Drive customer growth

Best practices for financial services firms to acquire the right customers and grow share
Finding these valuable consumers — and differentiating which of your current customers hold the most opportunity for growth — is the lifeline of your business.

However, today’s consumers are less loyal than ever before. Plus, they have an abundance of options available to them to assist with their financial needs.

That’s why financial marketers need to leverage additional data insights to attract new customers, deepen the relationship, and deliver a positive customer experience.

At Equifax, we understand financial marketers need actionable solutions to:

- Deliver your investment, banking, and lending offers to the right new and current customers
- Identify hidden opportunity to grow share for both assets and credit
- Expand product adoption and use across your customer base
- Prioritize best customers and support a positive experience with your firm

*Equifax Wealth Trends*
Here are 7 solutions to help your firm grow your customer base and expand relationships.

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Target affluent, high-value consumers for new investment and banking relationships

With so many financial products and services available today, it can be difficult to attract the attention of any consumer — especially those that will offer value today and in the future.

Whether you are seeking to grow your wealth management or deposit business, we can help you boost your prospect targeting efforts with a more complete view of consumers’ asset potential. Our unique asset insights* — based on measured financial data — can help you identify, reach, and develop new profitable relationships with the right consumers.

Bank identified over $5.6 billion in potential new assets for its prospecting campaign by segmenting households by estimated deposit opportunity instead of using survey-based segmentation.

*For IXI™ Network members only
We can help you find the opportunity

<table>
<thead>
<tr>
<th>Target by ASSETS:</th>
<th>For example, target prospects that are likely to hold:</th>
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<tbody>
<tr>
<td>Differentiate prospective households that are likely to hold significant assets</td>
<td>• over $1,000,000 in assets, or</td>
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<td></td>
<td>• over $250,000 in deposits, or</td>
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<td></td>
<td>• over $750,000 in investments</td>
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<table>
<thead>
<tr>
<th>Target by GROWTH in assets</th>
<th>Reach households with high expected growth in assets in the next 3 years</th>
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Fuel ONLINE asset-gathering campaigns: Use asset-based digital targeting segments

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<tr>
<th>Reach online audiences such as:</th>
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<tr>
<td>• 9.6% of households likely to have assets $250K-$500K</td>
<td></td>
</tr>
<tr>
<td>• 12.2% of households likely to have deposits $50K-$100K</td>
<td></td>
</tr>
<tr>
<td>• 9.1% of households likely to be CD investors</td>
<td></td>
</tr>
<tr>
<td>• 10.3% of households likely to be Mass Affluent Millennials with assets between 100K-$1M</td>
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Expand and refine your lending audiences

Traditional credit scores are just one piece of a consumer’s financial picture. Plus, over 77 million consumers have thin files or are unscored. However, many consumers have other financial characteristics that can be used to broaden a lender’s view to uncover additional creditworthy applicants for acquisition campaigns.

Ready to reach new potential borrowers and refine your lending target audience? Check out these capabilities to boost your Prescreen efforts:

<table>
<thead>
<tr>
<th>Deepen your view of consumer finances to grow your target audience:</th>
<th>Use updated scores:</th>
<th>Find likely borrowers:</th>
<th>Expand campaign reach:</th>
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<tr>
<td>• Differentiate consumers before Prescreen with insight on likely credit needs and financial durability</td>
<td>• Integrate multiple alternative credit datasets into models with a single score</td>
<td>• Target in-market credit seekers with triggers, propensity models, and propensity scores</td>
<td>• Deliver ITA and Prescreen messages with mobile, social, display, and email</td>
</tr>
<tr>
<td>• Gain insight on everyday behaviors with alternative data such as telecom, PayTV, and utility payment history or employment and income data</td>
<td>• Explore optimized credit risk scores for credit cards, personal loans, or insurance</td>
<td>• Promote refinance services by delivering new payment amounts as part of your offer</td>
<td>• Fuel online targeting with credit-based digital targeting segments</td>
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18% of thin/invisible consumers could qualify for prime/near prime offers by using alternative data and NeuroDecision® AI based technology.*

Among consumers with a modest 580 credit score, 10% have estimated total household income over $178,000.*

*Equifax analysis
Uncover hidden opportunity to grow wallet share

Many consumers have several financial relationships, allowing for significant assets or credit balances to be held at other companies.

How can financial managers and lenders discover which of their current consumers hold the most opportunity for asset capture or growth, as well as low-risk credit balance transfers?

Find hidden assets and grow share of wallet: Use asset-based measures to better segment current customers that hold high balances at other firms and thus offer the most potential for asset growth and LTV.

<table>
<thead>
<tr>
<th>You know</th>
<th>We know</th>
<th>Your opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000 at your firm</td>
<td>$900,000 held at other firms*</td>
<td>Target for asset transfer</td>
</tr>
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</table>

Find credit opportunities: Identify customer segments to grow lending balances without changing risk.

<table>
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<tr>
<th>Start with...</th>
<th>Identify audience to capture incremental credit</th>
<th>Your opportunity</th>
</tr>
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<tbody>
<tr>
<td>A segment of your current borrowers</td>
<td>Apply a financial durability measure before Prescreen and then use credit scores to refine a cross-sell audience</td>
<td>Promote balance transfer or debt consolidation offers, without impacting risk**</td>
</tr>
</tbody>
</table>

*For IXI™ Network members only

**Consumers with very high financial durability scores are 5x less likely to go 60+ days past due than those with low durability scores. (Equifax analysis)
Discover hidden opportunity: A credit union analyzed its customers’ likely total deposits to discover $14 billion in assets held at other firms and expected to generate $70 million in new deposits from targeted savings campaign.

Grow asset and credit share: If a financial marketer captures just 1% of held-away assets or credit balances from current customers, that could translate into millions of dollars.
### Maximize the customer experience

Delivering an optimal experience is key to deepening the relationship with your best customers. In fact, over 80% of customers agree the experience a company provides is as important as its products and services.*

<table>
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<tr>
<th>Make the most of your customer relationships:</th>
<th>Here’s how:</th>
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| **Identify high potential customers for premium treatment**  
Differentiate customers that offer the most long-term value, asset growth potential, and risk appropriate credit | **Use asset insights** to deliver specialized services to customers with over $1M in investable assets |
| **Get the message right**  
Craft personalized communications based on customers’ financial needs and potential | **Use credit insights** to identify customers likely to respond to a card offer in the next 90 days |
| **Optimize delivery**  
Deliver your message through channels that will resonate | **Onboard** and enhance young audience records to deliver your promotions via mobile ads and email |
| **Recognize high-value customers across channels**  
Identify best customers across your web-based applications, call centers, and point-of-sale locations | **Understand customers’ likely affluence** to identify valuable clients in real-time when they interact |
| **Simplify the purchase process**  
Provide straightforward information and offers | **Ease the credit application process by empowering visitors to your website to determine their credit eligibility for offers,** before applying for credit |
| **Prioritize future opportunity**  
Deliver tailored promotions to what could be best customers of tomorrow | **Offer dedicated service to new customers that are likely to have significant growth in assets** in the next 3 years |

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*Salesforce State of Marketing, 2021.*
Bank generated $700 million in new **revenue** by identifying and **reassigning** high asset customers to a premium service channel instead of relying on internal data.

Bank achieved almost $50 million in incremental AUM from new customers by identifying high asset potential customers from **day one**.
You probably have a segment of customers that only use one of your products.

In order to promote additional products and expand relationships, financial marketers can leverage data that sheds insight on customers’ likely investment, deposit, and credit balances and preferences.

Consider these strategies to boost your cross-sell:

- **Deliver the right next-best investment and deposit product offers:**
  - Explore portfolio allocation for investment and deposit products at your firm and other firms to gauge product preferences and investment behaviors

- **Identify hidden opportunity for lending cross-sell:**
  - Use financial durability measures before Prescreen to identify customers that might be a good fit for balance transfer offers

- **Mix up your audience targeting:**

- **Empower point-of-sale representatives to make the right offer:**
  - Deliver pre-approved credit offers to deposit customers at the point of sale — in person and via call centers.
  - Promote deposit products to brokerage-customer base (and vice versa)
  - Promote credit services to deposit-only customers (and vice versa)
Optimize cross-sell to deepen the relationship

Win with cross-sell:
A credit union with a flourishing auto lending portfolio used Equifax Prescreen criteria to attract $225,000 in unsecured loan balances from its member-base with no delinquencies or charge offs.

Cross-sell success:
One financial institution used consumer financial insights to segment customers for a growth campaign and achieved an over 100% lift in deposit, investment, and loan balances.
Let’s say an existing customer is browsing the market for a new bank card or auto loan. How quickly would you know?

Don’t miss out on identifying in-market consumers!
- Receive daily alerts of consumers that have prequalified or applied for new credit
- Segment Prescreen audiences to identify consumers with a high propensity to open new or additional credit

Then, you can respond fast with acquisition or cross-sell offers.

**Respond fast with your own offer or retention efforts**

<table>
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<th>Notification</th>
<th>Possible lender action</th>
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<tr>
<td>Prospective customer prequalifies or applies for credit card at competitive firm</td>
<td>Extend your own credit card offer to that consumer</td>
</tr>
<tr>
<td>Deposit customer prequalifies or applies for loan at another firm</td>
<td>Extend a firm offer of credit to that customer</td>
</tr>
<tr>
<td>Existing customer applies for new car loan or home refinance at another firm</td>
<td>Initiate a customer call to offer assistance in managing credit</td>
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Act fast to seize in-market customers seeking credit

Identify 30% more in-market consumers with the inclusion of prequalification as part of daily trigger alerts.*

*Equifax preliminary analysis*
Your customers may have recently acquired or already hold your products — but do they use them?

Sometimes, consumers have insufficient knowledge about how financial products work and all of the features that are included. Other times, consumers may hold a financial product as a ‘just in case’ — such as an infrequently used credit card or a HELOC without a specific need.

To combat these challenges, financial marketers can explore a number of options to help customers increase product usage:

- **Provide frequent outreach to young customers with growing affluence**
  Younger customers may have a limited understanding of product features and benefits. Focus your efforts on younger customers likely to have significant growth in assets in the next three years and send them regular communications to advance product education.

- **Target the right customers to encourage card usage**
  Use consumer financial insights such as likely assets, spending power, or estimated household income to better identify current affluent cardholders. This is the audience that can likely charge more and take advantage of your offers.

- **Confidently increase lines of credit**
  When is the last time you proactively identified current borrowers for a credit line increase? Use financial durability measures as part of your account review to better identify affluent segments that might be a good fit for a credit increase offer — and allow them to borrow more, without impacting risk.
Drive product activation

Young affluent consumers have 20x higher assets, 2.4x higher income, and 3x higher spending power as young non-affluent consumers. Prioritize and educate this valuable audience to incent product usage and build long-term relationships.*

*Equifax analysis
Build stronger relationships with an expanded view of your customers’ financial potential

• Acquire more of the right new customers
• Better meet customer needs
• Grow your share

Contact us to explore solutions to boost your customer growth efforts.

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equifax.com/business