



**EQUIFAX**<sup>®</sup>

## Affluence Index

### Identify households that can spend, save, or invest

Your best customer has real money waiting to spend on your products and services — or to save or invest for the future. But using household income or similar measures to segment and target customers and prospects won't help you find people with cash.

Traditional measures and proxies for affluence suffer from significant limitations:

- Many income estimates and other demographics are hampered by reliance on outdated census or survey-based information.
- Even for households that are correctly assigned to their actual income range (e.g., \$75,000 – \$99,000), there is no way to differentiate between the household at the very top of the range (\$99,000) vs. the one at the bottom (\$75,000). Plus, consumers who appear to have the same income use their extra cash differently depending on their tastes, attitudes, and where they live.
- And finally, many consumers achieve a larger percentage of their incomes from investments relative to salaries, so it's difficult to know their actual discretionary dollars.

So, how can you figure out which of your customers and prospects are more likely to have “money to spend” on your company's goods and services?

#### **A superior measure of capacity**

Affluence Index™ is a household-level continuous scoring system to measure and rank households by their estimated capacity to spend, save, or invest, so consumer goods manufacturers, retailers, travel companies, and financial service providers can better segment, differentiate, and target customers and prospects that likely have discretionary funds.

Affluence Index provides a household-level continuous score ranging from 1 to 1,000, with a rating of 1,000 representing the highest estimated level of affluence. Scores can be appended to any customer or prospect file to help identify and target new customers and prospects by their likely capacity to spend, save, or invest.

#### **Key benefits**

Measure and rank households' estimated capacity to spend, save, or invest

Segment, differentiate, and target customers and prospects with a household-level continuous score ranging from 1 to 1,000

Includes summary factors produced from our proprietary database of consumer investable assets

Can be applied to any customer or prospect file with ZIP+4 and age of head of household

Developed for use in non-FCRA applications across the customer lifecycle

### Foundation of unique data and analytics

Everybody claims they'll boost your marketing spending efficiency, but scratch the surface of these other promises and you'll often find new analyses based on rearranging existing data and hoping for a different outcome. In contrast, Affluence Index is based on unique data and superior analytics. When the superiority of the data and analytics are sound, improved results follow.

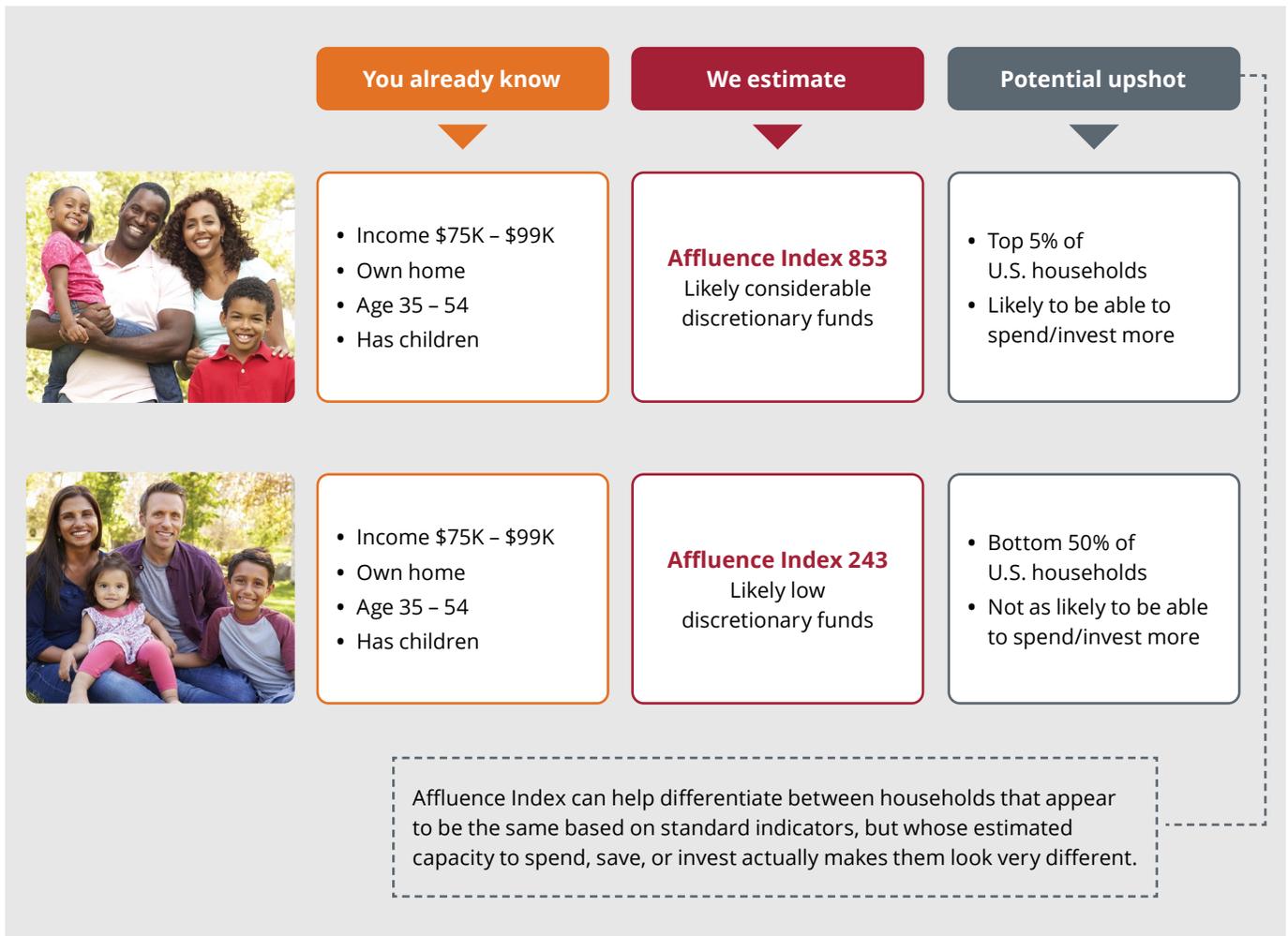
So, what's so different about Affluence Index?

- It's founded on a unique resource. Affluence Index can more accurately predict capacity to spend, save, or invest because it incorporates proprietary, anonymous wealth information derived from multiple sources, including summary factors produced from our proprietary database of consumer investable assets.
- We add measures of Disposable Income (lifestage, cost of living, age) and Home Equity (home value, mortgage balance, etc.) to create Affluence Index scores for nearly every U.S. household.

### Households may look alike, but have significantly different discretionary funds

Affluence Index helps marketers differentiate between two households that look the same in terms of income and demographics but likely have considerably different capacity to spend, save, or invest.

The Affluence Index scoring system has improved power to identify and target households that have the capacity to purchase your company's goods and services — or to save or invest for the future — leading to increased sales and ROI.



## Use Affluence Index to better understand customers' and prospects' capacity

The higher the affluence of a customer, the more likely they will be able to keep spending or investing during lean economic times. Use Affluence Index to help your business:



- **Drive sales and revenue**
  - During lean times, better understand who still has the ability to spend or invest and who is likely to be cutting back
  - Reduce waste by directing marketing efforts towards those who can likely purchase your product



- **Enhance account acquisition**
  - Expand the universe of potential customers
  - Target consumers that are likely to have the capacity to buy your goods or invest with your firm



- **Create enticing and relevant offers for up-sell and cross-sell**
  - Better understand how much customers can spend or invest and create targeted promotions that appeal to them
  - Better determine which current customers are able to buy or invest more with you



- **Improve real estate planning and merchandising mix**
  - Analyze markets based on the likely affluence of residents
  - Inform merchandising mix decisions with a clearer picture of how much residents in different markets can likely afford

## Proven results

Marketers across many industries have used Affluence Index to enhance their marketing programs. Sample results from using Affluence Index include:

- **Purchase amounts were almost 700% higher** for those with highest 5% of Affluence Index scores, compared to lowest 5% of Affluence Index scores
- **Target audience for ITA campaign could be narrowed by 30%** and still achieve same or higher response and booking rates by using Affluence Index and other Economic Insights to identify best prospects
- **Revenue potential could be increased by as much as 25%** by enhancing loyalty program marketing strategies
- **Target markets for new locations could be narrowed by 50%** by using Affluence Index and other Economic Insights to evaluate the purchase potential of select markets

Contact us to find out how Affluence Index can equip your company with powerful new insights into the economic picture of the households in your customer and prospect database.

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