Boosting accuracy and speed in the Aloha state

The Zest Effect

70%	24%	133%
PERSONAL LOAN APPROVALS AUTOMATED	LOWER DELINQUENCY RATE THAN THE NATIONAL MODEL	INCREASE IN AUTOMATION
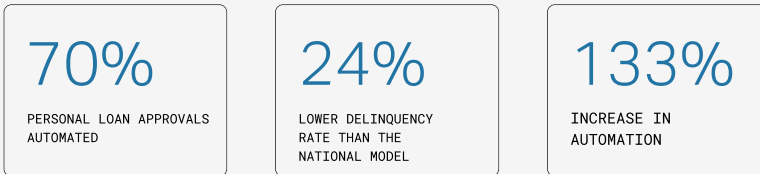
A rush for more resources

HawaiiUSA needed a partner that could help them delight their members with speed, and boost their lending business with accuracy. Despite Hawaii having one of the highest credit union membership rates in the US, the state increasingly loses residents to commercial banks and fintechs. HawaiiUSA knew they needed to compete, but didn't have the resources of a large, tech-forward organization with a robust data science team. They wanted to provide the speed and convenience that their competitors often have and remain a local institution dedicated to serving their members.

HawaiiUSA also needed a partner that would be able to optimize a solution for its unique population. Hawaii is one of several US states that is not majority white and has the highest population of Pacific Islanders. National scoring models do not accurately represent these residents, and HawaiiUSA needed a tailored solution with data representative of their membership base.

Precision and agility with the right partner

Zest AI's accurate AI-automated underwriting solution gave HawaiiUSA the ability to keep origination levels constant while reducing risk and lowering decision time.

HawaiiUSA Federal Credit Union

ASSETS
$2.2B

MEMBERS
135k

LOS
meridianlink

CREDIT BUREAU
TransUnion

PRODUCTS
personal loans, portfolio management

ZEST

Zest's technology has brought their personal loan automated approvals up to 70%, a 133% increase in automation from before their partnership with Zest.
These automation increases save time, allow HawaiiUSA to reallocate resources to support other portfolios, and allow the underwriting team to focus on members needing additional support. With a tailored model built on representative data, HawaiiUSA's delinquency rate is 24% lower than if they had used the national industry model.

While smarter, more efficient technology can help members access loans faster, HawaiiUSA wants to take its service one step further by pricing on its Zest AI model. In the past, members may have been pulled into a lower risk tier on their application, but would still be priced according to a national score. Using Zest for pricing will allow those members to have rates and terms that best match their risk tier.

Looking ahead: lending's crystal ball
HawaiiUSA is looking forward to adopting Zest AI's Portfolio Management solution, where they can use Zest's insights to review loan performance, manage risk, and proactively adjust lending strategy to stay ahead of the game. Even without the data science teams that larger national banks have, HawaiiUSA can remain an agile lending business through different economic conditions and make smarter, more precise decisions that will benefit members.

"If credit unions don't start using new machine learning techniques, they're going to be left in the dust. You don't want to become the next Blockbuster or the next Kodak—businesses that became stuck in their old, traditional ways and believed future innovation wouldn't affect them. Partnering with Zest AI gives our credit union the technology and resources to make accurate decisions, manage risk, and serve our members for generations to come."

Scott Matsushima
Chief Data and Analytics Officer,
former Chief Lending Officer

Trusted and mission aligned

Since 2009, Zest AI has been innovating and perfecting AI credit underwriting technology. A CUSO and pioneer in the field, with over 400 active models, Zest AI aims to make best-in-class AI underwriting technology available and accessible to all credit unions.

ZEST