



**EQUIFAX**

# Tips to spot hidden opportunity and hidden risk in an uncertain economy

## **Recession or not, consumers' finances are facing some pressure.**

But even as inflationary pressures persist, **not all consumers are affected equally**. This disparity in consumer financial resilience and durability can conceal **hidden opportunity** and **hidden risk**.



### **Financially resilient**

Some households have the financial capacity to **continue to spend, save, and pay down debt**, despite inflation and economic uncertainty.

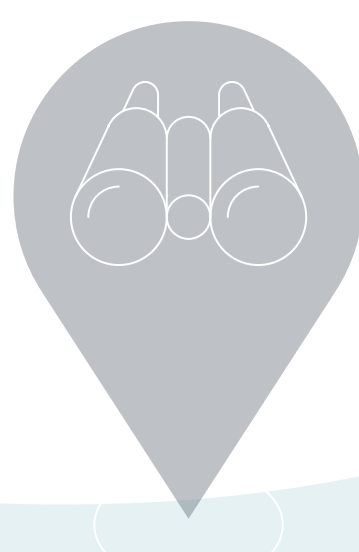


### **Struggling**

Other households are struggling to pay for higher priced goods, services, housing costs, and transportation that may **result in delinquency**.

## **How can firms uncover hidden opportunity and hidden risk?**

Marketers and lenders can **use consumer financial insights** to identify opportunities and risks across the customer lifecycle — from **acquiring new customers**, to **managing their existing portfolio**, to **planning for the future**.



## Uncover hidden **opportunity**

### **Find acquisition opportunity**

**Target** affluent consumers for new investment and banking relationships

**Focus** prospecting on households that have the ability to spend

**Expand** your lending prospect audience with a view of consumer finances beyond credit

### **Find customer growth opportunity**

**Uncover** wealthy customers to capture assets and grow wallet share

**Segment** lower risk lending customers with credit growth potential

**Deliver** the right next best investment, banking, or credit offer to deepen the relationship

**Identify** audiences for top-tier treatment groups, service levels, and loyalty program benefits

## Uncover hidden **risk**

### **Uncover consumer and portfolio risk**

**Review** lending accounts monthly to prevent losses

**Get real-time alerts** of changes in consumers' finances

**Identify** consumers that may struggle to meet financial obligations

**Differentiate** consumers with changes in employment, income, and bill pay behavior

**Recalibrate** your models with current credit scores, expanded data, and the cloud

### **Uncover market risk**

**Monitor** consumer financial trends to spot areas of concern

**Update** your forecasts with recent historical credit data



## Spot the **opportunity**

One credit union analyzed its customers' likely total deposits to discover **\$14 billion** in assets held at other firms.

**18%** of thin/invisible consumers could qualify for prime/near prime offers by using alternative data.\*



## Spot the **risk**

Low-durability households have **delinquency rates up to 10 times higher** than those with the highest durability.\*

Firms that have not updated their models to include our latest credit attributes could be **missing out on up to a 15% lift** in performance over legacy attributes.\*

## **Put consumer financial insights to work at your firm.**

Consumer financial insights are the **key ingredients** that businesses need to **better understand consumers' financial health** and ability to spend, save, invest, and meet financial commitments — **even when they are under financial stress**.

**Stay on top of business goals** while managing risk.

*Only* Equifax



## Navigating uncertainty

Equifax can help you manage through an uncertain economy to find growth opportunities and limit risk. Visit [equifax.com](https://www.equifax.com) or contact your representative for more information.

\*Equifax analysis. Results for scenarios may vary based on actual data and situation. Copyright © 2022, Equifax Inc., Atlanta, Georgia. All rights reserved. Equifax is a registered trademark of Equifax Inc. 22-107417