

# Financial Personalities®

Combining consumers' needs and attitudes with actual behaviors to create one powerful score



*First Manhattan Consulting Group*

Campaign targeting and tailoring tools that leverage category-specific segmentation frameworks based on consumers' needs, attitudes and behaviors are enabling direct marketers to materially improve marketing return on investment.

Experian®, in conjunction with First Manhattan Consulting Group (FMCG), has developed a new generation of category-specific campaign targeting and tailoring tools for financial services marketers seeking to improve the performance of their campaigns, including acquisition, cross-sell and utilization. Financial Personalities® is the only campaign targeting and tailoring system of its kind in the marketplace today.

For more than 25 years, FMCG, one of the premier financial services consulting firms, has been building state-of-the-art segmentation frameworks and campaign targeting and tailoring tools for leading financial services marketers. Each Financial Personality® framework is based on the needs and attitudes that drive consumer behavior (for example, provider selection, product selection, product usage and provider loyalty) within specific categories such as deposits, home equity and credit card.

Historically, these powerful campaign tools were available only to the largest

financial services companies because of the expense to develop and maintain them. Now, after several years of collaboration with FCMG, Experian is pleased to present the first commercially available suite of targeting and tailoring tools that leverage these category-specific Financial Personality frameworks:

- Financial Personality scores for use in campaign targeting and/or tailoring across a broad range of channels, including branch, direct mail, Internet, phone, print and television
- Direct-mail responder scores (powered by Financial Personalities) for use specifically in campaign targeting within the direct-mail channel

These scores are now available for the following categories:

- Credit card
- Deposits
- Home equity
- Mortgage
- Personal lines and loans

### Leverage consumer insights

Many conventional segmentation schemes start with demographics or implied life stages and then attempt to infer relevant insights about consumers. In contrast, Financial Personalities starts with primary research to derive the critical insights regarding consumer needs, attitudes and behaviors:

- Relevancy of the category and product
- Awareness and consideration by type of provider
- Shopping process and criteria for selecting providers and products
- Preferred channel(s) for interacting with current and potential providers
- Likelihood to use each product and expected balances and outstandings
- Expected tenure and receptivity to alternative providers

Given that consumers' needs, attitudes and behaviors vary across financial services categories, we conduct and refresh our research against each specific category.

We then combine consumers' needs and attitudes with their actual behavior and use proprietary clustering techniques to develop our frameworks. Finally, we build predictive models, using our comprehensive consumer data resources, to generate scores to accurately assign consumers to their Financial Personality within each category.

### Improve campaign performance

With Financial Personality scores, marketers are able to better:

- Target consumers who are more likely to respond to marketing campaigns
- Target consumers who will generate higher profits by virtue of their product usage and tenure
- Align target-relevant products
- Tailor messaging that will resonate with targets

We believe that marketers who leverage Financial Personalities have significant strategic and tactical advantages.

### Get better and faster prospect information

Leverage Experian's database technology, which has been transforming the way lenders access and analyze consumer intelligence to make informed credit-based decisions. Experian's market-leading Customer Prospecting and Portfolio Services<sup>SM</sup> system — a sophisticated relational database credit-marketing platform — provides fresh data, fast processing, robust analysis and great decisioning flexibility.

We have developed this information technology platform, which is updated twice weekly, to help you improve prospect response rates and reduce adverse selection of noncreditworthy customers. Clients can enhance marketing performance while eliminating time-consuming handoffs and costly in-house model development.

### Sample Financial Personality profiles

The following are just a few examples of some of the powerful targeting and tailoring insights you will be able to leverage with Financial Personalities.

#### Credit Card Financial Personalities<sup>SM</sup>

##### Loyal Rewards Enthusiasts

Promote rewards-oriented credit cards to consumers who:

- Are confident and knowledgeable about their finances
- Select credit card providers based primarily on their rewards program
- Use their rewards card whenever possible, i.e., more than 60 percent of their spend is through their rewards card

##### Credit Hungry Card Switchers

Promote credit card balance consolidation offers to consumers who:

- Are less financially secure and rely heavily on credit cards
- Actively seek out credit card offers with lower rates and higher lines
- Are the most active card switchers, i.e., more than 60 percent have applied for two or more credit cards over the past 48 months

#### Deposits Financial Personalities<sup>SM</sup>

##### Conservative Bank Loyalists

Promote high-yield money-market accounts, high-yield savings accounts and CDs to consumers who:

- Are savers, not spenders and prefer conservative savings products
- Select banks based on the provider's ability to deliver personal service and competitive rates
- Keep lush bank deposit balances, i.e., total available balances are

approximately \$50,000 or more (70 percent greater than average)

##### Insecure Debt Dependents

Promote free checking products to consumers who:

- Actively seek out free checking programs
- Generate the highest Non-Sufficient Funds/Overdraft (NSF/OD) fee income
- Have the lowest deposit balances, i.e., total available balances are approximately \$8,000 (75 percent less than average)

#### Home Equity Financial Personalities<sup>SM</sup>

##### Home Equity Enthusiasts

Promote home-equity lines of credit to consumers who:

- Are less financially disciplined and tend to live somewhat beyond their means
- Consider home-equity products to be a smart way to finance a variety of purchases or to consolidate debt
- Have the highest home-equity product ownership, i.e., approximately 65 percent have at least one home-equity product (70 percent greater than average)

##### Secure, Savvy Credit Users

Promote home-equity lines or loans to consumers who:

- Are fiscally disciplined and financially secure
- Consider home-equity products to be appropriate for large expenditures, particularly home improvement
- Have high home-equity product ownership, i.e., approximately 45 percent have at least one home-equity product (25 percent greater than average)

**Personal Lines and Loans  
Financial Personalities<sup>SM</sup>  
Sophisticated Line Users**

Promote personal lines of credit to consumers who:

- Are fiscally disciplined
- Like to have a personal line of credit readily available
- Have the highest personal line balance, i.e., approximately \$1,800 in line balances (50 percent greater than average)

**Insecure Debt Dependents**

Promote personal loans and lines of credit to consumers who:

- Rely on many types of credit
- Use personal loans and lines primarily for debt consolidation
- Have the highest personal loan balance, i.e., approximately \$2,500 in loan balances (70 percent greater than average)

To find out more about Financial Personalities, contact your local Experian sales representative or call 1 888 414 1120.

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