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CreditPulse Set to Increase Financial Inclusion by Enabling New Era of Digital Credit for Zambia's lenders

Lusaka, Tuesday, 18 June 2019 – TransUnion Africa has launched a new product that promises to increase financial inclusion across Zambia by enabling the short-term lending industry to make more informed lending decisions almost instantly. By providing near real-time consumer information to micro-lenders, the application process for a loan can be reduced and can potentially allow a much larger group of consumers to be considered.

CreditPulse, which goes live on 18 June, will give lenders access to a database of nearly every credit active consumer in Zambia. Unlike traditional detailed credit reports, CreditPulse requires minimal information: with the consumer's permission, lenders need only provide the consumer's name, ID and the loan amount applied for to get a snapshot of their creditworthiness almost immediately.

"We are helping to increase financial inclusion and bring credit provision in Zambia into the 21st century by enabling near real-time lending decisioning," said TransUnion Zambia Chief Executive Officer, Mildred Stephenson. "CreditPulse enables lenders to avoid having to analyse vast amounts of data when performing risk assessments for short-term, small-ticket loans. It also allows them to consider customers they might otherwise have been unable to lend to or have lost because of a delayed application process. This will drive increased efficiency, a better customer experience, potentially lower drop-out rates and greater control over acquisition costs."

CreditPulse comes at a time when the Zambian financial sector is increasingly adopting mobile lending. The entry into this market of both traditional and non-traditional players has fueled an increase in the market's appetite for small-ticket loans. This has created the need for near real-time access to personal credit information to improve risk management, decision-making and broader financial inclusion.

"By giving lenders a quick feel for a consumer's credit health with up-to-date consumer information that reflects the consumer's credit history and current credit status, lenders can now make the right offer, to the right customer, on the right terms," said Stephenson.

With lenders able to access more information faster, they are able to make more informed lending decisions, helping to ensure the suitability of the product for the customer – this is responsible lending but also helps protect profitability.

By giving consumers potentially greater access to small loans, they will be able to use the credit profile they build up through servicing these loans to apply for larger loans with financial and other credit institutions. This will help broaden financial inclusion which can in-turn help fuel economic growth.

TransUnion has previously successfully rolled out similar solutions in Kenya and Rwanda, in response to similar market dynamics around mobile loans and small-ticket loans.

CreditPulse is completely platform-agnostic, and allows lenders to collect loan application data on their preferred channel – whether mobile, via USSD or App, or non-mobile. It can easily be integrated into any automated decisioning environment through the TransUnion Zambia Web Services API to drive improved customer acquisition.

For more information on CreditPulse, please call +260 211 220530/36.

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About TransUnion

TransUnion is a leading global risk and information solutions provider to businesses and consumers. The company provides consumer reports, risk scores, analytical services and decisioning capabilities to businesses. Businesses embed its solutions into their process workflows to acquire new customers, assess consumer ability to pay for services, identify cross-selling opportunities, measure and manage debt portfolio risk, collect debt, verify consumer identities and investigate potential fraud. Consumers use its solutions to view their credit profiles and access analytical tools that help them understand and manage their personal information and take precautions against identity theft. www.transunion.com

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