROI)
183%

Net present value (NPV)
$13.3M

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed six decision-makers from organizations located in the United States, the United Kingdom, Brazil, and South Africa with experience using Experian Ascend Platform. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization that is a lending institution with regional operations. It processes 250,000 applications annually with a total loan origination amount of $312.5 million per year.

Interviewees said that prior to using Experian Ascend Platform, their organizations were using a mix of on-premises credit decisioning solutions that required manual-heavy interventions at different stages of the review and approval processes. These previous environments relied on static scorecards, which often left organizations behind the curve without any intuitive or predictive solutions. As a result, the credit-decisioning process was lengthy, required staff to look at different data sources, and ultimately impacted response times. Additionally, the lack of automated decisioning limited the organizations' ability to scale applications reviews and led to inconsistencies across decisions. The absence of a consistent decisioning system also introduced significant risks, including increased exposure to fraud and default.

After the investment in Experian Ascend Platform, the interviewees' organizations had a unified platform that provided up-to-date consumer and commercial data in one view along with robust analytics, automated decisioning, and enhanced fraud prevention. Key results from the investment include accelerated business growth, improved conversion rates, enhanced operational efficiencies for credit-decisioning and marketing teams, reduced default costs, faster response times, and improved data quality and verification processes.

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **Approval-rate optimization of 12% over three years.** With Experian Ascend Platform, the composite organization experiences year-over-year improvements in approval rates due to a better credit-decisioning engine and enhanced risk assessment. These improvements reach 12% by Year 3. Over three years, the composite's profit from these approval rate improvements is $5.6 million.
- **Business-growth acceleration of 5% year-over-year.** Experian Ascend Platform provides the composite organization with enhanced consumer data and analytics, leading to a 5% year-over-year increase in the volume of applications for its services. Additionally, Experian Ascend Platform equips the composite organization with a scalable platform that enables it to review a higher volume of applications without the need to hire additional full-time employees (FTEs). This results in new revenue from additional processed applications worth $8.2 million.
- **Decisioning-efficiency improvement of 67%.** Experian Ascend Platform fully automates the credit and fraud decisioning process entirely for a portion of the composite organization's portfolio, eliminating the need for manual review. The platform

also partially automates the decisioning for the remainder of the portfolio, yielding 67% efficiency improvements in such cases. This results in decisioning efficiency improvements of $2.7 million for the composite organization.

- **Marketing campaign productivity improvements of 67%.** Experian Ascend Platform enables the composite to deepen customer understanding, equipping it to run smaller, more frequent, and highly targeted campaigns. This represents a 67% productivity improvement in its marketing team and a 90% reduction in direct mailing costs worth $610,000.

- **Default cost reduction of 20%.** Experian Ascend Platform enhances the composite organization's credit risk modeling and eliminates manual errors in fraud checks. This enables the composite to reject fraudulent applications more accurately and reduce credit risks, leading to lower default rates. This benefit is worth $3.2 million to the composite.

- **Legacy solution cost reductions worth $275,000.** With the move to the cloud-based Ascend Platform, the composite reduces its operational overhead and costs associated with maintaining on-premises solutions, yielding $275,000 in benefits.

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified for this study include:

- **Improved customer and broker experience through faster decisioning.** By automating the decisioning process and rendering a single view of data, Experian Ascend Platform significantly reduces the composite organization's credit-decisioning time. This streamlined process minimizes friction and accelerates decision times for customers, ultimately enhancing the overall customer experience.

- **Reduced risk at origination.** Experian Ascend Platform helps the composite mitigate risk by providing robust consumer data analysis and automated decision-making processes, which ensures decisions are based on current and relevant information. By reducing manual intervention and human error, the platform enhances the composite's accuracy of risk assessments, leading to standardized and reliable decisions.

- **Improved compliance and audit process.** Experian Ascend Platform enhances the composite's transparency and traceability of credit-decisioning processes. Because the platform keeps a record of all decisions and data used to render decisions, it's easier for the composite organization to conduct audits and maintain regulatory compliance.

- **Reduced risk of regulatory fines.** By reducing the amount of fraudulent transactions, Experian Ascend Platform helps the composite avoid any potential reputation damage and fines from regulators and — in the case of merchants — card networks.
- **Sustainability and ecological footprint benefits.** Experian Ascend Platform reduces the composite's need for physical documentation, which lowers the organization's carbon footprint.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Implementation costs of $1.8 million.** The composite pays a total of $1.8 million to implement Experian Ascend Platform, and this includes a deployment fee and internal efforts to deploy the platform across the organization's portfolio over time.
- **Ongoing costs of $5.4 million.** The composite's ongoing costs for Experian Ascend Platform include annual platform fees, the cost of decisions processed through the platform, the cost of consumer names for marketing campaigns, and ongoing internal efforts needed to maintain the solution.

The representative interviews and financial analysis found that a composite organization experiences benefits of $20.6 million over three years versus costs of $7.3 million, adding up to a net present value (NPV) of $13.3 million and an ROI of 183%. Forrester assumes a yearly discount rate of 10% for this analysis.

> "Experian Ascend Platform is driving revenue because more business is being accepted on an automated basis. It's taking the decision away from underwriters — making decisioning more consistent — and we are seeing less revenue erosion through successful fraud reporting."
>
> CREDIT MANAGER, CAR LEASING

Return on investment (ROI)

183%

Benefits PV

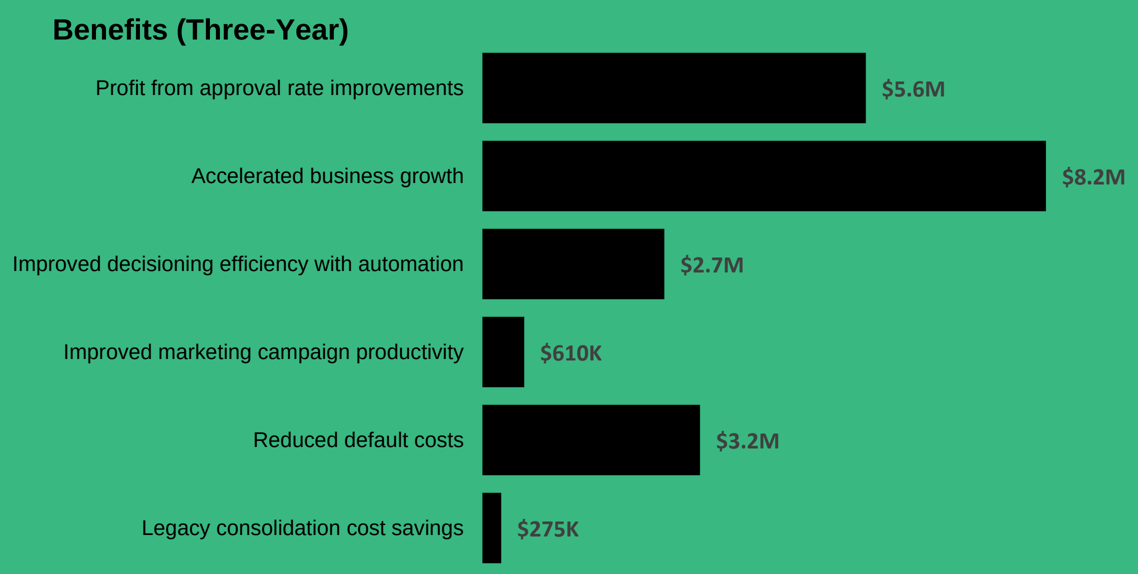
$20.6M

Net present value (NPV)

$13.3M

Payback

12 months



TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Experian Ascend Platform.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Experian Ascend Platform can have on an organization.

Due Diligence
Interviewed Experian stakeholders and Forrester analysts to gather data relative to Experian Ascend Platform.

Interviews
Interviewed six people at organizations using Experian Ascend Platform to obtain data about costs, benefits, and risks.

Composite Organization
Designed a composite organization based on characteristics of the interviewees' organizations.

Financial Model Framework
Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.

Case Study
Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

DISCLOSURES
Readers should be aware of the following:

This study is commissioned by Experian and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in Ascend.

Experian reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

Experian provided the customer names for the interviews but did not participate in the interviews.

Experian Ascend Platform Customer Journey

Drivers leading to the Experian Ascend Platform investment

Interviews			
Role	**Industry**	**Market**	**Loan volume**
Chief credit officer	Fintech	US	$800 million
CEO	Credit union	US	$100 million
Senior credit risk manager	Banking	UK	$25 billion
Credit manager	Car leasing	UK	$600 million
Credit and collections manager	Consortium	Brazil	$200 million
Fraud manager	Airline	South Africa	$100 million (transaction volume)

KEY CHALLENGES

Interviewees noted that before adopting Experian Ascend Platform, their organizations were using a mix of on-premises solutions that required a high level of manual intervention. The lack of automation drove inconsistencies in decision-making and hindered the organizations from compiling up-to-date consumer information to develop predictive analytical models.

The interviewees noted how their organizations struggled with common challenges, including:

- **Long manual processes for credit decisioning.** The organizations' credit lifecycles were rife with manual interventions, from gathering information from multiple sources and performing checks across multiple systems to rendering decisions. These time-consuming tasks delayed response times to consumers. The credit manager at a car leasing firm described the previous process at their firm: "Before, underwriters would start from scratch on every single case. They would need to get reports, do due diligence checks manually, and interrogate the antifraud system manually."

- **Lack of up-to-date data.** The interviewees reported that their organizations' previous on-premises environments prevented them from obtaining accurate and up-to-date data. The use of static scorecards and manual checks was always after the fact, giving the impression of being behind the curve.
- **Inconsistent decisioning.** In the organizations' prior environments, individuals manually assessed applications, which led to inconsistencies in risk assessments. The credit manager at a car leasing firm described the issues their firm faced: "The fact that we didn't have an automated solution was holding us back. A lot of the decisions were made in an inconsistent way. Some underwriters would approve a particular risk, and others would decline the same risk dependent on their risk view."

SOLUTION REQUIREMENTS

The interviewees' organizations searched for a solution that could:

- Improve the credit-decisioning process.
- Automate the credit-decisioning process.
- Reduce time to decision of applications.
- Reduce fraud.
- Simplify architecture and overall processes.

> "Before Experian Ascend Platform, we had static scorecards. Nothing was ever predictive or intuitive. It was always after-the-fact reporting, and results always lagged after the fact. There was always an afterthought. There was no modeling behind it or data to back it up."
>
> CEO, CREDIT UNION

> "As a startup company, we didn't have any historical data on which to build models. Experian Ascend Platform was critical because that's where we get our data to build our models and track our performance. It would be hard for us to be in business today without Experian Ascend Platform."
>
> CHIEF CREDIT OFFICER, FINTECH

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the interviewees' organizations, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The composite is a national lending institution that provides loans and credit services. It processes 250,000 loan applications annually with an approval rate of 25%, resulting in a total loan origination amount of $312.5 million. The average value of its loans is $5,000. The composite chooses Experian Ascend Platform to address credit decisioning, marketing, and fraud detection use cases.

Deployment characteristics. The composite deploys Experian Ascend Platform, and the deployment of credit decisioning is executed gradually over time. Following a six-month initial deployment period, the composite rolls out Experian Ascend Platform to 40% of its portfolio in Year 1, and it scales the adoption to 90% by Year 3. Similarly, the share of decisioning that is fully automated with the platform increases from 25% in Year 1 to 39% in Year 3.

KEY ASSUMPTIONS

$312.5M in loan origination
250,000 loan applications
25% approval rate
$5,000 average loan amount

> "Before Experian Ascend Platform, everything was reviewed manually. A human had to read a credit report, interpret it correctly, and render a decision. With Experian Ascend Platform, everything is inside the model. It helps us identify consumers we were either underserving or not serving and the ones we were overserving and extending too much risk on."
>
> CEO, CREDIT UNION

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Benefits						
Ref.	**Benefit**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Atr	Profit from approval rate improvements	$510,000	$2,040,000	$4,590,000	$7,140,000	$5,598,122
Btr	Accelerated business growth	$884,000	$2,754,000	$6,854,400	$10,492,400	$8,229,482
Ctr	Improved decisioning efficiency with automation	$586,105	$995,444	$1,731,574	$3,313,122	$2,656,460
Dtr	Improved marketing campaign productivity	$279,922	$233,930	$215,534	$729,386	$609,739
Etr	Reduced default costs	$540,409	$1,146,439	$2,314,620	$4,001,468	$3,177,759
Ftr	Legacy consolidation cost savings	$110,700	$110,700	$110,700	$332,100	$275,295
	Total benefits (risk-adjusted)	$2,911,135	$7,280,513	$15,816,828	$26,008,476	$20,546,857

PROFIT FROM APPROVAL RATE IMPROVEMENTS

Evidence and data. Interviewees mentioned that with Experian Ascend Platform, their organizations experienced improvements in approval rates due to enhanced data access and credit-risk modeling. Additionally, they explained that marketing capabilities allowed them to refine their campaigns, contributing to higher conversion rates. Interviewees said Experian Ascend Platform contributed to improvements in approval rates in the following ways:

- **Enhancing credit risk modeling.** The chief credit officer at a fintech said Experian Ascend Platform's model-building tools provided insights into how applicants who might have been previously declined were performing elsewhere, further refining their organization's decision-making process. They said: "There is a benefit to modeling off others' data. … Maybe you want to check if you're doing the right thing when dropping some people for credit reason and you want to see how they perform elsewhere. With Experian Ascend Platform, you can look at outside performance."

- **Increasing predictability and model accuracy.** Interviewees said Experian Ascend Platform contributed to improvements in predictability and accuracy of credit decisions. The chief credit officer at a fintech said: “[With Ascend,] everything is standardized. Even though we pull the data ourselves at time of application, we don’t have to worry about the accuracy of the data. We are sure that they’ve gone through the checks to make sure the data is correct.”

  The credit manager at a car leasing company also described the improvements in accuracy resulting from Experian Ascend Platform: “We now get a lot of data back, which helps us understand why and how customers are passing and failing automated assessments. It gives us a lot of confidence that the affordability assessments are accurate and working to a high degree of accuracy.”

- **Delivering consistent improvements.** The credit manager at a car leasing company highlighted how Experian Ascend Platform contributed to improvements in approval rates for their organization: “Before, our approval rate was 60% overall. Since we’ve switched over to Experian Ascend Platform, we’re seeing a consistent return of around 66% approval rate, which is brilliant.”

Interview Spotlight

Model Development Speed

Interviewees highlighted that the combination of Experian Ascend Platform's data, analytics capabilities, and sandbox environment enabled quick iteration and testing of models, which reduced the time needed to develop and deploy credit- and fraud-decisioning models and allowing them to respond quickly to market changes and emerging trends.

The chief credit officer at a fintech said: "We have the ability to build models from other existing models, which we couldn't do otherwise because we would be limited to the extract methodology of our own data. So, we wouldn't be able to model off anyone else's data, just our own. With the sandbox methodology, we can model off other people's data. … Having the sandbox helps reduce the time it takes to build models. It can take banks several months to build a model. Now, we can do it in hours. … From a timing perspective, it's like a day-and-night difference."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Prior to adopting Experian Ascend Platform, the composite previously processed 250,000 loan applications per year.
- The composite deploys Experian Ascend Platform for 40% of its portfolio in Year 1, 60% in Year 2, and 90% in Year 3.
- The composite's approval rate prior to adopting Experian Ascend Platform was 25%.
- With Experian Ascend Platform, the composite's approval rate increases by 3% in Year 1, by 8% Year 2, and by 12% in Year 3.
- The composite's improved approval rates with Experian Ascend Platform are 26% in Year 1; 27% in Year 2; 28% in Year 3.

- The composite's average loan amount is $5,000.
- The composite's operating margin is 16%.

Risks. Risks that could impact the realization of this benefit include:

- The organization's previous approval rate.
- The organization's average loan amount.
- The organization's operating margin.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $5.6 million.

12%

Approval rate improvement attributed to Experian Ascend Platform in Year 3

"[With Experian Ascend Platform,] we can build models much quicker — in about a week versus a couple of months to do it the old way."

CHIEF CREDIT OFFICER, FINTECH

Profit From Approval Rate Improvements					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Loan applications prior to Experian Ascend Platform	Composite	250,000	250,000	250,000
A2	Share of portfolio with Experian Ascend Platform deployed	Composite	40%	60%	90%
A3	Approval rate prior to Experian Ascend Platform	Composite	25%	25%	25%
A4	Approval rate improvement attributed to Experian Ascend Platform	Interviews	3%	8%	12%
A5	Improved approval rate attributed to Experian Ascend Platform	A3*(1+A4)	26%	27%	28%
A6	Additional loan approvals attributed to Experian Ascend Platform	A1*A2*A3*A4	750	3,000	6,750
A7	Average loan amount	Composite	$5,000	$5,000	$5,000
A8	Revenue increase due to approval rate improvement	A6*A7	$3,750,000	$15,000,000	$33,750,000
A9	Operating profit margin	TEI methodology	16%	16%	16%
At	Profit from approval rate improvements	A8*A9	$600,000	$2,400,000	$5,400,000
	Risk adjustment	↓15%			
Atr	Profit from approval rate improvements (risk-adjusted)		$510,000	$2,040,000	$4,590,000
	Three-year total: $7,140,000		**Three-year present value: $5,598,122**		

ACCELERATED BUSINESS GROWTH

Evidence and data. Interviewees said that with Experian Ascend Platform, their organizations processed more applications due to enhanced customer insights and more targeted marketing campaigns. Additionally, they explained that Experian Ascend Platform's automated decisioning capabilities allowed their organizations to overcome previous challenges in scaling application reviews without the need for added overhead. As a result, the organizations saw an increase in the number of loans originated, which contributed to business growth.

- **Facilitating expansions into new market segments.** The CEO at a credit union described how Experian Ascend Platform's data and insights allowed their organization to access new market segments, hence contributing to additional loan applications: "Experian Ascend Platform has allowed us to take a deeper dive into markets we wouldn't necessarily have looked at initially. It's allowed us to now look at areas that are potential targets."

- **Refining audience targeting.** The same interviewee explained how improvements in data quality gained from Experian Ascend Platform helped their organization deepen its understanding of existing customers and new customer prospects, which ultimately drove more targeted marketing campaigns and contributed to increasing the volume of loans. They said: "We no longer have to do a scattered approach with a few hundred thousand pieces per campaign. The cost of deploying a campaign that size versus the results [is] typically unbalanced. … Now, we can do this for a tenth of that cost and produce campaigns of 10,000 names that will get a 30% to 40% conversion rate compared to before when we would get a 2% conversion rate."

- **Improving ease of building and adjusting decisioning strategies.** The senior credit risk manager at a bank said: "Implementing Experian Ascend Platform has allowed us to originate more loans because it's allowed more flexibility in our strategies, which has meant we can do a higher volume of loan originations. … There's been a 5% uplift on all loan originations numbers across all our portfolios."

- **Scaling up operations with automation.** The credit manager at a car leasing firm described the challenges their organization faced with scalability: "Before, we were unable to scale up. We had reached a limit of what [Experian] PowerCurve could do on-premises. We were constrained by staffing resources. The only way we could scale up was to recruit more people or train more people in that role, which takes a long time to get up to speed on." They added: "[With Experian Ascend Platform,] we've halved our processing time. We can now double the number of deals that we can underwrite in a day manually. … [Overall,] we estimate that we're seeing 10% more business today than where we were last year, and we think that's purely because we have an automated solution. A lot of brokers like to work with funders that have automated solutions and therefore will get quicker decisions back."

Modeling and assumptions. Based on the interviews, Forrester assumes the volume of loan applications the composite organization processes increases by 5% in Year 1, by 10% in Year 2, and by 16% in Year 3.

Risks. Risks that could impact the realization of this benefit:

- The organization's volume of loan applications processed prior to using Experian Ascend Platform.

- The organization's approval rates.

- The share of the organization’s portfolio to which Experian Ascend Platform is deployed.
- The organization’s operating margin.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $8.2 million.

16%

Increase in loan applications processed with Experian Ascend Platform in Year 3

“The main benefit of Experian Ascend Platform is the ability to grow your book of business a lot faster than what you traditionally [could] in the past.”

CEO, CREDIT UNION

Accelerated Business Growth					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Loan applications prior to Experian Ascend Platform	A1	250,000	250,000	250,000
B2	Share of portfolio with Experian Ascend Platform deployed	Composite	40%	60%	90%
B3	Increase in loan applications reviewed attributed to Experian Ascend Platform	Interviews	5%	10%	16%
B4	Loan approval rate with Experian Ascend Platform	A5	26%	27%	28%
B5	Additional loans originated with Experian Ascend Platform	B1*B2*B3*B4	1,300	4,050	10,080
B6	New revenue from additional loans	B5*A7	$6,500,000	$20,250,000	$50,400,000
B7	Operating profit margin	TEI methodology	16%	16%	16%
Bt	Accelerated business growth	B6*B7	$1,040,000	$3,240,000	$8,064,000
	Risk adjustment	↓15%			
Btr	Accelerated business growth (risk-adjusted)		$884,000	$2,754,000	$6,854,400
	Three-year total: $10,492,400		**Three-year present value: $8,229,482**		

IMPROVED DECISIONING EFFICIENCY WITH AUTOMATION

Evidence and data. Interviewees said that prior to using Experian Ascend Platform, credit decisioning required their organizations to perform extensive manual efforts, including searching and checking data from multiple sources. But they explained that Experian Ascend Platform's automated decisioning streamlined these processes by consolidating data into a single report for review and that, in some cases, it eliminated manual intervention with auto-approve or auto-decline. As a result, the interviewees' organizations experienced improvements in decisioning efficiency and significantly reduced the time needed to render decisions.

- **Compiling credit reports.** The senior credit risk manager at a bank said application reviews previously took between 30 minutes and 1.5 hours depending on the loan complexity, and they described how Experian Ascend Platform's credit report compilation functionality streamlined decisioning: "Before, the credit decisioning team would have to link up different sources of information to do manual bureau checks and manual affordability calculations and assess income on an isolated, manual basis. Doing all of this in isolation on a check-by-check basis is timely and open to human error. … Experian Ascend Platform has allowed us to onboard everything on one place, consolidate all that application detail together on the front-end system, and feed all that information into Experian Ascend Platform to run credit checks around it and present that story back."

- **Improving loan underwriting.** The credit manager at a car leasing firm described the how Experian Ascend Platform contributed to efficiency improvement across the loan underwriting process: "Before, it would take up to 20 to 30 minutes to underwrite a single case, depending on its complexity. … Now, all that data is in one place and it's all on an easily consumable and digestible format, [so] the actual processing time manually has gone down massively to 10 to 15 minutes."

  The CEO at a credit union outlined how little savings added up with scale: "We process 100,000 loans per year. On average, a credit report review would save 5 minutes at the minimum with Experian Ascend Platform. So, we save about 500,000 minutes a year."

- **Automating decisions.** Interviewees said Experian Ascend Platform rendered instant approvals or declines for customers. The senior credit risk manager at a bank said: "Customer onboarding is now instant. The broker puts all the information into our digital application form, which then calls out to Experian Ascend Platform. It's [done in] real time, and the decision comes back instantly as to whether that application is good to go or not."

- The CEO at a credit union elaborated on how automated declines helped their organization save time from manual tasks: "In a decline situation, nobody has to review it, which is even more time saved. … Experian Ascend Platform immediately does that on our side and issues the appropriate compliance documentation through the Equal Credit Opportunity Act, alerts, and feedback to the consumer."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Prior to deploying Experian Ascend Platform, the average time the composite spent per decisioning was 30 minutes.

- The fully burdened hourly salary for a loan underwriter FTE is $33.

- With Experian Ascend Platform, the composite fully automates 25% of decisioning in Year 1, 31% in Year 2, and 39% in Year 3.

- The composite's decisioning effort reduction for applications partially automated is 33%.
- The composite has an 80% productivity capture rate, which means 80% of the time saved through efficiency improvements is used for productive work.

Risks. Risks that could impact the realization of this benefit include:

- The complexity of the organization's credit products.
- The average time the organization spends per application decisioning.
- The organization's previous rate of automation.
- The salaries of loan underwriter employees.
- The share of applications the organization fully automates with Experian Ascend Platform.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $2.7 million.

> "We got less handoffs [with Experian Ascend Platform] as decisions go through the automated solution, so we don't have the manual intervention we had previously. It made us more efficient in our lifecycle flows through the systems."
>
> **SENIOR CREDIT RISK MANAGER, BANKING**

Improved Decisioning Efficiency With Automation					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Applications reviewed with Experian Ascend Platform	B1*B2*(1+B3)	105,000	165,000	261,000
C2	Average time spent per application decisioning prior to Experian Ascend Platform (minutes)	Interviews	30	30	30
C3	Average fully burdened hourly rate for a loan underwriter employee	Research data	$33	$33	$33
C4	Share of applications decisioning fully automated with Experian Ascend Platform	Interviews	25%	31%	39%
C5	**Subtotal: Labor savings for fully automating application decisioning with Experian Ascend Platform**	**C1*C2/60*C3*C4**	**$433,125**	**$843,975**	**$1,679,535**
C6	Share of applications decisioning partially automated with Experian Ascend Platform	1-C4	75%	69%	61%
C7	Effort reduction with partial automation	Interviews	33%	33%	33%
C8	**Subtotal: Labor savings for partially automating application decisioning with Experian Ascend Platform**	**C1*C2/60*C3*C6*C7**	**$428,794**	**$619,913**	**$866,898**
C9	Productivity capture for decisioning FTEs	TEI methodology	80%	80%	80%
Ct	Improved decisioning efficiency with automation	(C5+C8)*C9	$689,535	$1,171,110	$2,037,146
	Risk adjustment	↓15%			
Ctr	Improved decisioning efficiency with automation (risk-adjusted)		$586,105	$995,444	$1,731,574
	Three-year total: $3,313,122		**Three-year present value: $2,656,460**		

IMPROVED MARKETING CAMPAIGN PRODUCTIVITY

Evidence and data. Interviewees said their organizations used Experian Ascend Platform to deepen customer understanding, which enabled them to craft highly targeted audiences based on customer profile and behavioral attributes. They pivoted from running broad, seasonal campaigns to smaller but higher-frequency ones, improving marketing effectiveness and reducing campaign costs. Interviewees described how Experian Ascend Platform contributed to their marketing teams' productivity improvements:

- **Deepening customer insights with analytical tools.** The CEO at a credit union said: "Experian Ascend Platform took our existing portfolio and did historical trend analysis on our performance. We're able to identify trend patterns and consumers that we underserved who we could have potentially offered a higher credit amount to."

Similarly, the chief credit officer at a fintech shared: “Using the data and attributes in the [Ascend Analytical Sandbox] gave us real value. When [my organization] started, we didn’t have our own data. [For example,] even if you’re in a large company, there are benefits to modeling off other people’s data when you want to expand to the subprime segment.”

- **Improving speed of campaign deployment.** The CEO of a credit union said: “The biggest benefit for us has always been how fast we can deploy campaigns and the ability to get very precise with our target audience. We know who our customers are, and we know how to apply those filters through Experian Ascend Platform to narrow down to those consumers. I’ve been able to target a lot better with a lot less.” The interviewee shared that campaign deployment lead time shrank from three months to two days.
- **Refining targeting.** The same interviewee shared: “We run a lot more campaigns now, in the range of 10 to 20 per year. But they’re a lot smaller and a lot more targeted. We no longer have to produce a list [of half a million names] anymore. We can produce a 10,000-name list and get a much better conversion rate compared to our old method.” They said refining campaign targeting also raised conversions.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Prior to adopting Experian Ascend Platform, the composite ran one large-scale campaign each quarter.
- Each of these campaigns required a marketing team of four to each spend 12 days on planning and execution. This totaled 384 person-hours per year.
- The composite uses Ascend to deepen customer insights and run highly targeted campaigns. It experiments with three small-scale campaigns in Year 1, and it expands to eight and 10 campaigns in years 2 and 3, respectively.
- Each of these targeted campaigns require 67% less effort to plan and execute.
- The composite has a 50% productivity capture rate, which means half of the time saved is put back into productive work.

- The composite's campaign channel includes direct mail. Using Experian Ascend Platform, it refines its mailing lists by 90%, which saves $1.25 per piece on printing and mailing costs.

Risks. The value of this benefit may vary, depending on factors including the frequency and scale of existing marketing campaigns, marketing channels, and an organization's marketing effectiveness.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $610,000.

> "Data aggregation for a campaign would lag by almost two months before, while Experian Ascend Platform lets us do that in two days. I can create filters on the fly. I can select how big of a population I want, and I can essentially create a mailing list or an e-mail list very quickly."
>
> CEO, CREDIT UNION

Improved Marketing Campaign Productivity					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
D1	Marketing campaigns prior to Experian Ascend Platform	Interviews	4	4	4
D2	Marketing campaigns with Experian Ascend Platform	Interviews	3	8	10
D3	Marketing team time spent per campaign prior to Experian Ascend Platform (hours)	Interviews	384	384	384
D4	Marketing team time reduction per campaign with Experian Ascend Platform (hours)	Interviews	67%	67%	67%
D5	Average fully burdened salary for a marketing team member	Research data	$38	$38	$38
D6	Productivity capture for marketing FTEs	TEI methodology	50%	50%	50%
D7	**Subtotal: Marketing productivity improvements**	**(D1-D2*(1-D4))*D3*D5*D6**	**$21,961**	**$9,923**	**$5,107**
D8	Direct mail sent per campaign prior to Experian Ascend Platform	Composite	62,500	62,500	62,500
D9	Percent reduction in direct mail	Interviews	90%	90%	90%
D10	Average cost of printing and mailing per piece	Interviews	$1.25	$1.25	$1.25
D11	**Subtotal: Cost savings from marketing campaigns printing and mailing**	**(D1*D8-D2*D8*(1 - D9)*D10**	**$289,063**	**$250,000**	**$234,375**
Dt	Improved marketing campaign productivity	D7+D11	$311,024	$259,923	$239,482
	Risk adjustment	↓10%			
Dtr	Improved marketing campaign productivity (risk-adjusted)		$279,922	$233,930	$215,534
	Three-year total: $729,386		**Three-year present value: $609,739**		

REDUCED DEFAULT COSTS

Evidence and data. Interviewees said that with Experian Ascend Platform, their organizations rejected fraudulent applications and improved credit risk modeling, which reduced default rates. Interviewees described how Ascend contributed to improved loan quality:

- **Enhancing credit risk insights**. The CEO of a credit union said: “Experian Ascend Platform gave us insight into the consumers who we were overextending credit to that we shouldn’t have. This resulted in a 20% drop in default rates.”

- **Eliminating manual errors.** The senior credit risk manager at a bank said: "We're able to process our unsecured lending decisions and fraud items a bit quicker and slicker. … When you've got human error occurring, you have to go back and rework those cases when that human error becomes an issue later down the lifecycle of that mortgage. Implementing Experian Ascend Platform has removed some of that rework and allows it to flow through better."
- **Reducing fraud.** The credit manager at a car leasing firm said the time to value of Experian Ascend Platform's fraud solution is fast: "We've seen a massive increase in avoided fraud. It has pretty much paid for itself 10 times over in the first six months of operation. In avoiding applications that we believe to be suspect or fraud, we have saved over £500,000 worth of business by not underwriting that business."
- **Reducing chargeback and associated costs.** The fraud manager at an airline described the impact of improved fraud detection in their organization's credit card transactions. They said: "A lot of fraud slipped through because of the high volume of work. There is no more manual investigation now. This year, we've had four chargebacks among our 4.6 million transactions, down from 6,660 cases in 2016. And we saved a lot of person-hours just on managing chargebacks. … The biggest benefit apart from the cost saving on the actual chargebacks is the reputational damage we avoided by not having created card fraud."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Prior to using Experian Ascend Platform, the composite's default rate was 3%.
- With Experian Ascend Platform, the composite's default rate falls by 20% in Year 1. This rate decreases by 5% year-over-year, yielding reductions of 26% and 32% in years 2 and 3, respectively.
- In the event of a default, the composite loses an average of 80% of the loan amount.
- With Experian Ascend Platform, the composite reduces the time spent on debt collection as its default rate decreases. On average, the collections team avoids 4 person-hours per case.
- The fully burdened hourly rate for a member of the collections team is $31.

Risks. Risks that could impact the realization of this benefit include:

- The organization's default rate and factors leading to default (e.g., credit-risk appetite, economic environment, etc.).
- The organization's fraud-prevention strategy and processes.
- The organization's collections strategy.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $3.2 million.

Reduced Default Costs					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
E1	Loans approved with Experian Ascend Platform	B1*B2*(1+B3)*B4	27,300	44,550	73,080
E2	Default rate prior to Experian Ascend Platform	Composite	3%	3%	3%
E3	Default rate reduction with Experian Ascend Platform	Interviews	20%	26%	32%
E4	Avoided defaulted loans	E1*E2*E3	164	347	702
E5	Average loan amount	A7	$5,000	$5,000	$5,000
E6	Average share of loan amount defaulted	Composite	80%	80%	80%
E7	**Subtotal: Avoided default loss**	**E4*E5*E6**	**$655,200**	**$1,389,960**	**$2,806,280**
E8	Collections team time per default and fraud case (hours)	Interviews	4	4	4
E9	Average fully burdened salary for a collection FTE	Research data	$31	$31	$31
E10	**Subtotal: Reduced collections effort (rounded)**	**E4*E8*E9**	**$20,311**	**$43,089**	**$86,995**
Et	Reduced default costs	E7+E10	$675,511	$1,433,049	$2,893,275
	Risk adjustment	↓20%			
Etr	Reduced default costs (risk-adjusted)		$540,409	$1,146,439	$2,314,620
	Three-year total: $4,001,468		**Three-year present value: $3,177,759**		

LEGACY CONSOLIDATION COST SAVINGS

Evidence and data. Interviewees said moving to the cloud-based Ascend Platform enabled their organizations to reduce operational costs associated with maintaining on-premises solutions.

The credit manager at the car leasing business said their organization said on IT labor by migrating to Experian Ascend Platform: "By removing the on-premises solution, we've reduced the need for expertise on-site — the cost equivalent of one headcount in the IT department — to manage that solution and manage upgrades, updates, and security patches."

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- By consolidating its legacy systems, the composite reallocates one IT FTE.
- The fully burdened annual salary for an IT FTE is $93,000.
- Moving to the cloud saves the composite $30,000 annually on maintenance and update fees.

Risks. Risks that could impact the realization of this benefit include:

- The complexity of the organization's system landscape.
- The organization's IT maturity.
- The organization's change management strategy and processes.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $275,000.

Legacy Consolidation Cost Savings					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
F1	IT FTE reallocation	Interviews	1	1	1
F2	Average fully burdened salary for an IT FTE	Research data	$93,000	$93,000	$93,000
F3	Maintenance and update cost savings	Interviews	$30,000	$30,000	$30,000
Ft	Legacy consolidation cost savings	(F1*F2)+F3	$123,000	$123,000	$123,000
	Risk adjustment	↓10%			
Ftr	Legacy consolidation cost savings (risk-adjusted)		$110,700	$110,700	$110,700
	Three-year total: $332,100		**Three-year present value: $275,295**		

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Improved customer and broker experience through faster decisioning.** Automation reduced friction during application and accelerated decision times for brokers and customers alike. The credit manager at a car leasing firm said: “We’re certainly seeing more applications from certain brokers who weren’t using us this time last year, and there’s no real change in our pricing structure or strategy. So, we can only assume that they’ve started using us because either more consistent decisioning or they’re getting faster decisioning — both of which Experian Ascend Platform enables.”

  The senior credit risk manager at a bank also described the impact of Ascend on their organization’s response time: “[With Experian Ascend Platform,] we were able to be more automated, reduce time to offer on our mortgages, and even offer same-day decision for our small and medium enterprise customers.”

  The credit and collections manager at a consortium highlighted the impact of Experian Ascend Platform on their organization’s customer experience: “Today, we do a CES (customer effort score) survey, and we have reached much more significant results after Experian Ascend Platform was implemented.”

- **Reduced risk at origination.** Each interviewee mentioned that Experian Ascend Platform helped their organization mitigate risk by providing high-quality data analysis and reducing manual intervention, thereby minimizing the potential for human error through automated decisioning. The senior credit risk manager at a bank said: “We’re now less open to manual error. Building our scorecard and affordability rules in one place allows us to show how these calculators are being used, monitored, and maintained. Previously, we would have spreadsheets doing some of that, which was prone to human error. As a result, we’ve tightened up the risk management framework around the systems.”

- **Improved compliance and audit process.** Interviewees noted that Experian Ascend Platform enhanced the transparency and traceability of their organization’s credit decisioning process, making it easier to conduct audits. The credit manager at a car leasing firm said: “[Experian Ascend Platform] has made our response to audits a lot easier because we’ve got a lot more transparency in the data that’s coming back, and Experian did a huge amount of work to help us understand regulated lending and affordability assessments. … From a compliance perspective, that’s absolutely golden to be able to go into any kind of compliance audit and say, ‘I have a high degree of accuracy and here is all the evidence to prove it.’”

- **Reduced risk of regulatory fines.** Interviewees said Experian Ascend Platform reduced the risk of fines from fraudulent transactions and potential loss of merchant status for their organizations. The fraud manager at an airline noted: “Our big concern before was fraud escalations. With credit card fraud, you have to deal with the issuers. And if you exceed a certain threshold, they put you under review. If you don’t bring your number of frauds down, you start incurring penalty fines. Eventually, if the fraud keeps escalating, then there is a risk of being discontinued and losing the merchant status. Then, if all your sales are online and you can no longer proceed credit card payments, you just have to close your doors.”

- **Sustainability and ecological footprint benefits.** Interviewees noted that Experian Ascend Platform reduced the need for physical documentation, minimized paper usage, and lowered carbon footprints. The fraud manager at an airline said: “With each fraudulent chargeback, you have to print out three to four pages. We used to get 6,600 chargebacks per year, [and that’s] a lot of paper compared to [what we use for] the four frauds we now have [with Experian Ascend Platform]. And [we also save on the cost of] equipment, [including] the ink for the printers, the mailing, and the electricity use of printers. Currently, we are totally paperless."

> "Having Experian Ascend Platform makes it easier for us to comply with regulations. It allows us to demonstrate how we are building rules. Whereas, previously, there were manual rules and policies, and it wasn't always transparent to show how that was working"
>
> SENIOR CREDIT RISK MANAGER, BANKING

> "Getting decisions back to our customers has massively reduced from about 6 hours to 2 hours on average, with a large component having almost immediate response due to the automation."
>
> CREDIT MANAGER, CAR LEASING

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Experian Ascend Platform and later realize additional uses and business opportunities, including:

- **Future-proofing lending strategies with enhanced market intelligence and competitive benchmark.** Interviewees mentioned that Experian Ascend Platform provided their organizations with access to comprehensive market data and analytics, enabling them to benchmark performance against peers, identify market trends, and make informed strategic decisions. This allowed them to test new products and access new markets and segments with greater agility and ease, which further enhanced their offerings.

- **Monitoring markets.** The CEO at a credit union said, “We use Ascend Marketing to monitor the heartbeat of existing markets as well to see if they're expanding or shrinking.”
- **Benchmarking against competition.** The chief credit officer at a fintech described how Experian Ascend Platform helped their organization benchmark against competition. They said: “We can use [Experian Ascend Platform] to track our performance relative to the external environment. We use it as a gauge of how well we’re doing relative to the market, how our performance compares to peers, and how we can improve.”
- **Future-proofing lending strategies.** The senior credit risk manager at a bank said: “[Experian Ascend Platform] is allowing us to enhance our offering moving forward because it’s more efficient and it’s easier to build strategies within, and we’ve got the knowledge of building the strategies quickly in the system. It’s an enabler for us to future-proof credit decisioning and build on these strategies moving forward. [For example,] if we wanted to enter into near-prime markets on mortgages moving forward in the future, the fact that we’ve now got this infrastructure set up allows us to be more agile and move into those markets more easily than [we could] have previously.”
- **Launching new products.** The credit manager at a car leasing company noted: “Experian Ascend Platform allows us to launch new products or expand to a new market faster than the previous on-premises solution because we are in control of Experian Ascend Platform strategy. With the assistance of their design strategy, we can design what we want to do, we can test it in the design strategy, and we can deploy it within hours. Previously, if we wanted to make that kind of change [on the] front end involving our IT department, we would be involved in weeks of development, discussions, and testing.”

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

> “Not only does Experian Ascend Platform allow us to react to the market in terms of taking advantage of certain opportunities. It’s also reacting to the market in avoiding certain things like fraud profiles. That’s absolutely brilliant.”
>
> **CREDIT MANAGER, CAR LEASING**

Analysis Of Costs

Quantified cost data as applied to the composite

Total Costs							
Ref.	**Cost**	**Initial**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Gtr	Implementation cost	$519,200	$955,900	$519,200	$0	$1,994,300	$1,817,291
Htr	Ongoing costs	$0	$1,408,407	$2,131,382	$3,191,892	$6,731,681	$5,439,958
	Total costs (risk-adjusted)	$519,200	$2,364,307	$2,650,582	$3,191,892	$8,712,603	$7,257,249

IMPLEMENTATION COST

Evidence and data. The interviewees spoke of their organizations' implementation costs for Experian Ascend Platform. They said Experian charges a one-time, fixed fee for implementation and that their organizations used internal IT, credit risk, and project management resources and efforts to deploy the platform across portfolios.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite's initial deployment of Experian Ascend Platform lasts six months.
- After the initial deployment period, the composite dedicates an additional 18 months to deployment in years 1 and 2 to reflect the gradual deployment of Experian Ascend Platform.
- Two system architects, two credit risk analysts, and two project managers are fully dedicated to implementation of Experian Ascend Platform.
- The fully burdened annual salary for a system architect is $168,000.
- The fully burdened annual salary for a credit risk analyst is $100,000.
- The fully burdened annual salary for a project manager is $129,000.

Risks. Risks that could impact this cost include:

- The complexity of the organization's previous environment and ecosystem.
- The salaries of implementation team members.
- The organization's use cases for Experian Ascend Platform.
- The scale and pace of the implementation.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $1.8 million.

> "Experian Ascend Platform was integrated into our current processes. People at the operational level didn't know the difference. They just knew that the credit report they were traditionally reviewing now had a decision on it. It was the same process, and they went through the same mechanisms. So it didn't disturb the operational process flow."
>
> CEO, CREDIT UNION

Implementation Cost						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
G1	Experian implementation fee	Interviews	$75,000	$75,000	$75,000	
G2	Deployment duration (months)	Interviews	6	12	6	
G3	System architect FTEs	Interviews	2.0	2.0	2.0	
G4	Fully burdened salary for a system architect	Research data	$168,000	$168,000	$168,000	
G5	Credit risk analysts FTEs	Interviews	2.0	2.0	2.0	
G6	Fully burdened salary for a credit risk analyst	Research data	$100,000	$100,000	$100,000	
G7	Project manager FTEs	Interviews	2.0	2.0	2.0	
G8	Fully burdened salary for a project manager	Research data	$129,000	$129,000	$129,000	
G9	Internal implementation efforts	G2/12*(G3*G4+ G5*G6+G7*G8)	$397,000	$794,000	$397,000	
Gt	Implementation cost	G1+G9	$472,000	$869,000	$472,000	$0
	Risk adjustment	↑10%				
Gtr	Implementation cost (risk-adjusted)		$519,200	$955,900	$519,200	$0
	Three-year total: $1,994,300			**Three-year present value: $1,817,291**		

ONGOING COSTS

Evidence and data. Interviewees said the following about ongoing costs of Experian Ascend Platform:

- Each interviewee said their organization pays an annual platform fee to Experian.
- The cost of decisioning is based on the volume of decisions made through the platform with fees per decision determined by the number of API calls.
- The costs of marketing campaigns are calculated on a per-name basis.
- The organizations dedicated the equivalent of one week per quarter per FTE to making updates to and assessing the solution.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- An average decision for the composite organization requires seven API calls.
- One system architect, one project manager, and one credit risk manager each dedicate one week per quarter to making updates and bank impact assessments, equivalent to 160 hours per year each.

Risks. Risks that could impact this cost include:

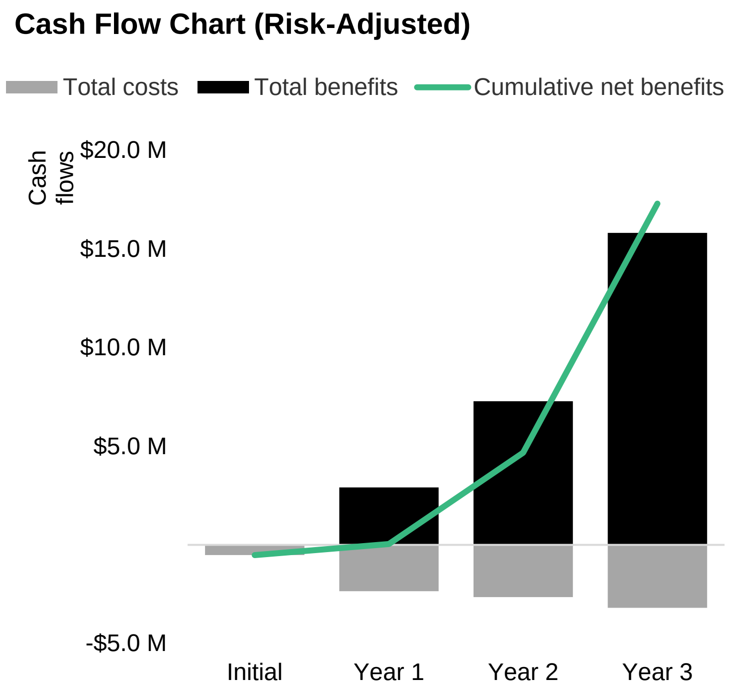
- The organization's volume of credit decisions.
- The organization's number of API calls per credit decision.
- The organization's volume of marketing campaigns.
- The roles and seniority levels of internal staff dedicated to ongoing management and management of the solution.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $5.4 million.

Ongoing Costs						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
H1	Platform fee	Interviews		$1,000,000	$1,500,000	$2,250,000
H2	Cost per API call	Interviews		$0.3	$0.3	$0.3
H3	Average API calls per application	Interviews		7	7	7
H4	Cost per decision	H2*H3		$2.10	$2.10	$2.10
H5	Total cost of applications processing	H4*B1*B2*(1+B3)		$220,500	$346,500	$548,100
H6	Marketing campaign cost per piece	Interviews		$1	$1	$1
H7	Total cost of marketing campaigns	D8*(1-D9)*D2*H6		$18,750	$50,000	$62,500
H8	Quarterly project management system architect FTEs	Interviews		1	1	1
H9	Fully burdened hourly salary for a system architect	Research data		$81	$81	$81
H10	Quarterly project management project manager FTEs	Interviews		1	1	1
H11	Fully burdened hourly salary for a project manager	Research data		$62	$62	$62
H12	Quarterly data scientist FTEs	Interviews		1	1	1
H13	Fully burdened hourly salary for a data scientist	TEI Standard		$66	$66	$66
H14	Quarterly credit risk manager FTEs	Interviews		1	1	1
H15	Fully burdened hourly salary for a credit risk manager	Research data		$48	$48	$48
H16	Time spent per FTE (hours)	Interviews		160	160	160
H17	Internal efforts	((H8*H9)+(H10*H11)+(H12*H13)+(H14*H15))*H16		$41,120.00	$41,120.00	$41,120.00
Ht	Ongoing costs	H1+H5+H7+H17	$0	$1,268,208	$1,937,620	$2,901,720
	Risk adjustment	↑10%				
Htr	Ongoing costs (risk-adjusted)		$0	$1,395,029	$2,131,382	$3,191,892
	Three-year total: $6,718,303			**Three-year present value: $5,427,796**		

Financial Summary

Consolidated Three-Year, Risk-Adjusted Metrics



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted Estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	($519,200)	($2,364,307)	($2,650,582)	($3,191,892)	($8,725,981)	($7,257,249)
Total benefits	$0	$2,911,135	$7,280,513	$15,816,828	$26,008,476	$20,546,857
Net benefits	($519,200)	$546,828	$4,629,931	$12,624,936	$17,282,495	$13,289,608
ROI						183%
Payback						12.0 months

APPENDIX A: TOTAL ECONOMIC IMPACT

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists solution providers in communicating their value proposition to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of business and technology initiatives to both senior management and other key stakeholders.

Total Economic Impact Approach

Benefits represent the value the solution delivers to the business. The TEI methodology places equal weight on the measure of benefits and costs, allowing for a full examination of the solution's effect on the entire organization.

Costs comprise all expenses necessary to deliver the proposed value, or benefits, of the solution. The methodology captures implementation and ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. The ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

PRESENT VALUE (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

NET PRESENT VALUE (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.

RETURN ON INVESTMENT (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

DISCOUNT RATE

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

PAYBACK PERIOD

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

The initial investment column contains costs incurred at “time 0” or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

APPENDIX B: ENDNOTES

[1] Note: The link to the product varies by location. Readers in the UK should refer to: https://www.experian.co.uk/business/platforms/ascend. Readers in Brazil should refer to: https://www.serasaexperian.com.br/.

[2] Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists solution providers in communicating their value proposition to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of business and technology initiatives to both senior management and other key stakeholders.