CreditStyles Pro

Key benefits:

> **Better understand consumer behaviors** across the customer lifecycle based on estimated credit availability, needs, and usage

> **Assess credit** by Detailed Credit Variables, Risk Scores, Predictive Triggers, and Aggregated FICO® Scores (the same industry accepted credit risk assessment measure now available in an aggregated form for marketing applications)

> **Developed by IXI Services** for use in non-FCRA applications including prospecting, targeting, and account management

When it comes to understanding your customers, credit counts

Given today's economy, consumers' credit and debt behaviors are changing:

- Consumer use of credit is up, yet financial institutions are more conservative in monitoring credit terms and issuing loans, making it harder for households to access additional credit
- Many households are maxed out and are unable to meet their debt obligations
- Some households have been subject to altered mortgage terms or foreclosure
- Consumer discretionary spending is down across many categories

Today's reality is that households have adopted new financial and economic decision criteria to determine their lifestyles and credit behavior. That's why having an understanding of households' use of credit is more important than ever before.

A fresh view of credit usage at the household-level

To help businesses gain critical insight on credit use, IXI™ Services has introduced CreditStyles® Pro. CreditStyles Pro offers a suite of tools to differentiate households based on their likely credit availability, needs, and usage.

- CreditStyles Pro includes Detailed Credit Variables, Risk Scores, Predictive Triggers, and Aggregated FICO® Scores. These measures, scores, and variables can be used alone or combined for advanced analytics.
- Because they are not subject to FCRA regulations and household scores and variables are aggregated to the ZIP+4 level, CreditStyles Pro components can be used throughout the customer lifecycle to enhance prospecting, targeting, and account management.

Client question	Solution category	Applicable CreditStyles Pro measure, score, or variable (all variables are offered at the ZIP+4 level)
Is this consumer likely to be able to afford my product?	Capacity to pay	Number of open credit card accounts, available credit card balance, number of accounts paid as agreed
Is this consumer likely to be able to afford my product?	Financial stress	Number of days past due and amount past due, for collections, bankruptcies, and foreclosures
How active are my customers in shopping for and opening new credit lines?	Financial activity	Number of inquiries for new credit, recency of open accounts, age of mortgage accounts
What's the likelihood a household in a particular ZIP+4 will file for bankruptcy?	Risk Scores	Bankruptcy Navigator Index® 3.0 Neighborhood Risk Score
Is this customer likely to be looking to purchase a new automobile and looking for financing?	Predictive Triggers	Predicted Automotive Finance Trigger
Is this credit borrower likely to become a liability in the near future?	Aggregated FICO® Scores	BEACON® 9 Mortgage, BEACON 5 Base

more ❯

Detailed credit variables and insight measures: The detailed metrics you need for effective risk management

CreditStyles Pro offers a comprehensive set of ZIP+4 level metrics, including averages, estimated percent of household use, and percent of households with a certain credit behavior. All CreditStyles Pro metrics are updated quarterly, unlike standard aggregated credit metrics that are updated just once per year.

There are over 390 CreditStyles Pro metrics available within the following credit segments:

- Mortgage (including First Mortgage, HELOC, HE Loan, Agency and Non-Agency sub-categories)
- Non-Mortgage (including Bank Card, Retail, Auto Finance, Auto Bank, Student Loan, and Consumer Finance)
- Bankruptcy, Foreclosure, Collection
- Account Report and Inquiry Activity
- Summary Account Attributes
- Equifax Neighborhood Risk Scores (e.g., Equifax Risk Score℠ 3.0 Neighborhood Risk Score)
- Predictive Triggers
- Aggregated FICO® Scores

CreditStyles Pro Risk Scores: Equifax Risk Scores for managing household risk

CreditStyles Pro offers aggregated Equifax Risk Scores for households within a micro-neighborhood, enabling firms to reduce risk and better target and service their customers and prospects. The risk scores predict households' likely future credit behavior based on previous behavior as well as compared to credit files that have had similar characteristics under similar conditions. Equifax risk score models typically assign higher scores to consumers who exhibit a likelihood of high, or satisfactory, credit performance and lower scores to consumers who exhibit a likelihood of low, or unsatisfactory performance.

Type of Risk Score	Description
Telco 98℠	Risk assessment model. Predicts the likelihood of households becoming a serious credit risk on telco account. The higher the score, the lower the risk.
Advanced Energy Risk Model℠	Risk assessment model. Predicts the likelihood of consumers becoming a serious credit risk on energy account. The higher the score, the lower the risk.
Bankruptcy Navigator Index 3.0	Risk assessment model. Predicts the likelihood of filing bankruptcy within the next 24 months. The higher the score, the lower the risk.
Equifax Risk Score℠ 3.0	Risk assessment model. Predicts the likelihood of becoming seriously delinquent (90+ days past due or worse) within 24 months. The higher the score, the lower the risk.
VantageScore®	Tri-bureau risk assessment model. Predicts the likelihood of becoming a serious credit risk. The higher the score, the lower the risk.
Wireless 2000 2.0 - Advanced Wireless Model	Risk assessment model. Predicts the likelihood of consumers becoming seriously delinquent (60+ days past due or worse) within 6 months. The higher the score, the lower the risk.
Auto Finance Predictor Score	An advanced analytical tool that predicts the likelihood of a consumer's near-term need or interest in auto financing within 2 to 4 months of scoring. The higher the score, the higher the likelihood of the consumer opening a new auto trade.

CreditStyles Pro Predictive Triggers: Criteria-based triggers to identify consumers with a specific need

New to CreditStyles Pro is the presence of aggregated Equifax Predictive Triggers for households within a micro-neighborhood. Predictive Triggers enable direct marketers to identify consumers that have recently assumed a credit profile that is similar to other consumers that have demonstrated a propensity to acquire new credit for a specific purpose (e.g. purchasing a home or car). As a criteria-based trigger, Equifax Predictive Triggers help marketers target a universe of consumers with a specific profiled need, even though similar consumers may not yet have taken an action that would only be captured by an event-based trigger.

Predictive Triggers	Type of account likely to be opened within 90 days
Automotive Finance	New or Re-Financed Auto Loan or Auto Lease
Home Equity	New or Re-Financed Home Equity Loan
1st Mortgage - New Home Buyer	New Mortgage for Consumer with no Mortgage on File
2nd Mortgage / Refinance	New or Re-financed Mortgage for Current Mortgage Holder
Bank Card	New Account or Balance Transfer for Bank / Credit Card
Retail Finance	New Retail Finance Line of Credit
Personal Finance	New or Re-financed Personal Loan
Student Loan Consolidation	New Student Loan Account that Consolidates Current Student Loans
New Student Loan	New Student Loan Account for new or existing Student Loan Account Holders

CreditStyles Pro Aggregated FICO® Score: Utilize Aggregated FICO® for marketing applications

New to the industry, CreditStyles Pro introduces Aggregated FICO® Scores for households within a micro-neighborhood. Aggregated FICO® Scores offers firms an aggregated, modeled form of FICO® Scores to enhance marketing applications, thus enabling executives to utilize an industry accepted credit risk assessment measure in the non-FCRA area. Aggregated FICO® Scores are offered at the household level after undergoing IXI Services' proprietary micro-neighborhooding process to ensure consumer privacy.

The FICO® Score predicts the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months after scoring. Built on a sample of more than two million Equifax consumer credit profiles, the Aggregated FICO® Score model identifies and projects the full range of credit risks – including bankruptcies, charge-offs, repossessions, loan defaults and delinquencies.

Aggregated FICO® Scores	Description
BEACON® 5 Base	Broad-based risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring.
BEACON 5 Auto	Auto industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring.
BEACON 5 Bank Card	Bank Card industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring.
BEACON 9 Base	Broad-based risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring. BEACON 09 broadens the distribution outward to both higher and lower score ranges.
BEACON 9 Auto	Auto industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring. BEACON 09 broadens the distribution outward to both higher and lower score ranges.
BEACON 9 Bank Card	Bank Card industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring. BEACON 09 broadens the distribution outward to both higher and lower score ranges.
BEACON 9 Mortgage	Mortgage industry tradeline specific risk score predicting the likelihood that an existing account or potential credit customer will become a serious credit risk within 24 months from scoring. BEACON 09 broadens the distribution outward to both higher and lower score ranges.
Inscore® 3 Property – Homeowners	Risk score from an enhanced collection of insurance models for property insurers who are homeowners indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
Inscore 3 Property - Renters	Risk score from an enhanced collection of insurance models for property insurers who are renters indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
Inscore 3 Auto - Preferred	Risk score from an enhanced collection of insurance models for auto "Preferred" (All Liabilities) insurers indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
Inscore 3 Auto - Standard	Risk score from an enhanced collection of insurance models for auto "Standard" (All Liabilities) insurers indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
Inscore 3 Auto - Non Standard	Risk score from an enhanced collection of insurance models for auto "Non-Standard" (All Liabilities) insurers indicating the expected loss ratio relativity associated with an applicant or existing policyholder.
Credit Capacity Index™	Aggregated capacity-based scoring solution that identifies a consumer's ability to safely take on additional debt.

Beyond aggregated credit: The advantage of household-level credit

Standard aggregated credit measures are built from individual records within ZIP+4 geographies and present individual use of credit. The drawback of this method is that it results in credit usage measures that sometimes overestimate credit use for individuals that have joint or shared accounts. This occurs because there is no de-duplication of two individuals that share an account. Combining individual-level credit metrics with other household-level data can be problematic.

CreditStyles Pro variables are built based on anonymous individual credit information from Equifax, which are then de-duplicated for joint and shared account information to provide accurate estimates of credit usage at the household level. All data is aggregated to the micro-neighborhood level to protect consumer privacy.

Below is an example of how household-level credit metrics lead to different results than individual-level credit metrics. In the example, the household view of mortgage balance offered by CreditStyles Pro is more accurate than an individual view of mortgage balance provided by standard credit indicators, since most mortgages are held by households, not individuals.

Household-level vs. individual-level aggregation of credit data

CreditStyles Pro (Households)	
Household 1	$500,000
Household 2	$1,000,000
Household 3	$300,000
Household 4	$100,000
Sum of mortgages	**$1,900,000**
Num. of individuals	**4**
Avg. mortgage/HH	**$475,000**

Standard aggregated credit (Individuals)	
Husband 1	$500,000
Wife 1	$500,000
Husband 2	$1,000,000
Wife 2	$0
Husband 3	$300,000
Wife 3	$300,000
Husband 4	$100,000
Wife 4	$0
Sum of mortgages	**$2,700,000**
Num. of individuals	**8**
Avg. mortgage/HH	**$337,500**

CreditStyles Pro can be appended to any customer or prospect file with a ZIP+4 Code. Please contact us for more information about CreditStyles Pro.

› Contact Us Today

IXI Services
7927 Jones Branch Drive, Suite 400
McLean, VA 22102
info.ixiservices@equifax.com
800.210.4323
www.ixiservices.com