

monobank

Experian consultancy and expertise

Strengthening and expanding market position while staying local

Monobank is a Nordic cloud based bank with strong focus on customer experience and fintech solutions. Monobank is based in Bergen, Norway and started operation in November 2015. The company announced its planned merger with the competitor BRABank in early 2019 and currently employs around 50 people from their offices in Bergen. BRABank offers Consumer loans in Norway, Finland and Sweden. Credit cards in Norway and Sweden, and saving accounts in Germany, Austria, France and Spain.

“We are very happy with our decision to enter the Swedish market and have seen good results already. Experian's consultants played an important part in the market assessment and in helping us towards this decision. We look forward to keep working with Experian on our strategic projects.”

— **Customer quote:** Tom H. Rimestad — COO/Co-founder

Fact box

- Total loan portfolio NOK 3.7 billion
- NOK 849 million in new loans in 2018 (check 2019)
- ROE of 5.4% in 2018
- A total of 26.757 customers in 2018

The challenge

In 2017, Monobank (now BRABank) approached Experian, asking very specifically which market they should move into next. With a strong presence in Norway, Monobank was slowly starting to assess their expansion opportunities and was considering several potential markets to enter.

Experian's consultants conducted analyses in the following areas, in order to recommend the most suitable market to enter:

- SWOT analysis of Monobank
- Local regulatory and market restrictions
- Market conditions (Economic growth, domestic demand, inflation and employment)
- Competition analysis and gaps in the market
- Local consumer preferences

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The solution

As part of Experian's solution, various workshops were held in London, Bergen and Copenhagen with the key decision makers of Monobank. Prior to the workshop, the Experian team had performed all the relevant market research and analyses, so the purpose of the workshop was exclusively to present the findings and allow Monobank to make the best possible decision. The stakeholders attending were the Chief Finance Officer, Chief Risk Officer and the Chief Product Officer along with Experian's local market experts and consultants.

Experian's recommendation was clear: Monobank should enter the Swedish market:

- Existing Nordic presence of Monobank
- Aligned with future growth ambitions
- Data quality was of high importance
- Lower loan rates and risk levels
- Matching risk appetite

Results & Next steps

The result of the workshop was that Monobank chose to enter Sweden in the first quarter of 2019 and are now gaining traction in the Swedish market. In the company's interim report for 1st quarter of 2019, the CEO, Bent Gjendem stated: "We continue to deliver on our growth strategy and our entrance into Sweden has been successful". In summary, the leadership team of Monobank were able to accelerate their time to decision dramatically, from an estimated six months to just one month.