

FRAUD PREVENTION

First Payment Insights Model



OVERVIEW

Identify applicants who never intend to pay – before they cost you

Across South Africa's fast-moving lending market – subscription, micro, short- and long-term products – some applicants apply for credit with no intention of repaying. Unlike consumers who fall behind due to genuine financial strain, this segment looks for weaknesses in onboarding and verification, then exploits them to access services without accountability.

The resulting cost goes well beyond missed payments: It raises operational spend through added fraud investigation, reduces revenue, distorts portfolio performance metrics and weakens risk-adjusted profitability.

First Payment Insights Model is a machine-learning model – powered by TransUnion® bureau data – that predicts first-payment default risk across industries. Using bureau data accessed through the regulated framework, it gives lenders the insights to refine approval strategies and reduce exposure to first-party fraud. The model draws on more than 50 variables and can be run independently, alongside account origination models or within fraud prevention.

KEY FEATURES

Three models across channels

The suite covers three scores that work independently or as a bundle:



First Payment Insights
Personal Loans Score



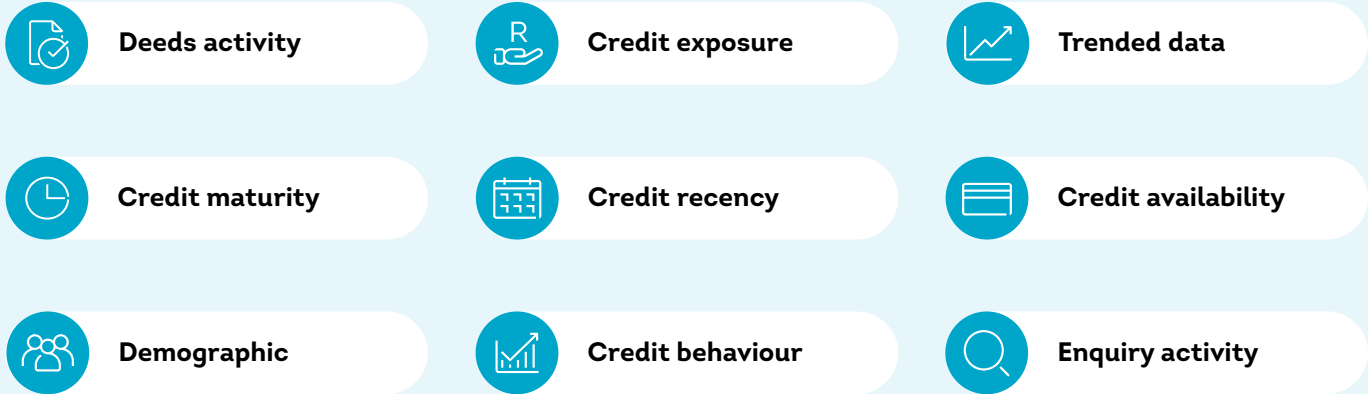
First Payment Insights
Telco Score



First Payment Insights
Retail Score

Improved risk predictability

The model delivers a clearer view of customer behaviour at application, leveraging a wide range of variables, including:



BUSINESS BENEFITS

Reduced financial losses

Limit bad debt from credit or buy-now-pay-later applicants with no intention of repaying, helping protect revenue at the point of acquisition.

Early fraud detection

Identify high-risk applicants at or near account creation, empowering teams to act before an account is opened.

Stronger credit risk management

Working alongside traditional credit scoring, the model reads behavioural and intent-based signals that conventional scores can miss.

Operational cost savings

Reduce the volume of applications routed for manual review through automated risk assessments.

Contact your TransUnion representative to discuss how First Payment Insights Model can help protect your portfolio at the point of acquisition

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