begini

Credit where it's due

Alternative data credit scores

Credit invisibles

Credit scores are flawed & outdated

Access to credit is access to opportunity. However that opportunity remains out of reach for many because traditional scores rely on limited sets of data.

While the exact models vary, broadly speaking a bureau considers credit repayment history in the last five to seven years.

The system advantages certain people, and in turn discriminates against many others. The credit playing field is far from level today. It entrenches financial inequalities in the system.

The bureau score most people are familiar with today was only introduced in 1989, this relatively modern tool is already outdated.

Credit scores that only see part of the market also limit the business of lenders, cutting them off from many 'good' borrowers.

While a financial institution may want to lend to those with little or no credit history, the incumbent legacy credit score system simply does not allow them to.

Thin-file and no-file customers (those with little to no credit history) are 'invisible' to financial institutions.

A thin-file customer could be someone who is young, has recently moved to a new country, hasn't used credit for a period of time (eg retirees who no longer have mortgages), or someone who generally pays with cash/debit cards rather than a credit card.

Without a credit history, financial institutions have no way of assessing risk. Traditional approaches to credit have little flexibility and are not serving the needs of consumers and the wider community.

Credit through disruption

In many markets lockdowns and economic disruption in the last two years has resulted in a shift in consumer and repayment behaviour. This impacts traditional credit scoring models.

The most financially vulnerable have only found their position becoming more precarious during the COVID-19 pandemic.

While financial institutions want to, and are being incentivised to lend, they need to consider new ways of approaching risk assessment.

Simultaneously, the shift towards digital, which has been steadily progressing for many years, has taken a giant leap forward.

This push towards digital will see a reliance on leveraging new sets of data.

Personality predicts risk

Character-based credit scores

Everybody has a personality, and this helps understand their risk profile. By looking at behaviour and personality - we can score anyone.

Character-based scores take non-traditional data like smart-phone data and psychometric assessment and analyse it to provide insight around the consumer's personality, behaviour, community, skills and experience. Information which is highly predictive of creditworthiness.

This data can be turned into valuable insights allowing financial institutions and lenders to not only 'see' more people but to understand their customers better, providing the foundations to offer better financial outcomes for everyone involved.

Traditional scores focus on an individual's ability to repay.
Alternative data credit scores focus on an individual's willingness to repay.

See the full picture

Character-based scoring leverages behavioural and digital data to better understand people and enable better decisions.

Financial History

Stability

Ambition

Risk Aversion

Fluid Intelligence

Introducing alternative data

Non-traditional data, such as smart-phone data and psychometric assessment has been proven to provide insight around the consumer's personality, behaviour, community, skills and experience. Information which is highly predictive of creditworthiness.

Once a consumer opts-in, machine learning algorithms analyse thousands of data points for each application. Once the results are in, they can be incorporated in the lenders existing decisioning system through easy to integrate APIs.

Character-based insights can be used to enhance existing credit assessment processes with alternative data that is secure, privacy consented, real time, resilient and above-all, predictive.

Digital and alternative data can be used to assess the credit risk of anyone.

As diverse as our data

People are diverse, and credit assessment should consider a diversity of data.

Begini looks at privacy-consented non-traditional data to enable character-based lending.

We both collect and create data for analysis and modelling. We have the ability to handle multiple data sources.

Anyone who is online or carries a cell phone shares information whenever they interact with the device. This information can be analysed to understand who they are and their creditworthiness.

We can also integrate with existing data sources in your institution.

Begini is focussed on bringing together data which reflects how people live, to give a more complete understanding of character and willingness to repay.

iOS

Android

Psychometrics

Open Banking

Telco

Mobile Money

Putting character in sight

How Begini finds character insights in data

Character-based credit assessment requires expertise and knowledge of specific data sources.

At Begini, our character-based creditworthiness insights are built using device data or psychometric assessment. These sources can be combined with other data sources such as Open Banking, Transaction History or Bureau scores.

Our character-based insights show a selection of key character traits, behaviours and abilities. These have been carefully selected based on observed relationship to creditworthiness, across hundreds of thousands of application data.

Only insights that have consistently demonstrated predictive power are used in our assessment process.

Device Data

The mobile phone is the most ubiquitous technology on the planet. It provides valuable insights that can be used to predict risk.

Begini can work with an extensive variety of data sources from Android and iOS devices.

Begini offers its own SDK which can be embedded on an existing app or through a white-label app to collect the data stored on Android or iOS devices, after the user gives permissions.

Our SDK is regularly updated to ensure compliance with the latest requirements It provides consent screens to show end-users all required information.

Psychometric Assessment

Psychometric assessment is the only universal credit score. Everybody has a personality which means we are able to assess their willingness to repay and risk appetite.

Our assessment captures more than 25 personality traits. The most relevant are locus of control, fluid intelligence, impulsiveness, confidence, delayed gratification and conscientiousness.

These traits let us identify applicants who are likely to repay their loans. Additionally, behavioural insights could be predictive of potential for cross-sell opportunities, fraud etc.

Make more profitable and informed decisions

Character-based assessment using alternative data can be used in a variety of ways.

Win new customers
Standalone Score
Reach new customers with new products who are currently invisible. Our alternative data credit score can be used to assess 'credit invisible' and thin-file customers with little to no credit history.

Keep customers
Reassess soft-rejected customers
Begini insights can be used to ensure you don't miss out on new and additional lending to creditworthy borrowers who have insufficient credit data.

Grow portfolio profitability
Uplift predictability of your current scores
Alternative data scores have little correlation to traditional credit scores, so they can be used in combination to provide greater predictability to existing scores and a more profitable loan portfolio.
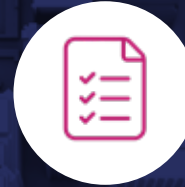
More Approvals
Assess people you normally could not reach, increasing your market.

Better performing risk
Gain greater insight into the likelihood of default to control NPL.

Efficiency
Reduce time and increase efficiency in the credit application process

Portfolio Management
Enhance portfolio management through better data to support policy and performance.

About us

Our mission

We believe in giving credit where it's due. Our assessments can collect or create data, which informs our models, producing insights which are used to give safe credit to more people.

Fairer access to credit is a recognised driver of financial inclusion and social responsibility.

Our team

We are experts in financial technology. Our team have worked in alternative data, credit, financial inclusion and mobile money for more than two decades. We have a track record for delivery value to our clients.

We are a global team with presence in the United Kingdom, Australia, Colombia, Ghana, Thailand and The Philippines.

Data experts

We grew up with data. We use advanced data science to assess personality traits associated with an individual's willingness to repay.

Character has been shown to be a resilient and reliable indicator of someone's likelihood to default.

Self-Service Platform

Our purpose-built platform has been developed using our extensive lending and financial knowledge.

Our platform is built to enable lending teams to take control of their alternative credit score process. Intuitive customisable dashboard, easy to configure with pre-built templates and insight reports.

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