

To Better React to Market Conditions, Chrysler Financial Partners with Nomis Solutions

SAN BRUNO, Calif. — Nomis Solutions today announced that Chrysler Financial has selected its Price Optimizer for Auto Finance to invest in new pricing technology.

The solution is expected to provide Chrysler Financial with improved continuity and efficiency in each of its eight regional business centers.

By leveraging a more advanced approach to pricing, Chrysler Financial will be better positioned to evaluate and quickly respond to changing regional market conditions in order to meet dealer and customer needs, according to officials.

The Nomis Price Optimizer is designed to enable Chrysler Financial to gain margin improvements, better control the mix of its portfolios and mitigate any additional risk through adverse selection.

"A new, collaborative pricing model enables us to take a more proactive approach and use pricing strategically to drive performance," explained Kelly Mankin, vice president of marketing at Chrysler Financial.

"We chose to work with the Nomis Solutions team because of their proven track record and experience in pricing optimization as well as their solid understanding of the auto finance business," he added.

Basically, the Nomis Price Optimizer automates and streamlines the pricing process from performance monitoring through price execution. All pricing information and profit models reside in a central system, which eliminates the need for version control and eradicates errors due to manual entry, which are common when using several separate spreadsheets.

As market demand fluctuates, economic factors change and internal goals evolve, the Chrysler Financial team can use the Nomis Price Optimizer to run "what-if" simulations to evaluate the impact of these changes on loan volumes and profitability across a mix of segments, loan amounts and regions, executives pointed out.

Thanks to this ability, goals for the entire portfolio or a particular micro-segment can be quickly updated and rates can be optimized automatically to achieve those new goals, the company reported.

Once prices have been distributed into the marketplace, the team can monitor the affect the new rates have on performance and quickly make changes if they are not achieving desired results.

Because the solution continually updates and calibrates the models, the team can continuously learn more about market response to pricing and use that information to improve results, officials highlighted.

"This is a challenging time for the auto finance industry overall. The organizations that invest in gaining additional insight into profitability drivers and adopting innovative pricing strategies will secure significant rewards both now and in the future as economic conditions improve," said Karen Beale, vice president of sales at Nomis Solutions.

"The Chrysler Financial team recognizes this advantage. By leveraging pricing best practices and proven technologies, they are positioning themselves to achieve sustainable financial performance

improvements. We look forward to working closely with them to ensure their success with this strategic imperative," she continued.

Overall, Nomis Solutions has more than \$1 billion in auto finance contracts being optimized each month using its Price Optimizer.

For more information, visit www.nomissolutions.com.