Case Study

EQUIFAX®

In this analysis, Equifax Dimensions delivered **18%** incremental lift when identifying consumers with the highest propensity to spend

Equifax Dimensions™ helps target high-value customers to increase revenue and improve marketing success

Overview: Build more market share and increase ROI

Successfully identifying consumers with the propensity to be high spenders is complicated in today's constantly evolving consumer credit environment. A national bank wanted to build more market share and also proactively target consumers who are more likely to be high spenders in the next 12 months. They needed a solution to more accurately predict propensity to spend while creating profitable returns on marketing investments.

Methodology: Compare Existing Spend Model with a Spend Model enhanced with Equifax Dimensions™ Attributes

The bank performed a champion/challenger comparative test to measuring the predicted average spend.

- The champion model only utilized standard credit attributes, a set of attributes providing effective solutions for risk and profitability goals - in this case the Equifax Advanced Decisioning Attributes

- The challenger model utilized standard credit attributes plus Equifax Dimensions attributes.

Results: Pinpoint greater propensity to spend

In this study, Equifax Dimensions integrated into Advanced Decisioning Attributes resulted in an 18% incremental lift in identifying consumers with the highest propensity to spend among consumers in the top 10%, 20% and 30% capture rates for the augmented spend model.

Using Equifax Dimensions to identify more consumers that spend more over a 12-month period also resulted in incremental revenue of up to $1.44 Million in the top 10% targeted capture rate.

Equifax Dimensions™

Incremental lift is measured on statistical performance, based on a Kolmogorov-Smirnov (KS) test,[1] and 10 percent, 20 percent, and 30 percent target capture rates[2]. The chart below demonstrates the potential incremental revenue by decile.

Advanced Decisioning Attributes augmented with Equifax Dimensions improved the accuracy of identifying and separating spend in the top 10%, 20% and 30% capture rates for the augmented spend model.

Potential Incremental Revenue by Decile

Predicted Average Spend
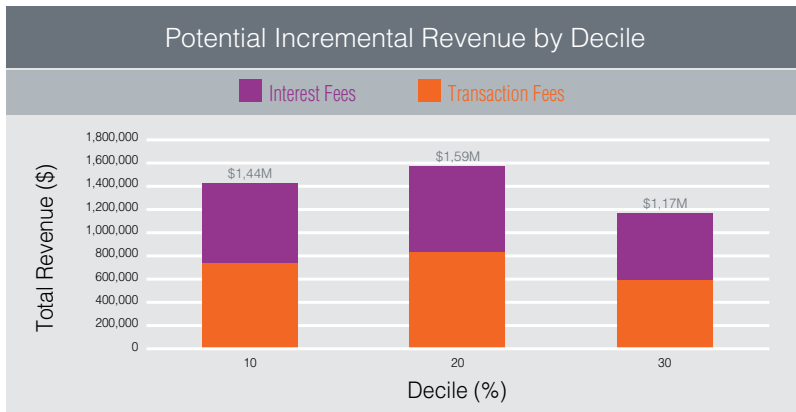
Action: Strengthen targeting precision with Equifax Dimensions

Working from the truest picture of consumer behavior trends, Equifax Dimensions provides the freshest and deepest predictive consumer perspective by calculating attributes in real-time to supply actionable insights that can help:
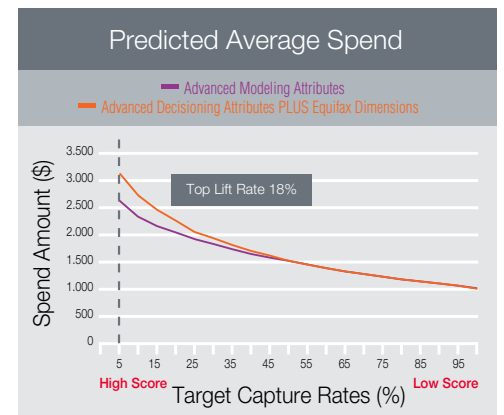
- Prioritize and segment marketable populations

- Assign or increase credit limits

- Reduce marketing costs

- Increase revenues and profitability

By fully leveraging the predictive strength of Equifax Dimensions and Advanced Decisioning Attributes, the bank can implement insight-driven marketing strategies that help them capture greater market share and increase revenue.

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For more information, please contact:
800-879-1025
equifax.com/business

1,2 The Kolmogorov-Smirnov (KS) statistic is the measure of the maximum distance (greatest separation) between the cumulative % of high spend (goods) and the cumulative % of low spend (bads) across all score ranges. It represents the model's ability to differentiate "goods" from "bads" in the sample. Higher values indicate better overall separation and a stronger model.