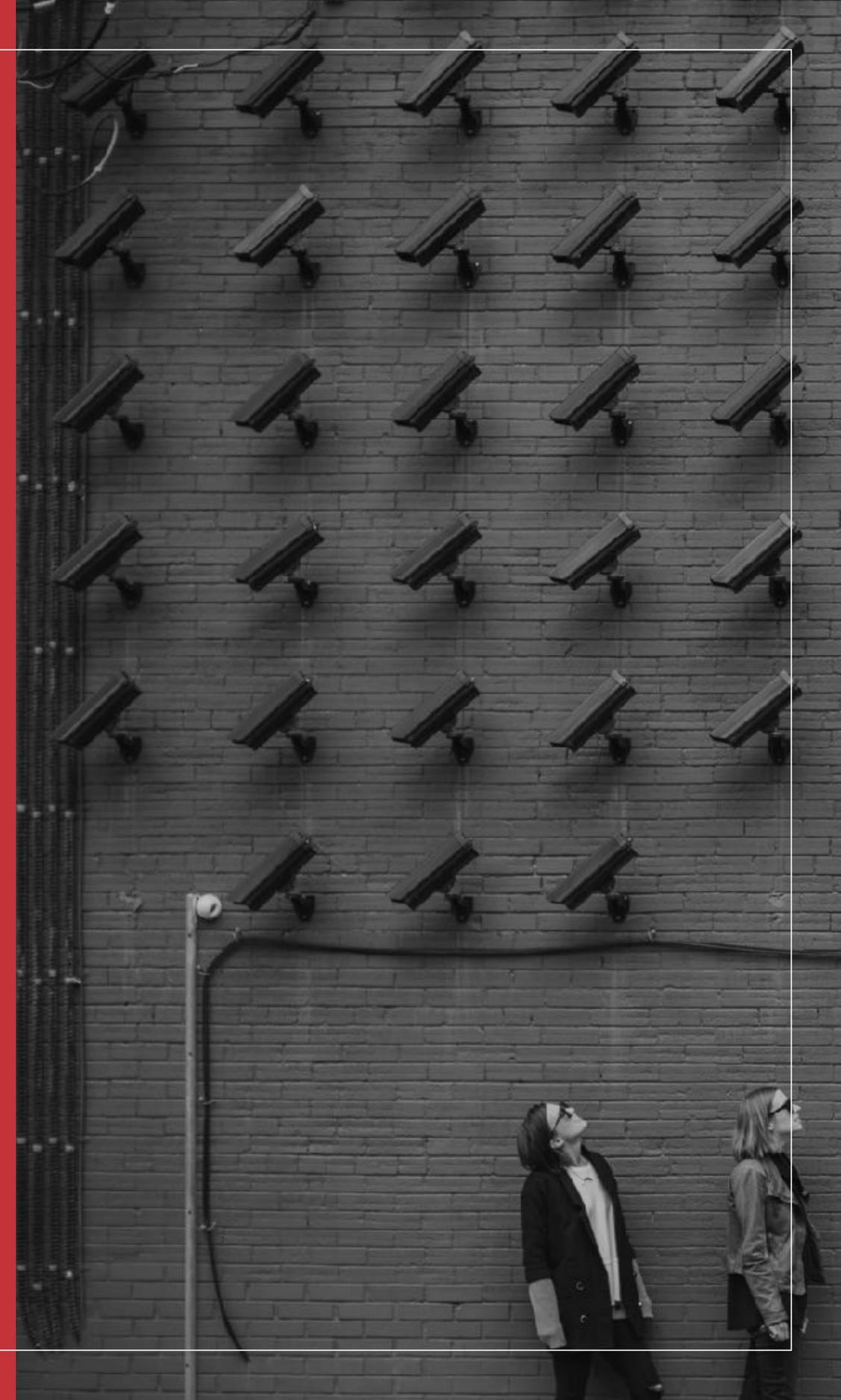


Global Trend REPORT

'17

Emerging value
creation models
in the finance
industry



FOREWORD

INSPIRATION

This is the main purpose of this Global Trend Report by Creditinfo creative team. This document is meant to give you fresh ideas on where the world and our industry is going, so that you can use the year 2017 to prepare for the future.

INNOVATION

Governments and banks have yearly outlooks, astrologists do yearly horoscopes, so we thought it would be handy to adapt this practice for our credit industry by releasing this first Creditinfo Global Trend Report. It should broaden-up the perspective and encourage to innovate.

CONNECTION

We are an open company and we believe that good things are useless if not shared. Just like happiness. Feel free to share this report with anyone you think might be interested in its contents.

Be prepared to hear much more and in much greater detail at the Creditinfo Global Forum 2017, which is to take place in Marrakech, Morocco this year, on the 20th and 21st of September 2017. More details on the event:

globalforum.creditinfo.com

Let's keep it real,
Your Creditinfo Marketing Team



Ieva
Bieliunaite-Jankauskiene

MARKETING DIRECTOR

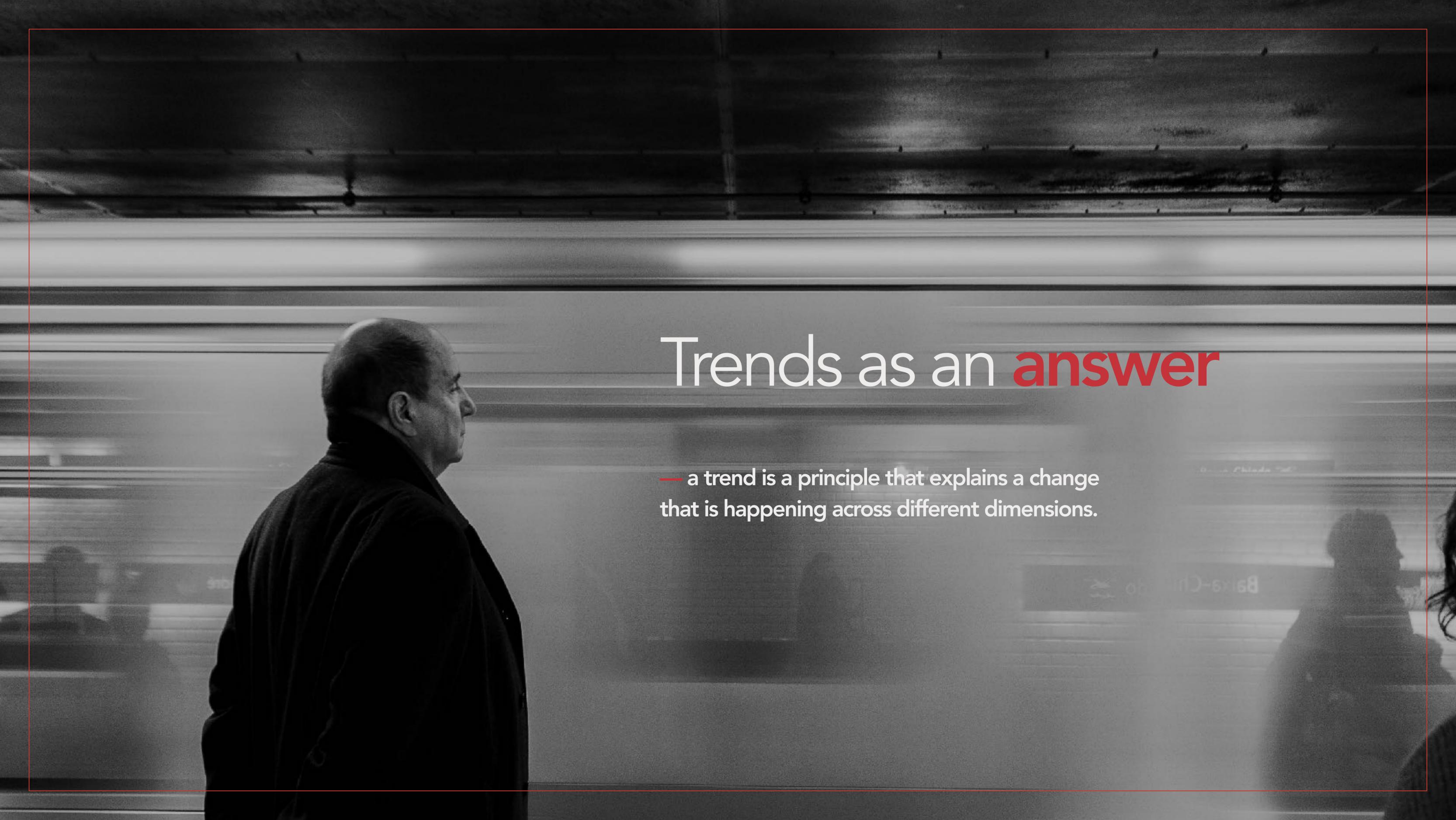
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MARKETING MANAGER

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A black and white photograph of a man in profile, looking out a window. The background is heavily blurred, showing streaks of light and dark shapes, suggesting a fast-moving scene or a reflection on a moving surface. The man is wearing a dark jacket. The overall mood is contemplative and forward-looking.

Trends as an **answer**

— a trend is a principle that explains a change that is happening across different dimensions.



Why trends?

Trends enable us to be proactive about the change in the world or find solutions that are emerging outside our field.

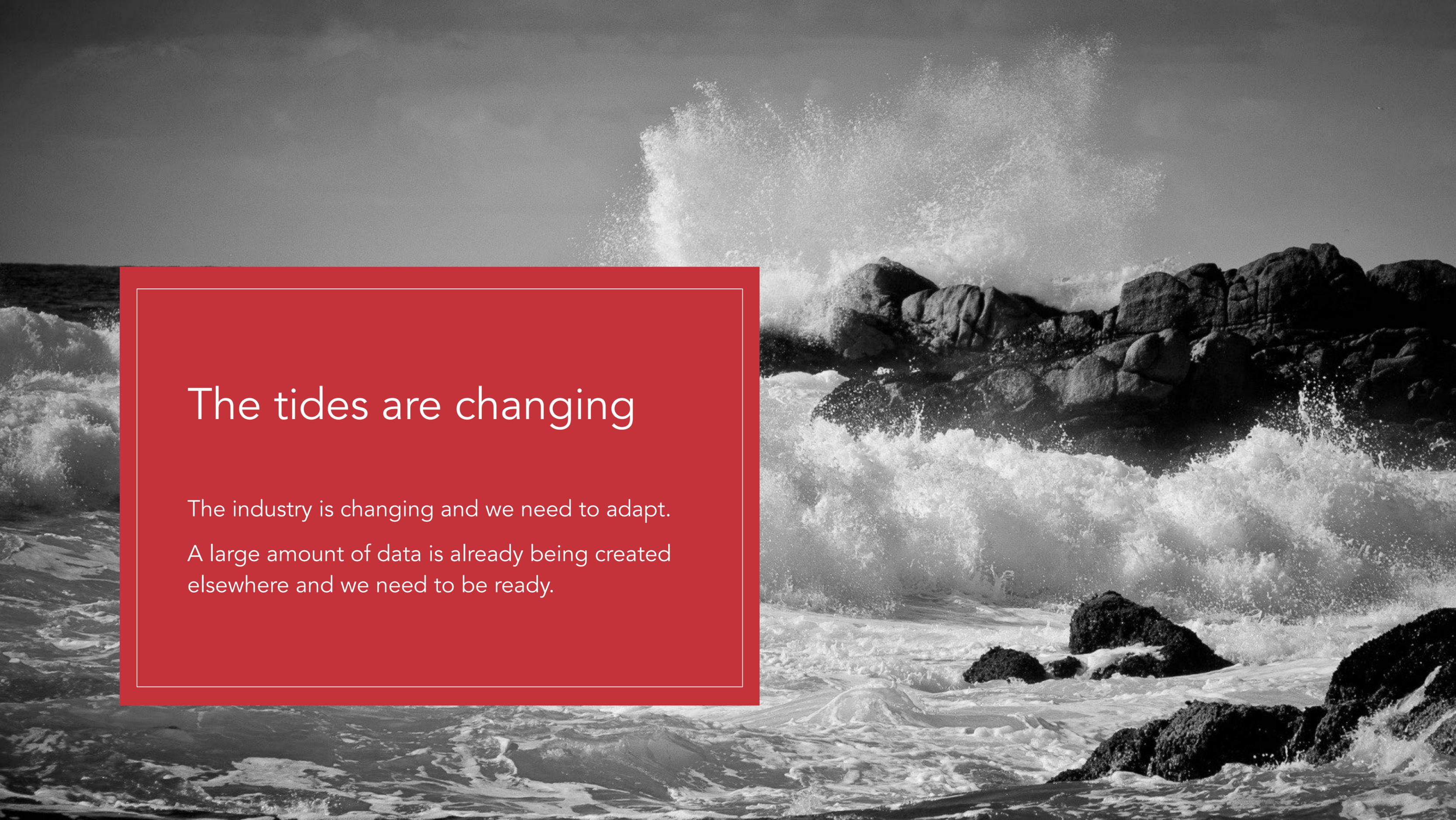
Trends are the best indicators of changing consumer needs and priorities.

Trends allow us to build scenarios of possible futures.

How trends work?

Trends solve problems or fulfil explicit or implicit human needs.

Big events, long-term shifts and any societal factors result in trends gaining momentum, becoming mainstream or resurfacing in a different form.



The tides are changing

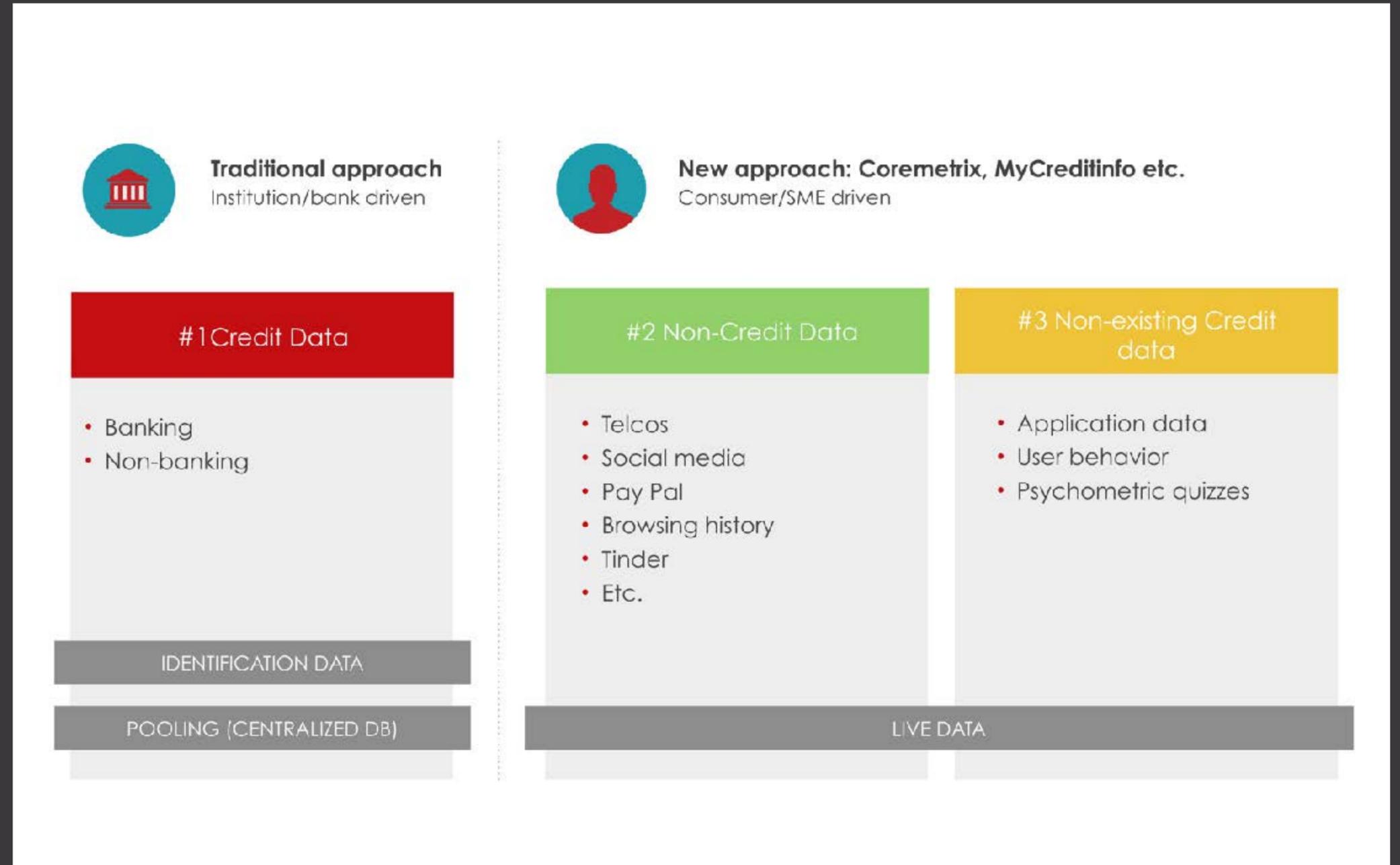
The industry is changing and we need to adapt.

A large amount of data is already being created elsewhere and we need to be ready.

In this report

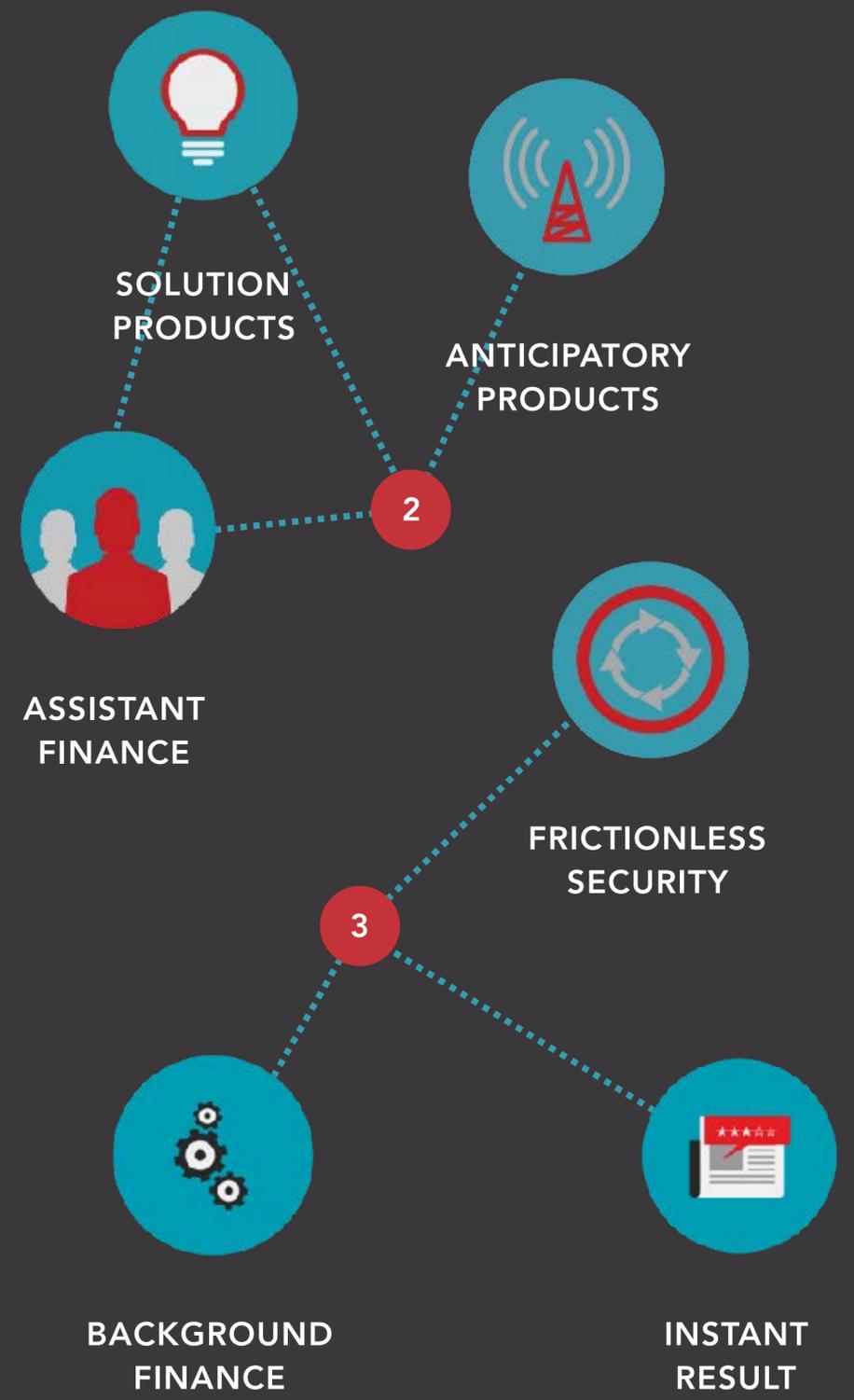
We will unpack key industry trends by defining the contextual changes and triggers that make them possible and by describing consumer needs and priorities driving them.

This will be done bearing in mind that we at Creditinfo believe that there is a paradigm shift: nowadays “live data” representing categories #2 and #3 is becoming a must-have to complement category #1 data (or traditional credit data).



The concept of category #1, #2 and #3 data explained by Reynir Grétarsson, founder and CEO of Creditinfo Group: [link to video](#)

— the big picture is that different trends can be found to fall under the same general principles. When analysing individual trends, it is important for us to understand what generalisable value mechanism drives them.



TRENDS CLUSTER

01

Benefits & fairness

Value creation models
based on making
people feel better
about their choices.

Problem
focused

Effortless
solutions

Consumer
in control



REWARDING DATA

personalisation becomes tangible

TREND



REWARDING DATA

WHAT?

Personalisation alone does not mean much, it does not tell the client what he is getting out of the interactions with the service - something more tangible is taking its place.

WHY?

Getting explicitly rewarded and benefiting from supplying additional data to the service provider.

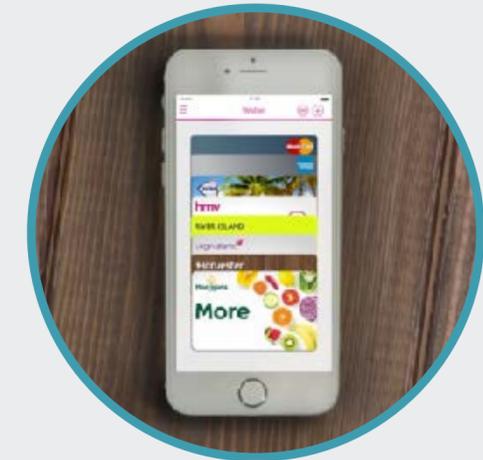
TREND EXAMPLES

Upstart



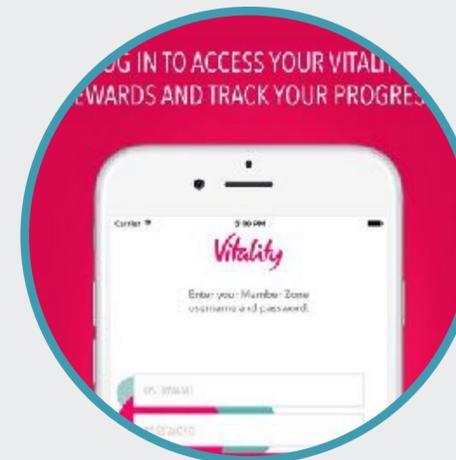
Taking into account diverse information to give clients better rates.

Bink



Collect all loyalty points and rewards by using your payment cards.

Vitality



Rewards for sticking to personal Healthcare Plan.



DIVERSIFIED SCORING

financial scoring is shifting from a one-sided affair to a more balanced relationship between client and providers

TREND



DIVERSIFIED SCORING

WHAT?

Scoring that includes data and information from numerous sources to assess the client's willingness and ability to meet financial requirements in the future.

WHY?

By including just historical financial data or category #1 data, traditional scoring is discouraging a large number of people from using specific financial services and getting access to credit.

TREND EXAMPLES

FitSense



Enables Health & Life insurers to personalise products and services by using app and device data.

Advice Robo



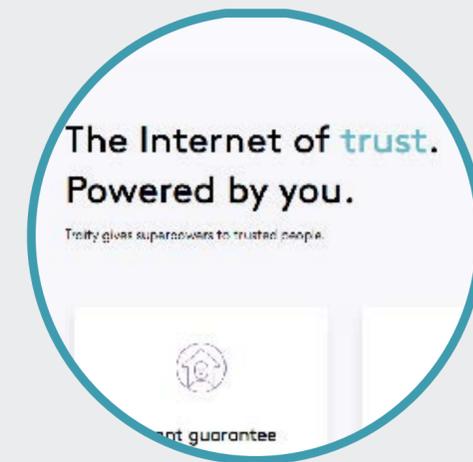
Incorporates social and motivational data to provide the underserved with better financial products.

COREMETRIX



Using psychometrics to assess clients' willingness and ability to meet financial obligations in the future.

Traity



Creating a network of trust that affects service benefits and prices for clients.



CONSUMPTION

seamless subscriptions and payments increase usage, but also create long-term spending management problems

TREND



CONSUMPTION

WHAT?

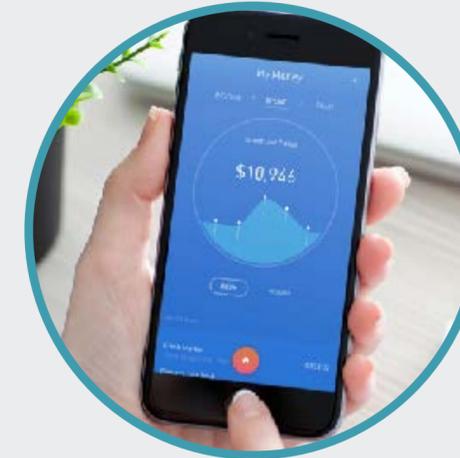
Recurrent payment management services that help optimise spendings and even root out overlapping or unused ones.

WHY?

With most products evolving into subscription services, it's hard not to lose control over recurrent spendings.

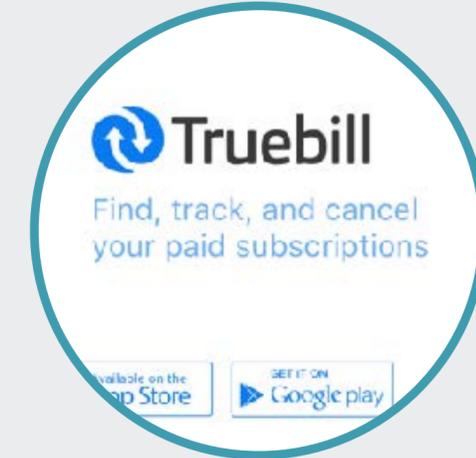
TREND EXAMPLES

Squeeze App



An app that provides a way to optimise recurrent payments and bills.

Truebill



A service that finds subscriptions and tracks bills with a goal of curbing recurrent charges.

Cardlife



A B2B spending management service for business subscriptions.



FINANCIAL INCLUSION

emergent players demonstrate that most financial services do not have to be restricted to specific income levels or financial backgrounds

TREND



FINANCIAL INCLUSION

WHAT?

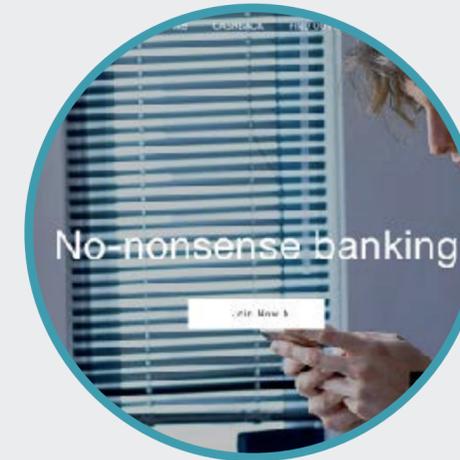
Services that extend to segments that usually have restricted access to financial products due to availability or personal circumstances.

WHY?

It is about empowerment to create opportunities and to facilitate economic growth.

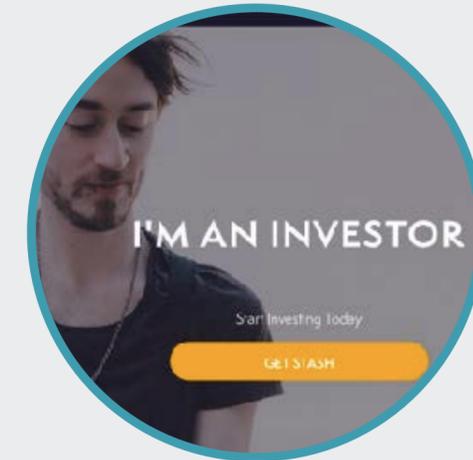
TREND EXAMPLES

Pockit



A pre-paid MasterCard. An account can be created in just 2 minutes.

Stash Invest



An investment platform which accepts investments from 5\$.

Prodigy Finance



Providing international postgraduate students with access to funding.

Robinhood



An international stock trading platform that radically reduces the usual fees.

TRENDS CLUSTER

02

Benefits
& fairness

Problem
focused

Effortless
solutions

Consumer
in control

Services that moved from traditional offerings to concentrating on how to solve consumer problems holistically.

← SOCORRO
TRUTH OR
CONSEQUENCES →



SOLUTION PRODUCTS

product-based thinking resolves around internal organisational affairs and has little to do with the consumer world

TREND



SOLUTION PRODUCTS

WHAT?

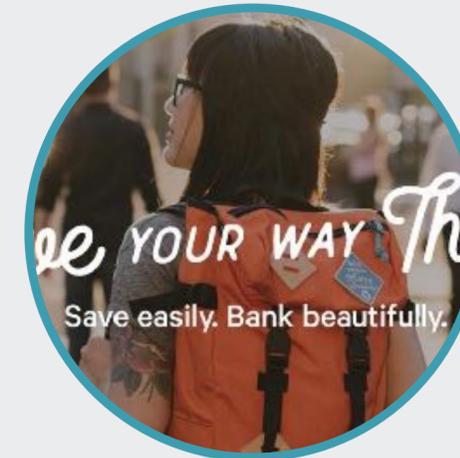
Financial services that seamlessly integrated different products, all of which serve a common purpose of resolving a problem that a consumer faces.

WHY?

People are less interested in products than in what they actually do for them.

TREND EXAMPLES

Simple



Online banking platform for helping to easily budget and save right inside your account.

Osper



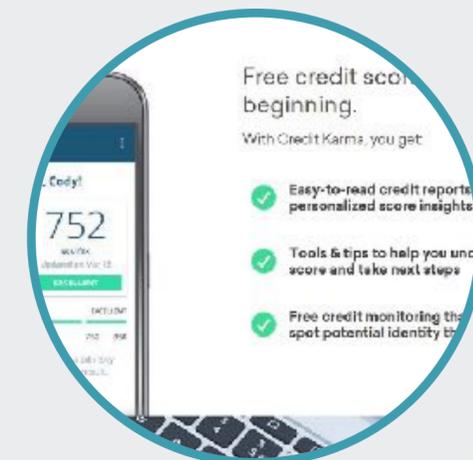
App and card for youngsters. Also provides parents with much needed money management tools.

Spriggy



Prepaid cards to help kids build financial habits.

CreditKarma



Offers free credit scores, reports and insights in order to help you understand your score and take next steps.



ASSISTANT FINANCE

digital assistants provide us with everyday guidance and the same expectations are soon to be applied for financial services

TREND



ASSISTANT FINANCE

WHAT?

Financial services that are delivered not through product information, but through and with personalised content and advice.

WHY?

The biggest challenges of financial consulting - A) being fully aware of your client's financial context B) providing all answers in time.

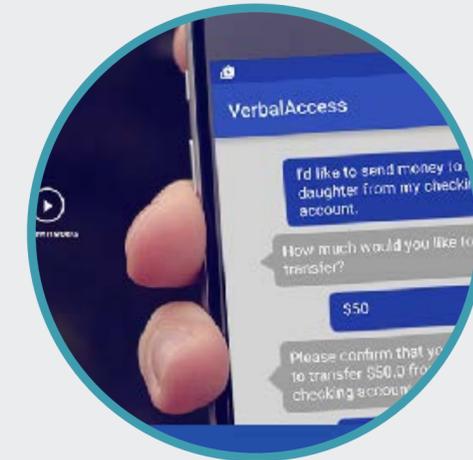
TREND EXAMPLES

Brolly



A free personal insurance concierge, powered by AI, and available through a mobile app.

North Side Inc



Personalised and knowledgeable digital customer service experiences.

Minalea



Smart Commercial Assistant and insurance product positioning system that provides value to both brokers and end clients.

Essentia Analytics



A behavioural software that assists and facilitates decision-making for fund managers.



ANTICIPATORY PRODUCTS

moving away from the traditional cycle
of developing financial products

TREND



ANTICIPATORY PRODUCTS

WHAT?

Products that are created by anticipating customer's needs.

WHY?

Personalisation does not provide value unless it is done at the right time.

TREND EXAMPLES

Personetics



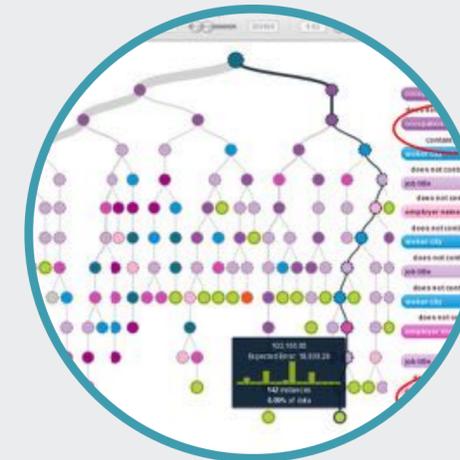
Enables banks to anticipate individual needs and provide the guidance today's customers want, deserve and increasingly expect.

Betterment



A smarter automated investing service that aims at providing optimised investment returns.

BigML



A consumable, programmable and scalable Machine Learning platform that makes it easy to solve and automate all kinds of financial tasks.

Money Supermarket



A system which helps to save money with better deals on car insurance, switching your energy bills, credit cards and loans.

Benefits
& fairness

Problem
focused

TRENDS CLUSTER

03

Effortless
solutions

Consumer
in control

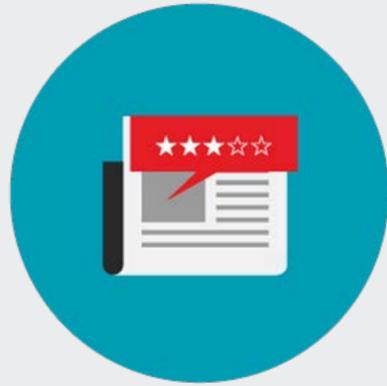
As the amount of choices we have to make is constantly growing, these companies fight for our attention by providing more ease.



INSTANT RESULT

saying that you are a fast provider in an accelerating world is becoming a vague expression

TREND



INSTANT RESULT

WHAT?

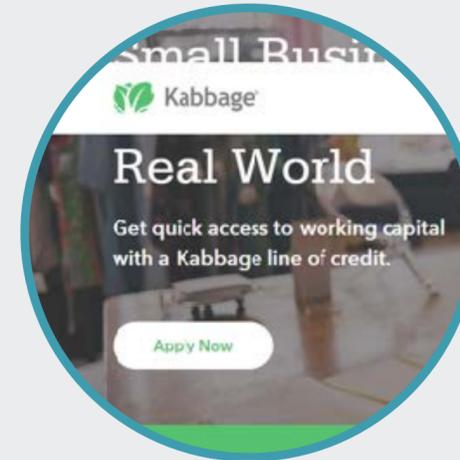
Instant sign-up process that cuts time costs at the very beginning of the client's journey.

WHY?

Niche services and players have proved that the sign-up process can be radically transformed.

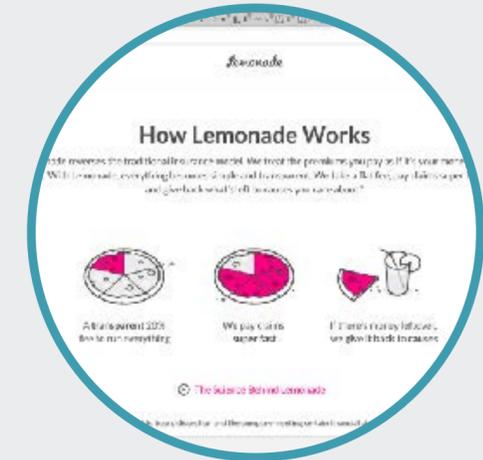
TREND EXAMPLES

Kabbage



Simple and convenient business loans that are granted in ten minutes.

Lemonade

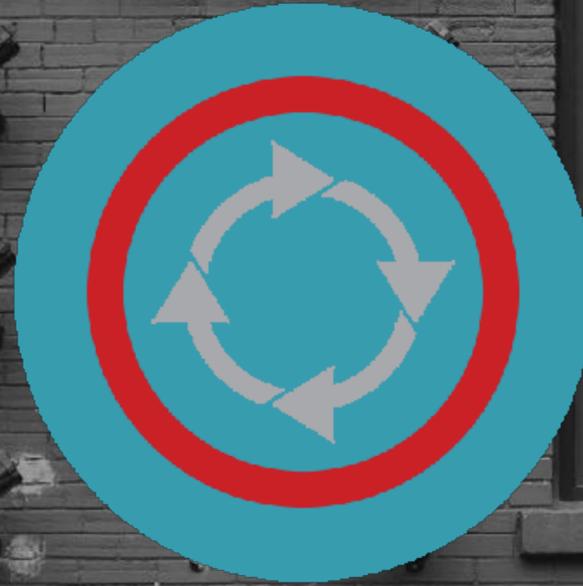


An instant insurance promise of 90 seconds needed to get insurance and 3 minutes to get paid.

Passportcard



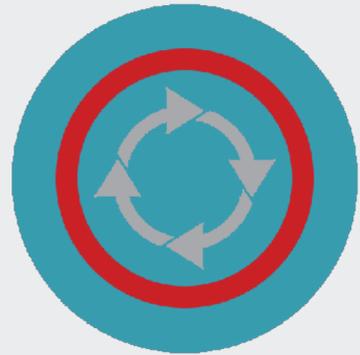
A real-time travel insurance solution.



FRICITIONLESS SECURITY

as privacy concerns enter public discourse, security measures have to become more flexible

TREND



FRICITIONLESS SECURITY

WHAT?

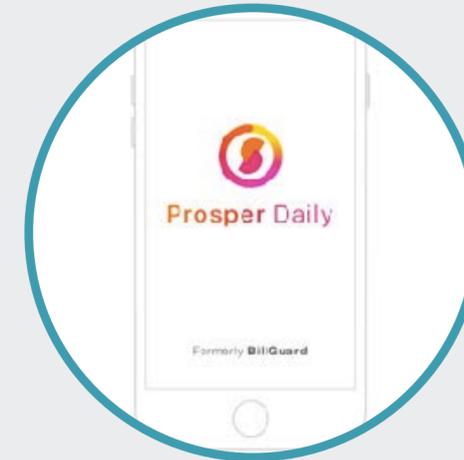
Security measures that do not burden the user.

WHY?

Increased security has been perceived as synonymous with decreased usability.

TREND EXAMPLES

Prosper Daily



Identity theft protection becomes integrated with everyday financial account services.

ShoCard



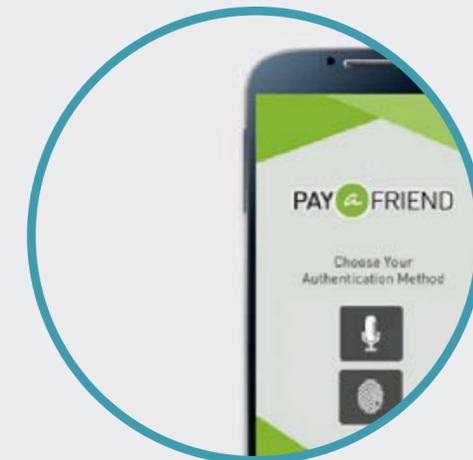
A digital identity that protects consumer privacy and is as easy to understand and use as showing one's driver's license.

HYPR



Facilitating passwordless authentication through a variety of streamlined biometric inputs.

Nok Nok Labs



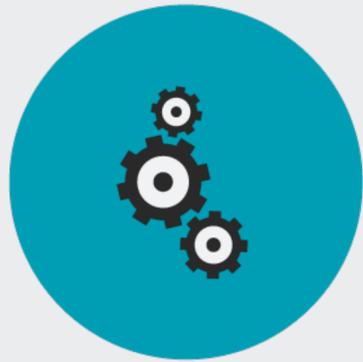
Convenient mobile authentication technology for e-commerce consumers.



BACKGROUND FINANCE

seamlessness evolves into a variety of forms, one of them being the transformation of services into background processes.

TREND



BACKGROUND FINANCE

WHAT?

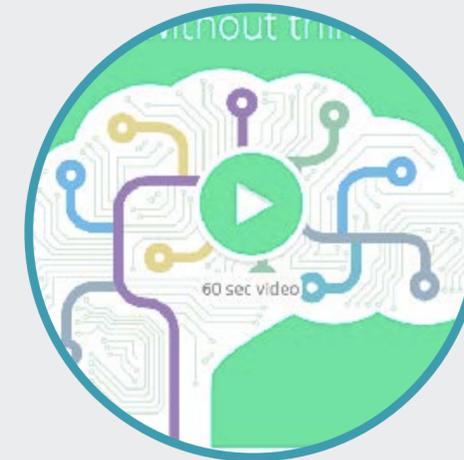
Financial services or processes that adapt to running in the background and require only minimal attention even for high-involvement decisions.

WHY?

We are willing to part with our individual recurrent decision-making, if we are convinced that the risk level is low.

TREND EXAMPLES

Digit



A smart saving app that decides for you when to save.

Wealthsimple



A Nobel Prize-winning approach which turns investment into an autopilot service.

Moola



An investment platform that builds on the promise of worrying less.

Union Financial Technologies



Modular solutions and bank in a box.

TRENDS CLUSTER

04

Consumer in control

These services stand out by helping customers take charge of an increasingly complex environment.

Benefits
& fairness

Problem
focused

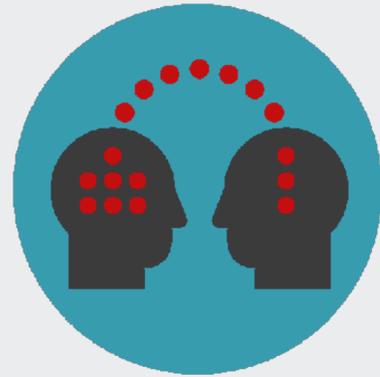
Effortless
solutions



ON-DEMAND EXPERTISE

in the world of personalised suggestions, tailored-products and content, we still need reassurances about our decisions

TREND



ON-DEMAND EXPERTISE

WHAT?

Incorporating on-demand human expertise into online digital service platforms as an integral value-added service.

WHY?

Making financial decisions is a complicated matter and professional help is out of reach most of the time.

TREND EXAMPLES

Earnest



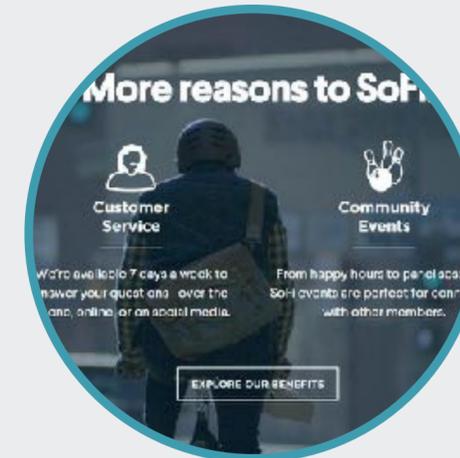
Offers better student loan rates through deeper data analysis, as well as unrivaled flexibility and client support.

Anivo



Online insurance broker provides offline advise as a value-added service.

SOFI

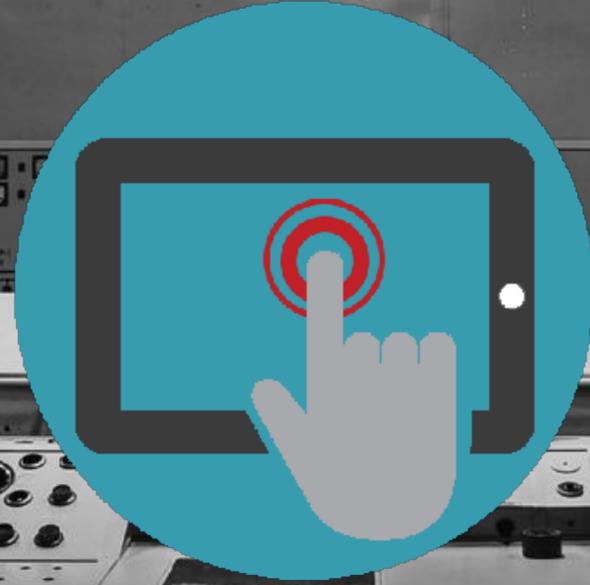


Provides students with career counselling on networking and negotiating.

Chronobank



An ambitious and wide-ranging blockchain project, aimed at disrupting the HR/recruitment/finance industries.



MISSION CONTROL SERVICES

are financial service interfaces becoming the operating systems of the future?

TREND



MISSION CONTROL SERVICES

WHAT?

Financial systems turn into operating systems that evolve over time and provide a spectrum of functions helping the end-users to streamline their decision-making process.

WHY?

Financial tools, accounts and data are usually scattered across different channels and systems - that is a major obstacle for making informed financial decisions.

TREND EXAMPLES

MyFutureNow



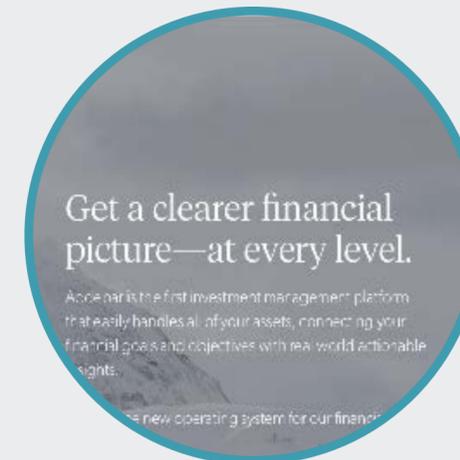
Making the management of multiple pension investments easy.

FutureAdvisor



Personalised investing advice and data-driven recommendations for your investment goals.

Addepar



A comprehensive investment management system that consolidates information from all departments within your company.



TRANSPARENT INSIGHTS

making financial decisions is about
understanding the context of choice

TREND



TRANSPARENT INSIGHTS

WHAT?

Brands and platforms providing context that facilitates choice and decision-making process.

WHY?

For the decision maker, the offer or choice is only meaningful once it is put into context.

TREND EXAMPLES

Everledger



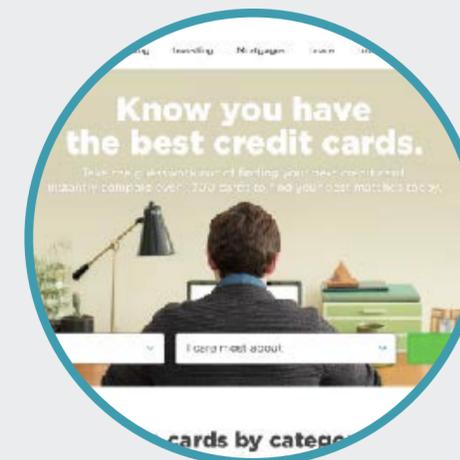
A fraud detection system, overlaying big data from closed sources like insurers and law enforcement.

Ormsby Street



Providing diversified-data insights for small business.

Nerdwallet

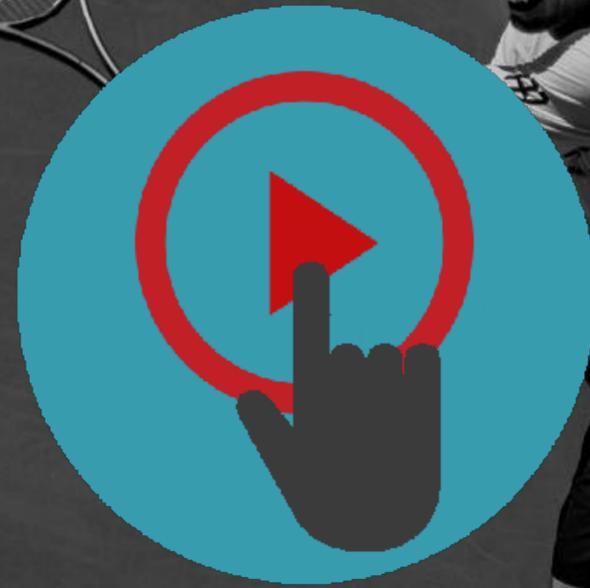


Choosing the best product by selecting needed benefits and comparing relevant service offers.

Tradeo



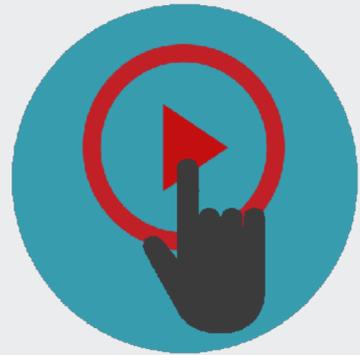
Providing traders with system users trading data and social functions.



REAL-TIME

putting the control into the consumers' hands does not mean giving more options - it is about giving freedom when to use them

TREND



REAL-TIME

WHAT?

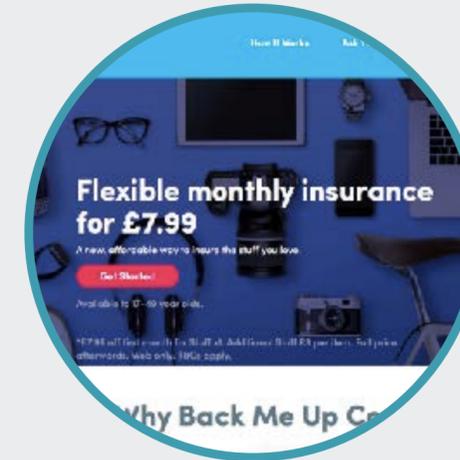
Options and service changes that are available to the end-client at all times.

WHY?

The diversified number of ways to interact with service and product providers does not efficiently translate into more control from the consumer point-of-view.

TREND EXAMPLES

Backmeup



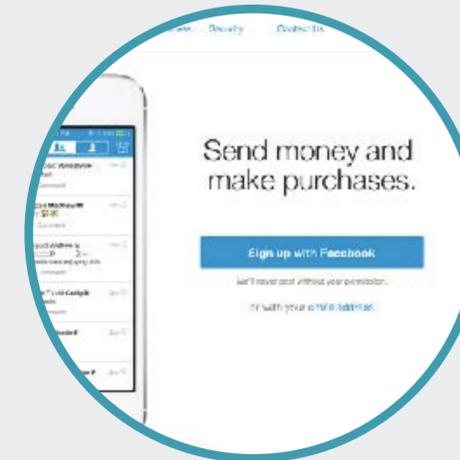
Offering to flexibly choose and change what to insure.

Trov



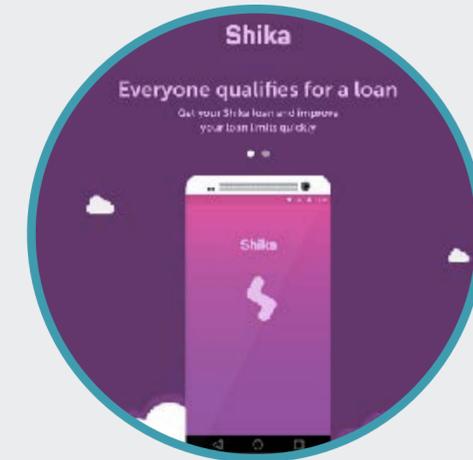
On-demand mobile first insurance for things.

Venmo



A digital wallet that lets you make and share payments with friends.

Alternative Circle



Quickest personal micro-loans via mobile.

The best returns await for those that spot opportunities arising from the changing consumer landscape and pounce on them first.

OPPORTUNITIES TO CONSIDER FROM THIS REPORT:

**Benefits
& fairness**

How can our services be more transparent, justly rewarding and more inclusive?

**Problem
focused**

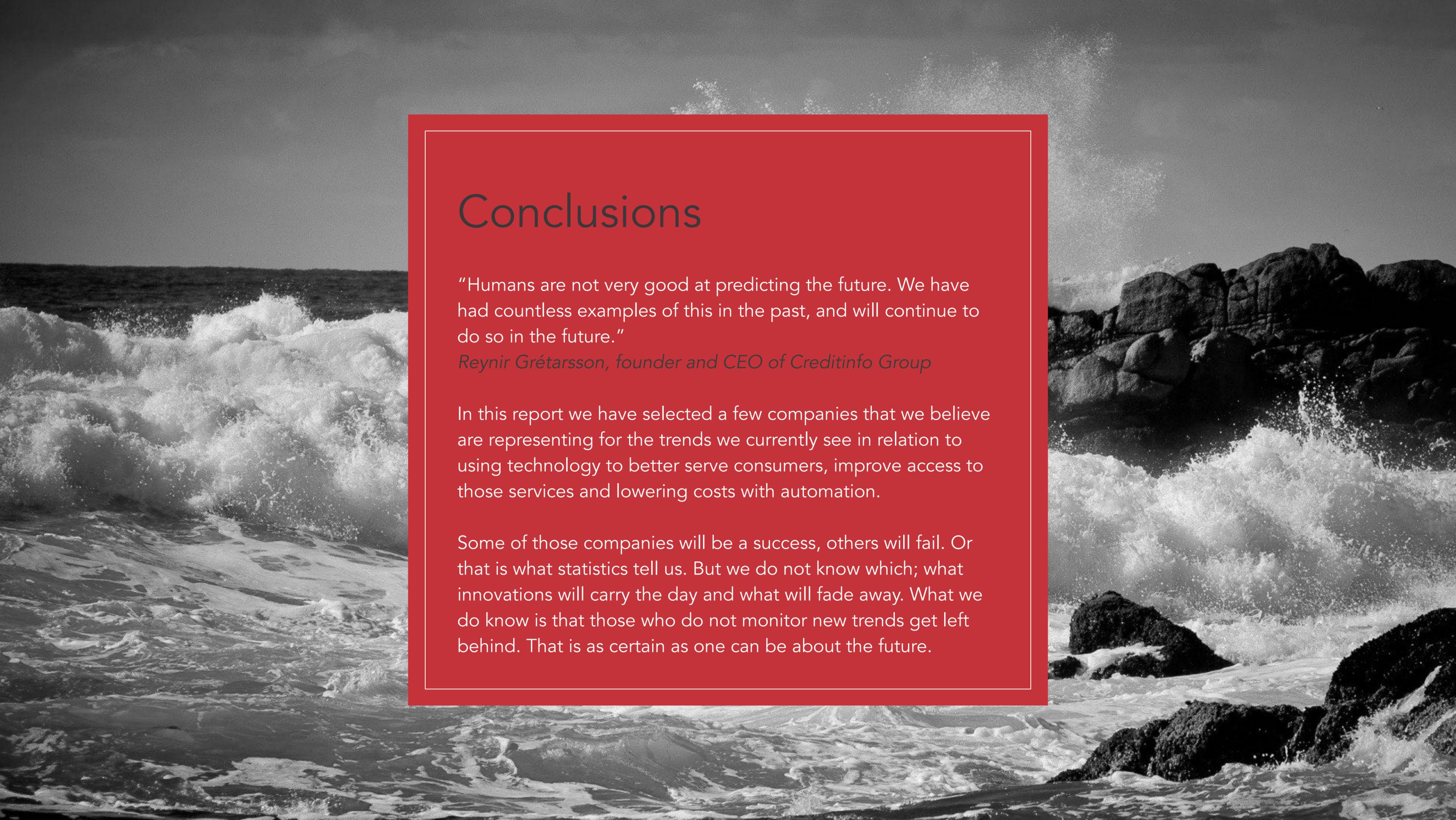
How can our service develop to solve a problem more comprehensively?

**Effortless
solutions**

What are the most complicated features of our service and how can we simplify them?

**Consumer
in control**

How much choice are we currently giving to customers and in what ways could we make them feel more empowered?



Conclusions

“Humans are not very good at predicting the future. We have had countless examples of this in the past, and will continue to do so in the future.”

Reynir Grétarsson, founder and CEO of Creditinfo Group

In this report we have selected a few companies that we believe are representing for the trends we currently see in relation to using technology to better serve consumers, improve access to those services and lowering costs with automation.

Some of those companies will be a success, others will fail. Or that is what statistics tell us. But we do not know which; what innovations will carry the day and what will fade away. What we do know is that those who do not monitor new trends get left behind. That is as certain as one can be about the future.



GLOBAL FORUM

MARRAKECH, MOROCCO

20-21 SEPTEMBER 2017

We like to take a
peek into the future.
We hope you do too.

Let's meet the future together
and let's meet each other at:
globalforum.creditinfo.com



Research partner

Be&Do

BRAND INNOVATION

We integrate trend research into our brand strategy, experience design and product innovation projects to help brands create unique and sustainable positionings.

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