

## Overview

- Voyager Labs has developed technologies to analyze human behavior using big data from the social sphere
- Two main products are Voyager Analytics and Scorpio

## Project

- Provide a comprehensive analysis of the global market of credit scoring solutions based on publicly available consumer social data. Specifically:
  - Demand for alternative credit scoring
  - Current competitive landscape
  - Partnership potential and business models
  - Promising markets



## Market Opportunity for Credit Scoring

### Rise of Alternative Scoring from

- High unbanked/thin-file populations coupled with financial crisis
- More data collection through higher user penetration and tech start-ups
- Increasing demand from middle class

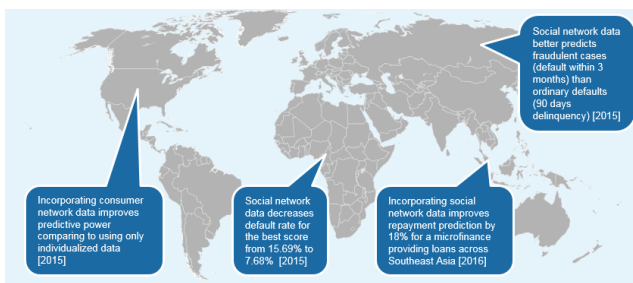
Four main types of alternative data are social, online, mobile, and psychometric with different level of predictive power

Key Players	Lenddo	FS	friendly score	zest finance	EFL	Kredtech	Others
HQ	SG	UK	UK	US	US	Germany	Scorebottle, LICO, Affirm
US	S, O, M, P	S, O, M, P	S, O	S, O, M	P	S, O, M	Tencent, Baifeng, Affirm
China	M, FICO			S, O, M			Tencent, Baifeng, Affirm
India	M, FICO	S, O, M, P	S, O				credit, LENDINGKART
Russia	M, FICO				P, FICO	S, O, M	
Philippines	S, O, M, P						ayannah
Mexico	S, O, M, P				P, FICO	S, O, M	ayannah, tixa, kueski
Indonesia					P		

S Social Data 
 O Online Data 
 M Mobile Data 
 P Psychometric Data

## Predictive Power

### Social Network Data Can Be Predictive



## Business Model

### Three Key Business Models Apparent Based on Survey of Competition

1 License Software	2 Underwrite	3 Facilitate P2P
<ul style="list-style-type: none"> <li>• Alternative score used to aid in lending decision</li> <li>• Revenue: new partnerships (origination fees), per score charge</li> </ul>	<ul style="list-style-type: none"> <li>• Fundraise and start offering loans based on scoring model</li> <li>• Take on default risk</li> <li>• Revenue: interest and fees</li> </ul>	<ul style="list-style-type: none"> <li>• Connect investors with borrowers</li> <li>• Scoring to set rates for borrowers and warn lenders of risks</li> <li>• Revenue: fees</li> </ul>

## Combination of Different Data Types Is Better



## Potential Partnerships by Business Model

Partnership	Example	Pros	Cons
1 Existing Scorers	FICO, VantageScore	• Revenue regardless of which credit bureau lender relies on • Huge marketshare	• Difficult to land partnership • Already using alternative data but haven't expressed interest in social
1 Credit Bureaus	Experian, TransUnion, Equifax	• Comfortable with SaaS business model • Huge marketshare	• Difficult to land partnership • More heavily regulated
1 Lenders	Mortgage, Auto, P2P, E-Commerce	• Easier to land partnership • Potential for increased personalization of algorithm through targeted partnerships	• Less scalable than partnering with credit bureaus/existing scorers
2,3 Consumers	Develop B2C platform	• Build brand reputation • Leverage for future partnerships	• Requires advertising • Additional design/usability considerations

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