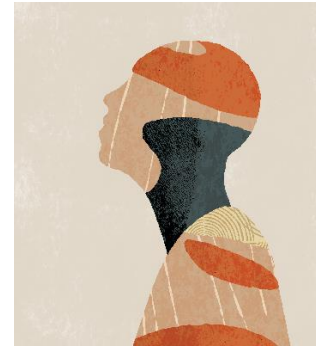


# Oracle Financial Services Lending and Leasing for Mobile Handset Financing and Leasing



Handset financing is a growing market as mobile telecom operators increasingly seek alternatives to portfolio-level subsidizing and self-funding of handsets. This is especially important with the 5G rollout bringing significant changes for both consumers and telecommunication operators. There is no longer a need to tie-up capital in this way when there are viable and proven financing alternatives that can protect and even enhance margins, as well as release capital for more pressing business priorities. Oracle Financial Services has focused its market-leading lending and leasing offering on this niche sector and continues to support this developing and evolving market.

Handset financing removes the burden of handset subsidies from operators' balance sheets. Innovative financing solutions also can offer service subscribers greater affordability (spreading installments over longer periods, utilizing future residual values, and taking advantage of the growing secondary market). More customers having more access to cutting-edge smartphones encourages higher usage and spend patterns. In addition, more flexible contracts can encourage regular upgrading, helping address the general trend towards a reduction in churn.

## Advantages of moving to Financing Plans

Financing plans can help remove handset subsidies and tie in customers in a different way—plus deliver new interest and fee revenue-generating opportunities. In addition, as an interest-bearing financial instrument, they can also enable payment securitization as a viable funding tool, which can relieve balance sheet stress and unlock capital. This is particularly useful in an environment where operators may have other priorities for capital investment, such as 5G and other infrastructure projects.

In addition, as operators look for new ways to improve affordability for their customers, financing options can offer a range of flexible products, promotions, and options to meet a wider range of demands from the customer base. Leasing products, for example, are an increasingly attractive

### Key benefits

- Support end-to-end finance lifecycle on a single platform
- Accelerate time-to-market for new products
- Automate pricing based on credit policies
- Manage credit exposure at various levels
- Gain comprehensive customer relationship view
- Securitize portfolios and retain servicing rights and fees
- Improve revenue generation with interest-bearing loans and account fees
- Support liquidity and funding objectives, including tracking of securitized portfolios

option for consumers and operators, alike. Already a growth segment, leasing allows customers to have affordable repayment plans and switch devices more frequently, while operators leverage the competitive advantage such innovative products can provide.

Telecom operators also need comprehensive solutions to manage processes across products, while providing options to consumers who want access to lending products anytime, anywhere, and across multiple devices. These solutions must lower the average cost per loan/ lease by enabling automated, flexible, and easy-to-adapt processes. They must also enable a consolidated analytical view of both customer and product information—all while embracing the most scalable, secure, and flexible technologies available.

Oracle Financial Services Lending and Leasing helps telecom operators, national retailers, and handset lenders provide a modern digital shopping cart experience to customers for mobile handset finance. Comprehensive and highly configurable, it delivers end-to-end capabilities—from origination to servicing through collections and asset management. It provides unparalleled flexibility and gives organizations the ability to leverage enterprise-wide data to deliver the right product offerings and financing options. The solution also enables seamless integration with point-of-sale (POS) solutions, billing systems, and product catalogs. Plus, organizations can choose between flexible deployment options—as it is available both on-premises or on cloud.

### **Achieve Seamless End-to-End Lifecycle Management**

Oracle Financial Services Lending and Leasing is a modern end-to-end solution—built on proven, configurable processes—which enables proactive management of the complete finance and lease lifecycle. Extensive business rules and smart workflows, built on industry best practices, increase automation—including real-time transaction processing—while facilitating compliance with regulatory requirements.

### **Engage All Stakeholders on a Single Platform**

Oracle Financial Services Lending and Leasing addresses the needs of all parties in the lending lifecycle: the customer, national retailers, telecom operational staff, and management. The solution supports multiple channels to meet the demands of today's customer, while providing quick and consistent credit decisions. It improves staff productivity with superior operational controls, captures robust real-time customer and account data, and delivers efficient risk and compliance management.

### **Ensure Seamless Integration with POS and Billing Systems**

Oracle Financial Services Lending and Leasing Origination gives handset lenders the ability to integrate the system with their POS system to accept, process, and decision credit applications with sub-second performance. Highly configurable credit and pricing guidelines allow organizations to manage and facilitate compliance with local, regional, and national regulatory requirements. In addition, the solution integrates easily with third-party billing systems to provide and receive customer information and consolidate exposures and payments.

#### **Key features**

- Single platform for end-to-end auto finance lifecycle
- Robust and highly flexible workflows
- Configurable scoring model, workflow, and queue management
- Comprehensive relationship view across all financial products
- Multi-channel origination
- Behavioral scoring and risk-based pricing
- Extensive self-service options
- Compatibility with credit bureau, valuation guides, and credit card payment interfaces
- Advanced audit capabilities

## Deliver a Headless Implementation

Oracle Financial Services Lending and Leasing Origination allows handset lenders to seamlessly integrate store and digital channel workflows with extensive back-office processing capabilities and accounts receivable management. The platform allows flexible setup of marketing promotions and pricing, which helps in the generation of financing options for assets in inventory. Oracle Lending and Leasing also integrates easily with various billing systems, limiting the need to modify workflows and, ultimately, making it easier for operators to deploy the solution in the enterprise landscape. In integrating with existing systems seamlessly, headless implementations can deliver the full financing power of the solution with limited disruptions to the user facing systems.

## Benefit from a Robust Transaction Engine

With Oracle Financial Services Lending and Leasing's Servicing module, financial institutions can manage all customer information in a centralized location to assure data integrity, enable real-time transaction processing, and simplify customer service and management processes. A unified customer record with a common relationship view across all financial products empowers the financial institution to provide better customer service, quickly resolve queries, and improve service personnel productivity. The solution also supports the securitization of loan portfolios, allowing the service provider to remove it from their financial books while retaining servicing rights.

## Succeed with Scalable and Proven Technology

Oracle Financial Services Lending and Leasing is built on a modern, open architecture that supports straightforward and seamless integration and enables sub-second response for high volumes of transactions.

## Conclusion

With 5G fast approaching—and smartphone-related expenses set to rise—operators are seeking ways to offer affordability and flexibility to customers. Oracle Financial Services Lending and Leasing can help telecom operators, national retailers, and handset lenders alike to deliver a modern digital experience offering highly configurable, end-to-end capabilities from origination, servicing, collections, and asset management. Operators can be equipped with unparalleled flexibility to leverage extensive enterprise-wide data to deliver the right product offerings and financing options for their customers.

### Drive new capabilities

- Operators can charge interest and fees to drive revenue
- Companies can offer a more diversified range of products, offers, and promotions
- Customers can explore handset leasing and drive down costs with residual values rather than up front discounts
- Companies benefit from functional richness and flexibility with upgrades, modifications and extensions
- Companies have the flexibility to respond proactively and quickly to sudden/unexpected changes in customer needs and behaviors

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