



Pay Date Predictor



INSIGHT



TRACKING



ALIGN



RELIABLE

Accurately predict your customer's regular pay date and gain insight into their payment profile.

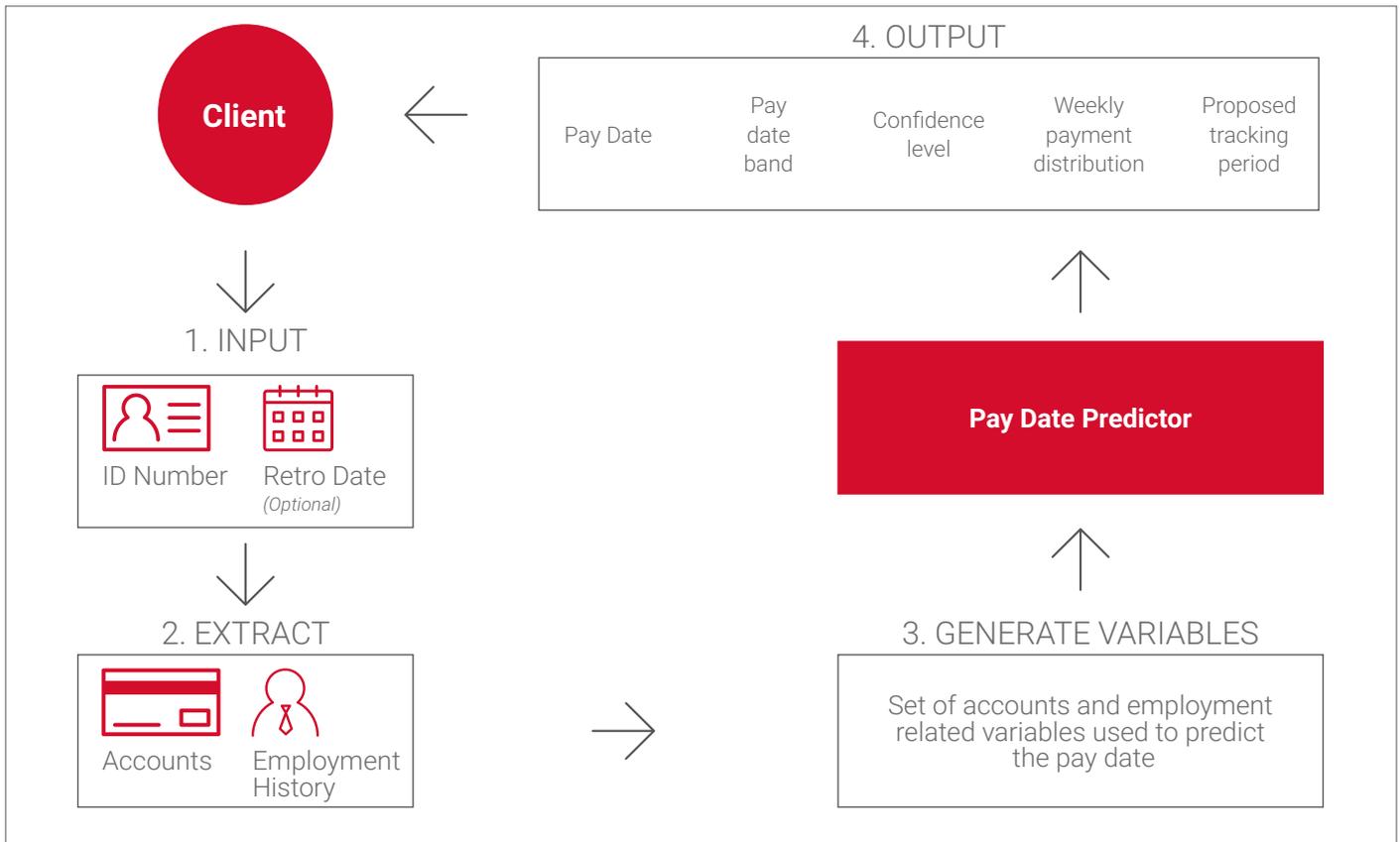
Improve your collection rates and reduce tracking costs.

Knowing when your customers get paid will set your business a cut above the rest, as it allows you to set up debit orders and collect on outstanding debts effectively and efficiently. Processing debit orders and tracking an account can prove challenging and expensive without this information, which is why the Pay Date Predictor allows you to align your business practises and improve profitability.

The Pay Date Predictor was developed for credit providers, collections agents and companies with a need to manage pay dates and collect on outstanding debt. The multiple outputs give insight into payment behaviour and include the predicted pay date, pay date band, confidence level, weekly payment distribution, and a proposed tracking period.



HIGH LEVEL PROCESS OVERVIEW



HOW DOES IT WORK?

Covering an extensive database of all credit-active consumers, the Pay Date Predictor considers account repayment and employment information to determine the probability of an individual pay date falling on the 15th, or between the 20th and 31st of each month. Furthermore, it provides a number of outputs, as outlined below:

Output	Description
Predicted pay date	Most probable pay date. This is a regular pay date and not a prediction for a certain month.
Second predicted pay date	Based on the second highest probability.
Predicted pay date band	Period in which pay date will most likely fall.
Probability of pay date band	Confidence level of the predicted pay date band.
Weekly payment distribution	% of payments made in a specific period in order to identify possible weekly earners (1-7, 8-15, 16-22 and 23-31).
Proposed tracking period	Dates on which to start and end tracking.

DATA ANALYTICS

Compuscan’s comprehensive data is vital to the success and effectiveness of our Pay Date Predictor, allowing the model to be more accurate and reliable than any of its industry counterparts. A Gini coefficient was used to evaluate the predictive power of the pay date model – we put our model to the test and the results returned a Gini of 62.

Based on our development data, we tested the model to calculate the following accuracy rates:

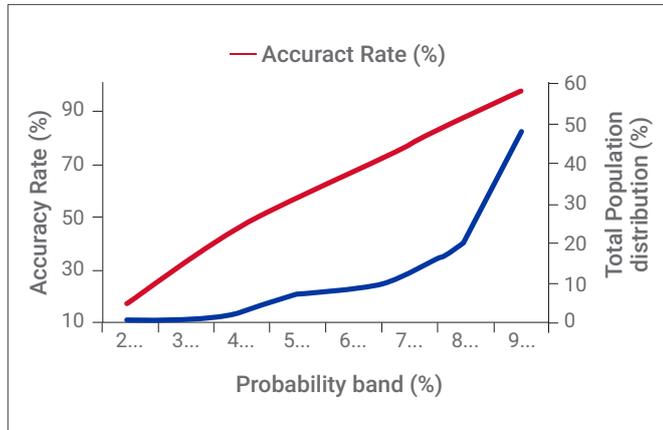
Pay Date	75%
Pay Date Band	85%
Tracking Band	92%

ACCESSIBILITY

Batch



Furthermore, the accuracy rate increases with the level of confidence (see below graph):



It's evident that more or less 60% of the population falls into the last two probability bands, confirming that we can confidently predict the pay date for a large part of the credit-active South African population.

Another key output of the Pay Date Predictor is proposed tracking periods.

Tracking is suggested for a particular predicted pay date, and the probability band is based on the statistical distribution of data with verified pay dates. The average number of days that tracking is required decreases, as the level of confidence increases. With an average of only 4 days of tracking, 91.5% of pay dates fall within the tracking period.

KEY FEATURES

- Accurate prediction of pay date
- First and second prediction provided
- Proposed tracking periods (based on confidence levels)
- Weekly payment distribution

KEY BENEFITS

- Align your existing clients' pay dates and set up debit orders to save on collections cost
- Resubmit failed debit orders effectively
- Decrease unnecessary tracking expenses (e.g. Naedo expenses)
- Gain insight into weekly payments to identify weekly earners

Support your marketing strategies

This service can furthermore be used to align your customer communication strategies, allowing you to promote targeted offerings that will reach the right customer at an appropriate time.

For more information about Pay Date Predictor, please contact one of our knowledgeable consultants.