

AIRPACK Case Study



Case Study in Australia

Loan Origination Optimization



Optimizing Underwriting Process to Achieve High Volume with Lower Delinquency

The client, a leading lending institution in Australia, specializing in consumer auto finance and operating nationwide with a well-established broker network, serving a substantial customer base with a scalable retail lending platform

! Business Problem

Project Target	Consumer secured loan (i.e. Car loans)
Pain Point	<p>An inefficient and imprecise risk management framework constrained the client's ability to scale its lending portfolio sustainably</p> <p>Together, these limitations created a structural trade-off between approval growth and risk control, preventing the client from scaling loan origination efficiently while maintaining portfolio quality</p>

✓ PFCT's Solution

Enabled higher loan volumes while maintaining controlled delinquency through data-driven credit decisioning and Approval Rule set Optimization

Application Prediction Model Building		Result (Business Effect)												
AI/ML Model	<ul style="list-style-type: none"> Built high-performance model leveraging 200+ variables for improved risk differentiation 	<table border="1"> <thead> <tr> <th>Scenario</th> <th>Executed Loans (Volume Index)</th> <th>% Delinquency</th> </tr> </thead> <tbody> <tr> <td>As-Is</td> <td>100</td> <td>10.0%</td> </tr> <tr> <td>Optimization (Main)</td> <td>166</td> <td>5.1%</td> </tr> <tr> <td>Optimization (Conservative)</td> <td>131</td> <td>5.4%</td> </tr> </tbody> </table>	Scenario	Executed Loans (Volume Index)	% Delinquency	As-Is	100	10.0%	Optimization (Main)	166	5.1%	Optimization (Conservative)	131	5.4%
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Better Cut-off & Override	<ul style="list-style-type: none"> Removed high-risk approvals while recovering creditworthy borrowers from rejected segments 													