



Background on Greenstate

GreenState Credit Union, founded in 1938, is the largest independent financial institution in Iowa and consistently ranks among the top 1% of US credit unions in returning profits to its members. It recently made a \$500 million mortgage commitment to help close Iowa's racial gap in home ownership.

What did they hope to achieve by bringing on Zest?

GreenState wanted a way to say yes to more members, especially members in low income communities, and increase its volume of instant approvals.

Products & market

AUTO LOANS

Midwest: Iowa, Wisconsin, Illinois, Nebraska, South Dakota

Key Team Members

- AMY HENDERSON, CHIEF CONSUMER SERVICES OFFICER
- JIM KELLY, CHIEF MARKETING OFFICER

LOS Provider



ASSETS	LOAN VOLUME (# OR \$)	MEMBERS	BRANCHES	EMPLOYEES
\$9.1B	\$4.3B	340,000	24	640

Objectives

GreenState wanted to drive more business through its online channels, which meant faster and more automated decision-making. The organization was also looking to get more proactive about approving loans for new and existing members who might have been overlooked by legacy methods.

Results

GreenState worked with Zest to build an AI-driven auto loan model that incorporated 10x more data (240 variables selected from thousands) to improve risk ranking across direct and indirect channels. GreenState's loan decisions will now be 77% more accurate for A+ paper and 3X more accurate for B paper. Approvals will rise more than 30% for women and Hispanic applicants over benchmark models.

Challenge

GreenState, already a fairly aggressive lender with close to a 100% loan-to-share ratio, was hampered in its expansion goals by the statistical limitations of traditional credit scores and debt ratios. It was looking for a partner that could provide superior performance with transparency, strict risk controls and compliance with fair lending rules.

APPROVAL RATE INCREASE

26%

ANNUAL INCREASE (ORIGINATIONS)

\$132M

APPROVAL RATE INCREASE
(protected classes)

32%

ADDITIONAL PROFIT/YEAR

\$11M