



**Sho Sugihara**  
Co-Founder, CEO

# Our journey

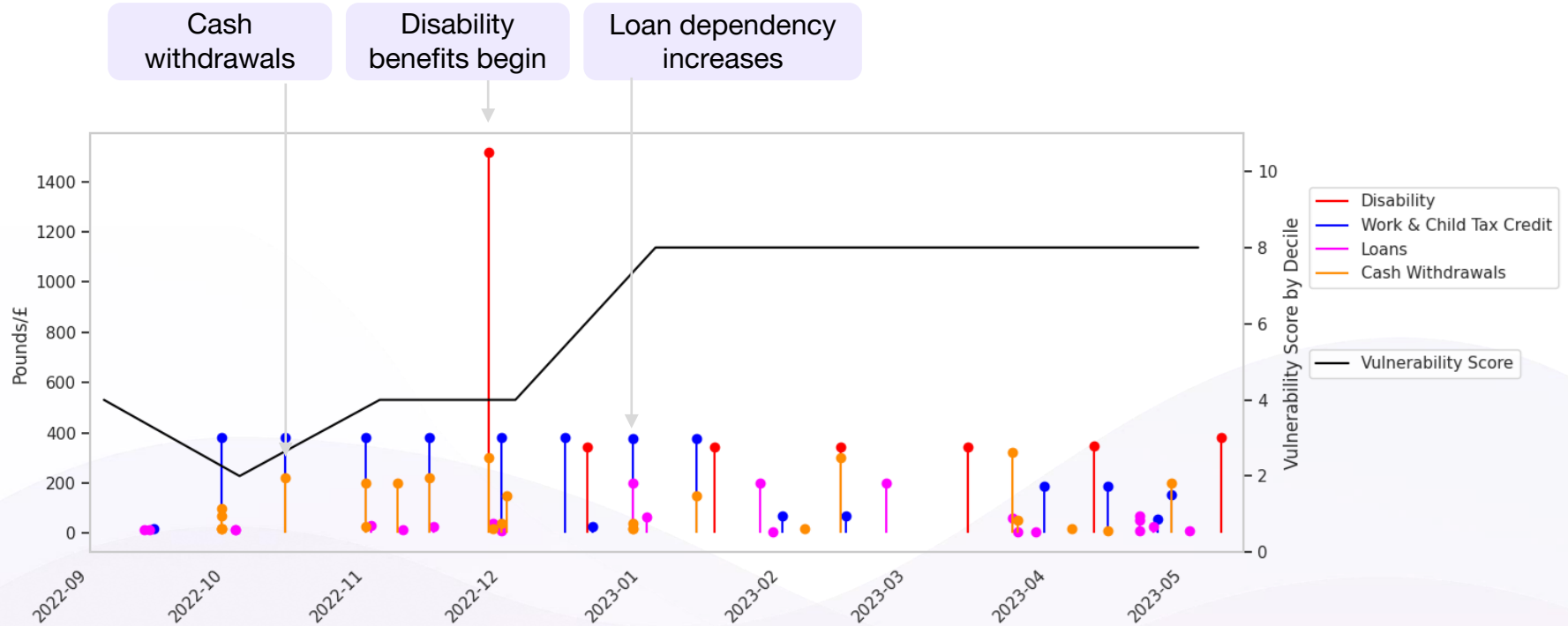
- 2018** Pave raises seed round.
- 2019** Credit builder Pave app launched. Uses Open Banking credit decisioning.
- 2021** Pave nets £10m in VC funding, investors include Tom Blomfield.
- 2022** Pave collects over half a billion data points from the Pave app, and 22 banks.
- 2023** Fuse launches its transaction analytics products, including a vulnerability module.



# Prediction: more hardship to come

- UK consumer confidence index decline: **-30 in October** (vs. -21 in September)
- **64%** of vulnerable are more concerned about finances than at any point in last three years.
- Brunt of interest rate changes **yet to be felt**
- **Tougher times ahead**, winter means increased bills, illness, loneliness.

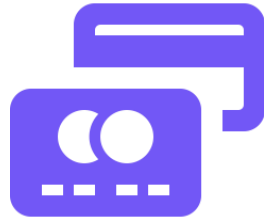
# An example customer journey



# Transaction data is key to identifying vulnerability

## Real-time

Constantly updating



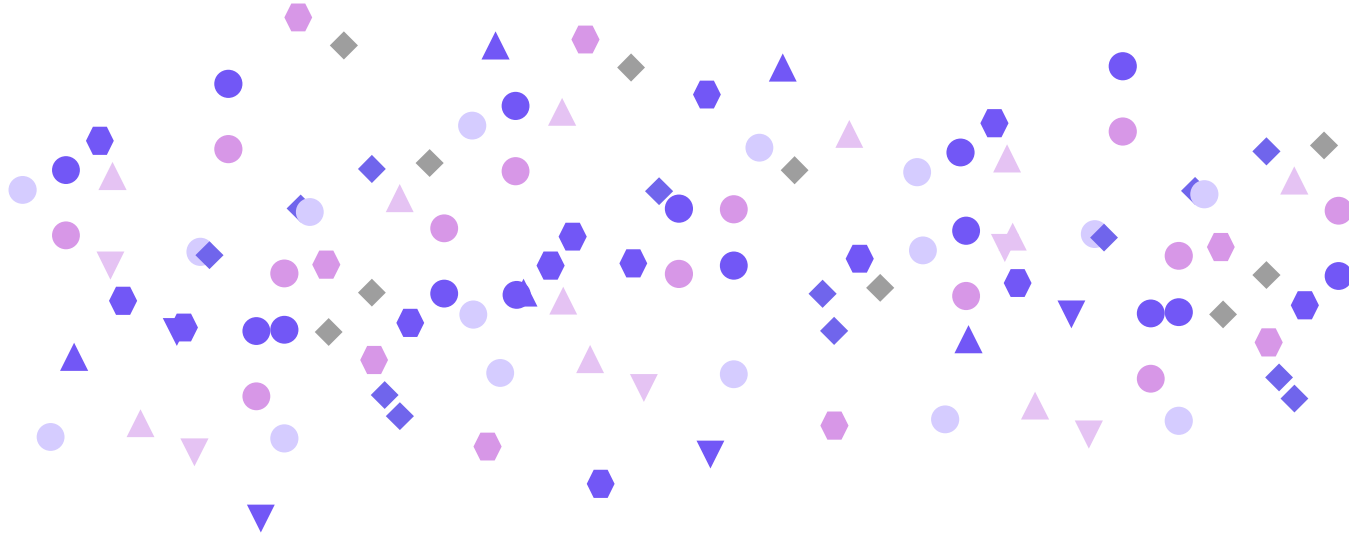
## Granular

Compared to other data sources

## Accessible

e.g., Open Banking

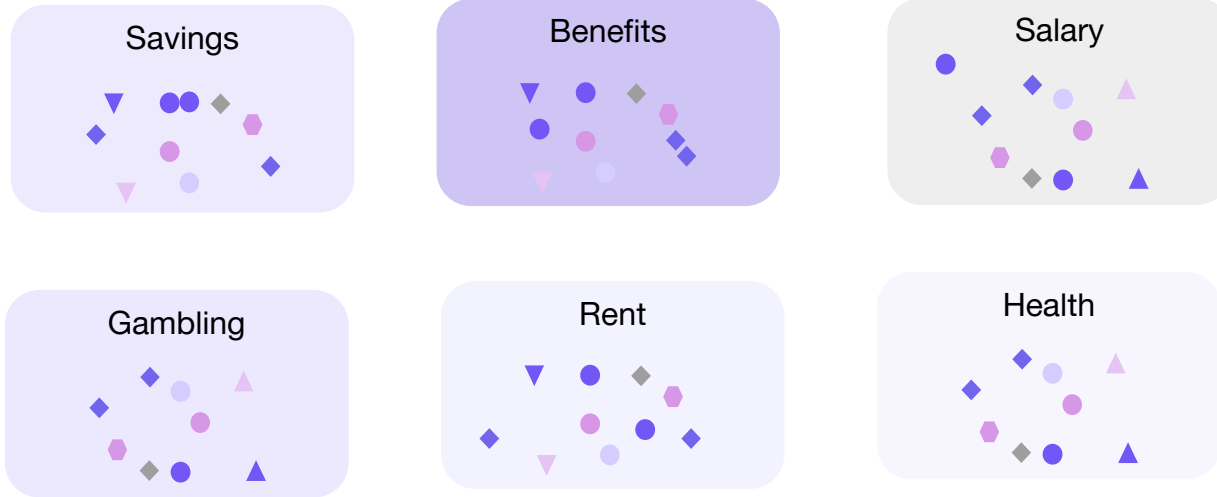
# Vulnerability modelling: using transaction data



**Take all of a user's transactions**

Transaction data is messy and transient

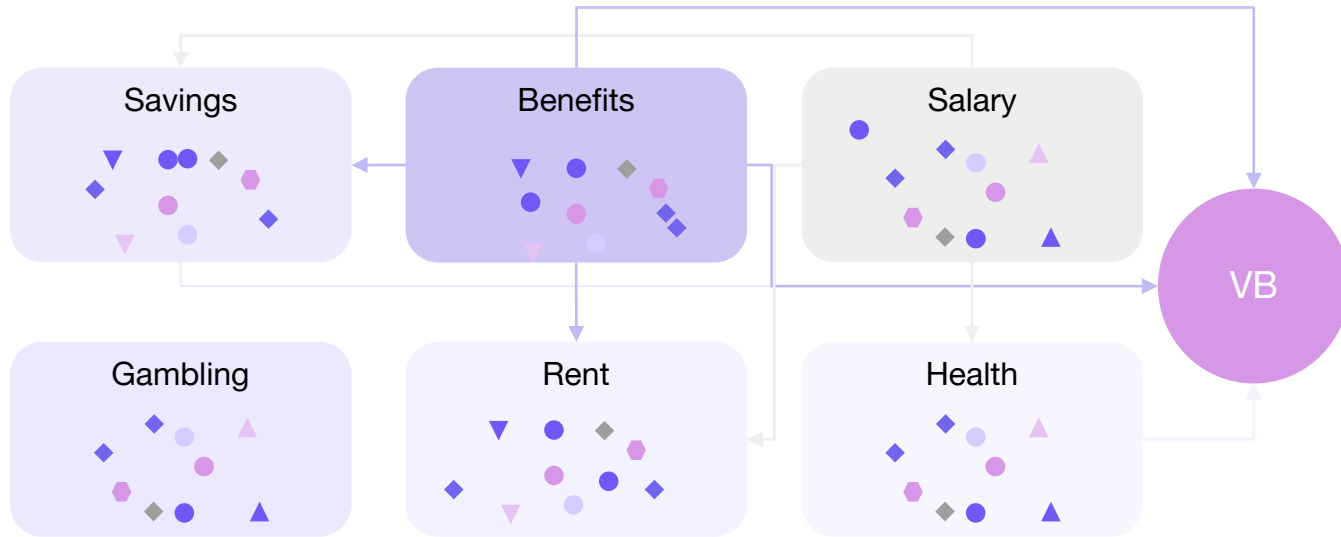
# Vulnerability modelling: using transaction data



**Categorise them into various features**

Using AI lowers manual update burden, which is constant with changing merchants

# Vulnerability modelling: using transaction data

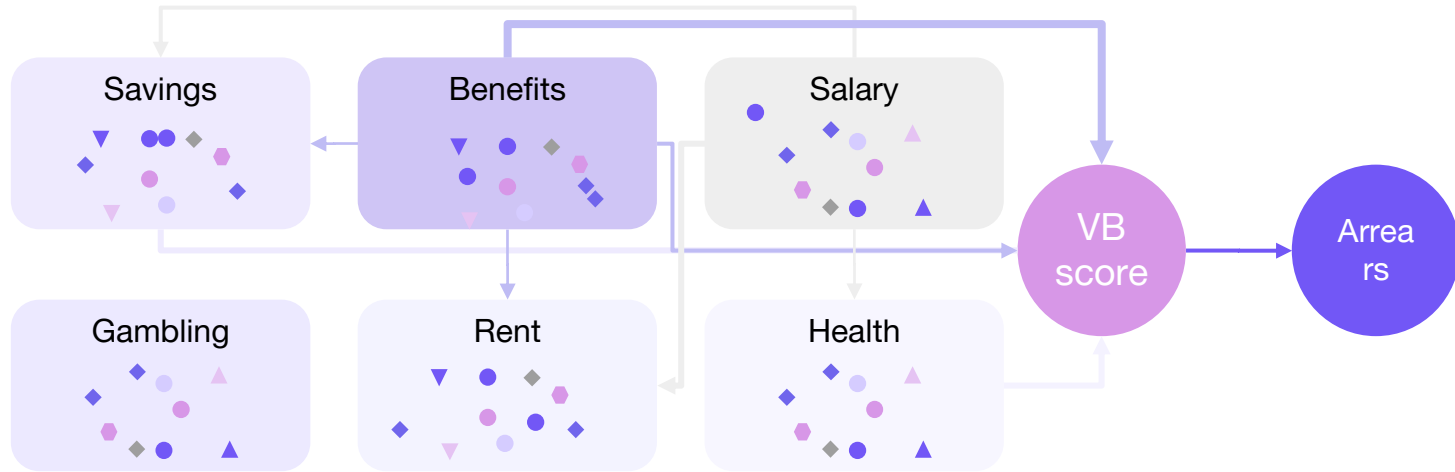


Experts & AI suggest causal relations between features and outcomes of interest

Keep a human-in-the-loop



# Vulnerability modelling: using transaction data



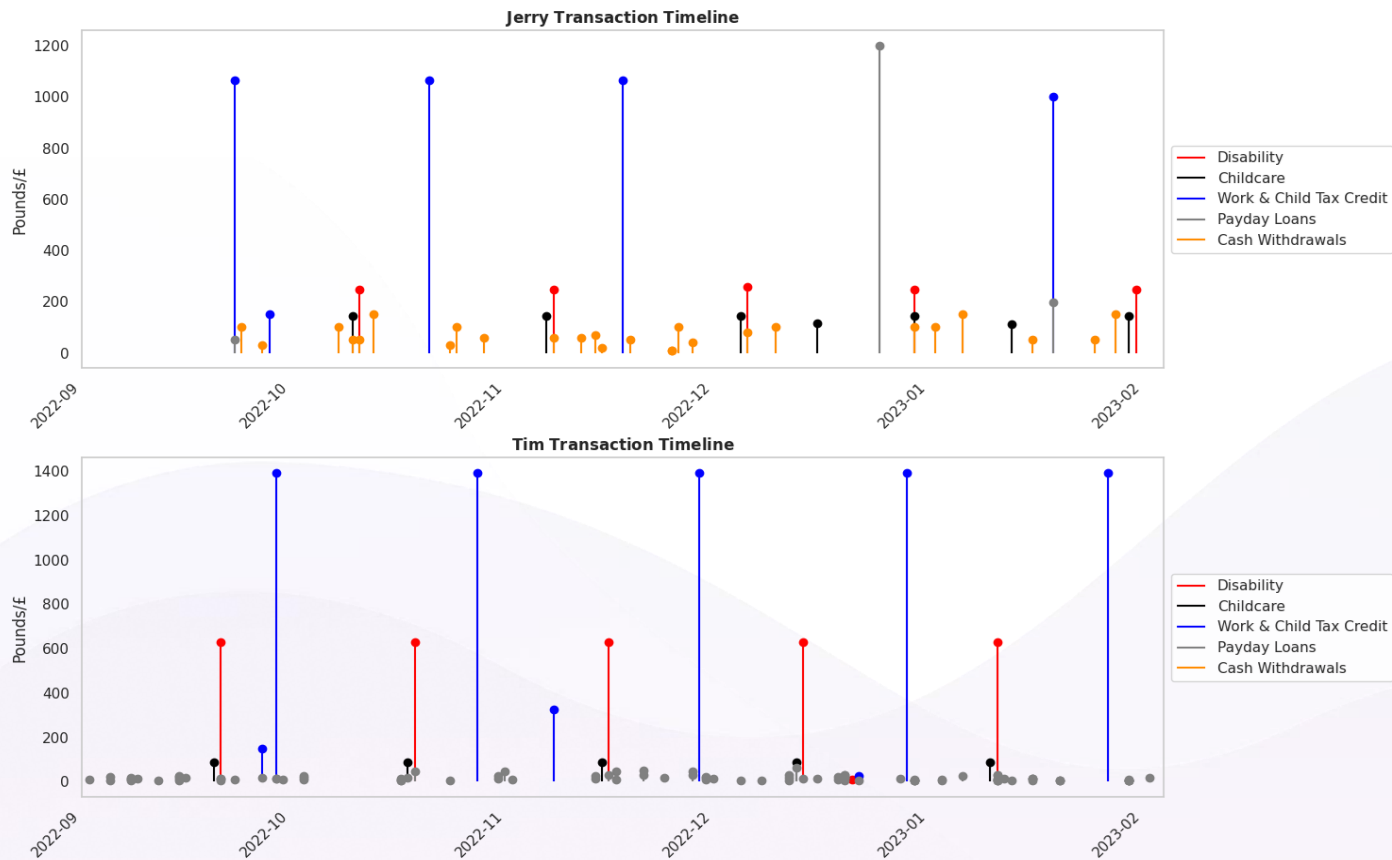
**AI learns the strength and effect of these relationships to infer variable of interest using a known outcome**

Vulnerability grounded in real financial customer harm

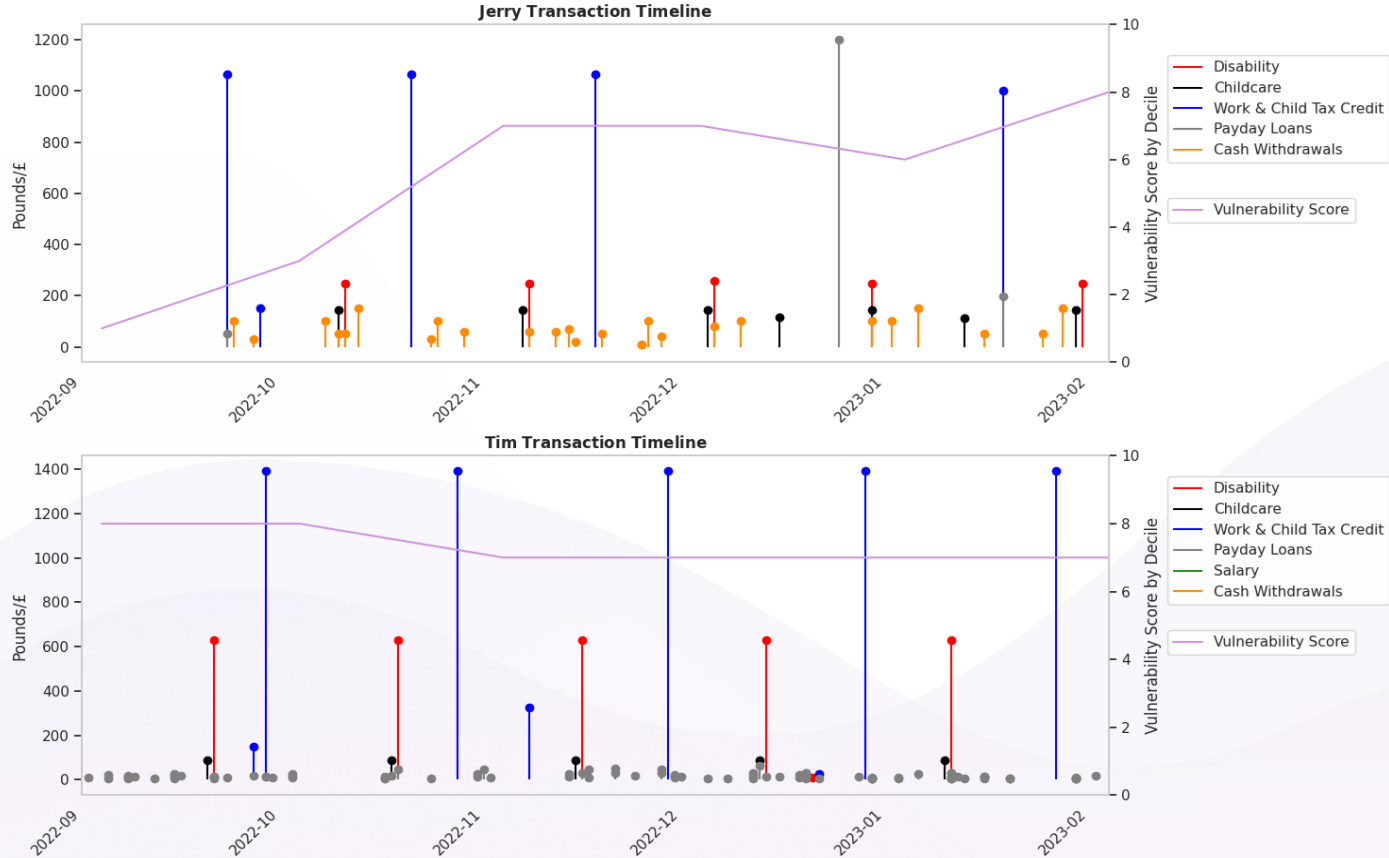
# Output: prioritised vulnerability scoring with FCA tags



# Vulnerability detection: granularity is key



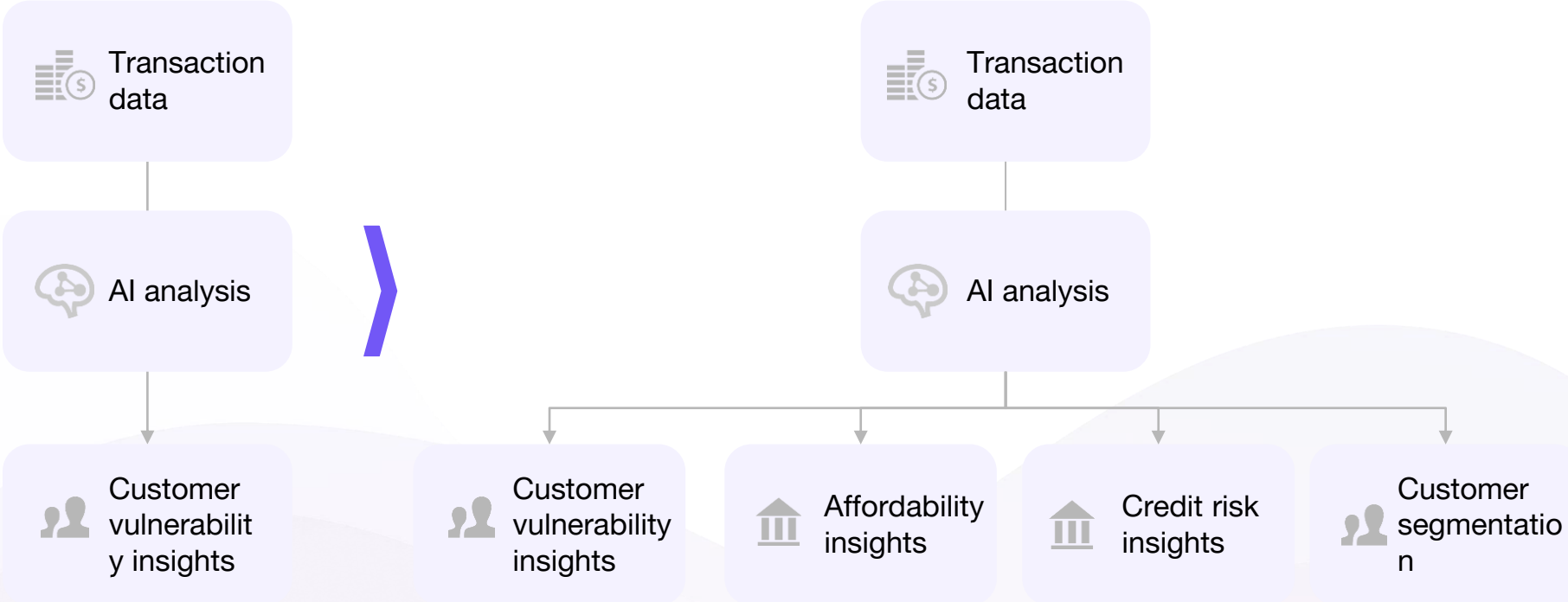
# Vulnerability detection: granularity is key



# The so what? How one bank is looking at use cases

| Use case  | Objective  | Priority |
|---|------------|----------|
| <b>Optimising recoveries:</b> Predicting vulnerable customers in advance                                  | Arrears    | 1        |
| <b>Product design:</b> Assessing the impact of product changes on customer vulnerability                  | Compliance | 2        |
| <b>Improving support:</b> Tailor support conversations based on customer characteristics                  | NPS        | 3        |
| <b>Portfolio insights:</b> Monitor loan portfolio and model impact of changes in macro variables          | Arrears    | 4        |
| <b>Targeted marketing:</b> Identify life events to offer products to customers at high conversion moments | Growth     | 5        |

# Vulnerability is just one insight from transactions





## Want to learn more?

Come chat to us at our stand  
in the main conference room

