

“The digital footprint we now leave all the time provides lenders with live data.”

1. What are the key trends you're seeing in lending?

Everything now is becoming real-time, including lending. This goes not only for the delivery of the funds, but also for the decision-making — both should happen almost instantaneously. The application process is also becoming seamless. Compare this to the way lending has been done for ages and is still done in many markets. Think of all the packs of documents needed, the army of bank clerks involved. The digital footprint we now leave all the time, provides lenders with live data. Ultimately, this changes the way banks serve their customers' needs.

2. The 2008 financial crisis was the catalyst for alternative lenders. Do you think the current pandemic will be a similar agent for innovation and change and what might it look like?

Every crisis in human history has been a catalyst for innovation, the new reality we now live in will not be any different. In my view the Fourth digital industrial revolution will now be accelerated as the pandemic increases the need for digitalisation. I also believe that new ways of financing for businesses and customers will evolve. The barriers for entry become lower and new players will join the lending market as investors seek more and more diversification in deploying their capital and look for returns. In the past investors did

not have many choices while in the last decade we saw the birth of P2P, loan marketplaces, all the way to seed equity platforms, and that is before we even start listing the alternative lenders as such. I have no doubt that more and more specialised, niche lenders will be appearing, some entering with embedded services into existing customer touchpoints, like Xero for example. TBI's Merchant Solutions for instance were focussed on retail customer, and now we are extending our offer to small and medium businesses, too.

3. What are the biggest challenges for lenders in the next 12 months?

For me this will depend on the stage they were when the news reality hit. Balance sheet lenders will face the challenges of portfolio management and will have to support their customers to minimize the effects of the economic downturn. On the other hand, such lenders will also have a problem with consumer confidence — nowadays people do not want to take risks and naturally do not spend a lot. Hence the bottom line will come under pressure. What lenders must do to deal with these challenges is double down on their digital transformation to make sure that they can quickly reshape their products and react to the changing consumer needs and behaviours. It is not time to slow down, it is time to speed up.

4. What do lenders need to prioritise to deliver a better customer experience?

I do not think this has changed a lot over the past 20 years of my career. They need great people in their organisations with the right mindset to deliver the best customer experience and they need technology to allow them to deliver these services in the most efficient way. This combination makes a great business! But it is always people first — they are the ones who choose and implement technology!

5. What does your version of Lending 3.0 look like?

We are developing a phygital model based on a combination of delivery of services in a mobile ecosystem and cooperation with our tens of thousands of merchant partners. This way we serve customers' everyday shopping and financial needs. Our merchant partners have huge customer base and we want to onboard and engage it with current accounts, cards, etcetera. Our mobile app will always provide the information on how much we are ready to provide as financing and exclusive deals will be offered by our merchants. This is my nirvana moment



— millions of customers using our app not only for daily banking but also for their daily needs. A super app with multiple services, provided either by us or by best-in-class third parties. This way we deliver more sales to our merchant partners and great deals for our retail customers' benefit.

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