

## Use case study

# Unlock a 360° view of member health with alternative credit data

Every day, credit unions make thousands of lending decisions based on traditional credit data, but what if that data only tells part of the story?

Behind every application is an individual with a distinct financial story. Two consumers may seem similar on paper, but their actual risk or opportunity can vary significantly once examined more closely. With alternative credit data — powered by datasets like Clarity, cash flow, advanced scoring models and more — you can discover what traditional data might miss, find new lending opportunities and spot risks before they affect your portfolio.

Let's look at two examples that show how better visibility transforms decisioning:

### USE CASE 1:

Claudia doesn't appear prime in traditional data, but alternative data reveals she's a strong, responsible borrower.



### USE CASE 2:

John appears to be a low-risk, prime borrower on paper, but alternative data tells a very different story.



Claudia, age 27  
Administrative Assistant



### Traditional view:

Claudia appears to be a near-prime consumer based on traditional data; however, a standard credit report doesn't capture the full picture, which could create uncertainty about her reliability and creditworthiness. Her credit history shows moderate borrowing and a limited range of credit accounts. To a lender relying only on traditional data, she might appear borderline and, as a result, may be overlooked for a loan or offered less favorable terms.



### Alternative data view:

When alternative credit data is integrated, including insights from cash flow, behavioral data and advanced scoring models, Claudia's true financial story comes into focus.

- **Cash flow data reveals** a consistent pattern of regular income deposits and prudent spending habits. Month after month, she maintains healthy account balances and manages recurring financial commitments effectively without overextending herself.
- **Behavioral data** highlights her strong financial discipline and responsible decision-making. She regularly budgets her expenses, avoids impulse purchases and demonstrates long-term financial planning behaviors.
- **Advanced scoring models** also recognize her low-risk behaviors and consistent financial habits, resulting in a higher, more accurate credit score that truly reflects her credit potential.

## RESULTS:

### A hidden opportunity

Claudia is not just a near-prime borrower; she's a strong, responsible consumer who represents a great opportunity. By incorporating alternative data, you can confidently approve her for credit and build a stronger member relationship.



John, age 45  
Account Executive



### Traditional view:

On the surface, John seems to be the ideal borrower. His traditional credit profile presents a strong case, featuring a high score, a long history of on-time payments and multiple active accounts in good standing. To most lenders, John clearly falls into the prime segment, indicating low risk and stability.



### Alternative data view:

Without additional insights, John might seem like a clear approval, but traditional data can hide important signals of financial strain or shifting risk patterns. When alternative data is layered in, the reality becomes clearer.

- **A cash flow** analysis reveals that John's income deposits have recently become inconsistent, and his expenses have exceeded his inflows for several consecutive months. His checking account balance trends indicate lower reserves, pointing to tighter liquidity and a reduced financial cushion.
- **Clarity data** reveals behaviors that traditional credit reports often overlook, such as short-term credit activity and signs of financial stress. This broader perspective shows that John has taken on more high-interest, nontraditional credit debt, indicating he's overextended.
- **Advanced scoring models** flag a decline in his financial stability score. These predictive analytics reveal early signs of risk, indicators that traditional scoring methods can't yet detect.

## RESULTS:

### A hidden risk exposed

Although John's traditional credit score indicates he's a safe, prime borrower, alternative data reveals increasing risk factors beneath the surface. By leveraging alternative data, you can identify emerging risks early, prevent potential losses and make more forward-looking lending decisions.

## See beyond the traditional. See the whole consumer.

Together, Claudia and John's stories demonstrate how alternative data provides a more complete, predictive view of consumer financial health.



For Claudia,  
it means new  
opportunities  
and fairer access  
to credit.



For John,  
it means identifying  
hidden risks before  
they become  
potential losses.

By combining traditional credit data with alternative insights, including cash flow, Clarity, and advanced scoring models, your credit union gains true 360° visibility into members' financial behavior.

### With our alternative credit data suite, you can:



**Gain visibility** into the  
complete financial picture  
of every consumer.



**Enhance predictive power**  
with combined traditional  
and non-traditional data.



**Improve portfolio  
performance** and lending  
inclusivity.

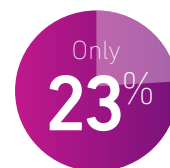


**Deliver better member  
experiences** through  
more accurate decisions.

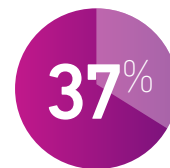
Are you ready to see what others miss?

**Connect with an expert >>**

### Adapt or fall behind: The race to engage Gen Z



of Gen Z consumers are  
members of credit unions.



of Gen Z credit union members say they  
are at least somewhat likely to switch to  
another financial institution.

Source: PYMNTS (2025). Churn Sparks Reinvention as Credit Unions Race to Meet Gen Z



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