FICO™

scoring

FICO® Revenue Scores

Bring a new dimension to marketing and account management strategies for your revolving credit products

FICO® Revenue Scores rank-order revolving credit accounts by the amount of revenue they will likely generate. Card issuers and home equity lenders leverage this information to better focus marketing initiatives on tomorrow's most profitable accounts and to manage existing accounts according to revenue potential.

FICO Revenue Scores rank-order bankcard revenue generation levels

	Risk score ranges	Revenue score ranges (Low-revenue potential → High-revenue potential)					Total
		0–1	2–3	4–5	6–7	8-9	
High risk	Below 680	$33	$77	$97	$132	$192	$152
	680–729	$35	$63	$92	$140	$211	$140
	730–759	$32	$59	$86	$128	$202	$99
	760–789	$33	$52	$75	$113	$177	$64
Low risk	790 & up	$27	$50	$72	$98	$194	$40
	TOTAL	$29	$56	$85	$130	$199	$100

Each cell in this chart represents the average net revenue generated over a 12-month period for the corresponding revenue category and risk category. Even within risk score ranges, revenue scores strongly rank-order future revenue generation. (Chart based on development results for the FICO Revenue Score model that FICO developed for TransUnion. Results normalized to average net revenue of $100.)

Some bankcard customers will be worth their weight in gold to your portfolio—with others, you may not even recoup your marketing expenses. Identifying a prospect or customer's true revenue potential is the key to devising more targeted marketing strategies.

FICO Revenue Scores tell you which individuals have the potential to build and revolve large balances, earning you the most in total income. They help you find the 24-carat opportunities in your prospect mail base or customer portfolio.

» Dual-score strategies focus on profitability

When combined with risk assessment, FICO Revenue Scores can help marketers and portfolio managers explore both risk and revenue dimensions concurrently for a better forecast of account profitability. This combination gives you a powerful means of strategically segmenting your prospects and customers. Used together, revenue and risk scores improve your ability to more successfully:

- Tailor prescreen offers and communications to the needs and potential of each risk/revenue segment
- Focus marketing dollars on the prospects or customers at each risk level who will generate the most revenue
- Expand the mailing universe by selecting individuals outside current risk-score cutoffs who show high-revenue potential
- Target strategies designed to stimulate usage among inactive or low-average-balance accounts
- Target high-revenue/low-risk accounts for retention, cross-sell or upsell programs
- Develop more effective pricing programs based on risk and revenue potential
- Manage line assignment based on revenue opportunity

Features	Benefits
Rank-orders prospects and customers according to their relative revenue potential over the 12 months following scoring	More effective matching of products to prospects and customers
Developed from large diverse sample of national bankcard issuers' accounts	Improved return on marketing program investments
Four consistently scaled models based on revolving usage	Effective across various bankcard and revolving credit products
Available from multiple US credit reporting agencies and directly from FICO via FICO® Score Delivery for account management and FICO® PreScore® service for prescreening	Greater profitability from pricing and line management strategies based on risk and revenue potential

» Designed for maximum predictive power

FICO developed its revenue scores using a large sample of national bankcard issuers' master file data, coupled with borrowers' credit reporting agency information. This diverse sample ensured robust predictiveness across various bankcard products and pricing schemes.

FICO Revenue Scores utilize a multiple-model design—one of four models is automatically selected, based on the consumer's current usage of revolving credit. This segmented approach provides better prediction across all types of account profiles—from those with recent revolving usage to those with little or no use of revolving credit.

Knowing the relative amount of revenue each account is likely to produce enables you to leverage your prospect list or portfolio's true potential for profitability, and keep marketing campaigns focused on financial rewards.

FICO helps lenders make smart decisions to manage, protect and grow portfolio performance.

FICO Revenue Scores are called:

- **FICO® Revenue Score at TransUnion**
- **ROI℠ score at Experian**

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