

## Financial services case study

A large financial institution set a goal to target new niche markets for its low APR balance transfer credit card products.

Previously, targeting had been done without the benefit of market segmentation. After consultation with Experian, Prime Performance Modeling was determined to be the most viable solution.

Prime Performance Modeling's market segmentation was determined to be the best strategy to improve response by attracting prospects who were most likely to meet the financial institution's credit qualification criteria.

Through analysis of the financial institution's customer database, the following data was gathered to create high-performance models:

- Affluence: Income, home value, occupation
- Lifestyle: Activities, hobbies, interests, product purchases
- Family Composition: Age, marital status, presence of children, dwelling type
- Neighborhood: Census information, summarized vehicle statistics

Based on this data the customer database was then grouped into sub-populations, or niche markets. From Experian's database, Prime Performance Modeling analysts identified and extracted "clones" who shared the same affluence, lifestyle, family composition, and neighborhood data as the niche markets defined in the financial institution's customer database.

These "clones" were targeted in the next marketing campaign.

Prime Performance Modeling provided this financial institution the tools to:

- Target prospects with the same demographics as its best customers
- Market specific credit card products to an audience most likely to respond
- Direct a campaign to potential customers with a strong credit history

Results of the financial institution's next campaign:

- Generated 28 percent more leads
- Generated names of prospects who met all credit qualification criteria
- Increased ROI by 50 percent