DATA ON DEMAND
ID.VU

? Use Cases

The Use Cases for Vulnerability, Affordability, Fraud Prevention, Customer Contact and Public Relations are outlined below.

Identifying financial vulnerability

- Identify existing customers most at risk of financial harm due to low financial resilience.

- Identify existing customers most at risk of harm due to negative life events.

- Identify households where other individuals can be linked and may also be affected because of partner's or other adults' vulnerable circumstances.

- Monitor changes in individual circumstances – reduced income, loss of job, breakdown of relationship etc.

- Identify new high-cost loan applicants and identify emerging vulnerability in the customer base.

- Integrate ID.VU data into existing vulnerability strategy for all vulnerability related decision making.

- Monitor changes in individual circumstances – reduced income, loss of job, breakdown of relationship etc.

- Align with regulatory requirements to utilise additional data sources to support the identification of potentially vulnerable customers.

Affordability assessments

- Inherently, anyone applying for high-cost credit is suffering from low financial resilience and affordability for other products – particularly non-essential expense on gaming/gambling – should be scrutinised.

- Use I&E information from loan applications to enhance affordability checks were there is little known other information – for 'thin file', 'unbanked' or 'not credit active' consumers.

- ID.VU allows you to use the changing I&E declared to calculate reduced income, for example.

- Loan purposes allow you to identify financial needs such as Reduced Income, Debt Repayment, Bills, Rent/Mortgage, Short Term Cash and Unexpected Expense, which should trigger affordability indicators when assessing applications for other products.

- Where an individual has a good credit score but has recently suffered a negative life event such as an income shock because of losing their job for example, future affordability to service repayments should be assessed and considered.

Fraud prevention

- Some vulnerable customers are more at risk of committing fraud – such as insurance fraud for example when they need additional funds. An ID.VU flag can indicate the need for a manual check or a request for more information.

- Some vulnerable customers are more at risk of being a victim of fraud – in the 12 months to February 2020 2.3 million people in the UK were contacted by an individual or a company with a request to transfer money through their account, 1.1 million people were asked for their account log-details, typically involving someone pretending to be their account provider. Fraud and scam activity has exponentially increased during the pandemic and more vulnerable customers at risk of becoming victims of fraudulent activity. (https://www.fca.org.uk/publication/research/financial-lives-survey-2020.pdf Page 178: Security, Fraud and Scams).

Customer contact

- In all cases, the consumer shares data with DoD under the lawful basis of legitimate interests and this allows customer contact.

- Update the contact data for vulnerable customers to allow an omni-channel approach to engaging with the customer to offer them help.

- Over half (53%) of adults have characteristics of vulnerability in October 2020. Only one in eight (13%) adults, however, have characteristics of vulnerability and also consider themselves to be vulnerable. This means that most (76%) of those with these characteristics do not see themselves as vulnerable (Source: https://www.fca.org.uk/publication/research/financial-lives-survey-2020.pdf Page: 72). Many adults, especially in older demographic groups do not want to admit to a service provider they are vulnerable, particularly because they feel the provider may treat them differently. Reaching out to a customer to inform them that you can help creates positive customer outcomes.

Public relations

- For the marketing and media department ID.VU is a source of up-to-date and relevant information.

- Data can be mapped back to publications and sources such as ONS and FCA documentation e.g., Financial Lives 2020 survey: the impact of coronavirus (Key Findings 11 Feb 2021) and Finalised Guidance: FG21/1 Guidance for firms on the fair treatment of vulnerable customers to create white paper content and to gain attention from prospect and existing customers.

- Regular updates allow meaningful data outputs to support internal and external research.

Data Usage

The data can be utilised immediately, using ID.VU data flags to identify vulnerability, or integrated into third-party models.

Data flags

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Data modelling

- ID.VU data is available in its raw format.

- Share the raw data with internal data scientists and modelling specialists to create your own models.

- Use the data to enhance and improve your current scores and modelling.

- Create your own customer vulnerability flags.

- Utilise this new data source in your affordability models.

- ID.VU stores every historical application and multiple apps and insights are stores in raw tables for PersonIDs (see data dictionary).

? Data Consumption

Data can be consumed by users in multiple ways.

Bureau batch match.

DoD can take customer data files via SFTP to match and append with ID.VU flags. We are ISO27001 accredited or Information Security.

API.

Clients can make calls via API to retrieve data.

Client hosting.

The raw data and ID.VU data updates can be shared with clients for integration into their own products.

? Value Propositions

ID.VU data can be utilised by data service providers and end users to create value for their organisation in multiple ways.

CRAs, Data Aggregators, Bureaus.

- Enhance and improve your existing models and scores.
- Access data that is not widely available – not credit active, unbanked and thin file.
- Create your own vulnerability scores.
- Continual development of scores and models with the forward flow of new data and new insights.
- Create better products for your customers.
- Service the requirement that your customers must identify vulnerability.
- Provide PR and Marketing with valuable insights.
- Immediate impact for your customers with ID.VU flags whilst you integrate the raw data to build your own product.
- Use the data for vulnerability, affordability, fraud prevention, customer contact and PR – access budget from multiple business areas or a central budget for data to service more than one business case.
- Increase the sight of vulnerable customers, help reduce credit risk, improve affordability models, enable more vulnerable customer contact, create meaningful white paper content and help your customers meet their obligations to the various regulators.

End Users

- Immediately identify vulnerable customers.
- Monitor your customer base for future vulnerability.
- Attribute categories and characteristics of vulnerability to your customers.
- Prove to the regulator that you are acting in a way to ensure positive outcomes for all customers.
- Create better products for your customers.
- Share data with credit risk teams to make strategic decisions.
- Use the data for affordability assessments.
- Increase the sight of vulnerable customers, reduce credit risk, improve affordability checks, enable more vulnerable customer contact and meet your obligations to the sector regulator.