Using Community Tapestry to Cross-Sell to Your MCIF

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Financial institutions understand the Master Customer Information File (MCIF) contains valuable information about their customers. Using one of the humblest data elements in MCIF, the customer's street address, financial service marketers can yield a bonanza of information. The street address permits financial institutions to append a Tapestry code to each customer record based on the neighborhood in which he/she lives.

Community Tapestry is ESRI's lifestyle segmentation system that provides an accurate, detailed description of America's neighborhoods and classifies them into one of 65 Tapestry segments. These segments are based on demographic variables such as age, income, home value, occupation, household type, education, and consumer behavior characteristics. Thus, banks create customer profiles based on Tapestry codes, allowing them to answer questions such as Who are our customers? What do they buy? How should we reach them?

Tapestry profiles typically identify 6 to 12 key customer segments. Once identified, these segments can be located geographically for de novo applications to create proximity marketing campaigns around each branch and advertise financial products to those customer segments that are most likely to utilize them.

The example below shows a Tapestry profile and grid for an MCIF for a local branch with 1,294 household relationships. Of the 65 possible Tapestry segments, 11 segments were identified as being important to this bank branch.

The Tapestry grid graphically shows us the key segments. Core segments need more of the same marketing. Niche segments need product options that better meet their specific needs. Develop segments need to hear more about the product or service, in other words, more marketing. Avoid segments still constitute a portion of the customers, but scarce product and marketing dollars are best spent elsewhere.

The Core segments, and their cross-sell opportunities ranked by average opportunity, are as follows (the higher the index, the better the opportunity):

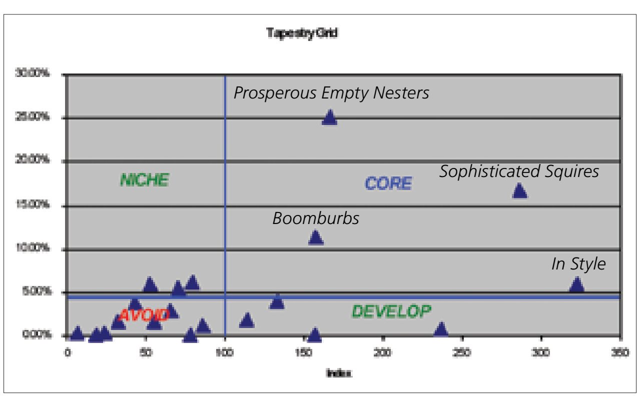
Tapestry Segment	Customer Households	Customer %	Branch Area Households	Branch Area %	Index*	Tapestry Quadrant
4 Boomburbs	147	11.36%	2,050	7.24%	157	Core
6 Sophisticated Squires	218	16.85%	1,666	5.88%	286	Core
13 In Style	77	5.95%	523	1.85%	322	Core
14 Prosperous Empty Nesters	325	25.12%	4,278	15.10%	166	Core
7 Exurbanites	11	0.85%	102	0.36%	236	Develop
10 Pleasant-Ville	24	1.85%	463	1.63%	113	Develop
24 Main Street, USA	51	3.94%	841	2.97%	133	Develop
35 International Marketplace	3	0.23%	42	0.15%	156	Develop
28 Aspiring Young Families	79	6.11%	2,179	7.69%	79	Niche
43 The Elders	77	5.95%	3,211	11.33%	53	Niche
49 Senior Sun Seekers	72	5.56%	2,248	7.93%	70	Niche
1 Top Rung	2	0.15%	56	0.20%	78	Avoid
12 Up and Coming Families	38	2.94%	1,270	4.48%	66	Avoid
15 Silver and Gold	22	1.70%	1,503	5.31%	32	Avoid
16 Enterprising Professionals	2	0.15%	234	0.83%	19	Avoid
19 Milk and Cookies	17	1.31%	434	1.53%	86	Avoid
21 Urban Villages	6	0.46%	1,973	6.96%	7	Avoid
47 Las Casas	6	0.46%	553	1.95%	24	Avoid
57 Simple Living	21	1.62%	828	2.92%	56	Avoid
58 NeWest Residents	49	3.79%	2,498	8.82%	43	Avoid
20 City Lights	0	0.00%	720	2.54%	0	n/a
52 Inner City Tenants	0	0.00%	659	2.33%	0	n/a
TOTAL	**1,294**	**100.00%**	**28,331**	**100.00%**	**100**	

*An index is tabulated to represent a value of 100 as the average demand. A value of more than 100 represents high demand and a value of less than 100 represents low demand. In this example, Boomburbs, with an index of 157, implies that customer households in Boomburbs neighborhoods are probably 57 percent more likely to be customers than other households in the branch market.

The final step in the process is to take action.

The marketing department can create specific marketing programs for each of the segments in your branch market area. The content of the campaign should focus on the financial products that are preferred by the customers in MCIF. In conclusion, we see that one data element, the customer's street address, from the MCIF combined with GIS technology can yield significant marketing intelligence.

Cross-Sell Opportunities**	Boomburbs	Sophisticated Squires	In Style	Prosperous Empty Nesters
Average monthly credit card expend.: $701+	238	190	156	148
Have second mortgage-equity	180	187	129	161
Have home mortgage	192	165	135	141
Have home equity line of credit	159	158	148	164
Have 401(k) retirement savings	194	152	142	137
Have mortgage refinance	236	135	127	124
Have money market account	172	151	134	164
Have IRA retirement savings	170	136	136	154
Have overdraft protection	172	140	119	130
Own annuities	138	119	135	169
Own securities	148	140	131	138
Have personal line of credit	141	153	121	133
Have auto loan for new car	164	145	126	109
Own CD	135	105	139	113
Have savings account	131	119	120	110
Have education loan	168	95	99	91
Have personal loan	88	104	75	82



**ESRI used data from Mediamark Research Inc. (MRI) to compute the MPI indexes.

About ESRI

For four decades, ESRI has been helping people make better decisions through management and analysis of geographic information. With more than 4,000 skilled employees worldwide, we work with our business partners and hundreds of thousands of people who use GIS to make a difference in our world.

A full-service GIS company, ESRI offers support for implementing GIS technology from the desktop to enterprise-wide servers, online services, and mobile devices. GIS solutions are flexible and customizable to meet the needs of all our users.

Our Focus

At ESRI, we focus on promoting the value of GIS and its applications throughout the world and pay close attention to our users' needs. Our software development and services respond to our customers with products that are easy to use, flexible, and integrated. Our technology is multidisciplinary, productive, and valuable to our users.

We have a strong commitment to educating our customers through ESRI's various training programs. ESRI is a socially conscious business and invests heavily in issues regarding education, conservation, sustainable development, and humanitarian affairs.

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