

Affluence Indicators - FAQs

Who is Semcasting?

Semcasting is an analytics-driven data solutions provider. Founded ten years ago and headquartered in Andover, MA, the company has several lines of business based on its core technology of automated predictive modeling. These include:

- ◀ On-Demand Targeting which combines fast and effective custom modeling and analytics with comprehensive universes of business and consumer data to make sophisticated targeting and superior results available and affordable to all direct marketing budgets.
- ◀ Custom modeling and analytic services
- ◀ Software licensing
- ◀ Affluence Indicators; a suite of data elements which provide an accurate, comprehensive, 360 degree view of wealth and affluence - a critical variable in almost all campaigns.

What are Affluence Indicators?

Affluence Indicators, a suite of modeled data elements, provide an accurate, comprehensive and household level view of wealth and affluence. These variables have proven to be key predictors of buying behavior in thousands of campaigns across all industries.

What data sources are used in these products?

Sources include: publicly available property data, Census data, federal government survey data, Federal Reserve reporting, and large samples of households nationwide with known incomes, assets, discretionary spending and auto ownership information with local tax rates and cost of living figures.

What restrictions are there in using this data?

Affluence Indicators consist of 100% FCRA compliant, non-regulated data. There are no restrictions to use this information for marketing purposes.

How has accuracy been tested and verified?

In the case of Premium Income, an independent data compiler (in addition to Semcastings' internal resources) tested its accuracy. Each compared Premium Income to unique sets of known incomes, totaling more than 5MM records, as well as 2006 Census and Federal Reserve data. The conclusion reached by both was that the distributions and accuracy by income ranges of Premium Income, a cornerstone of the Affluence Indicators, were consistent with the findings reported by the government and by the sample data sets.

For household with income at the higher end, (over \$90K a year), results were more accurate by as much as 30% over other competitive income estimates tested. A similar process of comparisons to "known" data is used on a continual basis to verify accuracy for all Affluence Indicators. In addition, a growing number of clients have rigorously tested and confirmed accuracy before choosing Semcasting.

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What clients are using Affluence Indicators today?

While we can't disclose clients by name - we can tell you the list includes an online auction/payment processing platform, a premium vacation time-share company, a large cruise line, a high-end destination resorts company, a clothing manufacturer/retailer, a premium brand women's apparel company, an online investment services company, a credit card issuer, a home improvement retailer, a number of auto manufacturers, a top bank and a number of non-profits.

How does Semcastings' Discretionary Income Index compare to IXI/Echelon's Discretionary Spending Index?

Semcastings' DII is a "Resource Based" measure of discretionary income rather than an "Assets Based" solution, leveraging a more comprehensive set of variables that impact discretionary spending capacity.

IXI/Echelon's DSI relies heavily on its invested asset under management, aggregated at the zip level. Demographic data is then used to connect these area level asset averages to a specific household by weighing the asset data against modeled income scores, home value and cost of living through statistical analysis.

Discretionary Income Index, created with Semcastings' core technology:

- ◀ Leverages a much broader range of data that includes an invested assets metric along with a host of other important data variables - all at the household level. Semcastings' Discretionary Income Index does not assume that all households with similar assets and a similar estimated income have the same amount of discretionary spending capacity. It is a more refined and precise measurement, incorporating many more data elements into the analysis to reflect household spending obligations, life stages and other factors that contribute to actual discretionary spending capacity.
- ◀ Includes household income measured in \$10K increments up to \$2 Million (compared to DSI's which is capped at \$250K) and home values which include 17 million more homes than DSI at intervals up to \$10 Million (compared to DSI's \$2 Million cap). This higher degree of precision and accuracy in income and home values provide a broader distribution and more refined view of discretionary income for all households.
- ◀ Constructs literally thousands of models at that household level, incorporating family demographics, local cost of living, taxes, savings, educational expenses as well as liquid and tangible assets. By including many more data elements to refine our view of households, we capture the impact of life stages, household budgets and local nuances into discretionary income.
- ◀ Is priced more aggressively with no protected account list

In short: many more variables, all at the household level, with better income and home value data and extensive local level modeling results in a more accurate, predictive and cost-effective solution!