CreditStyles Pro

When it comes to understanding your customers, credit counts

Given today's economy, consumers' credit and debt behaviors are changing:

- Consumer use of credit is up, yet financial institutions are more conservative in monitoring credit terms and issuing loans, making it harder for households to access additional credit
- Many households are maxed out and are unable to meet their debt obligations
- Some households have been subject to altered mortgage terms or foreclosure
- Consumer discretionary spending is down across many categories

Today's reality is that households have adopted new financial and economic decision criteria to determine their lifestyles and credit behavior. That's why having an understanding of households' use of credit is more important than ever before.

A fresh view of credit usage at the household-level

CreditStyles® Pro helps businesses gain critical insight on credit use by offering a suite of tools to differentiate households based on their likely credit availability, needs, and usage.

- CreditStyles Pro includes Detailed Credit Variables, Risk Scores, Intent Indicators, and Aggregated FICO® Scores. These measures, scores, and variables can be used alone or combined for advanced analytics.
- Because they are not subject to FCRA regulations and household scores and variables are aggregated to the ZIP+4 level, CreditStyles Pro components can be used throughout the customer lifecycle to enhance prospecting, targeting, and account management.

CreditStyles Pro helps businesses gain critical insight on credit use.

Key benefits

Better understand consumer behaviors across the customer lifecycle based on estimated credit availability, needs, and usage

Assess credit by Detailed Credit Variables, Risk Scores, Intent Indicators, and Aggregated FICO Scores (the same industry accepted credit risk assessment measure now available in an aggregated form for marketing applications)

Better represents households' credit usage by de-duplicating individuals on joint and shared accounts

Developed for use in non-FCRA applications including prospecting, targeting, and modeling

Client question	Solution category	Applicable CreditStyles Pro measure, score, or variable (all variables are offered at the ZIP+4 level)
Is this consumer likely to be able to afford my product?	Capacity to pay	Number of open credit card accounts, available credit card balance, number of accounts paid as agreed
Is this consumer likely to be able to afford my product?	Financial stress	Number of days past due and amount past due, for collections, bankruptcies, and foreclosures
How active are my customers in shopping for and opening new credit lines?	Financial activity	Number of inquiries for new credit, recency of open accounts, age of mortgage accounts
What's the likelihood a household in a particular ZIP+4 will file for bankruptcy?	Risk Scores	• Bankruptcy Navigator Index® 3.0
Is this customer likely to be looking to purchase a new automobile and looking for financing?	Intent Indicators	• Automotive Intent Indicator
Is this credit borrower likely to become a liability in the near future?	Aggregated FICO Scores	• FICO Risk Score, Classic v8 • FICO Risk Score, Classic v5

Detailed credit variables and insight measures: The detailed metrics you need for enhanced marketing and modeling

CreditStyles Pro offers a comprehensive set of ZIP+4 level metrics, including averages, estimated percent of household use, and percent of households with a certain credit behavior. All CreditStyles Pro metrics are updated quarterly, unlike standard aggregated credit metrics that are updated just once per year.

There are over 400 CreditStyles Pro metrics available within the following credit segments:

- Mortgage (including first mortgage, HELOC, HE loan, agency and non-agency sub-categories)
- Non-Mortgage (including bank card, retail, auto finance, auto bank, student loan, and consumer finance)
- Bankruptcy, foreclosure, collection
- Account report and inquiry activity
- Summary account attributes
- Equifax Neighborhood Risk Scores (e.g., Equifax Risk Score℠ 3.0 Neighborhood Risk Score)
- Intent indicators
- Aggregated FICO Scores

Creditstyles Pro Risk Scores: Equifax Risk Scores for managing household risk

CreditStyles Pro offers aggregated Equifax Risk Scores for households within a micro-neighborhood, enabling firms to better segment their customers and prospects. The risk scores predict households' likely future credit behavior based on previous behavior as well as compared to credit files that have had similar characteristics under similar conditions. Equifax risk score models typically assign higher scores to consumers who exhibit a likelihood of high, or satisfactory, credit performance and lower scores to consumers who exhibit a likelihood of low, or unsatisfactory performance.

Type of risk score	Description
Advanced Energy Score v4	Risk assessment model. Predicts the likelihood of consumers becoming a serious credit risk on energy account. The higher the score, the lower the risk.
Bankruptcy Navigator Index 3.0	Risk assessment model. Predicts the likelihood of filing bankruptcy within the next 24 months. The higher the score, the lower the risk.
Equifax Risk Score 3.0	Risk assessment model. Predicts the likelihood of becoming seriously delinquent (90+ days past due or worse) within 24 months. The higher the score, the lower the risk.
VantageScore®	Tri-bureau risk assessment model. Predicts the likelihood of becoming a serious credit risk. The higher the score, the lower the risk.
Advanced Communications Neighborhood Risk Score	Risk assessment model. Predicts the likelihood of consumers becoming seriously delinquent (60+ days past due or worse) within 6 months. The higher the score, the lower the risk.
Auto Finance Predictor Score	An advanced analytical tool that predicts the likelihood of a consumer's near-term need or interest in auto financing within 2 to 4 months of scoring. The higher the score, the higher the likelihood of the consumer opening a new auto trade.

Creditstyles Pro Intent Indicators: Indexes that identify households likely to have a specific credit need

New to CreditStyles Pro is the presence of aggregated Intent Indicators from Equifax for households within a micro-neighborhood. Intent Indicators offer indexed measures that identify households' likely propensity to acquire new credit or to inquire or respond about a new line of credit. The higher the index, the more likely the consumer has a specific credit need. Marketers can use Intent Indicators for both offline ITA marketing and online digital ad display marketing in order to better identify households that are likely seeking a specific credit product.

There are two types of Intent Indicators: Criteria-Based Account Open Indicators and Event-Based Response Driven Indicators. Criteria-Based Indicators help marketers target a universe of consumers likely to have a specific profiled need, even though similar consumers may not yet have taken an action towards possible credit needs, while Event-Based Driven Indicators are best used in the digital space for target online display advertisements.

Intent Indicators — Response driven models	Type of account likely to respond within 90 days
Automotive response	Households likely to respond to an automobile offer
Consumer finance response	Households likely to respond to a consumer finance or personal loan offer
Mortgage response	Households likely to respond to a mortgage offer
Card response	Households likely to respond to a card offer
Intent Indicators — Account open models	**Type of account likely to be opened within 90 days**
First mortgage	Households more likely to open a new or refinance a first mortgage loan
First mortgage – Purchase only	Households more likely to open a new first mortgage loan only (excludes refinance)
Second mortgage	Households more likely to open a new or refinance a second mortgage loan (includes HELOC and HELoan)
New refinance for first mortgages	Households more likely to open a refinance loan for a first mortgage only (excludes HELOC and HELoan)
Automotive	Households more likely to open a new or refinanced auto loan or lease from either an auto bank or finance company
Bank card	Households more likely to open a new account for a bank card or credit card
Consumer finance	Households more likely to open a new or refinance consumer finance or personal loan
Retail	Households more likely to open a new account for a retail card or line of credit
Student loan consolidation	Households more likely to consolidate existing student loan accounts into a new student loan account
New student loan	Households more likely to open a new student loan account for new or existing student loan account holders

CreditStyles Pro Aggregated FICO Score: Utilize Aggregated FICO for marketing applications

New to the industry, CreditStyles Pro introduces Aggregated FICO Scores for households within a micro-neighborhood. Aggregated FICO Scores offers firms an aggregated, modeled form of FICO Scores to enhance marketing applications, thus enabling executives to utilize an industry accepted credit risk assessment measure in the non-FCRA area. Aggregated FICO Scores are offered at the household level after undergoing our proprietary micro-neighborhooding process to ensure consumer privacy.

The FICO Score predicts the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months after scoring. Built on a sample of more than two million Equifax consumer credit profiles, the Aggregated FICO Score model identifies and projects the full range of credit risks — including bankruptcies, charge-offs, repossessions, loan defaults and delinquencies.

Aggregated FICO Scores	Description
FICO Risk Score, Classic v5	Broad-based risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring.
FICO Auto Score, v5	Auto industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring.
FICO Bankcard Score, v5	Bank Card industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring.
FICO Risk Score, Classic v8	Broad-based risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring. FICO Risk Score, Classic v8 broadens the distribution outward to both higher and lower score ranges.
FICO Auto Score, v8	Auto industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring. FICO Risk Score, Classic v8 broadens the distribution outward to both higher and lower score ranges.
FICO Bankcard Score, v8	Bank Card industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring. FICO Risk Score, Classic v8 broadens the distribution outward to both higher and lower score ranges.
FICO Mortgage Score, v8	Mortgage industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring. FICO Risk Score, Classic v8 broadens the distribution outward to both higher and lower score ranges.
FICO Insurance Score Homeowner	Risk score from an enhanced collection of insurance models for property insurers who are homeowners indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
FICO Insurance Score Tenant Homeowner	Risk score from an enhanced collection of insurance models for property insurers who are renters indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
FICO Insurance Score Pref Auto	Risk score from an enhanced collection of insurance models for auto “Preferred” (All Liabilities) insurers indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
FICO Insurance Score Std Auto	Risk score from an enhanced collection of insurance models for auto “Standard” (All Liabilities) insurers indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
FICO Insurance Score NS Auto	Risk score from an enhanced collection of insurance models for auto “Non-Standard” (All Liabilities) insurers indicating the expected loss ratio relativity associated with an applicant or existing policyholder.

Beyond aggregated credit: The advantage of household-level credit

Standard aggregated credit measures are built from individual records within ZIP+4 geographies and present individual use of credit. The drawback of this method is that it results in credit usage measures that sometimes overestimate credit use for individuals that have joint or shared accounts. This occurs because there is no de-duplication of two individuals that share an account. Combining individual-level credit metrics with other household-level data can be problematic.

CreditStyles Pro variables are built based on anonymous individual credit information from Equifax, which are then de-duplicated for joint and shared account information to provide more accurate estimates of credit usage at the household level. All data is aggregated to the micro-neighborhood level to protect consumer privacy.

CreditStyles Pro can be appended to any customer or prospect file with a ZIP+4 Code. Please contact us for more information about CreditStyles Pro.

CreditStyles Pro offers aggregated Equifax Risk Scores for households within a micro-neighborhood, enabling firms to better segment their customers and prospects.

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