

# Data quality for FINTECHS: Why it's important now

Fintechs continue to innovate the path for financial services, helping connect brands and consumers through digital channels and excellent point of sales experiences.

In addition to offering finance services to both brands and consumers, lenders can report consumer payment performance to Credit Reporting Agencies (CRAs) and help consumer build their credit history.

## FINTECHS ARE ACCELERATING: HERE'S WHY



**Fintechs are accelerating fast.** From the digital landscape to government protocols, there is an uptick in market response to this creative way to pay while financial regulators are inquiring and aiming to protect consumers that adopt this innovative way to pay.

**The market** is unconventional—tech companies jumping into the financial space and bringing to market Super Apps, a tech wallet that manages all consumer finances right from their phone. New players continue to enter the market making differentiation and consumer centricity critical.

To sustain momentum, differentiate in the market and minimize risk, fintechs should remain focused on the 3 key areas:



Building reputation and trust with consumers



Staying ahead of the competition



Complying to regulations

**The key to getting here: Improve data quality. Here's how.**

## THE SUCCESS IS IN THE DATA



We find that **74% of leaders think they need to improve data management within the next year to grow competitively or financially.** And over a third of leaders believe that **poor data quality negatively impacts customer experience.** By operationalizing data efficiently and automatically, lenders can report to the credit bureaus accurately while building trust with their customers.

**Regulations are on the horizon and the industry is growing. Fintechs, including Buy Now Pay Later lenders, are starting to report to the bureaus** knowing that reporting credit data enables the consumer and contributes to the overall credit eco-system. When reporting, to comply, minimize risk, and maintain growth, capturing and maintaining accurate, complete and verified consumer credit data is key. Experian can help.

### Why good data quality matters

When submitting consumer data to a credit bureau, data quality is essential. There are terms and conditions established by the Fair Credit Reporting Act (FCRA) that the lenders must adhere to and, to comply, data must be complete and accurate when reporting. A furnisher should also have the appropriate policies and procedures in place to identify and correct any possible reporting errors.

Reporting credit data drives lending decisions. These decisions made as a result of inaccurate data could lead to poor outcomes for consumers, by either extending credit that should not be extended or denying credit that should be allowed. How you handle this may determine your reputation and trust with consumers.

Top reasons for putting your data quality first:



Consumer representation



Positive Reputation



Customer experience



Regulatory compliance

## HOW EXPERIAN CAN HELP



Fintechs need to strike a balance between managing risk and enabling customers to buy what they want, when they want. Experian can help you ensure data integrity is being upheld for customer acquisition, compliance regulation, and much more.

### EXPERIAN'S DATA ARC 360™



Powered by Experian's Aperture Data Studio™, we can automatically operationalize data quality for credit reporting, so your data is ready for submission to the credit bureau(s). What we can do:

- **Profile data** to ensure adherence to formatting and completeness
- **Identify data errors** and analyze root causes
- **Monitor data accuracy** with visual dashboards

“ We had toyed with the idea of building a solution ourselves, however that was clearly a long-term approach. As soon as we saw the DataArc 360 demo we knew it was exactly the solution the business needed. Then discovering that it was available immediately and could be implemented within just 3 months was amazing.”

Jill Cannon, Senior Director of Default Administration, **Homepoint**

We are at the height of digital innovation, and fintechs are reconstructing how consumers pay and manage their money. This wave is rippling across industries and regulators as everyone tries to keep up. What's not changing, the importance of consumer trust. **That's why Experian wants to help you with your data.**

**Learn how our data quality experts can help you keep momentum for growth while complying with regulations.**

Contact us today

