

Market Insight Snapshot



Portrait of a fraud victim: affluent suburbans most at risk

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Leveraging data sources from both Experian's Fraud and Identity Solutions group and Experian Marketing Services, Experian® has produced a powerful and descriptive portrait of identity fraud victims.

Experian's analysis makes it clear that affluent suburbans* top the list as the most at-risk consumers.

For the purposes of this study, identity fraud was defined as any event in which a third party used the identity of another consumer for financial gain or service procurement.

Identity fraud victims tend to be affluent suburbans

Segmenting identity fraud victims by marketing demographic bands reveals that victims are most likely to fall into the Affluent Suburbia category. In fact, identity fraud victims are 43 percent more likely to fall into this category than nonvictims.

The chart below illustrates identity fraud victims' propensity to fall into three of the 12 demographic bands defined by Experian Marketing Services' Mosaic® consumer segmentation system.

**Affluent Suburbia, Upscale America and American Diversity are grouping names within the Mosaic system.*

Demographic category	Identity fraud victims compared with a general population of credit applicants
Affluent Suburbia <i>The wealthiest households in the United States, living in exclusive suburban neighborhoods and enjoying the best everything has to offer</i>	+43%
Upscale America <i>College-educated couples and families living in metropolitan sprawl earning upscale incomes that provide them with large homes and very comfortable active lifestyles</i>	+22%
American Diversity <i>A diverse group of ethnically mixed singles and couples, middle-aged and retired with middle-class incomes from blue-collar service-industry jobs</i>	+13%

Perhaps not so surprisingly, the neighborhood characteristics, preferred hobbies and educational status of identity fraud victims fall in line with a general description of an affluent suburban.

Identity fraud victims live in densely populated metro areas with high wealth

Compared with a general population of credit applicants, identity fraud victims live in neighborhoods where:

- The median income is 11 percent higher
- The percentage of new vehicles is 13 percent higher
- The percentage of luxury vehicles is 26 percent higher
- The percentage of homeowners is 23 percent higher

Their communities tend to be densely populated metro areas, and they often live in multifamily or condominium residences.

Neighborhood description	Identity fraud victims compared with a general population of credit applicants
Counties in metro areas with a population of 1 million or more	+16%
Multifamily/Condominium	+25
Completely rural areas with a population of less than 2,500	-60%
Urban areas with a population of 2,500–19,999	-28%
Urban areas with a population greater than 20,000	-25%

Tennis and politics top the list of interests for identity fraud victims

Compared with a general population of credit applicants, identity fraud victims display a clear tendency toward leisure activities such as tennis and foreign travel.

Interest or activity	Identity fraud victims compared with a general population of credit applicants
Tennis	+85%
Politics	+71%
Foreign travel	+70%
Charities/Volunteering	+63%
Cultural/Arts	+52%
Skiing	+50%

Advanced degrees and marriage are common among identity fraud victims

As compared with a general population of credit applicants, identity fraud victims are 13 percent more likely to have a college degree and 73 percent more likely to hold an advanced degree. Additionally, they also are 6 percent more likely to be married.

Methodology

This study was conducted in November 2009 by Experian's Fraud and Identity Solutions group in conjunction with Experian Marketing Services. The study analyzed approximately 5,000 fraud records and 34,000 nonfraud records originating from January 2007 to November 2008. This sample was analyzed against marketing demographics and lifestyle data provided by Experian Marketing Services' Mosaic consumer segmentation system.

Mosaic is Experian's premier consumer lifestyle, household-based segmentation system that classifies all U.S. households and neighborhoods into one of 60 unique segments and 12 overarching groups, providing insight into a household's demographic, lifestyle, preferences and behavioral aspects.

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Experian analyses and studies

To review additional Experian information, including data analysis, research and related information, please visit the following resource: www.experian.com/insight.

For more information or to speak with a subject matter expert, please contact:

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