

THE FINTECH TIMES

THE WORLD'S FINTECH NEWSPAPER

FEATURE STORY

The Challenger Banks taking over traditional banking services *page 6*

TECHNOLOGY

Transforming how people engage in extended reality *by Vault Hill page 26*

JOBS IN FINTECH

The Fintech Times selection of top jobs this month *page 28*

BOOK REVIEW

FinTech Women Walk the Talk *by Nadia Edwards-Dashti page 30*

IN THIS ISSUE

Farewell dual pricing

We investigate the crackdown on unfair pricing and gain insight into how the industry will evolve *page 4*

Meeting 'Mr SPACs'

Jonas Grossman, Managing Partner and President of **Chardan**, on how SPAC can bring innovative companies to public investors *page 10*

Launch, prove & scale

Emma Huntington, CEO of **Admiral Pioneer**, shares her hopes and ambitions for Admiral's venture building studio *page 15*

Future innovation

Success depends on cooperation and collaboration, says **Ben Luckett**, Aviva's CIO *page 17*

2022: The golden age of insurtech

Joanne Butler of **Charles Taylor InsureTech**, discusses the unique opportunity for insurers who can embrace digitalisation *page 18*

Banks and the environment

We delve into the green ambitions of challenger banks tackling climate change *page 24*

All for one

Insurtech **One Inc** on encouraging collaboration and partnership to help staff 'rise together' *page 29*

HOW INSURTECH IS RESHAPING INSURANCE

Opportunities presented by digitisation means there's never been a more exciting time for the insurance industry

HARTFORD, CT

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To The U.S.
For InsurTech/
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of the World

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major US and
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"The Hartford market continues to build on its reputation as a leader of InsurTech excellence," says Alchemy Crew Co-Founder, Chief Executive Officer & Managing Partner Sabine VanderLinden. "As a past creator of the Hartford Insurtech Hub, I've seen that there is a firm foundation in Hartford to grow more and more insurance ingenuity and talent."

THE FINTECH TIMES

BRINGING FINTECH TO THE WORLD

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EDITOR'S WELCOME

THE FINTECH TIMES



Fair insurance for everyone

Last year, I had the eye-opening experience of helping an elderly relative renew their home insurance policy as it was something their partner had always taken care of before they sadly passed away.

I couldn't believe how much they were being charged and a quick search soon identified that they could and should be paying hundreds of pounds less. (Let's not even start to discuss how much their broadband provider was charging them for near dial-up speeds in a fibre broadband area.)

For as long as I can remember, I've been the type to switch home and car insurance provider every year – with the help of a comparison website – with my modus operandi of picking a new package solely based on the cheapest annual renewal option, with

perhaps a few frills thrown in for good measure.

So, prior to my experience with this vulnerable family member, I'd always looked at the UK's crackdown on price walking (or dual pricing) as something that would have a detrimental effect on *me*. As someone chasing the lowest new-customer premiums, I could see I would likely end up paying more each year to insure

Ultimately, improving the insurance industry through technology is something we all want to see

my home and car with big discounts no longer available. But now I could see the other view: that loyal customers were paying more unnecessarily with companies gradually increasing the price to customers who renew with them year on year.

This understanding has made it particularly

enjoyable to chat to various industry experts for this edition of the paper about the introduction in January of new rules that said insurers must charge new customers the same price that an equivalent renewing customer would pay for the same policy.

Gavin Sewell, chief executive of car and van insurance insurtech Honcho, provides great insight into why the new

regulation is a good thing for consumers which you can read on page 4. I also share input from key price comparison websites on how this impacts their business but why they still say comparing packages is crucial to everyone getting the best deal.

Ultimately, improving the insurance industry



through technology is something we all want to see. And in this insurtech-focused edition, we'll hear plenty more fascinating viewpoints from the sector's key players.

There's also our secondary theme of challenger banks to dive into – turn to page 7 to hear from Starling Bank as to why challenger banks are 'coming of age', and see which fintechs are flying the sustainability flag on page 24.

Enjoy your read! **TFT**
Claire Woffenden, Editor
The Fintech Times

FAREWELL DUAL PRICING

A NEW DAWN FOR INSURANCE

For years there have been complaints about unfair pricing in the insurance industry but with reforms finally introduced at the start of this year, how will the industry evolve? The Fintech Times investigates

It was back in 2018 when the Competition and Markets Authority began investigating concerns that people who stay with their insurance provider can end up paying significantly more than new customers, following a 'super-complaint' from Citizens Advice.

Then, in 2019, the UK's financial regulator – the Financial Conduct Authority (FCA) – unveiled plans to crack down on dual pricing – also known as price walking – where insurance providers artificially lower their acquisition pricing to win new business then ramp up the prices at renewal time in order to try to recoup their acquisition losses and move to profit.

Finally, at the start of this year, the FCA ushered in rule changes – part of the General Insurance Pricing Practices (GIPP) – so that premiums charged to all renewing home and private motor insurance customers by their insurance provider cannot be greater than the price they would charge to an equivalent new customer for the equivalent policy.

IMPACT ON INSURANCE PRICING

The Association of British Insurers (ABI), the voice of the UK's insurance industry, believes that while these changes will likely lead to consumers paying higher prices if they currently

benefit from significant new business discounts, the home and motor insurance markets should remain competitive.

James Dalton, ABI's director of general insurance policy, said: "We support these reforms, and are pleased that the FCA has acted to bring them in across the home and motor insurance markets. While the FCA recognises that these changes could lead to price rises for some who shop around regularly, all customers should get fairer outcomes in the UK's competitive home and motor insurance markets."

IMPROVED OFFERINGS

Durham-based insurtech startup Honcho, which offers a reverse auction marketplace platform, where consumers using Honcho's iOS and Android apps ask car insurance providers to bid against each

other in real time to win their business, says it is 'very pleased' by with the work that the FCA has been doing.

According to the company, as insurance providers move away from price as their sole selling point, meeting the needs of consumers via differentiated propositions should become the norm and will lead to a better overall experience.

Gavin Sewell, CEO at Honcho, says: "Price comparison websites have been telling us for the last 15 years that the thing you need above all else in your product is the cheapest product. Now, as we all know, from purchases of fridges or televisions or whatever else it might be, the cheapest one isn't necessarily the best one or the one that gives you the cover that you need.

"We recognised this as an issue and wanted to build a solution for customers that would try to help them find the best products at the best price. We built a system that not only asked for the data you would normally give to comparison websites but would take the customer on a journey to understand their needs better than they do today, highlighting the differences in cover so that if you do ever end up claiming, you essentially know what you're going to be covered for.

"Some people still choose the cheapest, but 80

per cent of people go for a more informed choice. Insurers are going to have to start talking about why their product is better than someone else's, because the pricing differential is not going to be there anymore. You're not going to be able to subsidise those new policies in the same way."

OFFERING VALUE

Cuvva, the car insurance app supporting more than half a million drivers, also believes insurance companies will need to truly offer value and treat customers fairly if they want to continue to retain customers and thrive in the future.

Andy Tomlinson, COO at Cuvva, said: "Eradicating dual pricing is a positive leap forward both for customers and the industry. Customers will no longer be taken advantage of at renewal time, with their premiums doubling, which will help build much needed trust and loyalty in the sector, offering customers greater value and fairness longer term.

"As insurance companies will have to offer existing customers the same price as new customers, it's likely that in the short-term customers will see their premiums rise as insurers adjust their rates to levels that are sustainable at renewal time. In the long-term, customers will see big savings as they'll no longer be punished at renewal time for staying loyal."



BUT WHAT ABOUT PRICE COMPARISON WEBSITES?

So how will this impact price comparison websites, who have thrived on the 'switch and save' approach?

For Kevin McLoughlin, partner and co-founder of insurtech-focused venture capital firm MTech Capital, consumers will still turn to these services to compare products.

He said: "A large majority of UK consumers have come to rely on price comparison websites for their motor and, to a lesser extent, home insurance. The FCA's prohibition on dual pricing will prevent an insurance company from offering discounts to new customers by funding those discounts with higher premiums charged to renewal customers. Does that change make price comparison sites superfluous? Not at all.

"There are dozens of motor insurers in the UK that compete ferociously with different pricing and market strategies. In short, I expect the retail insurance market will still produce material price differences across companies, making it worthwhile for consumers to keep shopping online. At the same time, I expect price comparison websites to adjust by giving weight to other important terms and features in their rankings.

"Size of the policy excess, breakdown cover, courtesy car, legal protection could all be assigned a weighting – in addition to price – to rank companies based on total value for money."

BUSINESS AS USUAL

Ryan Fulthorpe, a spokesman for comparison website GoCompare, said: "GIPP is a huge shift for the insurance industry and ultimately signals the end of the 'loyalty penalty' as it was previously known – where insurers would offer new customers a better deal than their returning policyholder.

"In terms of GoCompare's model, this remains the same following GIPP, and shopping around at renewal using a comparison site is still the best way for people to make sure they have the right cover at the right price.

"In fact, now more than ever, car and home insurance customers should be looking to compare their renewal price against the rest of the market. Insurers use many different factors to calculate their prices, which can include vehicle make, model and age, customer age, driving experience, changes to repair costs they identify through claims, addresses and postcode, to name but a few.

The 'price-walking' reforms will provide some protection to customers, however, as has proven to be the case with the energy price cap, it often remains in a customer's interest to switch

"So, a customer's renewal price from one insurer still needs to be compared against the many other insurance companies who will all provide different and potentially more competitive quotes. Insurers may also change their pricing based on their claims experience at any given time. For instance, if they see an increase in car insurance claims for a certain type of vehicle or driver profile, they may increase their renewal prices to reflect this."

"Other insurers may not have a similar concentration of claims or driver profile and may therefore offer a more competitive price. Insurers constantly review and change their pricing strategies to reflect their claims experience (and many other factors), which is another reason to shop around every year.

"We have yet to see how the new GIPP rules will impact insurance premiums overall, we have seen slight increases in the cost of car insurance as people get back to pre-pandemic driving habits and there are subsequently more claims being made. But in terms of which customers these changes will impact the most remains to be seen."

CONTINUE TO COMPARE

Comparison company Moneysupermarket is gearing up for a busy 2022 and believes the regulations represent opportunity as much as change as it is still in the interest of consumers to compare, switch and save.

A spokesman for the company said: "We believe our markets should be relatively unaffected by these reforms – using a price comparison website to be confident of receiving the best price is an ingrained behaviour for many consumers. Sixty per cent of our enquirers for car and home insurance use a comparison site every year.

"The 'price-walking' reforms will provide some protection to customers,

however, as has proven to be the case with the energy price cap, it often remains in a customer's interest to switch. It will become clearer over time how insurers adapt their pricing strategies but we do expect the reforms to cause price changes in the near term. Such price changes should drive enquiry volumes in 2022.

"Policyholders whose risk profile has changed over the year will continue to see changes to the price they are offered. This could be for many reasons, such as because they have moved house, changed their car or occupation, or had a claim or a conviction – or because the policyholder is seeking different cover. In these circumstances the risk is different and therefore the premium will be different too – whether it is offered by an existing insurer or a new underwriter.

"A large proportion of visitors to our insurance site will have seen some change in their circumstances over the year. So they may see a quote from their existing insurer that is higher than a year earlier. They will benefit from comparing using our site to see what else is out there. They might find improved cover for the same price, or the same cover for a low price. The new rules make it easier to opt out of autorenewal which is a real frustration to consumers who want to switch and discover their existing policy has already been autorenewed.

"There are so many variables in pricing insurance that the wisest option is always to compare, switch and save. We make sure that our question set is intuitive and that the way quotes are offered allows the customer to easily compare the price and features if cover from different providers.

"We don't know exactly how insurers will react to the new price regulations, but we do know that they will still want new customers and that many customers will see a change in their premium. So, for us, that means more traffic to comparison sites, at least in 2022." **TFT**



THE CHALLENGERS

COMING OF AGE

For years, the UK's biggest banks – Barclays, Lloyds, HSBC and RBS – dominated the marketplace, accounting for 85 per cent of UK personal current accounts. But over the past decade, digital transformation has revolutionised the banking sector with the updated Financial Services Act 2012 kickstarting innovation and improving customer choice.

By traditional definition, challengers are a 'relatively small' retail bank set up with the intention of competing for business with large, long-established national banks. Yet, according to the latest data from the UK's financial watchdog, challenger banks are increasingly taking over traditional banking services from these distinguished financial institutions.

The Financial Conduct Authority has identified signs that large banks' historic advantages are starting to weaken, driven by digital innovation and changing consumer behaviour. The share of

personal and micro-business current accounts held by digital challengers rose between 2020 and 2021, while the largest banks saw their share fall.

Around one in 12 (eight per cent) personal current accounts are now held with a digital challenger bank, up from just one per cent in 2018. Large banks accounted for 64 per cent of personal current accounts in 2021, while larger challengers accounted for 24 per cent and mid-size banks made up the remaining four per cent share.

THE IMPACT OF THE PANDEMIC

For Sarah Coles, senior personal finance analyst at Hargreaves Lansdown, the onset of the pandemic has eroded many of the reasons given for banking on the high street.

"In the early months, many of them shut up shop entirely," says Coles. "Some never reopened, and many of those that did, operated shorter and less predictable hours. Many of them encouraged customers to move online to the apps.

"If you're going to bank online, then it makes sense to consider the challengers, because they were able to build themselves from the ground up as digital first. For individuals there are useful budgeting and saving tools, while for small businesses they offer the ability to integrate with accounting software.

By traditional definition, challengers are a 'relatively small' retail bank set up with the intention of competing for business with large, long-established national banks

“As long as you go with a fully licensed bank, you have all the same protections as one of the established high street giants. It means the first £85,000 with any institution is protected by the FSCS if something was to happen to the bank.”

PERSONALISED PRODUCTS

According to credit rating agency Moody's Investor Service, challenger banks are set to keep growing through innovative low-cost offerings, steadily building their market share and widening their product base.

“Around half of the 20 largest challenger banks are profitable,” says Petr Paklin, VP-senior analyst at Moody's. “They are financial technology firms with a banking licence and their speciality is leveraging technology to dramatically lower costs and improve the client's experience. Their streamlined operations and tech focus cuts time and costs and allows personalisation of products at scale. We expect the challengers will continue to gain in scale and stature.”

CUSTOMER EXPERIENCE

Chattermill, the unified customer intelligence platform, suggests that customer experience is key to the success of challenger banks with customer experience of digital banking ‘arguably so good’, that many consumers are keen to make the change to pureplay digital-only banks.

Mikhail Dubov, co-founder and CEO of Chattermill, says: “Challenger banks are built customer-centric from their inception. It's often their USP, and their business models are centred around better

understanding their customers. In recent years, this has enabled them to meet changing customer demands while also allowing them to pivot/adapt faster than their incumbents.”

IS THE END NIGH FOR TRADITIONAL BANKS?

No, says Michael Galvin, co-founder and CCO at fintech SaaS provider TOQIO. “Old incumbents are not simply going to be replaced by challenger banks. Instead, we are seeing a wave of highly personalised, niche offerings that are being enabled by API access, banking rails, and innovative software platforms, that can cost-effectively launch new banking propositions. Even to the extent that non-financial companies are already creating their own in-house banking solutions.

“Evolution in regulation has not been the driver of this change and is one of the reasons challengers are struggling to break through against the incumbents. In fact, it is the innovation and creativity, plus the absolute focus on customer needs, of these innovative fintechs that will collectively change the competitive landscape of banking for good.”

Chattermill's Dubov also believes brick-and-mortar banks can still succeed

Starling: a success story

In 2020, Starling became the first of the new breed of digital banks to become profitable. Founded in 2014 by banker Anne Boden (right), the company has now opened more than 2.7 million customer accounts – including more than 475,000 small business accounts – and scooped the accolade of Best British Bank in the British Bank Awards for four years running.

Its SME market share also now tops seven per cent, almost half of Barclays' share. While its deposit base stands at £8.4billion, up from £4.8billion year-on-year, and it has boosted its lending from £1.9billion to £3.1billion.

According to Starling, the key to its success is listening to customers and responding to their needs by quickly introducing product innovations, such as cheque imaging or its second debit card for those self-isolating during the pandemic.



A spokesperson for Starling told *The Fintech Times*: “Customers choose Starling because we offer 24/7 customer support easy in-app application and no monthly charges. This year we're embarking on a new phase, starting with the launch of our software as a service (SaaS) proposition, taking Starling's software to banks around the globe. We also plan a continued expansion of our lending in addition to launching new functions, products and services which appeal to our business and personal customers.”



by adopting a hybrid approach to supporting customers. He says: “Having decades of in-store and online customer data may prove to be an advantage – after all, not everyone wants to bank online as YouGov research indicates a third of Brits don't use mobile banking.

“But established banks need to ensure they not only collect but unify their vast pools of customer data. Many aren't. They also need to embrace innovative technology like Chattermill's unified customer intelligence platform to find out what their millions of customers want. It's only by grasping this that established banks can innovate to meet changing customer behaviour.”

READY TO SWITCH

Continued success for digital banks isn't, of course, guaranteed. Recent research of more than 12,000 European consumers by Okta, an independent identity provider,

reveals that only 10 per cent display loyalty to their current bank. Many Brits would go as far as making the switch back from digital to physical banking if they experienced weak security processes (46 per cent), data breaches (44 per cent), inconveniences (42 per cent) or poor customer service (34 per cent) from their online provider.

Ian Lowe, head of industry solutions at Okta, comments: “Convenience has driven Brits online, but as a result, they want security, simplicity and reliability from their digital banking experience. If not, they won't hesitate to make the switch to a competitor – something even easier now with the help of open banking.” **TFT**

Why your SMB client just left you for a challenger bank

Financial institutions that rely on credit scores run the risk of losing existing and potential customers

Credit is arguably the oldest and most widely accepted and understood financial product known to mankind. However, this acceptance and understanding does not automatically translate to widespread accessibility. Across the world, groups like young adults, immigrants, women and minority communities are disproportionately affected by credit inaccessibility.

They often have trouble securing financing, especially when starting new businesses or growing established ones. At an enterprise level, this incongruence in access is most felt by small and medium businesses (SMBs). These establishments often do not have a rich and lengthy credit history and, like the groups mentioned above, tragically remain 'credit invisible'.

Research has repeatedly shown that the continued reliance on credit scores as a baseline test for the creditworthiness of borrowers is a significant contributor to this disparity in access.

Traditionally, relying on the credit score (a combination of factors like payment history, total amount owed, length of credit history, types of credit and new credit availed) to measure a borrower's ability to repay was a sensible approach.

Lenders then had a limited number of data points to base their underwriting on. Most of these data points (derived from somewhat straightforward business structures) were adequately represented by the credit scores and weighed based on their contributions towards the borrower's risk profile.

Since then, with the advent of technology, financial markets and corporate structures have undergone a moonshot's worth of changes. Continuing to use credit scores as the primary and often sole indicator of a borrower's financial health seems patently inadequate.

For example, a lot of new businesses today don't have a lot of assets but have strong tech capabilities and revenue potential. With the increase in demand for



Nick Chandi, CEO and co-founder, ForwardAI

services to this segment, it presents growing opportunities for financial institutions to develop functions to specifically serve these businesses. The one-size-fits-all approach of underwriting through credit scores has become reasonably obsolete as founders continue to develop more diverse business models.

Data points on cash flow, future revenue streams, and accounting practices that either existed in silos or were considered too speculative are becoming more accurate with machine learning and data analysis.

The agility in adopting newer technology to meet customer needs makes challenger banks and alternative lenders a very lucrative option for segments profiled as high risk or subprime by bank lenders

With new technology comes newer use cases for credit products. But the burgeoning market hasn't yet chipped away substantially at the credit invisible, which presently affects more than 35 per cent Canadians and almost 20 per cent Americans. Each person or business that remains credit invisible represents a missed opportunity for the lenders to this cohort and potential opportunities for newer players in the market.

Challenger banks and alternative lenders are fast emerging all around us. They are tapping their tech-savvy colleagues and fresh new fintechs to fetch this untapped cohort of customers for the oldest financial product in the world.

Intentionally moving away from reliance on past performance, these new-age lenders and fintech companies are relying on new real-time data (such as future cash situations, upcoming business challenges, potential monthly inflow/outflow, and

financial trends and predictions along with automated accounting and banking data comparison) to create lending solutions that are cheaper, customizable and more attractive.

The industry-changing impact of alternate lending models has not been thoroughly tested. Still, preliminary segmented research suggests using alternative data has led to 60 per cent more loan approvals, winning these fintechs an otherwise unaddressed customer base for life.

Interestingly, the reliance on a broader cross-section of data points also makes credit underwriting for such borrowers more accurate and helps these types of lenders balance their underwriting costs and offer lower rates of interest. It is likely that these lenders also see lower levels of non-performance due to the customisable approach towards repayment. The agility in adopting newer technology to meet customer needs makes these challenger banks and alternative lenders a very lucrative option for segments profiled as high risk or subprime by bank lenders. In fact, research by the Financial Conduct Authority (FCA) shows that the share of micro-business current accounts in digital challengers has already grown from one per cent in 2019 to 10 per cent in 2021, and is likely to keep growing.

Despite the many benefits outlined above, challenger banks and alternative lenders are new in the fray and often deal with distrust from customers. In contrast, conventional lending institutions continue to hold mindshare due to their years of unwavering commitment to the financial markets, which fintechs find hard to develop and retain in such a short time. This forces fintechs to often rely on the goodwill generated by traditional banks by partnering with them to serve the underserved cohorts.

Therefore, the fittest combination requires equal trust and innovation in creating new offerings for the SMB customer base. Traditional lending

institutions need to leverage the years of trust that customers have placed in them and blend it with fintech flexibility and technological dexterity to serve the SMB segment more effectively. Whether by a partnership with challenger banks or by building capacity internally, traditional lenders need to replace their reliance on credit scores with an underwriting model that best suits the business at hand.

Given that the SMB market is expanding as more and more people embrace their entrepreneurial spirit, the competitive advantage will remain with those institutions that can adapt expeditiously to the needs of this clientele. You know, Darwin's 'survival of the fittest' and all that. **TFT**

About ForwardAI

ForwardAI is improving access to aggregated accounting, financial and business data and analysis for financial institutions, business lenders, and fintechs, using its Precise API, Access partner portal and Predict-as-a-Service client-facing cash flow forecasting and planning tool.

Accessing small business accounting and business data shouldn't be difficult. Building improved SME financial tools or making lending decisions shouldn't require manual data import. ForwardAI is here to help.

We provide solutions that streamline the SME client intake process and make it simple for financial institutions, alternative lenders and fintechs to onboard and provide comprehensive financial services to their clients. Our business data is provided through seamless, secure workflows in three forms: historical, real-time, and predictive.

Website: www.ForwardAI.com



Processing payments in Latin America

PayRetailers is a payment gateway that utilises the latest technological innovation to support medium and big companies from around the world in investing in the promising Latin American market. In this way, any merchant that decides to operate in Latin America will be able to benefit and see their revenues grow in an ecosystem that is currently thriving – a trend that is expected to continue going forward.

During 2021 in Latin America, CB Insights recorded \$20.2 billion in venture capital investment. Against this backdrop of great opportunities, we've risen to the challenge by adapting its technologies and creating new bespoke financial solutions.

Understanding each of the region's markets and gaining an in-depth knowledge of the preferred payment methods of Latin Americans has been fundamental in cementing the company's central role in the region's fintech revolution. The key is to provide a customised payment solution for each type of business that wants to expand in Latin America. PayRetailers achieves this goal by offering a secure and easy payment solution for businesses large and small, suitable for markets as diverse as e-learning, gaming, and e-commerce, among others.

Thanks to a unique API integration technology, we can provide tailor-made financial solutions to customers from across various industries. The most advanced technology is used to assist the merchant throughout the integration process, during which they can choose between different payment methods such as cash, bank transfers, local cards, QR codes, e-wallets and crypto payments.

TOOLS AND INTEGRATIONS

The PayRetailers integration has many advantages. It offers developers a wide variety of tools such as: Rest API, Libraries (SDK), and Payment link.

Libraries (SDK) can be used across multiple languages and platforms. A payment link is a tool that clients can create and share on any social network or email, while also making on-the-spot sales. They can also use the payment link via WhatsApp or in any other chat platform. And the most important tool is

Technology can improve people's daily lives and contribute to financial and technological inclusion in Latin America, writes Jose Martí, head of global sales at PayRetailers

a Rest API, which is flexible and robust, and designed to be integrated into web or mobile applications. Here, once a merchant has tested their account, they can review all five of the solutions that the company offers before deciding which integration best suits their needs. Merchants can choose between:

1 Paywall integration: An all-in-one solution that provides a filtered payment method listing, grouped by payment method channel, that is always up-to-date.

2 Dynamic method calling: For integrations that require a more custom-coded approach, the GET Payment Methods API call provides a list of all available payment methods in JSON format, along with their preferred display name and image URL.

3 Direct integration: Provides the payment method codes directly to the merchant, who can then integrate them as they see fit.

4 Mixed integration: For integrating a paywall and for direct integrations.

5 Plug-in integration: An extensive documentation that includes all the methods and plug-ins to help integrate the client and create a solution as soon as possible. Examples include: PrestaShop and WooCommerce.

PAYMENT SOLUTIONS FOR EACH BUSINESS

PayRetailers' entire technology and innovation is based primarily on thorough research and an overarching recognition of people's needs. The company has witnessed that consumers in Latin America are becoming increasingly demanding and require secure and easy-to-use payment methods. At the same time, the technological infrastructure continues to improve in the region, while financial access has grown, and internet connections have increased (and improved).

In part due to the effects of the Covid-19 pandemic on consumer habits, commerce is going digital throughout Latin America. The trend towards digitisation in the payments sector has grown exponentially in recent years. It is a market of millions where digital wallets, cardless transactions and alternative payment methods are rapidly replacing cash, cheques, and physical credit cards.

Mandatory lockdowns drove consumers towards online platforms in order to access their goods and services; pushing merchants to migrate their sales activities to e-commerce channels. Today, in Latin America, the rapid speed of e-commerce adoption is not limited by geography, i.e., purchases are becoming faster, safer and more efficient, thanks to payment processors such as PayRetailers.

PayRetailers has become a great fit for e-commerce companies. It helps them get the right payment selection in each market and receive optimised processing that allows them to expand further in Latin America. This unique service gives merchants the peace of mind to forget about conversion rates, fraud risks and the likelihood of chargebacks that such a situation entails.

Latin American e-commerce has been growing steadily in recent years thanks to a 20 per cent increase in mobile commerce. According to the *Global Payments Report 2021*, an annual growth rate of 15 per cent is expected until the end of 2024. A payments service provider like PayRetailers is necessary if you want

to be part of the e-commerce and digital payments boom in Latin America.

For this, a sophisticated and versatile payment suite such as is a must for any forward-thinking business. Moreover, in this digitisation process, it is essential to have a trusted payment partner to operate in the region. PayRetailers is the trusted partner for more than 50 local banks in 12 countries.

RISK AND FRAUD MANAGEMENT SYSTEM

PayRetailers uses technological innovation to ensure that the company provides the very best fraud and risk management system available. PayRetailers takes a proactive approach by leveraging transactional data and machine learning algorithms to stop both known and emerging fraud patterns. The company has developed a reliable and adaptive fraud prevention framework that enables legitimate transactions to be frictionless.

The security of the gateway allows every merchant to get an analysis for their business with the customisable reports they need. Moreover, customer data will always be protected by the most reliable payment security technologies. You can rest assured that your customer data will always be protected by the most reliable payment security technologies, including EMV, PCI-validated P2PE, and tokenisation. PayRetailers has best-in-class security tools. In this context, the company has an experienced and dedicated fraud prevention team that is supported by AI-powered technology. This will enable PayRetailers to protect both consumers and merchants, regardless of the payment method selected.

Latin America's financial technology has experienced profound growth and fintechs are having a real impact on the region's digitisation, innovation and economic development. With its state-of-the-art payment technology, designed to handle mass online payments in the Latin American market, PayRetailers offers a service that people use in their daily lives and helps make certain actions such as making online payments through mobile apps easier and more secure. The company firmly believes that technology is a tool to improve people's daily lives and contribute to financial and technological inclusion in Latin America. **IFT**

About PayRetailers

PayRetailers is a payment service provider that supports a wide range of payment methods via a seamless API integration and allows global businesses to trade with buyers and increase revenue in Latin America.

Website: www.payretailers.com



MEETING 'MR SPACs'

Harnessing the power of a SPAC can bring innovative companies to public investors says Jonas Grossman, managing partner and president of independent global bank Chardan, as he chats to The Fintech Times about the ups and downs of the investment trend

Chardan is established as one of the most notable underwriters, advisors and sponsors of SPACs (special purpose acquisition companies), having been involved in 116 SPAC IPOs with over \$14.7 billion in transaction value, 29 business combination transactions with over \$11.4 billion in transaction value, and 14 sponsored/co-sponsored SPAC transactions with over \$1.3 billion in transaction value. Jonas Grossman has spent almost two decades at Chardan and, as managing partner and president of the firm, he oversees its banking and capital markets activities. We hear from Grossman about the evolving world of SPACs.

THE FINTECH TIMES: Jonas, tell us about Chardan and how you work with and advise fintech companies

JONAS GROSSMAN: Chardan is a full-service independent investment bank that specialises in supporting fintech and other disruptive technology companies. We combine deep industry relationships with an intricate understanding of the perspective of a fintech executive. Our platform is led by investment bankers who have successfully founded, managed and exited notable fintech companies, as well as led corporate strategy and M&A at bulge bracket banks.

In terms of our service offering, we help both public and private fintech companies raise capital, as well as provide strategic advisory work on M&A opportunities. Notably, Chardan has a nearly 20-year history in the SPAC space, as sponsor, underwriter, and advisor, and with that experience we spend a great deal of time advising companies and investors on SPAC opportunities.

We also work with fintech industry veterans to collaborate on SPAC sponsorship. In this model, the fintech-focused SPAC is run by the industry

veteran, leveraging their relationships, and Chardan commits risk capital and focuses on mentoring the SPAC team through the mechanics of sponsorship and execution.

A recent example of this is a co-sponsored SPAC we did with Quantum Fintech Acquisition Corp.'s CEO, John Schiabile. Quantum recently announced a definitive business combination with TradeStation Group, a provider of award-winning trading and analysis platforms and self-clearing online brokerage services for stocks, ETFs, equity and index options, commodity and financial futures, futures options, and cryptocurrencies.

TFT: Why are companies choosing SPACs?

JG: If you're a private company looking at whether to do a later stage financing, you need to consider: 'Do I go down the traditional IPO route, which really hasn't seen a lot of innovation for decades, or do I try to go down the route of a SPAC? What are the benefits or drawbacks?' Not every solution is right for every company, it depends on what it's looking for.

In volatile geopolitical markets like now, SPACs are the only game in town for private companies to get public

SPACs have proved interesting for folks because the IPO route can actually be risky – you go along a process, you hire a bunch of banks, they promise you a certain valuation, you spend a lot of money and have to abide by SEC restrictions while under registration. Then, you go to launch a roadshow over two weeks. If the market is volatile, it can work against you because valuation negotiations are done in a very public fashion. At this point, you're a price taker because you are not going to walk away from the deal and you're at the mercy of the banks to correctly price the

transaction. We've seen these deals get priced and the shares double or triple on day one. So, the companies ask themselves, did we really price this effectively or did we leave capital on the table?

SPACs are a little bit different. In the SPAC transaction, private companies find a SPAC partner that they think is a good fit, because the SPAC team has skills within the fintech space, understands the capital markets, has relationships with others, including with investors, to help them through this process, and has internal committed capital. During the process the company is going out confidentially and meeting with core investors.

Then, once you have interest from key investors and a sense of pricing or exact pricing, you're able to confidentially use that information to decide whether you want to sign a merger agreement and move on to the next stage of the transaction. The confidentiality component gives private companies more control of the process, which is why in the last couple of years, given the volatility around the markets post Covid, SPACs have become an interesting way for private companies to go public. The SPAC process gives investors more time to do the diligence to commit to the transaction than you would have in a traditional IPO, which moves very quickly.

In many cases, it removes the need for private companies to do the pre-IPO crossover round, which saves them dilution. At the end of the day, there are many business development benefits to being a public company. We often see companies dual track their going public process, pursuing both a growth equity round and exploring merging with a SPAC to see what ultimately makes the most sense. But, in volatile geopolitical markets like now, SPACs may be the most viable path for private companies to get public.

TFT: What are your highlights of the past 12 months?

JG: We've been really excited about the pace of growth in the SPAC market, and the growth of our fintech and

principal investments team as it relates to SPACs. On the principal investments side, we sponsored or co-sponsored five SPACs and announced business combinations for six of our sponsored or co-sponsored SPACs.

We've also worked on a number of announced M&A transactions in the fintech space including Apifny and Abri SPAC I, BitFuFu and Arisz Acquisition, TradeStation and Quantum Fintech Acquisition, as well as a few that closed this

year including Lottery.com and Trident Acquisition and BM Technologies and Megalith. Additionally, over the past 12 months we've underwritten a number of fintech focused SPAC IPOs still seeking merger targets like Globalink Investment, Blockchain Moon, WinVest Acquisition, and Nocturne Acquisition.

Chardan also recently hired a research team who has initiated research coverage on a number of fintech companies such as Lottery.com and BM Technologies.

TFT: Where do you think 2022 might lead us and could the SPAC bubble burst?

JG: We've been involved with SPACs since 2004, and there have been times of excitement and periods of less exuberance, or even negativity. That's not all that dissimilar from markets generally speaking. But for about four or five years, SPACs have been a growing part of the capital markets for a lot of the benefits I've just mentioned.

We've hit a patch now, for the last six to nine months, where there's been underperformance in the public markets with growth names for a variety of different reasons. We're also seeing that play out within the SPAC ecosystem and with traditional IPOs. General market underperformance coupled with a continued surge of SPAC IPOs is going to create an interesting supply and demand convergence over the next 12 months and I think with so many SPACs seeking business combinations, they will continue to be a significant pathway for private companies.

It's a complicated transaction in the sense that you're doing a M&A and capital markets deal at the same time all while you're negotiating under a set time period. There will ultimately be a bunch of SPACs that will liquidate, but there will also be some great deals that get done. In the longer term, say 24 to 36 months and beyond, we will hit hopefully a steady state of 30 to 50 per cent of the IPO market done through SPACs, and that's a healthy place to be. So, when I take a step back, I feel very positive and constructive about where SPACs will be in the future.

TFT: How has the pandemic impacted your business and how has Chardan risen to the challenge?

JG: We're a New York City-based firm, so on a personal level, March 2020 was a very difficult time. But our team very quickly adapted to the new working environment and ultimately, our firm has been able to navigate through quite well. During the early phase of the pandemic, we launched a charitable initiative called Chardan Cares. Chardan Cares provides financial support to client-directed charities ranging from Robin Hood's Covid-19 Relief Fund to the FirstHand Science Center to the Parkinson Alliance.

TFT: What do you value most at Chardan in terms of culture?

JG: We pride ourselves on innovation, entrepreneurship and being forward thinking. We've been involved in the healthcare arena, in fintech and other areas of disruptive technology and are constantly thinking about how to drive value and creativity in those sectors. We're creating a culture where people are very driven, and they're also very collegial

in how they work together. We want to take different ideas and be a disruptor in how we continue to build our business as well as how we think about solutions for clients. We love working with companies, investors and sponsor teams that share similar values.

TFT: How would you describe your leadership style?

JG: I've been known to be high energy. I try to empower a really driven team that can work well together and have complimentary skill sets. I appreciate lots of different viewpoints and I always want to learn from others. People have different experiences from how they've come to the firm or different experiences from other companies they may have worked at, and you try to learn from what others have done. There's just many different pathways and experiences that can add to your own leadership style. **TFT**

AT A GLANCE

WHO WE ARE: Chardan is an independent, full-service, global investment bank focused on bringing disruptive innovation to corporate and institutional clients. Chardan has established a leading SPAC practice, with an 18-year history, 116 SPACs underwritten, led or co-managed, including 14 self or co-sponsored SPACs. Additionally, since 2018 Chardan has acted as M&A advisor in 29 SPAC merger transactions. Headquartered in New York, Chardan is a registered broker-dealer with the US Securities and Exchange Commission and a member of the following: FINRA, SIPC, NASDAQ and the NYSE Arca, Inc.

COMPANY: CHARDAN

FOUNDED: 2002

CATEGORY: Global Investment Bank

KEY PERSONNEL: Jonas Grossman, Managing Partner and President

HEAD OFFICE: New York, NY

ACTIVE IN: Global

WEBSITE: www.chardan.com

LINKEDIN: www.linkedin.com/company/chardan-capital-markets

TWITTER: @ChardanCapital



CHARDAN

Why verifying digital identities is crucial for effective insurtech

The growth of digital and on-demand services in the insurance space has changed and consumers continue to expect more from providers. New ways of driving revenue should now always seek to include a secure and frictionless onboarding process

With talks on the horizon of a secure digital identity framework, there has never been as much interest in digital identity verification and its need, within the finance industry particularly, to combat the rise in fraud. This need is more clearly seen in the insurance industry, where the rise of digitalisation has seen an increased uptake in online offerings.

The insurance industry is highly competitive and, with several products and solutions available to consumers, companies need to differentiate themselves from their competitors in order to drive revenue.



One way to do this is having a secure and frictionless onboarding process – something that Chris Luttrell (left), CEO of IDology, a leading provider of digital identity verification

and fraud prevention solutions, believes is critical: “It’s all about balance, applying the right amount of friction while keeping out fraud.”

She continues: “The way these companies can stay competitive is making sure they have a very easy onboarding experience for their policy holders. So many people went online during the pandemic and that’s not going to change. Based on our research, we know that 83 million consumers signed up for online services during the pandemic, which is probably well over the 100 million range at this point, with 94 per cent planning to continue using these accounts in some form.”

The idea of minimal friction is particularly important when considering mobile devices, as in order for companies to be successful in the ‘new normal’ they need to take advantage of the popularity of mobile services, such as apps and other digital offerings.

“Sixty-four per cent of Americans reported using a mobile device when creating a new account,” said Luttrell, “so companies need to make sure that they have a streamlined process so that consumers can sign up on their mobile device with little friction.”

However, despite the need for smooth

processes, the policy holder still needs to feel secure when signing up and know that their data is in safe hands.

“Communicating this to the consumer in a very clear and transparent way about how you’re going to use their data, as well as having a secure, clear sign-up process is crucial for staying competitive. Therefore, it’s really important to have a robust digital identity verification solution, with multiple smart layers of information from a broad set of data sources to make sure that the customer is who they claim to be.”

THE CHALLENGE OF FRAUD

When it comes to improving customer onboarding, Luttrell believes that fraud is a challenge that has been around since the beginning of time. While many solutions are aiming to combat the issue, it’s clear that fraudsters aren’t going away any time soon as they continue to evolve alongside the rest of the insurance industry.

Luttrell said: “The challenges insurtech companies are going to face is balancing friction and fraud. It’s a very delicate balance as fraud attacks will continue. So, we have to stop the attackers from getting into the system, but also make it easy for legitimate consumers to get into their policies.”

This presents a challenge as they’re two conflicting issues that can create conflict between onboarding teams and fraud and compliance teams within a insurer as they try to find the best of both worlds.

“Internally, these teams need to be talking to one another and making sure that they’re finding the right balance to the ever-growing problem that is fraud. According to our recent fraud report, 75 per cent of companies in the insurance industry saw an increase in fraud attempts compared to the prior year. That’s a greater increase than any other industry we surveyed, and when we look at where that’s occurring a lot of it is happening through mobile devices.”

She continued: “Fraud is a huge problem, and fraud on mobile devices is an even bigger issue, especially when you consider that a lot of people are now using mobile devices for their finances that

maybe never have before. Mobile devices are being targeted and we need to make sure we’re putting the right controls and tools in place to stop those attacks”

TYPES OF FRAUD

There are a few areas of fraud that have seen an increase over the last few years, affecting both the insurance industry as well as the wider financial sector. The first, according to Luttrell, is account takeover, which has skyrocketed over the past two years particularly with consumers looking to do their finances online.

However, the other area that is more concerning to Luttrell is the fraudulent use of artificial intelligence and machine learning tools.

She said: “We know that fraudsters use artificial intelligence and machine learning, and the scary thing is that they don’t have rules that they have to follow. While an insurtech company must follow certain compliance regulations as to how they use and store data, fraudsters don’t have to do that – it’s no holds barred. They can do whatever they want”

“Fraudsters are also collaborating. We know that they’re helping one another, giving each other ideas and tips on how to get around certain companies’ onboarding or account opening policies. They’re collaborating, but the industry isn’t. As an industry, we need to collaborate better to understand the threats that we’re facing as an industry.”

SECURE SIGN-UPS

Fraud prevention leads directly to the quality of onboarding processes, as consumers need to know from the start that they are secure when they are signing up for new services.

“We’ve seen in some of our studies that the

consumer confidence in businesses and their ability to protect personal data and protect consumer account information has declined across the board. Eighty-eight per cent of consumers say they'll discontinue service if they don't understand how their data is managed."

"The biggest drop in consumer confidence was actually in the insurance industry," Luttrell added. "People are going to abandon signing up for online accounts if they think it's too difficult, too time-consuming or doesn't seem trustworthy. Ninety-three million Americans abandoned signing up for an online account last year because of those things, and 72 per cent of those were using mobile. So, it all goes back to having that secure process, which will help insurance companies evolve and stay competitive."

A STRONG IDV

Hope is not lost, however, as insurers looking to onboard more customers faster

with minimal friction can be helped by a strong identity verification programme.

"You want a programme that's going to give you the ability to verify consumers regardless of their credit rating or their age," said Luttrell. "You want to be able to properly identify and verify consumers in all demographics. Having a high locate and match rate for all consumers, having a system that can give you verification without friction, and having flexibility with what you put in place for your system are criteria for a strong identity verification programme."

However, Luttrell is keen to stress that there is no one-size-fits-all approach for this.


"What may work for one company may be different for another, and that's all going to depend on their risk appetite and the profiles they're trying to verify. Having control over the rules and decisions you want to put in place without having to get IT or technical resources involved is particularly important," she added.

This is something IDology is familiar with, with the ExpectID platform using an orchestrated, multi-layered process to validate an identity in real-time, going beyond basic data matching by providing predictive, intelligent identity information and analytics. With this data, businesses can make quicker, smarter and more transparent decisions on what to do next: approve, deny or escalate the validation result.

A KEY DIFFERENTIATOR FOR GROWTH

Ultimately, having a strong identity verification programme helps insurance companies meet the consumer demands for a secure but personalised digital experience. IDology's annual fraud report found that 83 per cent of the insurers that they surveyed see identity verification as a strategic differentiator, meaning they know that if they have a strong system in place they can rise above their competitors.

On this, Luttrell concluded: "Consumers tell us having that really strong identity verification makes them feel more trusting of the company they're signing up for. Americans show a preference for service providers with strong identity verification methods, with 82 per cent of consumers believing it's important they trust a company to effectively verify their identity during a new account opening experience."

"And this all points back to transparency with consumers. When they know you've got that really strong process in place and you're going to take care of them and their data in a very secure and appropriate manner, they're going to have more confidence in you and be more willing to sign up for your services." 

IDOLOGY
a GBG company

UK CELEBRATES OPEN BANKING MILESTONE

Smiles all round as the number of active users in the UK exceeds five million

Open banking has transformed the way that consumers and small businesses can leverage their financial data in the four years since the Payments Services Directive 2 (PSD2) became a regulatory requirement in the UK.

There are now more than five million active users of open banking services in the UK, according to data from the nine banks and building society mandated to implement open banking in the UK. While it took 10 months to grow the number of users from one million to two million in 2020, it has taken just four months to grow from four million to more than five million.

There were 625,000 additional payments in January 2022 compared with December 2021 – a payment growth largely attributed to HMRC's incorporation of a 'pay by bank' option into its annual self-assessment process.

ACCELERATED GROWTH

Charlotte Crosswell, trustee of the Open Banking Implementation Entity (OBIE), said: "Open banking was predicated on delivering increased competition and providing consumers and small businesses with new and innovative solutions. It is therefore extremely encouraging to see that more than five million active users are now leveraging the benefits of open banking."

"This accelerated growth strongly represents a world-leading and thriving ecosystem bringing an ever-increasing range of real-world solutions, that in turn is driving mass user adoption."

ONGOING INNOVATION

Karl MacGregor, co-founder and CEO of Vyne, a specialist account-to-account payments platform powered by open banking for merchants, says: "The figures released by the OBIE show the remarkable progress made by the industry

over the past four years to make open banking a success in the UK.

"Reaching five million users is a testament to the ongoing innovation and collaboration of open banking product and service providers, and the vibrancy of the ecosystem – and it's still only the start of the open finance journey."

BRIGHT FUTURE

Adam Moulson, chief commercial officer at Griffin, the API-first, full-stack banking as a service provider, says the speed at which providers can implement change and innovation and operate under new business models is more efficient and impressive than ever.

"Only four years ago, it wasn't clear how open banking would play out in reality, and now aggregating account information and performing payment initiation have become a commodity."

"Looking ahead, we could witness these trends gain further momentum and see open banking protect people from taking on too much credit when they can't afford to. For example, every buy now, pay later scheme could check if a customer has enough funds in their bank account by running a query to their account and advising accordingly."

OPEN FINANCE

The news that open banking has hit five million UK users demonstrates the power of data in financial services and the need for collaboration between banks, third parties and technology providers, says cloud data services NetApp.

Steve Rackham, senior solutions engineering manager, at NetApp, says: "With open finance being the next logical step, increasing the scope of financial service offerings which are included, as well as the transfer of information and data will be key from a regulation and digital trust perspective, especially as regulations become agreed and enforced."



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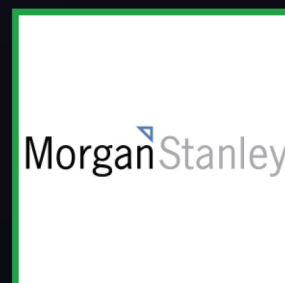
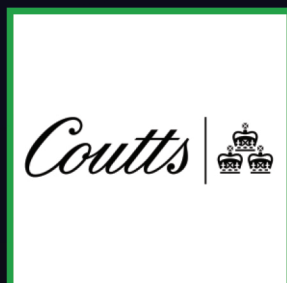
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LAUNCH, PROVE AND SCALE

Creating businesses that understand people and which solve the real problems they face



Emma Huntington, CEO of Admiral Pioneer, shares her hopes and ambitions for Admiral's venture building studio, why the 'customer will always win' and how it is combining the best practices of modern startups with the operational expertise of Admiral itself.

What is Admiral Pioneer?

We have set up Admiral Pioneer to be the heart of new business innovation at Admiral and our aim is quite simple, to build businesses which meet customer needs in new and better ways. Rather than operate just as an incubator or accelerator, we're building these new businesses ourselves to ensure we embed the best possible DNA right from the start to give them the greatest chance of success.

We don't see any point in just launching carbon-copy businesses into existing markets, because we're building our ventures to tackle the real-world problems of tomorrow with innovative technology and by entering brand new markets. In order to achieve this, we're watching and analysing the trends and changes globally that help us understand the emerging needs of our potential customers, and how we can positively impact society and solve these in the long term.

What's the advantage of having a venture studio built within Admiral Group?

While we're our own separate and distinct entity, Admiral Pioneer is also embedded into the wider Admiral Group so that our ventures can not only benefit from Admiral's decades of industry experience and expertise, but also get to collaborate and share learnings with our colleagues around the world.

The benefit of that line of separation though, is that we get to run our studio with the agility, mindset and culture of a startup. We get to work as a small and close-knit team and move at the kind of pace necessary to bring the type of ambitious ground-breaking companies to market that we want to define the success of Admiral Pioneer.

With insurtech attracting increasing attention and focus in the industry, how does Pioneer aim to stay ahead of that increasing competition in the space? We don't see Admiral Pioneer as exclusively an insurtech venture studio. Rather than start with

the tools and products we know and look for a market, we think it's much more important that we start our work by discovering the needs of the customers we hope to serve, and then build the right businesses that are able to serve them.

That means we're not intimidated by increasing competition in the insurtech space because the businesses we're building are not centred on disrupting insurance, they're centred on the customer first, and that allows us to build ventures that are broader and more ambitious in their scope. When we think about an opportunity such as the changing nature of work and how that will affect groups such as the self-employed, we don't want to only sell an insurance product, we want to create a business that understands people and solves the real problems they face.

The scale of our ambition is massive, especially as we want each of the ventures to be able to grow into successful, independent businesses in their own right

How have you embedded that customer first approach into the team within Admiral Pioneer?

We've championed service design at Admiral Pioneer, investing in a high capability team that can lead and guide us, and more importantly, educate and embed this discipline into the business teams themselves. Not only should the spark for a new venture come from this customer centric research, but I think it's very important that the same close attention to the customer is carried through to the actual operation of the business

too; our customer service, claims handling, and our communications should all centre the human customer as our absolute priority.

We believe in this customer first approach so much that we've set one of our core values in Admiral Pioneer as 'customers always win'. Now obviously this doesn't mean we won't charge for our services, or accept every policy claim, but it does mean that we engage our customers when and how they want, in the context of their lives and in ways that allows them to achieve their goals.

Could you give us an idea of the areas that Admiral Pioneer is focusing on?

We have three 'domains' in which we have an especially keen focus for new ventures and opportunities:

1 Mobility – We're developing products that cater for new modes of transport and the changing space of travel and transport (e.g. electric vehicles, smart cities, new modes of mobility). Our business Veygo operates here, creating on-demand temporary and learner cover for car owners and those who instead share vehicles. We have also launched a new green fleet business in France called Kooalys, which is our first entry into a B2B insurance market

2 Future of work – Supporting small businesses and consumers to adjust to new ways of working and the automation revolution (e.g. segment specific solutions, hybrid working, gig and freelance). We launched our first venture in this space, Toolbox by Admiral, last year, offering flexible subscription style public liability, employers' liability and tool cover to tradespeople.

3 Living to 101 – Designing products that cater for the reality of us all living longer and fuller lives (e.g. physical and

financial wellbeing and how these needs transition through life).

That said, we also don't limit ourselves. If we find the right opportunity, we will pursue it!

What kind of challenges are you coming up against?

The scale of our ambition is massive, especially as we want each of the ventures to be able to grow into successful, independent businesses in their own right. That means right now what we need most are the smart, motivated and hungry team members to join Admiral Pioneer that will form the early founding teams of our new ventures.

We believe the nature of Admiral Pioneer as an independent venture studio within a respected and successful group such as Admiral is an incredibly good way for our businesses and team members to get the best of both worlds. Our teams get to work with the latest and best technologies, use modern work methodologies such as service design and Agile, and enjoy the buzz and pace of a startup, but without the risk and uncertainty that making the jump to a venture in the wild often means.

If you've ever wanted to make your mark, solve emerging real-world problems, and build genre defining new businesses, Admiral Pioneer might just be the opportunity you didn't know you were waiting for. **TFI**

About Admiral Pioneer

Admiral Pioneer is building a portfolio of insurance and beyond insurance businesses designed around customer needs that will create meaningful diversification opportunities for Admiral Group. Success for Admiral Pioneer in 10 years – invest to launch, prove and scale businesses with positive impact on society and customers, offer a great place for entrepreneurial people and teams to flourish and deliver meaningful profit through diversification to the Admiral Group.

Website: www.admiraljobs.co.uk/admiral-pioneer

Twitter: @admiralpioneer

ADMIRAL
PIONEER

Insurtech: Champions of the underserved?

Shaking up the outdated insurance industry can lead to products that are cheaper, faster and fairer for everyone

Oliver Kent-Braham, CEO and co-founder at Marshmallow

It's a truth that is, at this point, pretty much universally accepted: fintech is changing business models, fostering healthy competition between incumbents and startups, and making broader financial inclusion a reality. Tech-led innovation has pushed boundaries across the financial services ecosystem. Inclusivity, however, goes far beyond solely a credit card or lending – and it is our view that there is a lot more the broader fintech industry should be doing to deliver the best outcomes for customers and executives alike.



In particular, taking a closer look at insurance, the sector has been slow to accept and integrate technology to refine working and underwriting processes. The industry is riddled with traditional players who continue to operate with legacy ways of assessing risk. In some cases, providers use methods that are not far removed from those the sector was founded on hundreds of years ago.

So, as fertile ground ripe for disruption, it comes as no surprise that there has been somewhat of a boom in the number of tech-based businesses entering the insurance space in recent years. Well placed on embedding data-driven innovation, these firms provide better services for existing customers, and those that incumbents have otherwise excluded. In short – by integrating tech from the get-go, challengers are better set up to serve market segments that would otherwise be considered 'too complex'. It is, therefore, no wonder that they continue to gain traction.

And where customers move, VCs follow. The global insurtech sector reached an all-time high in 2021, with data from CB Insights showing that global insurtech venture capital activity surpassed its previous record last year with 566 deals and \$15.4 billion in capital deployed to tech-led insurance providers.

So why have big-name insurance providers, often with multi-billion-pound revenues and global reach, been so reluctant to implement the same technology and seize this opportunity?

Insurance industry state-of-play

Historically speaking, the insurance sector has not always included all customer segments. Inefficient and archaic systems that are no longer fit for purpose, mixed with a lack of transparency and impersonal customer service, are, in part, to blame for the reputation that has characterised the sector for many years.

Several variables contribute to an insurer's calculation of a driver's premium. But a group mentality within the industry has meant that drivers' risk profiles will wrongly be assessed using a 'standard' based on reductive factors such as their gender, age, years spent driving – and even in some cases, their ethnicity. Specific categories are wrongly considered 'high risk', often due to poor credit history, credit invisibility and lack of UK official documentation. All this before an individual's car is brought into the picture.

Against this backdrop, customers too often get given a raw deal – or, perhaps more dangerously, are left to feel as though they will. This mistrust stems from a broad unwillingness of insurance providers to embrace the necessary data insights that provide a deeper and more accurate understanding of customer profiles. This, in turn, all too often leads to inaccurate underwriting and therefore unfairly priced quotes.

Take, for example, the UK ex-pat community. When we established Marshmallow, our ex-pat friends told us they were receiving extortionate quotes for their car insurance, rates that went way above the market average. When we delved deeper, we found that the companies quoting them were invariably only willing to underwrite them based on their UK driving history, completely disregarding the years of experience they

had in their country of origin. The final result was a wall of hugely unfair premiums, with little to no choice.

It didn't have to be like that: these underserved customers deserved better and fairer rates. Our first customer, a Canadian immigrant, saved around £1,500 when he came to Marshmallow. We now service a broader range of consumers than just ex-pats, but the principle of taking the time to understand their risk profile truly remains at the heart of what we do.

A failure to acknowledge an individual's unique circumstances, driving behaviours and insurance needs is ultimately the issue that needs resolving if the broader sector is to rid itself of the long-standing mistrust that plagues it.

Cost isn't always King

It's not all about pricing. As a sector at large – and even more so within the motor insurance segment – the insurance industry can minimise the impact and distress caused by disasters on both consumers and businesses. In reality, nobody wants to speak to their insurer, so building trust is absolutely fundamental.

Therefore, insurers should be comfortable adopting technology and building systems that fulfil this responsibility and provide a seamless experience. This is where we believe the sector needs to refocus its energy.

The increasingly important role of technology

With customers becoming more and more digitally savvy, the demand for tech talent is only increasing. The need for technological skills is expected to rise by 55 per cent by 2030, showing just how necessary these will continue to be.

And while the broader sector has been slow to come round to this fact compared with other financial services segments,

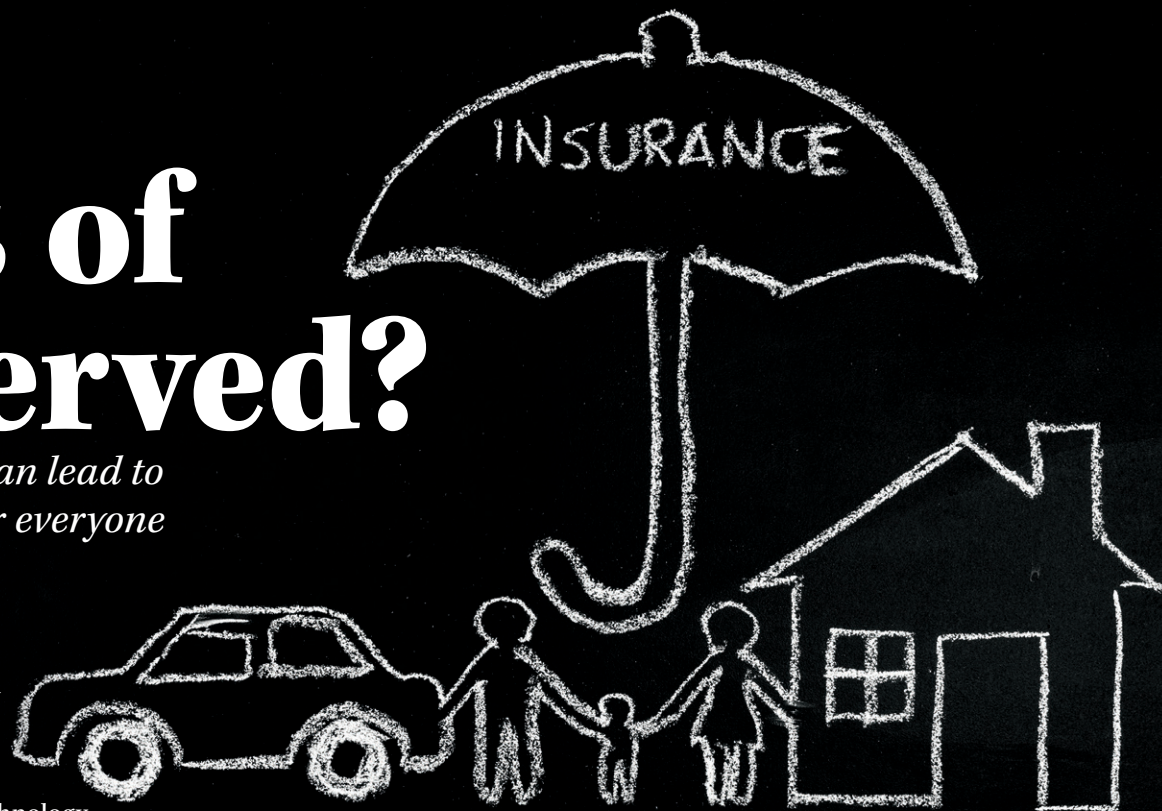
insurtechs providing ultra-customised policies can do so by leveraging big data, artificial intelligence, and machine learning techniques. At Marshmallow, we've always viewed ourselves as a tech-first company, building our teams and systems around this core. Building on this foundation, we have in-house engineers and product teams, meaning we can make changes rapidly compared to incumbents who rely on outsourced third party providers.

But perhaps more than that, it is essential that the insurance sector is prepared to flex and change its approach to adapt to the needs of the customers it serves. This is particularly crucial for those segments – ex-pats and young drivers – that would otherwise go underserved. By harnessing a more detailed range of data points, insurers can implement and regularly refine pricing models to include new rating factors. Only by being agile can we truly foster technology to boost inclusivity and financial fairness, allowing the sector to upgrade from its typical one-size-fits-all approach significantly.

Looking to the future

The industry now has an opportunity to rip up and rebuild the foundations to pave the way for future innovation. As insurtechs become increasingly prominent among the masses, savvy insurance businesses rightly place technology at the core of their strategies. We hope the wider industry will prioritise technology as the gateway to raise the bar for customer service levels and provide quick and fairer pricing.

Insurance seems like the ultimate industry ready for change – and we believe it is. Now it's time that traditional insurance providers wake up to this fact. **TFT**



INNOVATE FOR THE FUTURE

The way our customers live and work, and what they need from us, is changing faster than ever, says Ben Luckett, Aviva's Chief Innovation Officer



We're all acutely aware of the significant shifts we are continuing to experience, globally.

Trends that are societal, political, technological, and environmental and touch every one of us. They're changing the way we live, from the way we eat, exercise, travel, consume news, shop and even engage with friends and family, to name but a few.

No matter how successful a business, it must continue to adapt quickly to avoid being left behind. At Aviva, our innovation agenda is a key part of how we execute our strategy and better support our customer needs. Our customers expect services to be faster, more personal, and more convenient.

To keep serving our customers well, Aviva needs to keep changing too. We're not just about the here and now; we're also here to innovate for the future. Innovation is about creating new, simple, ways to help customers manage the risks of every-day life. It is essential to the brilliant customer service we want to provide every day.

And innovation is not just about technology. It's more a way of thinking and looking at the world. It means finding new ways to make insurance simpler and more convenient for our millions of customers and there are a number of ways we can do that.

Successful innovation depends on cooperation and collaboration. It is not the sole responsibility of any one person or team. It's up to every one of our colleagues to learn from and challenge each other, come up with new ideas and refine them to be the best they can be. It also means working with the best of new ideas from outside Aviva.

OUR JOURNEY

Seven years ago, we established Aviva Ventures, the corporate venture capital fund for Aviva plc. Aviva Ventures identifies and invests in the technologies and businesses that can have a positive impact on our future. We have invested capital into startups, within fintech, insurtech, and broader science and technology. Startups that have the potential to be transformative to the existing insurance business model, accelerate our strategy, and provide insights into how Aviva must adapt to the changing landscape.

This means that along with long-term value creation, we develop a strategic

relationship with those we invest in, and provide them with expertise, and scale.

A good example of this is our successful partnership with Founders Factory, an accelerator and incubator. Partnering with Founders Factory provides us with an

alternative channel for innovation where we can provide practical and financial support to start-ups who are moving quickly to test new ways of doing business and new customer propositions.

In April 2021, Aviva was proud to sign the Fintech Pledge. The Fintech Pledge is supported by HM Treasury and the Fintech Delivery Panel, it sets world standards to accelerate the growth of the UK's fintech sector. It is a commitment to keeping the UK at the forefront of financial innovation through the strengthening of partnerships with tech scaleups and we are proud to be part of it.

THE CHANGING LANDSCAPE

If we look back to around five years ago, insurtechs were heavily focused on the general insurance sector – in particular disrupting traditional distribution with new customer-facing propositions.

What we have seen develop over the past few years is a re-balancing with more early-stage businesses targeting Life and Protection products and considering how they can add value to other parts of the value chain, for example in underwriting risks; managing policies; lowering operating expenses and settling claims.

This drives a shift towards building partnerships with startups, as they look for ways to scale and recognise that existing insurers can provide a bigger opportunity as a partner rather than assuming the industry will be completely disrupted.

For example, through our partnership with Founders Factory we incubated Tembo Money, which has created an innovative alternative to equity release that helps families unlock funds from property in an ethical and affordable way, providing younger generations with cash when they need it most – for example to get on the property ladder.

The insurtech space will continue to evolve at pace. The coronavirus pandemic has been a huge accelerator and things we thought were a few years out, now exist.

We are now in a world where consumers are being conditioned to expect digital services that are flexible and delivered instantly or, in the future, probably anticipated. They want memorable, personalised experiences, and for their experiences to be seamless, however they chose to interact with us.

It is also likely that big tech firms will continue to see the insurance industry as

an opportunity to capitalise on distribution and data, and so it is highly likely we will see more incumbents investing in and partnering with insurtechs to provide more technology options for our industry as we look to rapidly respond to all these developments.

A GREENER FUTURE

Customers views around sustainability are also changing, and we are investing in new technology which will support the global transition to net zero and help Aviva meet its 2040 net zero ambition. We've seen strong growth in sustainability focused start-ups as consumers become more climate conscious and our investments will help build upon our knowledge of this space and enable us to continue meeting our customers' changing needs.

Our most recent commitment to invest £50million into venture capital funds focused on emerging technology which supports a more sustainable future is an important step forward in achieving this. These new investments into funds with a specific sustainability focus will also directly support Aviva's strategic ambition to contribute to a sustainable economic recovery.

At Aviva we will continue to work closely with the startup ecosystem to drive innovation and enable solutions that meet our customers core needs: an important step towards our ambition of becoming the UK's leading insurer.

What will the future hold for our customers? We don't know yet for sure. But we are doing what it takes to be ready for it. **TFT**

Innovation at Aviva

Aviva Ventures is the corporate venture capital fund for Aviva plc. It focuses on financial and strategic returns and makes direct and indirect investments that bring new opportunities, ideas and emerging technology and customer trends.

Website: www.aviva.com/about-us/innovation

LinkedIn: www.linkedin.com/company/aviva-plc

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AVIVA

2022 THE GOLDEN AGE OF INSURTECH

There is a unique opportunity in the market right now for insurers who can embrace digitalisation

Joanne Butler, Head of Product Marketing & Pre-Sales, Charles Taylor InsureTech

It is incredible to see just how much the world has changed over the last two years and I believe we are in the golden age of insurtech right now. The conditions of the pandemic mean that projects that previously took years to be come to fruition, were delivered in months. This has created a real opportunity for digital transformation, as we now know that real change can be successfully achieved in much shorter timeframes. There is also greater recognition within business of the crucial role that tech plays and the opportunities that can be created from it.

There is a real momentum in insurance right now to see digital transformation in every area. In fact, 57 per cent of CEOs in insurance say tech-driven innovation is the biggest trend impacting them. Much of this is being driven by the increased expectations of the end customer, which have soared over the last two years. Our lives as consumers have completely changed and we are all more reliant on, and more fluent in, using digital technology for every aspect of our lives, which is putting increasing pressure on all businesses. Two-thirds (62 per cent) of insurance CEOs are worried about

changing customer expectations; which touches every part of the customer experience.

I have heard the insurance industry criticised for its adoption and utilisation of technology in the past, lagging behind other industries such as online retail. However, that is not the case anymore and today we are able to deliver a world-class sales experience to our customers through intuitive apps, where they can set up new policies with a few clicks on their screens. When you consider the complexities of underwriting a life insurance product, compared to buying a pair of shoes, it is incredible to see what has been achieved over the past two years to make the sales experience so effortless.

CREATING NEW OPPORTUNITIES FROM DIGITALISATION

This is just the beginning of what can be achieved with real digital transformation. Insurers and insureds can access more data than ever now to create efficiencies. This is not just limited to the sales process, our global insurance clients are using digitalisation to create real efficiencies across the piece.



Right at the beginning with risk selection, and knowing who to target and what risks to reject before they go on book. There is so much data available externally that can help insurers make smarter decisions that can have a huge impact on the bottom line.

“Smart risk selection is not limited to the initial contract, says Jennifer Hurst, sales director EMEA at Charles Taylor InsureTech. “An insured’s risk profile will change over their lifetime and insurers’ can now use digitalisation to ensure their book of business is aligned with their evolving underwriting appetite.”

It is possible to work with existing legacy systems where required to take advantage of the data the insurer already holds, and couple this with externally sourced data to capture the insights needed to make the right decisions for the book.

RETAINING THE RIGHT RISKS

The ongoing client relationship is exactly that – a relationship between the insurer and the insured. As much as the insurer may know exactly which risks it wants to keep, retaining good customers is another matter. Research from earlier this year shows us that 41 per cent of insureds are likely to switch providers due to a lack of digital capabilities. This can prove an expensive headache for insurers not least because of the increasing cost of acquiring new customers.

Insurance customers generally fall into two categories, those that make a claim and those that don’t. If we look at the claimant category first, the solution here is obvious, make the claims journey as smooth as possible, however this is not always easy. Insurance claims by their very nature are challenging – a car accident, a death, a flood or a holiday ruined by illness – insureds are vulnerable when they call on their insurer to claim. This is just looking at the personal lines market, but the same principles apply to commercial risks where the loss can impact the life and livelihoods of many, emotions are likely to run high in these situations. Claims are the moment of truth for the insureds and there is a real opportunity for insurers to shine. Clear communication is key and keeping the insured informed at every stage of the process can make a huge difference.

Today, we support many of our insurer clients to make the process as painless as possible through effective insurtech. Intuitive apps allow the insured to register the claim, upload photos, videos and other files online through their devices; then be taken to a dashboard where they can track the process of their claim. On the other side of this, the data is logged with the customer policy so that each communication is instantly available to a claim handler should they telephone in. For large losses, the process is similar, allowing commercial clients to get their

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Find out more at charlestaylor.com/insuretech-inhub

businesses back on track faster than ever, reducing business interruption claims at the same time. The tech also allows effective triage of claims so that claims that any suspicious claims can be highlighted and managed to reduce fraud.

For those who need to make a claim and have a positive experience, they are far more likely to stay with the insurer at renewal. For those who do not claim, the focus naturally shifts to making the renewal process as effortless as possible on both sides. Again, insurers need to check the risk hasn't changed and matches their desired underwriting profile, while insureds need to feel that it would be better to stay with their current provider than go through the perceived hassle of switching. Real digitalisation of these processes can have a huge impact on effective client retention.

EFFECTIVE DATA MANAGEMENT TO IMPROVE THE BOTTOM LINE

Where I see digitalisation really changing the game for insurers is in creating genuine insights that inform business decisions. Being able to see both high-level and more detailed data from across the business can show the overall and future health of the business, as well as opportunities for new products and markets.

For example, electric cars are more expensive to repair but their owners tend to make fewer claims, so this could be a good market to move into with the right risk profile. Short-term insurance is another growth area which historically was not viable due to the high cost associated with setting up a policy, however app-based technologies can now put a risk on in seconds. Typically, short-term insurance is more profitable due to the higher cost of the premium when pro-rata'd against a standard annual policy. Meanwhile, the new way we live and work

post-pandemic has created a demand for these short-term products that don't require a large commitment from the customer. At present, this market is still underserved, and we see an opportunity for growth here supported by effective technology. This is just a couple of examples that could create new revenue streams for our insurer clients.

We see the cloud opening up a myriad of opportunities for insurer clients to cut operating costs and drive efficiencies across the business

USING THE CLOUD

Cloud-based technologies present a real opportunity for insurers to operate effectively any time anywhere. A report published earlier this year estimates that by 2031, eight out of 10 insurers will rely on the cloud, which shows the pace of change and momentum following the last two years. We see the cloud opening up a myriad of opportunities for insurer clients to cut operating costs and drive efficiencies across the business. All of our technology is cloud-based as we see this as the future and we can help insurer clients to take advantage of this.

IN SUMMARY

There is a huge opportunity in the market right now for insurers who can embrace



digitalisation. This is the golden age of insurtech and we are excited to be working with our insurer clients to radically change the way insurance business is done.

At Charles Taylor InsureTech, we have more than 30 years' experience of working with global insurance businesses and a deep understanding of the technology challenges they face.

We will be covering this topic and many more at the Insurtech Insights Europe conference on 15 March at 2pm. To find out more visit: charlestaylor.com/insuretech-inhub **TFI**

About Charles Taylor

Charles Taylor InsureTech is part of Charles Taylor Group, a leading provider of insurance services, claims and technology solutions across the global insurance market, particularly in complex situations requiring specialist expertise. Charles Taylor employs more than 3,000 staff spread across 30 countries in Europe, the Americas, Asia Pacific, the Middle East and Africa.

Website: www.charlestaylor.com/en

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Charles Taylor

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Experts globally

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> 100%
Insurance focused



Where are they now?

Smart Money People talks to previous winners of the 'Best Newcomer' to discover what happened next

Now in their eighth year, the British Bank Awards, run by Smart Money People, celebrate the very best of British. In 2021, more than 90,000 votes were cast by consumers for their favourite providers, with the likes of Starling Bank, Kroo, Snoop, 11:FS, SurePay and many more taking home trophies.

Jacqueline Dewey (right), CEO of Smart Money People, introduces the 'Best Newcomer' category: "Our 'Best Newcomer' award is open to anyone who has launched a financial business in the last five years, and has seen a fantastic calibre of entrants, finalists and ultimately winners over the years. At Smart Money People we believe it's important to recognise and celebrate newcomers to the industry, and to acknowledge all the hard work that goes into getting a new business off the ground, especially in such a regulated market."

"What makes the British Bank Awards particularly special to us is that all the Newcomer winners have been voted for by their customers, showing the impact these organisations are already having on the financial landscape. It's so rewarding for us to see previous winners of our Newcomer category continue to flourish and evolve their businesses."

Smart Money People caught up with the CEOs of three previous winners of



the British Bank Awards 'Best Newcomer' category to understand their journey better and what winning a British Bank Award meant to them.

bud

Best Newcomer Winner in 2018
Ed Maslaveckas – CEO & founder

Tell us about Bud

Bud is an API platform which gives businesses the most accurate picture of a customer's finances by analysing transaction data. Founded in 2015 with a mission to accelerate the proliferation of autonomous finance, Bud's platform now provides its clients with:

- Access to customer data through the UK's leading open banking gateway
- The capability to combine that open banking data with credit reference agency data and the client's own data to form a holistic picture of their customers' real financial position
- An unrivalled array of customer insights, derived from transaction data, that help businesses to personalise their offering
- Plug and play modules for common open banking use cases like affordability checks and customer onboarding
- Fast, safe and cost-efficient account-to-account payments through our open banking payment product

When did you launch and what was your reason for launching?

The first idea for Bud in 2015 was that we wanted to create an app that helped consumers make better financial decisions

by giving our customers personalised financial insights that helped them manage their money. We decided to pivot the business when we realised the scale that a partnership model could bring. We then took the underlying tech that we'd built for the app and turned that into a B2B proposition.

Now our tech helps businesses to understand their customers, enabling them to rapidly launch valuable features within their apps and services. It came down to this hypothetical: 'What if the companies that hold your money could make it simple for you to be great with it?'. That's a hard thing for institutions to do because transaction data is really messy, but it's the problem that our tech now solves.

What did winning the British Bank Awards mean to you?

We switched focus onto the API platform late in 2016 so by the time we won the Best Newcomer Award in 2018 we were really only at the start of the journey with the new strategy. It was the first of a few awards we won that year that gave us some real validation of the new strategy and helped us have the confidence to kick on in 2019.

What have you achieved as a business since winning 'Best Newcomer' in the British Bank Awards in 2018?

The platform play was the start of a new level of ambition for us – we wanted to make it easy for everyone, everywhere to be good with their money. Since then, we've gone on to sign partnerships with institutions that have more than 50 million

customers combined and at the moment we're delivering on that mission statement for more than a million people every day.

Our open banking aggregation product now has the best coverage in the industry for UK accounts and the main focus of our innovation – our Intelligence product – offers by far the most advanced capability of its type. So yeah, we've come a long way.

What plans do you have coming up for Bud?

2022 is set to be a huge year, we've got some really big roll-outs coming soon with some of the biggest financial brands in the world. We'll also be taking more concrete steps towards international growth. We've incorporated in Australia and have plans both in Europe and... elsewhere.

Counting up

Best Newcomer Winner in 2020
Tim Fouracre – CEO

Tell us about Countingup

Countingup is the 2-in-1 business current account and accounting app making financial management easier for over 46,000 business owners across the UK. We're aiming to make it easier because no one signed up for the baggage that comes with owning a business.

When did you launch and what was your reason for launching?

Countingup was born to soothe the frustrations of millions of sole traders and small business owners who struggle with their accounts day-to-day.

In 2017, I found myself listening to these frustrations constantly and watching over time-poor business owners trying their best to juggle their work with their financial management: the bit of business ownership they didn't sign up for.

Tired of not having answers for them, I decided to create my own: Countingup, the 2-in-1 business current account and accounting app. The one tool to take the stress away from financial admin.

What did winning the British Bank Awards mean to you?

Winning the British Bank Award for Best Newcomer was incredibly rewarding as we started scaling up, but it was only the beginning.

About Smart Money People

The British Bank Awards are run by Smart Money People, which offers a consumer review platform focused purely on the financial sector, with reviews at a product level. Review data is then collated and analysed to provide customer insight to a wide range of organisations which in turn enables Smart Money People to benchmark organisations and products within the industry.

Founded in 2014, Smart Money People's mission is to help the financially active make more successful choices, and the British Bank Awards help to achieve this mission by acting as a symbol of excellence to both consumers and industry peers.



What have you achieved as a business since winning 'Best Newcomer' in the British Bank Awards in 2020?

It's been a very exciting couple of years at Countingup. Since winning the award:

- Our customer base has more than doubled
- Our team has doubled, from 26 to over 50 people
- We closed Series A funding backed by Sage plc and ING Bank
- We processed over £1billion in transactions

Our product has also improved as:

- We helped small businesses be tax-compliant with first-in-class functionality for filing MTD VAT returns
- We made it easier for businesses to get paid by integrating with Stripe
- We helped accountants manage their clients' accounts better through an Accountants' Hub that shows client expenses in real time

What plans do you have coming up for Countingup?

We're currently researching and building new ways to help businesses run their business better. One of the most exciting things to come is web access to complement our mobile app experience. We continue to do everything we can to become the one financial hub for one million businesses across the world.



Kroo – Best Newcomer Winner in 2021
Andrea de Gottardo, CEO

Tell us about Kroo

Kroo is a newly authorised digital bank focused on millennials and Gen Z with a mission to change banking for good. We are combining the trust of a bank and the functionalities of fintech to offer our customers a banking solution they will both love and trust. We've built a product that is uniquely placed to offer our customers everything they want in one place and that really lives up to the values they care about.

Kroo is authorised with restrictions, and we currently offer an e-money debit card, with a view to offer current accounts when we have restrictions lifted.

When did you launch and what was your reason for Kroo launching?

In 2016, some great minds came together to figure out how to help people focus on what really matters in life, without money getting in the way. And so, we set out to build a truly social bank that would, one day, change the relationship people have with money for the better.

In late 2020, we rapidly scaled our e-money debit card in order to share some of its future current account features with its customers. We are now gearing up for the launch of a fully authorised UK current account in Q3 to Q4 2022.

What did winning the British Bank Awards mean to you?

Winning an award at the British Bank Awards was a massive boost for the team. Building a bank takes a huge amount of hard work in the background that no one sees. Being recognised so early on in our journey was amazing! We're really proud of our award and it was great to share the news with our customers and investors. But we want to consider this a starting point for an even brighter future.

What have you achieved as a business since winning 'Best Newcomer' in the British Bank Awards in 2021?

The year since winning 'Best Newcomer' has been incredibly busy at Kroo. We have raised our Series A and were granted our banking licence with restrictions by the Bank of England in the summer – huge milestones for us. Since then, we've seen amazing customer traction on our e-money debit card, launched some great new partnerships and have completed the build out of our current account, which we will launch this year.

What plans do you have coming up for Kroo?

2022 will be the year we exit mobilisation and launch Kroo Bank to the world. With an amazing new current account, we'll be able to offer customers all the functionalities they want in a fully-fledged digital bank. We also plan to offer customers fairly priced loans and overdrafts. We're planning on

doubling the size of our team this year to enable us to meet the demands of our growing customer base and to continue to innovate. **TFT**



About the British Bank Awards

The British Bank Awards, run by Smart Money People, are widely recognised as 'the awards' to win. There is fierce competition among providers to be crowned winner and to showcase to consumers, both existing and prospective customers, their outstanding credentials.

Award categories span the vast range of the banking sector, with specific categories for innovation, new entrants to the market, ethical providers, influencers and many more. There's also a series of categories targeted at partners who provide services to the banking industry.

As they're 100 per cent voted for by customers, the British Bank Awards recognise the firms that go above and beyond in the eyes of those who matter most, the customer. Last year, more than 90,000 votes were cast in the awards – the best year for voting yet.

INSURTECH UK INSPIRES MEMBERS WITH ONLINE PLATFORM

The trade association for the community of insurtech startups introduces 'Rumpus'

The Rumpus platform is designed to be a one stop shop for all things Insurtech UK – the association on a mission to make the UK the global leader for insurance innovation – and a source of industry news and expertise. The aim is to build this platform throughout the membership and not just among the company founders.

Rumpus will provide information about exciting events, informative association updates as well as insightful content from across the community. All members

are encouraged to participate in building this platform, creating a collaborative hub to share content and activity.

Members can contact the Secretariat for any blogs, events or content that they would like to distribute on Rumpus.

Other additions, such as the members' discounts list and jobs board, are also available and further benefits will be introduced in the coming weeks and months. Members can use the platform to reach out to other members and network with the wider ecosystem, entrenching a

JOIN US

RUMPUS

OUR MISSION IS
TO TRANSFORM THE
INSURANCE INDUSTRY

Insurtech UK

greater community among members.

Rumpus can be found via webpage, or via the App store. Employees within each member company are encouraged to download the app as it is more accessible, with additional member-only content available behind a paywall. Spread the word to your teams. **TFT**

Insurtech UK

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Penni Connect allows plug-ins of insurance products into your third-party's e-commerce and customer journeys - without leaving any IT footprint or changing your underwriting. This means that you reach and engage end-customers in new ways and, by that, turn your point of interest into point of sales.

'Dear Government... Get on with it!'

More than 70 fintech CEOs sign open letter demanding better regulation of the UK's fintech industry

On the one-year anniversary of the publication of the *Kalifa Review of UK Fintech* in February, fintech leaders issued a rallying cry for bolder action to maintain the UK as a leading hub.

More than 70 CEOs and founders from firms, including Moneyhub, Starling Bank, Monzo and Klarna, urged the UK government to do more to promote and support innovative financial services in an open letter, published by Innovate Finance – the independent industry body representing the fintech community in the UK.

While the letter acknowledges 'considerable progress by government, regulators and industry in implementing the Kalifa Review recommendations over the last year' it called for further collaboration between government, regulators and industry to ensure the UK is the best place to start, grow and build a fintech business.

It said: "Rather than resting on our laurels, it is imperative that we continue to build on this momentum and work together to establish an environment in the UK that is even more supportive of and conducive to innovation in financial services.

"The regulatory rule book requires further updating, and regulators must have the capability and culture in place to allow them to fully embrace innovation while protecting the consumer and financial stability.

"Now is the time for even bolder action to realise the Kalifa Review vision: to work together to maintain the UK's coveted position as the leading hub for fintech creating solutions that strengthen our economy, foster greater financial inclusion and wellness, tackle climate

change and build a more sustainable financial services sector for all."



NEW TECHNOLOGIES

Wayne Johnson (left), CEO for Encompass Corporation, and one of the fintech bosses to have signed the open letter, comments: "As we know, since the start of the

pandemic, there has been a shift in financial activity and a surge in fintech adoption, with many consumers, businesses and financial institutions adopting new payment methods and turning to technology solutions to support remote working and digital services.

"During the last two years, we have also seen the increasing emergence of cryptocurrency and blockchain technology as mainstream payments alternatives, with instances of these being used in connection with money laundering and other nefarious activity.

"Going forward, regulation, therefore, must address this pandemic-induced trend in financial activity, and adequately respond to new financial technology being deployed across the industry. Fortunately, the UK, and London especially, has an innovative, world-leading fintech community, and this should be capitalised upon to encourage a regulatory framework that both supports innovation and provides a secure environment to test and learn.

"We must work together to foster more conversations with financial crime and regulatory experts, while upskilling future generations so the UK can continue to be at the forefront of this innovation, while protecting against financial crime."

Mike Laven (right), CEO of Currencycloud also signed the open letter. He says: "One year on from the publication of the Kalifa Review, it is encouraging to see some progress on skills, investment and exports. However, policymakers cannot afford to be complacent and must be more assertive if they want the country to remain globally competitive within the fintech sector. What the UK fintech industry needs more than anything else is easy access to talent and global markets, and policymakers are yet to make satisfactory progress on either of these points.



"In terms of talent, the industry is still struggling to access the skills that it requires. While many industries are facing similar challenges, the sector's demand for advanced technical skills coupled with the value it creates for the UK mean that getting leading fintech talent into the country should be an absolute priority."

Other fintech companies that signed the open letter include Checkout.com, OakNorth, Revolut, Curve and Plaid.

HIGHLIGHTS SINCE THE KALIFA REVIEW

Some of the successes highlighted in the open letter include:

- Work is underway to have a new industry-led Centre for Finance, Innovation and Technology (CFIT) up and running this year
- The Bank of England has commenced work on a Central Bank Digital Currency
- The Government and regulators have made good progress in overhauling the UK listings regime

to make it more attractive to companies from around the world. The Department of Education has held sessions with the industry to better understand how the fintech sector uses current government skills initiatives, such as apprenticeships, and what more is needed. **TFI**

THE KALIFA REVIEW OF UK FINTECH

On 26 February 2021, Ron Kalifa published his independent review of the UK fintech industry, commissioned by the Chancellor of the Exchequer.

The Kalifa Review identified the opportunity for Britain to build on its success as a leading global centre for fintech, which will in turn:

- Foster job creation and high-income tech-based employment across the UK, supporting the 'levelling up' agenda
- Better leverage the fintech sector as a core asset for Britain's international competitiveness, by enabling more UK fintechs to achieve global scale and reach, and lead on regulation and standard setting
- Help citizens and small businesses access more, better and cheaper financial services, creating a more inclusive, democratic and sustainable financial services sector



BANKS AND THE ENVIRONMENT

How are challenger banks tackling climate change? Let's delve into their green ambitions

Focusing on climate change and sustainability is at the forefront of everyone's minds in 2022. Many members of the fintech industry have already outlined their greener ambitions either by pledging to offset carbon emissions or managing their environmental impact.

The Fintech Times takes a look at some of the major challenger banks and their commitments to tackling climate change.

MONZO

Towards the end of last year, UK-based challenger bank Monzo outlined in a blog post how the company is working towards net-zero carbon emissions. It said: "We are in a climate crisis. Everyone has a responsibility to act, and take decisions that will support a sustainable, low carbon future."

It explained that although it is a branchless digital bank with a relatively low carbon footprint, it still contributes to climate change, as well as highlighting that as it grows as a business its environmental impact will grow too.

"Our mission is to make money work for everyone, and it's our responsibility to ensure that at the very least we do no damage to the environment, by reaching

net-zero emissions as a business. We also know that fighting the climate crisis really matters to our customers and our team, and we want to hold ourselves to a standard that we can all be proud of."

With all this in mind, Monzo pledged a series of environmental commitments. These include reaching net-zero emissions as a business by the year 2030, measuring and reporting on its carbon footprint in full and publicly sharing the results annually, having strong governance for environmental work, with regular reporting to the companies executives and board.



STARLING BANK

Starling Bank has always kept an eye on environmental responsibilities and has committed to a one third reduction target in its carbon emissions by 2030, as well as offsetting carbon emissions from its own operations and supply chain annually from 2021.

Anne Boden, founder and CEO of Starling Bank, said: "Understanding our carbon emissions enables us to make targeted improvements as we continue to grow. Climate change is one of the biggest challenges that we face globally, and Starling is 100 per cent committed to playing its part in the fight against it, not just in the lead up to 2050, but starting right away. This is urgent and we know that our customers expect no less from us."

Reducing carbon emissions has also been on Starling's agenda. Its three UK offices – London, Southampton and Cardiff – run on renewable energy and in 2021 Starling introduced the first UK Mastercard debit card to be made from recycled plastic.

Starling's packaging is 100 per cent recyclable and in 2020 to 2021, through a partnership with Trillion Trees, the bank planted 50,000 trees. Starling is also a founding member of the TechZero charter, a climate action group for UK tech companies committed to fighting the climate crisis.

Furthermore, SC Ventures, the innovation arm of Standard Chartered Bank, announced the launch of Shoal, a digital platform powered by Starling Banking Services. The platform gives UK savers the power to help fund the fight against climate change.

Launching in 2022, Shoal will invest exclusively in green and sustainable projects and will give savers the power to select the types of projects that their money supports.

Boden commented: "At Starling Bank, we're making banking better. That is why we are pleased to deploy Starling's Banking as a Service proposition in partnership with Standard Chartered to help their customers live ever more sustainably. Starling will handle the technical and regulatory demands behind the scenes, leaving Shoal to take care of their customers."



STARLING BANK

BUNQ

It's impossible to talk about green challengers without mentioning bunq. It has committed to a 'green, inclusive and diverse future for anyone on the planet' and aims to set an example for sustainability in the industry.

In November 2021, the bank announced that its users have planted more than five million trees as a result of their activity with the bank, offsetting the amount of carbon equivalent to over 1.6 million flights from New York to Paris.

Every time a bunq Easy Green user spends €100 with a bunq card, the bank donates a tree to Eden Reforestation Projects, a nonprofit NGO that works in developing countries to rebuild natural landscapes destroyed by deforestation.

Trees planted through this project capture around 308kg of carbon throughout their estimated 25-year growth life, meaning that if bunq users spend €1000 a month they can become CO2 free in less than two years.

Ali Niknam, founder and CEO of bunq, said: "Sustainability is a virtue bunq's users value so highly. Together, we are doing everything possible to redefine what banking is and

what it can do for our planet. We hope this show the impressive steps bunq has taken so far."

bunq has also previously announced that it will actively focus on reducing its annual emissions of 8,100 tons of CO2, a fraction of the emissions footprint of the average financial institution. In this way, bunq is at the forefront of the green revolution, where technology is increasingly being used to address climate change and accelerate the transition to clean energy.

bunq

TANDEM BANK

With Tandem Bank using the tagline 'The Good Green Bank', its mission is firmly committed to helping customers reduce their carbon footprint, saving money and building a more sustainable future for the planet.

Though a fully regulated bank, Tandem doesn't offer its own current account product, instead it connects to your existing accounts and offers a range of

green finance options including a variety of savings accounts.

Tandem bank also offers green loans to consumers designed to help reduce the carbon footprint of homes by improving heating and electricity efficiency.



ATOM BANK

Atom announced in January 2022 that it had signed up to the County Durham Climate Change Agreement. This is a new initiative designed to create a strong partnership of organisations that will work together to make progress towards protecting the environment.

The company joined more than 70 other signatories in its home county for a region-wide commitment to act on climate change, focusing on making County Durham carbon-neutral through private and public sector changes.

Prior to this, Atom had already taken steps to ensure its operations

were as environmentally friendly as possible. It is based out of a green office space that relies on biofuel and solar panels for heating and hot water, as well as adopting a hybrid working environment and switching to a four-day work week to help reduce congestion and pollution.

Edward Twiddy, chief customer officer, signed the agreement on behalf of Atom and said in an update: "There is so much more to do internationally and nationally to make good on our promises to future generations, but as with so much in life we have to drive change through our own actions and commitments. Atom is making the right steps, and we're delighted to be part of a community in County Durham."



HUMANISING TECHNOLOGY

*Will you find your thrill over in **Vault Hill**? The human-centric metaverse promises unrestricted creative freedom*

At the start of this year, London-based Vault Hill bagged \$2.1million in pre-seed and private funding rounds to boost its ambitious plans to create a constructive metaverse where users get to explore different aspects of themselves to ultimately ‘feel more human’.

We chatted to Jimi Daodu (right), founder and CEO of Vault Hill, to learn more about the extended reality blockchain-based metaverse and its principles of ‘create, experience and share’.

THE FINTECH TIMES: What is Vault Hill?

JIMI DAODU: Vault Hill is a blockchain-based human-centric metaverse designed to enhance the human experience through augmented reality (AR), virtual reality (VR) and extended reality (XR). The Vault Hill ecosystem comprises of the Vault Hill City (VHC) which is the metaverse, the non-fungible token (NFT) marketplace which will be fully decentralised, avatars with wearables, and XR consulting.

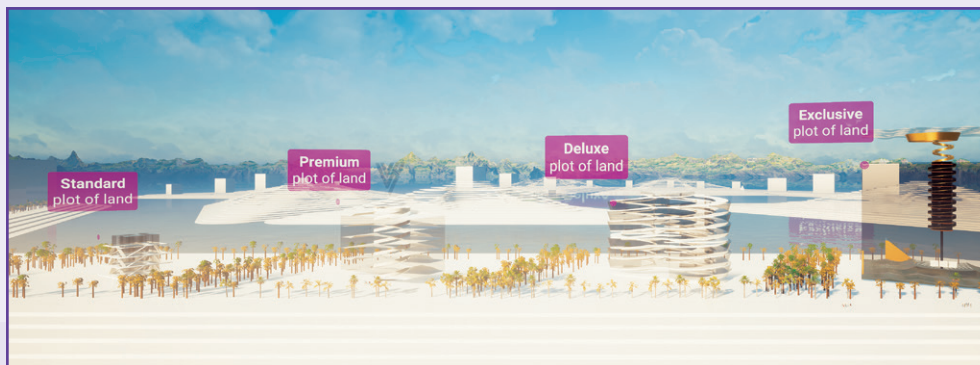
The Vault Hill metaverse is designed in such a way so users can engage in activities they currently do in the real world in an amplified form, while also choosing to explore their fantasies. Basically, it is an immersive 3D virtual environment where users can create fun experiences, purchase and trade digital assets and services using cryptocurrencies which gives these assets real economic value. The blockchain technology allows decentralisation which makes users’ experience more autonomous within digital spaces. This means they have total freedom.

There are two digital assets created by Vault Hill – the native cryptocurrency, \$VHC, and the virtual land (\$VLAND) which is the NFT of the metaverse.

So, for users seeking happiness, fun and fulfilment in a humanistic way while leveraging the power of technology, Vault Hill is the right platform for that. Hence why our mission is to revolutionise XR experience by creating a constructive metaverse that focuses on the basic human instincts which allow users, content creators and developers to explore their unrestricted creative freedom while monetising their creation in a secure ecosystem.

TFT: What was the catalyst for launching Vault Hill?

JD: The launch of Vault Hill is quite an interesting story but if I am to sum it up, I would say the catalyst is value. It started back in Q4 2017 when I got into crypto. I stumbled on virtual land and bought a few across various platforms. At the time, one of the plots was \$200, fast forward to Jan 2021, one of those sold



for \$10,500 and that really confirmed my dreams of starting a virtual land repository via the metaverse. So, I started investigating and researching what real world problems could be solved with virtual land and virtual reality.

It wasn't the return on investment that was so surprising, it was value! Someone somewhere had placed value on that plot of land; it got me thinking of what other use cases and problems can be solved with blockchain, virtual land as an NFT and incorporating extended reality.

As I have always been entrepreneurial and it's not the first time I've set up my own thing, I started thinking about how to create investments for investors, how to develop this product and keep it human-centric in the metaverse. So, in terms of investment opportunities and real estate, I immediately thought of pivoting into virtual, and creating a token to raise capital.

I got a very small team together and we started bouncing ideas back and forth and came up with the mantra of enhancing the human experience and tied our metaverse to seven basic human instincts. This birthed Vault Hill's vision to revolutionise XR so that it “enhances the human experience”. We want to transform how people engage with XR. Instead of making us feel less human and less connected, XR technology can be used to make us feel more in tune with our emotions, and ultimately more alive.

TFT: The ‘metaverse’ is a hot topic at the moment – how does Vault Hill stand out from the crowd?

JD: The metaverse is an overused phrase. We see on a daily basis new metaverses springing up, each with their own take on how to attract people's attention. As the world changes and we become more reliant on our digital identity, it is the obligation of companies who develop virtual worlds to create a safe and constructive environment for people to exist.

We realised that a lot of the projects out there focus on distant, unrelatable concepts which disconnects users from their humanity thereby portraying Web3/metaverse as a fictional dystopian concept. It is this reason that made us

decide to revolutionise the stereotype by infusing humanity and our community at the heart of our product at Vault Hill.

We are the world's first ever human-centric metaverse. That is, the Vault Hill metaverse is not aimed at replacing the very thing that makes you human, but rather enhances your human experience with each visit.

We included on our vision statement – ‘to enhance the human nature through virtual reality’ – because we truly believe that the metaverse is the future of connecting people and as such we take our obligation seriously. The seven basic human instincts drive our product development and our decision-making process to purposefully move away from this dystopian end state that a lot of commentators predict. Likewise, through the self-sovereign identity that we aim to add in our metaverse, we will be curbing the issue of minors having access to certain content and functionalities as reported of some virtual worlds.

Moreover, Vault Hill is also the first virtual world with urban planning and development benefits to ensure users build on their virtual land respectfully. Users who own virtual land in Vault Hill City will be given a ‘NO CODE’ builder tool which gives them total creative freedom on their parcel to build anything they can imagine (e.g., fitness centres, fashion studio, art galleries, museums, libraries, etc.) while earning returns as other users interact with the projects on their land.

TFT: What can people do in Vault Hill City?

JD: There are several activities for our users, #VaultHillers, to explore and enjoy in the metaverse. #VaultHillers will be able to create and customise their 3D avatars with cool wearables and accessories. We have signed multiple partnerships with brands to give users options and enable them bring their identity to life in the metaverse.

VaultHillers will be able to interact with other users, build new friendships, make romantic connections, attend events and shows, curate art, play games, own libraries, explore their fantasies, etc. In addition to these, content creators will

be able to monetise their creation in the metaverse and earn as other users interact with their creation. Likewise, businesses who establish their virtual office in our metaverse get to benefit brand exposure and vast opportunity for revenue generation as users all around the world patronise their products and services.

Users will also be able to buy digital assets with the native cryptocurrency, \$VHC, and purchases made with the VHC enjoy a 40 per cent discount. Then there is the virtual land that owners will be able to explore their creative side by building whatever edifice they desire on their land.

The virtual land has been grouped into four islands, each containing seven districts themed after various human functions for #VaultHillers to explore and enhance their human experience in the metaverse. The districts are District Omega (vitality), District Beta (play), District Alpha (curiosity), District Pi (idealism), District Delta (romance), District Sigma (imagination), and District Kappa (community). Districts Vitality and Play will be the first two that will be available. This means that VaultHillers will be able to improve health and wellness, play games, go to a cinema and so much more.

TFT: What's in store for the future?

JD: Top on our list now is the virtual land public sale and the launch of our NFT marketplace in March. For the \$VLAND sale, we aim to sell 572 parcels of land in District Play (where people can have fun in whatever way and relax), and District Vitality (where users will be able to improve their health and wellbeing). Everyone who purchases VLAND will receive a free HTC VIVE Flow VR glass per parcel of land bought.

Our NFT Marketplace is where users will be able to buy and sell all their creations in form of NFTs and plans to gamify the marketplace is ongoing. All hands are on deck to also launch the Vault Hill City soon so this is definitely something to watch out for. We cannot wait to share the interactive, fun platform where users can enhance their human experience with the world.

The next few weeks and months are going to be super exciting and fast paced. We have some partnerships, hackathons, product announcements and events.

Our development timeline can be found in a [whitepaper https://vaulthill.io/Documents/VHWhitePaper.pdf](https://vaulthill.io/Documents/VHWhitePaper.pdf). **TFT**

About Vault Hill

Website: www.vaulthill.io

Twitter: @vaulthill



THRIVING ON CHANGE

The foundations to becoming a future-ready insurer

Today's insurer must evolve, not just to meet today's needs, but to become an agile and responsive institution that can adapt to meet constantly changing needs and expectations. It is no small task, requiring changes to systems, data, company culture and even the foundational principles of the insurance model itself.

From protection to prevention, mitigation to management, the future role of the insurer could look very different.

WHAT FUTURE-READY LOOKS LIKE

The vast majority (97 per cent) of insurance executives who took part in a recent Insurtech Insights study agreed that future success depends on building a culture of innovation, but how is that achieved?

1 Build the culture

There has to be a holistic approach to transformation which means communicating goals clearly and being open to feedback and advice.

"We've gone out of our way with internal comms. We use things like Slack, we have internal message boards and the intranet. Some people don't like change, but if we give it to them ahead of time, they're more likely to be able to take it in the right way," says Adam Powell, chief operating officer, Policy Expert.

2 Set the vision

Innovation is, by its nature, iterative. Test and learn has its place but each step should be designed to propel you towards a well-defined vision.

"Lots of companies and boards want to future proof five, 10 years in advance – you can't. Technology is moving too fast and therefore you must be flexible and able to adapt. We've got a three-year strategy and we revise that annually to incorporate the lessons learnt from the projects delivered in the previous year," said Tom Downs, chief operating officer, Aventus Group.



Bradley Collins, Chief Commercial Officer, Insurtech Insights

3 Collaborate

It is very easy to make transformational change a top-down decision. The

best transformation projects involve input from all areas of the business – as well as actively involving external support in the form of partners, vendors and consultancies.

"Transparency makes all the difference. Publish your operations and IT strategy. Make it freely available for anyone to interrogate. Welcome the debate and questions. You'll get better output and more adoption than if you avoid the difficult conversations," adds Downs.

WHY DO INSURERS HESITATE?

It is often said that the customer experience is now dictated by the sum of their daily interactions, rather than sector by sector. Insurance executives point to industry-specific challenges that can hinder them from delivering experiences that meet ever-rising customer expectations.

Lots of companies and boards want to future proof five, 10 years in advance – you can't

Regulation is deemed to prevent the industry from using innovative technologies or changing the way they communicate and is often cited as a barrier to everything from pricing to data use.

Andy Lynex, ex-business transformation lead, Covea Insurance, says: "There's still a feeling that insurance is different and it can't adapt to how retailers work, or we can't take technology off the shelf. I've seen a number of insurers attempt to build CRM systems rather than just recognise that salesforce has got a pretty good CRM system. Why not license that and focus on the bits that are truly unique?"

Change is not easy. Internal structures have been well-defined and in place

for a long time. To meet new customer expectations, the roles played by underwriters, actuaries and claims professionals will all have to evolve. Networks of change leaders that empower employees to become active knowledge-sharers are a vital part of breaking down those barriers.

"In a digital organisation, there is no divide between business and technology functions. Instead, there's a collaborative effort throughout the full stack of the organisation," adds Ruth Harrison, global head of industry domains, Thoughtworks UK.

THE STEPS TO TAKE TODAY TO BECOME THE INSURER OF TOMORROW

While the future may be technology-powered, the USP at the heart of the future-ready insurer lies in its people. Skills will have to evolve to meet new the challenges brought by greater personalisation, improved customer interaction and a more proactive approach to managing consumers' 'insured health' – the preventative measures increasingly taken on by insurers to lower risk and cost.

1 Promote diversity

Diversity and inclusion in all its forms will be vital. Insurers need to access a breadth of insights not just from the data but from their employees, peers and partners.

"It's well recognised that diversity is a really good catalyst for innovation and execution. Not diversity from a tick box perspective, but diversity of thought and experience. You can't always innovate just by getting internal people in a room and hope they come up with a good idea. You have to actually talk, listen, understand, experience as broadly as you can," says Ben Luckett, chief innovation officer at Aviva.

2 Technology goals

The Cloud allows for faster, more dynamic and relevant client insights while significantly reducing operating costs. Being able to build and tear down sandboxes in minutes means teams can

test and learn at pace, while automated data feeds dramatically improve the ability to capture information and act on it at the pace today's market demands.

"The most transformational piece that I've experienced in the last five years is going to an organisation that has cloud computing. The speed of deployment versus on-premise solutions is a game changer," says Aventus's Downs.

3 Partnering for success

Naturally, insurers' expertise lies in insurance. While many have acknowledged the need to build a technology-savvy organisation to meet future challenges, it is simply not possible to meet every eventuality alone. It is vital to find the right partner not just to supply solutions but who can work with the organisation so its unique needs are met. It is a joint effort.

"What helps is to find vendors who see you as someone they want to partner with and vice versa [...] Rather than seeing it as 'we pay, you deliver, and then we use it,' says Constantin Beier, global head of business development, data and analytic services, Aon.

There are many levers involved in becoming a future-ready insurance organisation but there is one constant thread: change is constant. Future-ready insurers do not just cope with the pace of change, they thrive under it. **TFT**

About Insurtech Insights

Join leading industry executives at this year's Insurtech Insights Europe 2022, Europe's largest Insurtech conference. Hear from leading innovators and insurers on 15 and 16 March 2022, as they reveal exclusive insights and case studies to help you succeed in your own transformation journey.

Website: www.insurtechinsights.com/europe/



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Credit Risk Analyst at



COMPANY OVERVIEW: MONZO

Monzo is looking to revolutionise the way consumers manage their finances by putting them in control and promoting their financial wellbeing. It aims to create a genuine feel-good factor when it comes to personal credit, and are looking for driven, analytical and creative individuals to help them achieve this goal.

ROLE OVERVIEW: CREDIT RISK ANALYST

It is looking for a Credit Risk Analyst to join the IFRS 9 Impairments team. This team combines data, analytics, modeling, credit expertise and reporting to deliver insights into the risks in their portfolio, and to compute monthly IFRS9 impairments figures.

YOUR RESPONSIBILITIES & REQUIREMENTS

- Enhancing Monzo's provision calculations to improve accuracy and speed
- Optimising the credit risk and economic models used in IFRS9
- Driving automation and efficiency in monthly reporting process
- Integrating the IFRS9 models with the rest of Credit Modelling landscape
- Strong working knowledge of impairments / provisions within retail banking
- Experience of developing, validating or monitoring Credit Models
- Strong analytical skills
- Solid understanding of the impact of external economics on credit risk in retail banking
- You have a good technical toolkit. SQL is a must

Lead Fraud Data Analyst at



COMPANY OVERVIEW: EXPERIAN

Experian is the world's leading global information services company. During life's big moments – from buying a home or a car, to sending a child to college, to growing a business by connecting with new customers – it empowers consumers and clients to manage their data with confidence.

ROLE OVERVIEW: HEAD OF CAPITAL MARKETS

Working within the Identity and Fraud Business Unit, the Lead Fraud Data Analyst will be a key contributor to changing the perception of ID&F products in the marketplace through the execution of an ambitious blueprint, delivering value added service activities designed to prevent solution degradation, subsequently providing a positive return for customers investment.

YOUR RESPONSIBILITIES & REQUIREMENTS

- Extracting/manipulating data from Oracle databases
- Interrogating complex data to uncover insight and share an understandable story to key stakeholders
- Using data to make informed decisions to enhance customer fraud solutions
- Create reports and alerts for proactive incident prevention or resolution using a combination of SAS/WPS/SQL for extraction, creation and automation
- PC literate in languages such as SAS/WPS/SQL/PLSQL and Microsoft Office in particular Excel
- Extensive track record of successfully supporting projects to implementation and closure
- Excellent communication skills, including proficiency in writing reports and presenting analysis/technical work
- Common sense/logical approach to problem solving Software Configuration

DevOps Engineer at



COMPANY OVERVIEW: OAKNORTH BANK

OakNorth Bank is a UK bank for small and medium-sized companies that provides business and property loans. The bank, which gained regulatory approval in early 2015, was founded by entrepreneurs Rishi Khosla and Joel Perlman, who had previously founded Copal Amba.

ROLE OVERVIEW: DEVOPS ENGINEER

As a DevOps Engineer you'll work in a Cloud (AWS) native environment, allowing the organisation to deploy code fast and effectively. So the impact you'll have on the organisation will be huge. This is the first part of a much larger transformation to product led squads and design thinking.

YOUR RESPONSIBILITIES & REQUIREMENTS

- Design, deploy, manage, and operate scalable, highly available, and fault-tolerant systems backed by AWS cloud infrastructure
- You will be working in an Agile development environment, working closely with the Engineering, QA and Product teams
- To produce and maintain documentation
- Have a strong technical background, including 5+ years of experience designing and engineering large scale systems
- Passionate about DevOps and the impact this will have across OakNorth Bank
- You'll be an expert in; Linux, Python, Shell scripting, AWS
- Working experience of; Kubernetes / Docker, Git, CI / CD pipelines using Jenkins, Circle CI, configuration management tools like Terraform, Ansible

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ALL FOR ONE

Insurtech One Inc encourages collaboration and partnership as core features of its business

California-based One Inc is one of the fastest growing digital payments platforms in the insurance industry, managing billions of dollars per year in premiums and claims payments. In addition to the strength of its product, One Inc attributes its success to a unique workplace culture and mindset that has taken on further importance during the pandemic era.

The *Fintech Times* speaks to One Inc's CEO Ian Drysdale (right) about the company's continued push towards operational flexibility and a culture where all team members #risetogether.



Tell us a little about One Inc and its offering.

One Inc is the leading payments network for the insurance industry, providing a fintech approach to digital payments workflow for both inbound (premium) and outbound (claims) payments to nearly 200 insurance clients of all stripes and sizes. Processing more than \$20 billion in payments today, One Inc's technology helps carriers transform their operations by reducing costs, speeding time to payment, increasing security, and optimising customer experience at crucial touchpoints – all of which reduces severity and loss ratios that are crucial to these companies' business. We are based in Folsom, California, and today we have 357 team members in the US, Russia and Mexico, all working to ensure that carriers – and their policyholders – have fast, flexible and frictionless payments options.

What makes One Inc a great place to work?

Since its founding One Inc has placed a premium on our domain expertise in insurance use cases and smart payments

technology applications, and this mission is first and foremost reflected in our team and the kind of company we want to be. Many companies are entering this insurtech space now, including those from banks and fintech, but they aren't

invested in the same way we are. Because our aspirations are different, our culture is different – supporting team members' personal growth, enabling them to lead the expansion of our network, and aligning the different parts of our organisation to maximise collective success. That commitment is what makes us unique.

How does One Inc's people culture stand out in the insurtech space?

We sit at the intersection of insurance and payments tech, and there is a perception that these work environments can be unrewarding. It has been an absolute priority for us to be exactly the opposite every day, not only helping us do better work for clients, but in order to attract talent and keep thinking boldly. Especially in the last two years, we've developed creative programmes that foster a culture of engagement and support among our staff, including a stipend to build out new home offices, our 'Shakra' programme that connects employees with shared personal interests and fun competitions, and a 'Bonusly' peer recognition programme.

Tell us more about your 'all team members #risetogether' tagline

The idea of #risetogether is applicable not only as a philosophy for our One Inc team culture, but for our network theory as an insurtech too. We really encourage ideas about collaboration and partnership as core features of our business, and that reflects itself in what we do internally as we develop and bring new products to market, establish new pathways for clients to be able to use our technology, and tell our story. We feel the strength of our team and culture is really our best advertisement for One Inc, and in fact it has helped attract new, highly distinguished leadership across our tech, product and corporate teams in the last year or so.

How has your workplace evolved during the pandemic era?

One Inc was ahead of the game at the beginning of the pandemic, having already leaned into a distributed workforce model years prior, which was designed to go fully remote. During this time, we've learned a lot about flexibility and empathy and implemented various practices into our culture to ensure our team feels connected, our communication is open, and we are preserving work-life balance at a time when the two can too easily blur. We've grown significantly during this period, so we've also evolved the way we hire and onboard talent. And we continue to build out company

programmes to ensure our team sees each other when it's safe and possible, though at the same time, for One Inc there is no 'going back' to pre-pandemic notions about the office environment. We feel this model is here to stay, and our continued pursuit of its perfection is a point of pride.

Tell us about One Inc's ambitions for 2022

Our hard work in 2021 really put us onto a great trajectory going into 2022, and therefore our ambition is really to do more of the same in a scalable way. That includes exploring new 'edge' use cases for our inbound and outbound payments platforms and establishing new relationships with accelerators and other partners to integrate our solutions more quickly. One area that is likely to grow in stature, not just for insurtech but payments more broadly, is the incorporation of emerging technologies like tokenisation, virtual cards and digital walleting, and helping our clients seamlessly access the benefits of these as they grow in stature. For those who live and breathe payments, these trends are very exciting.

About One Inc

One Inc is a digital payments network for the insurance industry

Website: www.oneinc.com

LinkedIn: www.linkedin.com/company/one-inc

Twitter: @OneIncSystems



ONE INC

WALK THE TALK

Only 17 per cent of fintech leadership roles are held by women. This clearly is an issue but one that is becoming rightly more recognised.

To help wade through the challenges of this reality, *FinTech Women Walk the Talk: Moving the Needle for Workplace Gender Equality in Financial Services and Beyond* by Nadia Edwards-Dashti offers solutions of exactly how things can be changed.

“We have a big problem in technology and fintech where businesses are not reflecting the gender balance of society,” she writes, and data shows she is correct. However, rather than trying to explain to readers why a lack of gender representation is an issue, she skips straight to how we can build a more gender-equal industry.

A BLUEPRINT

Having interviewed 150 women who work in the financial services technology field as part of her podcast series *Fintech with Nadia: the diversity, equity and inclusion discussions*, Edwards-Dashti presents the book as a blueprint for the industry to follow to build inclusive teams, centred around the advice of these women in fintech.

The book begins with a long list of interviewee biographies: the people she has spoken to, both men but mainly women, whose insights formed the inspiration for her book. At first, I thought it was an unusual choice to place these biographies at the beginning, when you would expect them at the end, but placing people at the forefront really highlights the importance of their contributions and hammers home a clear message that the gender issue needs to be tackled together. Some names include Joanne Dewar, CEO of Global Processing Services (GPS), Dr Leda Glyptis, chief client officer of 10x Banking and Louise O’Shea, CEO of Confused.com.

The inclusion of the insights, thoughts and words of these fintech leaders is one of the hallmarks of the book, making it feel like a truly collaborative effort. Edwards-Dashti says herself that it isn’t all her words, but all backed up and influenced by the many women she has spoken to throughout her career. Not only to support a collective effort, but it also champions the women who are already in the space, showing off the number of potential role models and allies an aspiring fintech woman already has.

A UNIQUE LENS ON THE INDUSTRY

Looking at some of the content, Edwards-Dashti presents her thoughts starting with a section on what fintech actually is. This provides context to her later ideas on helping gender diversity within the industry, where she explains fintech in

By Polly-Jean Harrison,
Features Editor at *The Fintech Times*

her ‘unique’ way. She gives a whistle-stop tour of the creation of the industry and the original cause of fintech: to make the financial industry more accessible to all.

While those in the industry will likely already be privy to this kind of information, it was interesting to see the sector from Edwards-Dashti’s perspective. Particularly with the lens of how the customer needs of fintech is one of the key arguments for a need for different perspectives with a company, with the diversity of thought allowing a fintech to serve their customer base better.

I also applauded and agreed with her stance on how career pathways into fintech aren’t modelled after a traditional

change Edwards-Dashti is talking about is just another step in the process.

A HISTORY OF EXCLUSION

In Chapter 4, Edwards-Dashti outlines the history of exclusion in both finance and technology workspaces to authentically tackle the gender imbalance within today’s fintech community. She outlines exactly which issues need to be addressed, including how women are simply not given the same opportunities within business as men. Billie Simmons, co-founder of Daylight, sums things up quite nicely, with Edwards-Dashti quoting: “Finance was built for and by straight, white, cis men.” When looked through that lens, things start to make sense, with her detailing the many gender ‘gaps’ in the industry and other areas of that need to be addressed.

This leads into a later chapter entitled ‘The issues we must acknowledge’, where Edwards-Dashti outlines the industry landscape and how it looks and feels for women. She gives them an understanding of the unique challenges any minority faces about their working environment and asks the question: Why don’t we attract more women to fintech? Here, she makes a crucial, fantastic point about the industry, quoting Alexander den Heijer: “When a flower doesn’t bloom, you fix the environment in which it grows, not the flower.”

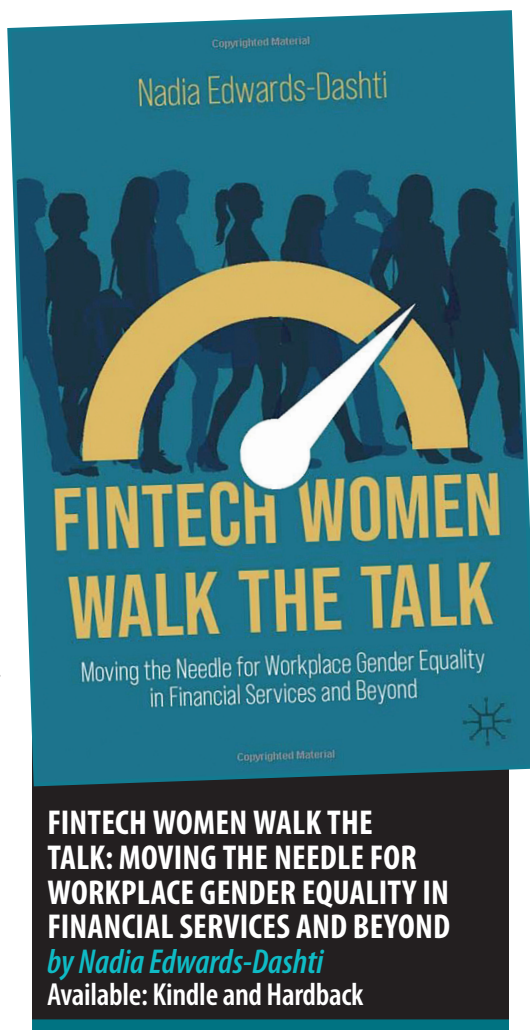
To me, this entirely hits the nail on the head, as for too long the onus has been on women to change to join the industry, whereas really it should be the other way around. Edwards-Dashti builds on this, highlighting the areas that need work and the familiar microaggressions that need to be addressed in order to attract, retain and promote more women to the space.

THE INCLUSION MISSION

Edwards-Dashti’s mission was to take the reader on an inclusion journey to open up their eyes to the real challenges faced when trying to tackle the gender imbalance in fintech, and I believe she has done just that. As a champion of the good fintech can do and the potential for change within the industry, her work is an honest highlight of the challenges faced by women, and how we as an industry need to overcome those challenges together, regardless of who or what gender we are.

Ultimately, this book is a celebration of the female fintech community, and shares the perspectives of ‘the great, the powerful, the wonderful women of fintech’, as well as importantly the male allies to the cause.

I think this book is definitive proof that actually, fintech women DO walk the walk, and should be read by all those looking to make a difference in the industry, and even those who aren’t. **TFT**



corporate finance view. That ‘you don’t need to be from a Russell Group university, have won a boat race or be over 40 before you make partner’.

Fintechs are, quite rightly, changing the status quo within finance, and have been ever since the creation of the concept. This, as Edwards-Dashti points out, gives all the more reason to promote further change when it comes to gender diversity as fintech is already doing the work, it just needs to go further. Fintech has always been about making change happen, and the kind of

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