

A vertical photograph of a city street at night. The street is wet and reflects the lights from buildings and street lamps. Several cars are parked along the side of the road. In the background, there are several tall buildings, including one with a distinctive tower and a statue on top. The sky is dark blue.

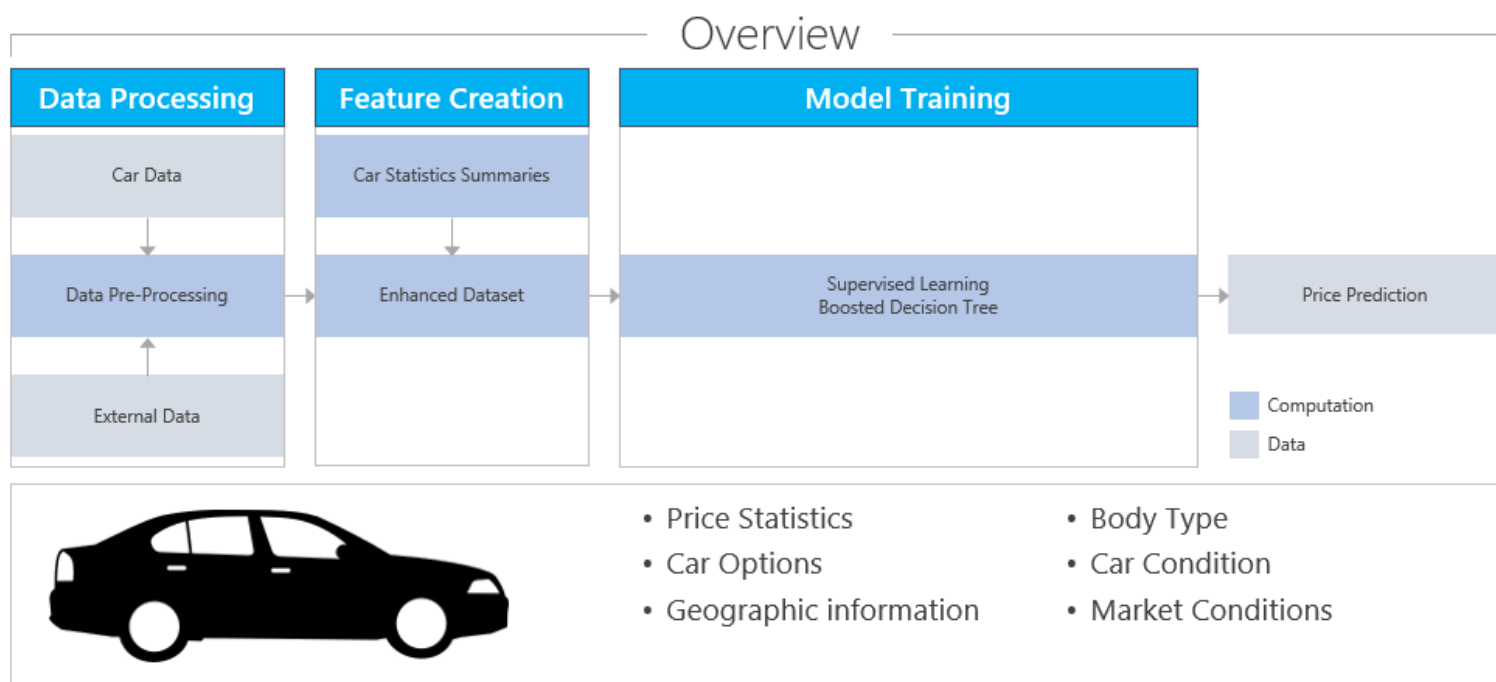
Fair market value estimation for used cars at leading car exchange

CHALLENGES

A leading auto exchange company wanted to develop a competitive pricing model to help stand out from the competition. The incorrect pricing significantly impacted the lead time (longer period to sell a unit), resulting in slowing down the entire sales process. The dealer wanted to show the fair price of a vehicle and the range of a good or bad deal.

SOLUTIONS

Neal Analytics helped the customer create a prediction model that predicts car price for at least 80% of ads on a website. We leveraged a supervised learning algorithm to generate price projections for slower selling cars. We trained a second model using a combination of predicted and actual prices that helped the dealer know the fair price of the vehicle and profit earned through the deal.



RESULTS

Using Neal Analytics' solution, the auto dealer was able to identify the fair market value based on specific car details. While the leveraged model helped them get output in terms of "fair price" for a vehicle, as well as a range of "good and bad deals".