



# 5 tips to help credit unions drive member growth, deepen engagement, and manage risk

Enhance acquisition, marketing, and account management



## Your members' finances are constantly in flux

Between inflation, job changes, and demand for auto, housing, travel, and other inclinations, there are many variables that affect a consumer's financial wallet.

All of these impacts may **spark the need — and desire — for additional credit and financial services**, but at the same time can affect **your members' ability to meet financial obligations**.

That's why you need to carefully craft your acquisition strategies and be even more proactive with member account management.

At Equifax, we understand that your credit union needs actionable solutions to:



Deliver your offers to **new and current members who are in need of credit**



Identify **hidden risk and hidden opportunity** within your loan account portfolio and models



**Expand product adoption and use** across your member-base



**Focus your budget** on efforts with the most opportunity for growth, while delivering exceptional service




Here are **5 solutions** to help you grow your member-base, expand relationships, and manage risk across your loan portfolio.

# 1 Target the right audience for your lending acquisition campaigns


Delivering the right offer to the right audience while managing risk is key to growing your loan portfolio and expanding your member-base.

With a foundation of credit data for over 220 million consumers in the U.S., we can help you discover the key credit-based attributes and scores to create the ideal target audience for your **Prescreen** acquisition campaigns.

But that's not all. There are many additional ways to boost your Prescreen efforts:

 Credit risk scores optimized for **credit cards, personal loans, or insurance**

 Scores to target **in-market credit seekers**

 Services to review model design and attribute weighting

 Digital solutions to deliver your ITA and Prescreen messages and offers via **email, display, mobile, and social**

Are you using our latest credit data? 



The predictive power of our newest credit attributes provides on average a **15% lift** — and **up to a 94% increase** — in performance over our legacy attributes.

(Equifax analysis)





Among consumers with a modest **580 credit score**, 10% have estimated **total household income over \$178,000**.

(Equifax analysis)



**18% of thin/invisible consumers could qualify for prime/near prime offers** by using alternative data and NeuroDecision® AI based technology.

(Equifax analysis)

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## 2 Explore alternative consumer financial data to better serve credit invisibles

**Over 77 million consumers have thin files or are unscored — yet many of these consumers have other financial characteristics that can be used to uncover additional creditworthy applicants for acquisition campaigns.**

To go beyond credit scores, credit unions can leverage additional consumer financial data such as consumer financial capacity measures, employment status, and financial behaviors. With these insights, credit unions can expand lending acquisition audiences while still managing risk. **Data insights can include:**

- **Financial durability** – can help differentiate consumers with the same credit score, but varying resilience to meet credit obligations\*
- **Employment and income data** – can be easily verified
- **Payment data for telecom, Pay TV, and utilities accounts** – can show bill pay behaviors
- Payment history for borrowers that use **specialty finance** services – can reveal creditworthy, non-prime prospects
- Consumer-permissioned **bank transaction data**, as well as statement data for **utility and telco bills** – can reveal day-to-day financial behaviors

\*Non-FCRA measure that can be used before Prescreen

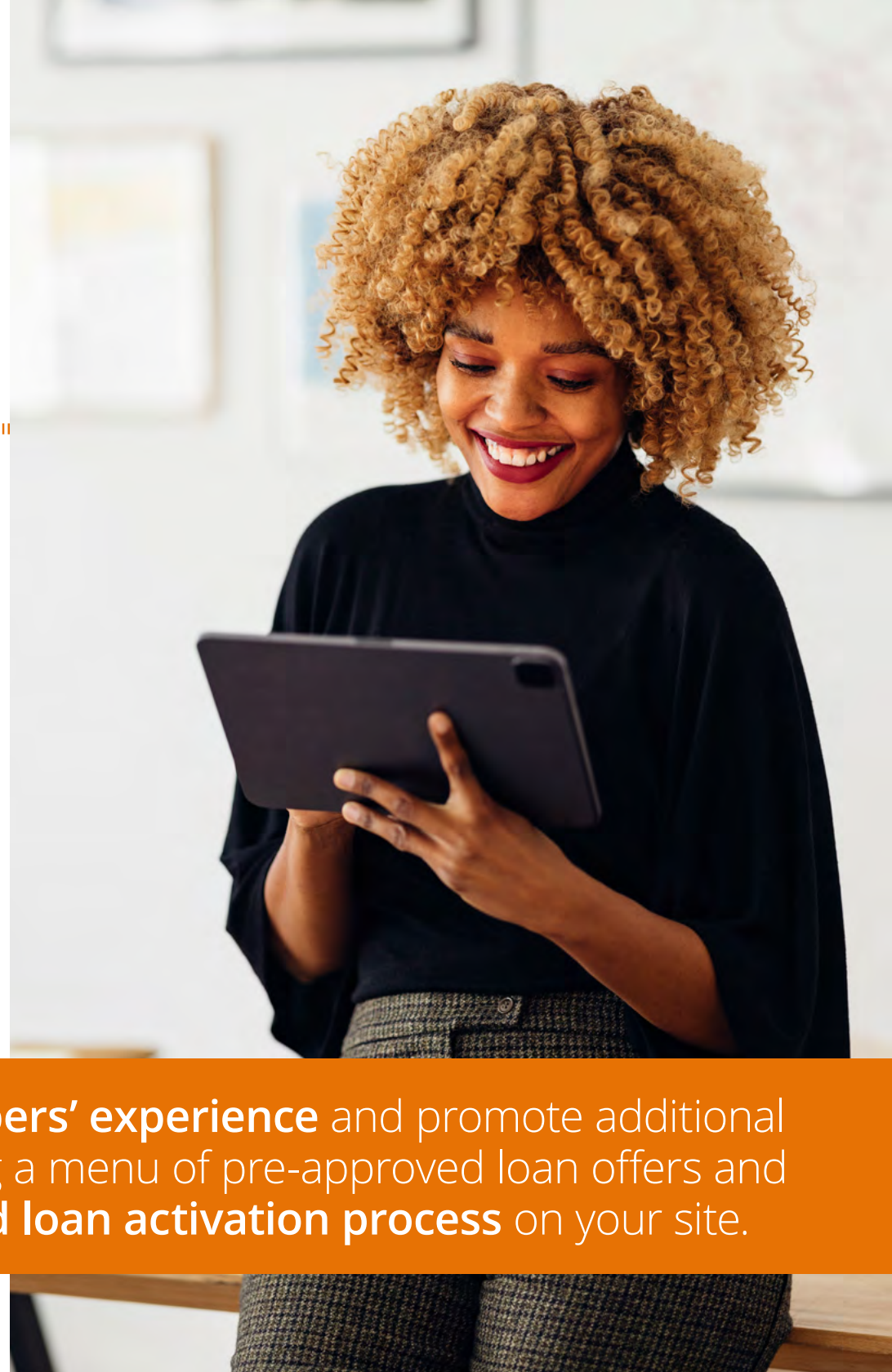
# 3 Enhance your members' experience with customized pre-approved offers on your website

Your members are accustomed to seamless, personalized, and mobile friendly interactions. Yet the application process for new loans can be cumbersome and time-consuming, and consumers are often inundated with offers.

That's why Equifax has teamed with CuneXus to allow credit unions to **deliver personalized, pre-approved lending offers** on your website.

Here's how it works:

- 1 Use your existing acquisition model criteria fueled by Prescreen attributes from Equifax, or build new models.
- 2 The CuneXus digital platform then segments, targets, and prescreens members using your credit and risk criteria and matches them to appropriate segments and offers.
- 3 Your members receive customized, pre-approved lending offers when they log in to your site.



Enhance your members' experience and promote additional products by delivering a menu of pre-approved loan offers and providing a **10-second loan activation process** on your site.





# 4 Expand product adoption and grow share with consumer financial insights and alerts

**You probably have a segment of members that only use one of your products — and some may only use that product sparingly.**

In order to promote additional products and grow usage, credit unions can leverage data that sheds insight on members' likely financial characteristics and product needs. For example:

- **Get notifications and act fast:** Receive near real-time **alerts** when current members are actively seeking new credit so you can deliver competitive offers
- **Identify hidden opportunity for lending cross-sell:** Use **financial durability** measures before Prescreen to identify members that might be a good fit for credit line increases or balance transfer offers
- **Target the right members to incent deposits or card usage:** Assess members' estimated **income** or **spending power** to identify segments that can likely increase deposits or charge more
- **Empower your call centers and branches to prioritize best members:** Analyze members' likely **affluence** to identify valuable members in real-time when they interact

A credit union with a flourishing auto lending portfolio used Equifax Prescreen criteria to attract \$225,000 in unsecured loan balances from its member-base with no delinquencies or charge offs.

One credit union used consumer financial insights to segment members for a growth campaign and achieved an over 100% lift in deposit, investment, and loan balances.

# 5 Review your accounts frequently to spot hidden risk and opportunity

In a rapidly changing economy, credit unions need to stay on top of their lending portfolio.

Whether you seek to assess the **risk of existing accounts** or **find opportunities to grow revenue** within your existing portfolio, a **Customer Portfolio Review™** can help you gain deep insights about the credit behaviors of your members — plus mitigate losses.



## Should you be doing account reviews more frequently?

With so much uncertainty facing your members right now, annual account reviews may not be sufficient to effectively manage risk.

## How well can you find hidden risk in your portfolio?

Leverage insight on your members' financial durability — namely, their likely resilience to meet financial obligations — to discover possible areas of concern.



Delinquency rates are on average **3X higher** for consumers that have received an accommodation. Frequent reviews can help you catch newly — troubled accounts and prevent losses.\*



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





Find more members,  
grow your portfolio, and  
better monitor risk with  
an expanded view of  
your members' finances.

Contact us to learn  
more about our suite  
of solutions specifically  
designed to meet the  
needs of credit unions.



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