An Essential Perspective into Consumer Risk

The evolving regulatory environment continues to challenge the profitability model for demand deposit accounts (DDA). With several key revenue streams eliminated or heavily constrained, retail banks are quickly realizing that continued success requires improved decisions at account opening. Basing offer decisions strictly on conventional credit scores and non-sufficient funds (NSF) data provides only a partial view into consumer risk. To deliver targeted competitive offers for DDA accounts, retail banks need the comprehensive visibility into applicant risk only attainable through a combination of traditional and alternative credit data.

**Customized Account Offers Require Complete Visibility**

ID Score®–Action is an FCRA-compliant risk score which delivers an accurate and comprehensive assessment of the likelihood an applicant will result in a loss to a retail bank. The score leverages proprietary cross-industry event and performance data, delivering risk insights that are more accurate than standard bureau scores, and incremental to custom credit scores and NSF data.

Purpose-built for the DDA market, the ID Score–Action score was developed to inform the key decisions and specific pain points associated with checking, savings, and money market applicants. Designed to reflect the retail banking reality that “a loss is a loss”, the model is optimized to effectively assess both the credit and the fraud risk of an applicant.

ID Score–Action’s ability to deliver a precise and unique perspective is driven by the ID Network®, a repository of consumer behavior data from a wider range of industries than other leading sources. By combining both traditional and alternative credit data, the ID Score–Action score is able to deliver a complete assessment of DDA risk on every credit-active consumer in the US, including thin files and most no-hit applicants.
How ID Score–Action Works

The ID Score–Action score applies innovative analytics to a cross-industry compilation of identity information and activity to assess the risk of fraud and credit loss associated with an applicant within 12 months. Applicants with higher scores, and consequently higher risk, can be outright declined or offered restricted accounts, while applicants with lower scores can be automatically approved and extended premium offers.

ID Score–Action is a hosted software solution that is easy to implement across all points of customer interaction, including online, call centers, and branch locations. The solution is available to receive applications and return scores in batch processes or in real-time 24 hours a day, seven days a week.

Versatile Performance

The ID Score–Action model drives value to retail banks in a number of ways.

- **Stand-Alone Performance:** Outperforms bureau scores in all credit segments, including 100% of thin file and most no hit applicants, making the score a powerful primary DDA risk solution

- **Enhances Custom Solutions:** The unique blend of traditional credit data and alternative consumer data provides an accurate and differentiated risk perspective that enhances custom credit solutions

- **Non-Sufficient Funds Augmentation:** Successfully segments NSF populations to identify significant portions of low risk applicants

Case Study: Separating Retail Bank Risk for Consumers with NSF History

![Graph showing incremental revenue opportunity] (Note: The graph visually represents how ID Score–Action helps identify low risk applicants with NSF hits suitable for a prime offer.)

ID Score–Action: DDA Risk Assessment Evolved

**Comprehensive Data:** Go far beyond traditional debit and credit data by tapping into a unique cross-industry network that delivers a complete understanding of consumer risk

**Singular Focus:** Obtain precision risk assessments tailored to the needs of the DDA market, which provide relevant risk visibility to predict both fraud and credit losses

**Robust Performance:** Truly understand the risk of your applicants with highly predictive and differentiated risk insights, which drive value as a standalone solution as well as enhancing custom credit scores and NSF solutions

**Improve Insight into DDA Risk Today**

Turn to the ID Score–Action score to help your bank confidently make more informed, profitable account offers. Contact us today at marketinginfo@idanalytics.com, 858-312-6200, or visit www.idanalytics.com.