# For bank marketing and financial services marketing, Empirics™ rates neighborhoods by their households' propensity to buy specific financial products and services

Adjacent Block Groups (NY sample)	Annuities	CDs	MM>$50K	MM>$10K	Money Mkt	Multi Rel	Switch Rel	Bonds	Stocks	HELOCs	529 Plans	LTCI	Health Ins	Medi Supp	Card Cash	Card Miles
…6001	B	B	C	D	C	C	D	A2	D	C	B	A2	C	D	C	D
6002	A2	C	B	D	A2	D	D	A2	D	C	A1	D	A2	A2	D	A1
6003	B	A2	C	C	D	B	D	C	D	C	D	A1	B	D	B	C
6004	C	B	C	D	C	B	D	C	C	C	D	B	B	A1	D	C
7001	B	A1	A1	C	D	B	D	C	B	A2	C	A2	D	D	A2	C
7002	A2	B	A2	B	D	B	D	C	B	C	C	A1	D	C	C	D
7003	A2	A2	C	C	D	B	D	A1	C	D	B	A2	D	D	A1	C
7004	A2	B	C	C	D	A2	D	D	D	D	D	D	D	C	B	A2
7005	C	B	C	A2	D	B	D	A2	B	C	D	B	C	C	B	D
8001	C	D	C	C	D	B	C	C	C	D	D	A2	B	C	C	A1
8002	A2	B	C	C	C	B	D	B	B	C	B	A1	A2	D	C	C
8003	A2	D	A2	A2	B	B	D	D	C	C	D	C	D	D	D	C
8004	A2	A1	C	A2	C	A2	C	C	C	A2	D	D	C	D	D	B

Copyright 2006 IAP

A1: Most Likely	A2: Highly Likely	B: Likely	C: Somewhat Likely	D: Unlikely
1 in 4 households …	1 in 13 households …	1 in 18 households …	1 in 30 households …	1 in 125 households …

… on average will buy the product

- **Empirics** measures the propensity to buy 17 different financial products

- Discover consumers' likelihood of switching banks or using multiple banks

- Unlike other segmentation or clustering systems, Empirics predicts rather than just describes consumer behavior

- Neighborhoods rated A1 for a product are 2-4 times more likely than average to purchase, based on studies with financial institutions

- The same neighborhood could score A1 for one product and D for another, helping you match the right product to the highest potential customer
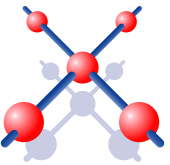
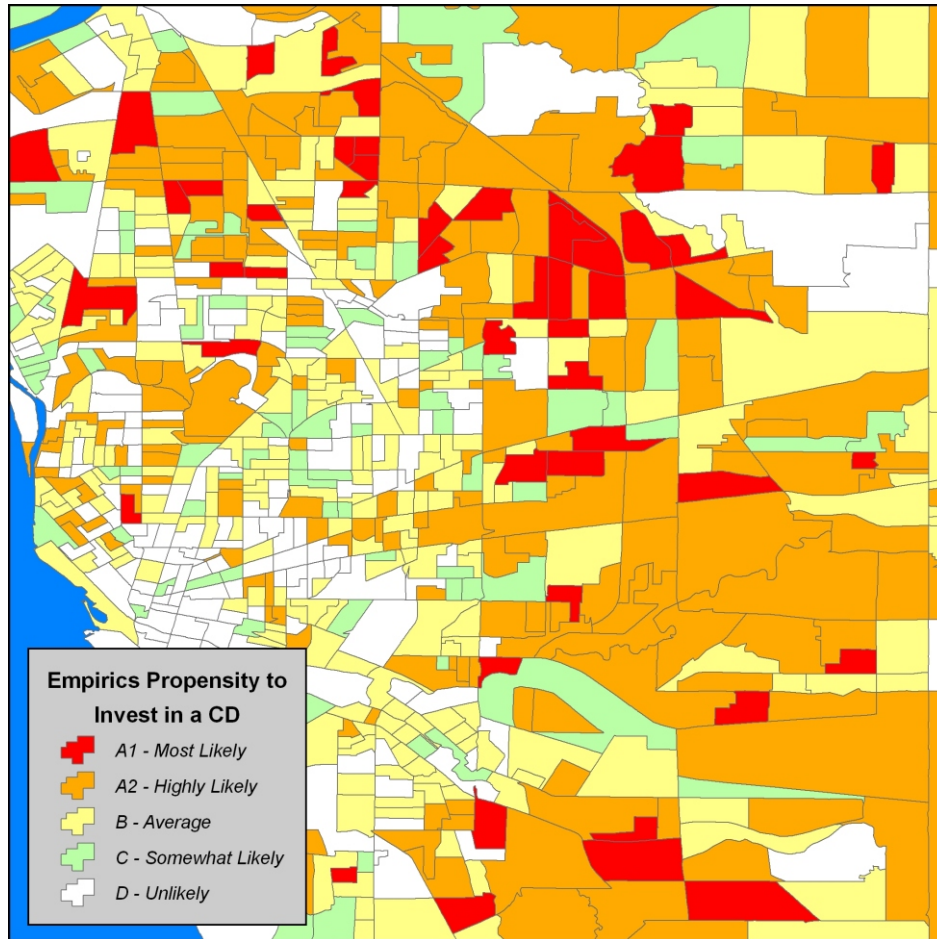## How to use the Empirics database:

- Improve efficiency and effectiveness of direct marketing campaigns
- Append to customer file to drive loyalty and cross-sell programs
- Analyze neighborhood markets for customer acquisition

MAPPING ANALYTICS

SMARTER DECISIONS. BETTER RESULTS.

What is the market potential for financial products around your bank's branches?

Empirics Propensity to Invest in a CD

- 🟥 A1 - Most Likely
- 🟧 A2 - Highly Likely
- 🟨 B - Average
- 🟩 C - Somewhat Likely
- ⬜ D - Unlikely

All block groups scoring A1 for propensity to invest in a CD are shown in red

Empirics Measures These Consumer Propensities:

FINANCIAL BEHAVIOR
· Switch Primary Financial Relationship
· Use Multiple Financial Service Relationships
· Attend Financial Seminars

BANKING AND INVESTMENTS
· Borrow with Home Equity Line of Credit
· Buy Certificates of Deposit
· Buy Annuities
· Invest in Money Market Deposit Accounts
· Invest $10,000 - $50,000 in Money Market Accounts
· Invest over $50,000 In Money Market Accounts
· Invest In Bond Mutual Funds Not Currently Held
· Invest In Stock Mutual Funds Not Currently Held
· Invest In a 529 College Savings Plan

CREDIT CARD INCENTIVES
· Accept/Use a Credit Card for Cash Rebates
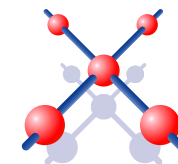· Accept/Use a Credit Card for Frequent Flyer Miles

INSURANCES
· Buy Term Life Insurance (Any Amount)
· Buy Term Life Over $200,000 Face Value
· Buy Term Life Under $40,000 Face Value
· Buy Long Term Care Insurance
· Buy Medicare Supplemental Health Insurance
· Buy Individual Health Insurance

Ideal for building loyalty programs targeted to customers at risk of switching - or acquiring new customers ready to switch from competitors

Improve marketing efforts beyond traditional demographics and lifestyle clustering

Reach high-potential consumers for your products and services while avoiding those unlikely to respond

"Avoid inefficient, costly, low-response marketing and embrace one-to-one communication with target consumers likely to respond!"

MAPPING ANALYTICS

SMARTER DECISIONS. BETTER RESULTS.