Zoot®

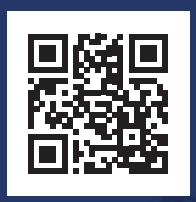
Organic Growth

Starts with the Relationships You Already Have

WHITE PAPER

HOW CROSS-SELL & DECISIONING TURN PORTFOLIO GROWTH INTO A REPEATABLE DISCIPLINE

Casey Ferguson
Head of Marketing, Zoot Enterprises Inc.



zootsolutions.com

© Zoot Enterprises, Inc. All rights reserved. Zoot makes no representation or warranty about the use of this information for any purpose. Zoot Enterprises®
is a registered trademark of Zoot Enterprises, Inc. All other company and product names may be trademarks of their respective companies.

EXECUTIVE SUMMARY

Organic growth remains a priority for financial institutions. Making it repeatable, however, requires more than periodic campaigns or broad cross-sell efforts. Banks already have many of the ingredients needed to grow within existing relationships, including customer data, transaction history, established channels, and ongoing interactions.

The challenge is using those assets consistently to identify opportunities, determine which are worth pursuing, engage customers at the right moment, and convert those opportunities into booked business.

This paper outlines a practical approach built around Enterprise Cross-Sell® and sophisticated decisioning at origination. Real-time prescreen, prequalification, Invitation-to-Apply, and counteroffer strategies help institutions create more relevant lending opportunities from customers they already serve. More sophisticated decisioning then uses additional data, segmentation, and credit policy to better evaluate applicants and confidently approve more of the right customers without simply increasing risk tolerance.

> **The model is designed to scale with the institution's growth objective.**

A bank may begin with one focused tactic, such as real-time prescreen during account opening or prequalification within a digital lending journey, and expand over time into a broader portfolio growth program.

The emphasis is on applying the right strategy to the right customer moment rather than forcing every institution into the same level of complexity.

The broader opportunity is to add these capabilities without replacing the systems already in place. By connecting data and decisioning into existing CRM, digital, branch, core, and origination environments, institutions can build a more scalable and repeatable approach to portfolio growth.

Casey Ferguson

Casey Ferguson
Head of Marketing, Zoot Enterprises Inc.

ORGANIC GROWTH STARTS INSIDE THE EXISTING PORTFOLIO

Organic growth is a priority for most financial institutions and often ranks high among the strategic goals outlined in annual reports. But leaders tasked with delivering that growth know the challenge is more complicated. Organic growth is not a single direction. It can involve a wide range of tactics, with no single path to the objective.

Some institutions prioritize new customer acquisition or entry into new markets. Others focus on expanding a specific line of business, increasing loan penetration, or getting more value from recent acquisitions.

> **Part of Zoot's role is helping financial institutions put those growth strategies into practice.**

Over the years, we have seen a wide range of approaches. One we support is also one of the most practical: generating more growth from relationships the institution has already won.

The logic is simple. The institution has already acquired the customer and has many of the ingredients needed to deepen the relationship. These assets include customer data, transaction history, established channels, existing products, and a level of trust. Those advantages make the existing portfolio an attractive place to look for growth.

The challenge is making that growth repeatable. An institution needs a consistent process for turning signals within its existing customer relationships into actionable opportunities. We think about that process in four stages: **Identify**, **Qualify**, **Engage**, and **Convert**.

1. **Identify** the customer, need, event, or interaction that represents an opportunity.
2. **Qualify** the opportunity so the institution knows whether it is worth acting on.
3. **Engage** the customer with the right product or conversation while the moment still matters.
4. **Convert** by making a sound credit decision and expanding who the institution can confidently serve.

The first three steps create more opportunities from relationships the institution already has. The latter creates a source of growth by improving how those opportunities are evaluated.

DATA IS THE CORNERSTONE OF REPEATABLE PORTFOLIO GROWTH THROUGH EXISTING RELATIONSHIPS

Data plays two different roles in this model. First, it helps the institution create the right opportunity. Then, once that opportunity reaches origination, it helps the institution make a better credit decision. Those jobs are connected, but they fuel growth through different mechanisms.

Job #1: Create the Right Opportunity

For **IDENTIFY**, **QUALIFY**, and **ENGAGE**, data helps answer practical questions. Who should we talk to? What might be relevant to them? Do they meet the criteria for the strategy? When should we act, and which channel should we use?

Banks already have access to many of the signals needed to answer those questions. Product holdings, deposit activity, account tenure, customer behavior, event triggers, propensity models, credit information, and other data can all help turn a broad customer population into a smaller set of relevant opportunities.

At Zoot, we think about this as an Enterprise Cross-Sell® program: a structured way to use different cross-sell tactics to identify, qualify, and present additional lending opportunities to customers the bank already serves. Depending on the opportunity and desired customer experience, that can include prescreen, prequalification, invitation-to-apply, or counteroffer.

> **The important shift is from promotion to relevance.**

Instead of asking, “Who can we market this product to?” the institution can ask, “Where is there evidence of a real opportunity, and what do we know about the customer before we start the conversation?”

Job #2: Convert More of the Right Opportunities

For CONVERT, data has a different job. It needs to help the institution understand the applicant well enough to make the right credit decision.

This is where additional data and more sophisticated decisioning can create another source of growth. Traditional credit information may provide one view of the applicant, while cash flow data, relationship information, alternative data, and more granular decision strategies can provide additional context. The goal is not to loosen credit standards. It is to understand risk with enough precision to identify creditworthy applicants that a less complete view may not evaluate as effectively.

The two jobs of data work together. Enterprise Cross-Sell® helps the institution find and create more of the right opportunities within its existing relationships, while sophisticated decisioning at origination helps it say yes to more of the right opportunities once those customers apply. Together, they create a more complete approach to portfolio growth, from generating qualified lending opportunities through converting them into booked business.

The first four techniques focus on creating the opportunity. The fifth focuses on converting more of those opportunities by improving how existing customers are evaluated at origination.

PART I: THE ENTERPRISE CROSS-SELL® PROGRAM

Real-Time Prescreen: Turn Customer Interactions into Qualified Opportunities

One of the best times to identify a growth opportunity is when the customer is already interacting with the institution. Real-time prescreen makes that interaction the trigger. A customer event initiates an evaluation against the institution's credit criteria for the applicable product or product variants, and qualified customers receive offers right on the channel where the conversation is already taking place.

This takes the burden of qualification off the employee without taking the team member out of the conversation. The teller, banker, or relationship manager does not need to know every product rule or determine eligibility on their own.

Decisioning identifies qualified opportunities, while the team member uses what they know about the customer and the interaction to present the offer in a personalized experience.

USE CASE

Turn a New Account Opening Into a Credit Card Opportunity

Consider a customer who walks into a branch to open a checking account. In a traditional process, the account is opened, the customer leaves, and the interaction is complete. The bank has successfully acquired a new deposit relationship, but it may have missed an opportunity to establish a broader one.

With real-time prescreen, completion of the new account opening can trigger an evaluation against the bank's credit card offerings. Suppose the bank has four popular cards, each designed for a different customer profile. Zoot applies the bank's credit criteria to determine which of those card offers the customer qualifies for and returns the qualified offer directly into the teller workflow while the customer is still there.

The teller does not need to understand the qualification criteria behind each card or determine eligibility on their own. Instead, they are notified of the specific card offer the customer qualifies for and can introduce it naturally as part of the account-opening conversation.

> **The qualification happens behind the scenes, while the teller focuses on the customer relationship.**

The result is a more personalized experience for the customer and an opportunity for the bank to increase adoption of its card products while establishing a broader relationship from the start.

Prequalification: Convert Digital Intent into Lending Opportunity

Not every opportunity has to be started by the bank. Customers regularly signal interest through the institution's digital channels by exploring lending products, checking rates, using calculators, or engaging with content tied to a financial need. Prequalification gives the institution a way to respond to that interest by allowing the customer to initiate a soft credit pull and find out whether they may qualify before completing a full application.

This experience can be especially effective for an authenticated customer because the institution already knows a great deal about the relationship. Existing information can be used to prefill fields, reduce the amount of information the customer needs to provide, and keep the experience inside the channel they are already using. With the customer's consent, the bank can complete the soft credit pull, apply its qualification criteria, and return the result in real time.

USE CASE

Turn Digital Loan Interest Into a $10,000 Personal Line Opportunity

Imagine an existing customer using the bank's mobile app who visits one or more pages related to personal loans. That activity signals potential borrowing interest. The next time the customer engages in the app, the bank can present an invitation to see whether they prequalify for a personal line of credit up to $10,000.

The customer chooses to continue, provides consent for the soft credit pull, and stays within the digital experience. Because the customer is already authenticated, information the bank already has can be prefilled, leaving the customer to provide only what is still needed for the prequalification. The bank can then evaluate the customer against its criteria and return the prequalification result in real time.

If the customer prequalifies and wants to proceed, they can move into the full application process. Rather than waiting for someone who has demonstrated interest in borrowing to independently find the right product and start an application, the bank has created a relevant path from demonstrated interest to a qualified lending opportunity.

Invitation-to-Apply: Leverage Your Data to Create Opportunities

Some of the best opportunities in an existing portfolio are relationships that technically exist but produce very little additional value. This is common when the customer originally entered the institution through a specific transaction instead of making a broader decision to bank there. Invitation-to-Apply strategies give the institution a way to identify those populations and create a reason to reconnect.

Account tenure, payment history, account standing, product holdings, customer behavior, and other relationship data can determine which customers should receive an invitation and when. This does not need to be a pre-approved offer. In many cases, the opportunity comes from recognizing that the institution has learned enough about the relationship to start a relevant new conversation.

USE CASE

Convert Indirect Auto Customers Into Direct Banking Relationships

Consider an institution with a strong indirect auto program. Customers are often acquired through dealership-originated loans, and an account may be established with the institution as part of that relationship. But many of those customers may rarely use the account. The institution holds the auto loan, while the rest of the customer's financial activity remains elsewhere.

Six months into the relationship, the institution can identify borrowers who remain in good standing and invite them to apply for another product, such as a preferred deposit account or points-based credit card. At that point, the institution has several months of relationship history it can use to identify customers it wants to re-engage.

> **The auto loan does not have to be the beginning and end of the relationship.**

It can serve as the acquisition point for a broader direct banking relationship with a customer the institution has already won.

A population that previously generated primarily auto-loan revenue can become a consistent source of additional deposits, card relationships, interchange revenue, and broader customer engagement. Rather than treating these customers as the target of an occasional conversion campaign, the institution can build re-engagement into the relationship process, automatically identifying the right customers and creating opportunities to deepen the relationship over time.

Counteroffer and Follow-On Opportunities: Build on an Active Application

An active application is one of the clearest indications of financial intent an institution will see. The customer has identified a need and is actively engaged with the institution. That moment can create opportunities to continue the relationship beyond the original product request.

If the customer does not qualify for the product, amount, or tier they requested, the institution may be able to present a counteroffer that still helps meet the customer's need and maintain the relationship. If the customer is approved, the new product relationship can also create behavioral signals that trigger appropriate follow-up engagement over time.

USE CASE

Build on an Installment Loan Application

Consider an existing customer who applies for a $20,000 installment loan to finance a purchase.

If the customer does not qualify for the full $20,000, the bank may determine that they qualify for a lower loan amount. Rather than ending the interaction with a decline, the bank can present the lower amount as a counteroffer. The customer can still finance a portion of the purchase through the bank and cover the remaining amount with cash, helping the bank meet the customer's need and maintain the relationship.

If the customer is approved and books the installment loan, that new relationship can also create opportunities for future engagement. For example, as the installment loan approaches maturity, the bank may use that event to invite the customer to apply for its Preferred credit card product. The invitation is triggered by the relationship event and the bank's own product strategy, not by reusing the bureau information obtained for the original loan decision.

In both scenarios, the institution has a repeatable way to respond to meaningful points in the customer relationship. A counteroffer can preserve an opportunity that might otherwise end in a decline, while a loan approaching maturity can automatically initiate the next appropriate relationship-growth strategy rather than waiting for the customer to appear in a future campaign.

Enterprise Cross-Sell®: Different Tactics, One Growth Program

These strategies work differently, but they serve the same objective: creating more lending opportunities from relationships the institution already has. Real-time prescreen turns customer interactions into qualified offers. Prequalification allows customers showing interest to initiate a qualification check. Invitation-to-Apply uses customer and relationship signals to create relevant reasons to engage, while counteroffer and follow-on strategies help the institution continue the relationship when customers apply, book a product, or reach another meaningful relationship event.

In every case, the institution is not starting from zero. The customer is already there, and some form of interaction, intent, behavior, or relationship history provides a reason to act.

An Enterprise Cross-Sell® program turns those individual moments into a repeatable growth process, giving the institution a consistent way to identify opportunities and act on them rather than relying primarily on periodic campaigns.

PART II: SOPHISTICATED DECISIONING AT ORIGINATION

Sophisticated Decisioning: Say Yes to More of the Right Opportunities

Another growth lever is increasing who the institution can confidently serve from the opportunities reaching origination. At this point, data has a different job. The question is no longer who to engage or what product may be relevant. It is how well the institution can understand the applicant, distinguish risk, and make a sound credit decision.

More granular segmentation, additional data sources, and executing on a more sophisticated credit policy can give lenders a better view of the customers they want to serve. This can be particularly valuable for populations that are harder to assess using traditional credit information alone. The goal is not to loosen credit standards. It is to improve the information and decisioning behind the credit decision so the institution can identify more applicants it can confidently approve.

USE CASE

Add Cash Flow Underwriting to an Existing Core Origination Experience

Consider a bank that already uses the lending and origination suite offered by its core provider. The system handles application intake, onboarding, workflow, and the broader lending experience well. The bank is not looking for a new origination system. It wants to become more sophisticated in how it makes decisions within the process it already has.

The bank has identified its thin-file population as an opportunity for growth. It wants to segment that population more granularly and incorporate cash flow data into its underwriting policy so it can better understand applicants when traditional credit information provides a limited view. Rather than rebuilding the origination experience, the bank can use an Origination and Decisioning Accelerator that maps into the core provider's existing application and onboarding system. The accelerator brings in additional data, applies the bank's policy, executes the cash flow underwriting strategy, and returns the decision into the workflow the bank already uses.

The existing technology continues doing what it does well, while the decisioning behind it becomes more capable. The bank can introduce a more sophisticated underwriting strategy for a specific population without turning the initiative into a new origination implementation.

The bank can more confidently evaluate thin-file applicants it already has an opportunity to serve. Applicants who may have been difficult to assess using traditional credit information alone can receive a more complete evaluation, creating additional opportunities to approve good customers without simply increasing risk tolerance.

A Spectrum of Sophistication

Taken together, Enterprise Cross-Sell® and sophisticated decisioning at origination create a more complete approach to portfolio growth. Enterprise Cross-Sell® helps the institution generate more lending opportunities from existing relationships, while sophisticated decisioning helps convert more of the right opportunities into booked business. That does not mean every institution needs every capability. The right level of sophistication should be determined by the growth objective.

If a bank is trying to grow a specific line of business or increase loan penetration by a few percentage points, one focused strategy may provide the lift it needs. Real-time prescreen at new account opening could be enough, or prequalification within a high-volume digital experience may accomplish the same goal. There is no reason to turn a targeted growth objective into a large transformation program.

The equation changes when the growth objective becomes more ambitious. An institution that is acquiring branches, adding portfolios to its balance sheet, entering new markets, or working against a timeline for significant growth has more opportunity to capture. In those situations, a broader portfolio growth strategy becomes more relevant.

The institution can use multiple Enterprise Cross-Sell® tactics to create opportunities across different customer moments and pair them with more sophisticated decisioning at origination to convert more of those opportunities into booked loans.

That is the practical advantage of this approach. The institution does not have to transform everything to improve something. Sophistication scales with ambition, but the strategy stays the same.

PART III: MAKING STRATEGY PRACTICAL

Sophisticated Growth Does Not Have to Mean a Complicated Technology Project

Institution-wide cross-selling and more sophisticated underwriting are not new ideas. Yet, one reason they have been difficult to put into practice is that implementation can become a major technology effort. Customer data, third-party data, core systems, CRM, digital channels, origination platforms, and decisioning technology all had to work together. A good business idea could quickly become expensive to build and difficult to maintain.

That barrier is lower today. Institutions do not necessarily need to replace the systems they already use to add a more sophisticated growth strategy.

Enhance What Already Works

Financial institutions have spent years investing in technology, and much of that technology is doing exactly what it was purchased to do. A bank may already have an LOS that handles origination well, a CRM that holds useful customer insights, and digital or branch channels that customers and employees use every day. Those systems can stay in place.

The opportunity is often to connect them to the data and decisioning capabilities needed for a specific strategy. A teller platform can receive qualified offers. A CRM segment can become the starting point for a prescreen strategy. An existing origination system can use a separate decisioning layer to support cash flow underwriting or more granular credit policy.

The goal is to add the capability that is missing, not rebuild the technology that is already working.

Standardize the Machinery, Not the Strategy

Credit policy, risk appetite, customer strategy, product strategy, and offer design should reflect the institution. Those are the areas where the bank's own experience and goals matter most.

The technology needed to execute those strategies does not need to be unique every time. Common data connections, integrations, decisioning components, and configuration patterns can be packaged into accelerators and established implementation frameworks.

An experienced decisioning partner can bring proven data connections, integration patterns, configuration frameworks, and decisioning infrastructure that change the economics of acting on opportunities. Do not standardize the strategy. Standardize the machinery required to execute it.

That is how Zoot approaches these programs. The goal is not to replace technology simply because a new strategy is being introduced. It is to connect data, decisioning, and existing systems so the institution can put that strategy into production. That may mean a focused prescreen program, added decisioning behind an existing origination platform, or a broader portfolio growth program. The scope should follow the growth objective.

CONCLUSION: TURN EXISTING RELATIONSHIPS INTO A REPEATABLE GROWTH ENGINE

Financial institutions will always need new customers, but meaningful growth opportunities also exist inside the relationships they have already won. A strong Enterprise Cross-Sell® strategy, paired with sophisticated decisioning at origination, provides a practical way to find more of them.

What matters is making the process repeatable. Use data to recognize the right opportunity, make it relevant, and better understand who the institution can confidently serve. The opportunity is not to reinvent the bank. In many cases, the better path is to keep what works, add the capabilities that are missing, and get more value from the relationships and investments the institution already has.

ABOUT ZOOT ENTERPRISES

Zoot Enterprises is a global provider of advanced origination, acquisition and decision management solutions for some of the largest organizations in the world. We offer comprehensive and flexible platforms for specific business needs that include loan origination, fraud detection and prevention, data acquisition, and more.

Zoot is a leader in the technology industry. We enable clients to access hundreds of cutting-edge data sources in real time, and provide business user control that empowers our clients to adapt to their evolving strategies. Our cloud-based, secure processing environment delivers decisions in milliseconds and has the capacity to deliver billions of real time decisions annually.

For more than 35 years, we have launched solutions to market faster than the competition. We have partnered with influential U.S. and international organizations including major financial institutions, retailers, healthcare organizations and payment providers to foster excellence in multiple industries.

From Data to Decision®

At Zoot, our promise is simple: To make our clients successful. We work closely with the top financial institutions in the world to deliver state-of-the-art solutions that satisfy the most demanding decisioning needs.

Zoot Enterprises can help you execute data agnostic, one-to-one decisions informed from all available sources. If you're ready to improve your origination process and keep pace with the changing times, please contact Zoot today.

(406) 556-7555

zootsolutions.com

Zoot®

ENDNOTES

Zoot®

HEADQUARTERS

555 Zoot Enterprises Lane
Bozeman, MT 59718

PHONE & FAX

Phone: (406) 586-5050
Fax: (406) 587-8414

SALES

Phone: (406) 556-7555
Email: sales@zootweb.com