

Executive Summary:

Harmony Limited is a lending company that introduced a peer to peer marketplace finance model. With the help of technology and its market reach, the mission of this company is to provide an alternative lending market to New Zealand with an aim to minimise the cost of financial intermediation, and passing the benefit to the customers. Peer to peer model is changing the way the people of New Zealand borrow and invest.

Their online portal gives borrowers a place to list their loans and for lenders to find people to lend money to. The rate of interest on the borrowing ranges between 6.99 and 29.99%, depending upon the credit profile of the borrower. The business has various revenue streams like Platform fees, note fees and various other charges levied on the borrower as well as lender.

Within just 3 years of its operations, Harmony has transacted NZ \$500 Million in lending through their online platform. 150,000 accounts in total have been created till date including both borrowers and lenders accounts. In the financial year ending 2017, total revenue from all the revenue centres was 14 million dollars, 'Platform fees', being the highest contributor. Even though the company has not reached its breakeven yet, it is growing at a rapid rate (62% last year).

As the kiwis have shown a wide acceptance to this kind of borrowing, the company has realised the fact that it needs to make full use of technology to stay ahead of its rivals, and also increase its reach and penetrate deeper into New Zealand's lending market, in order to reach the breakeven soon. Hence, the company is spending a good amount of money on IT and marketing activities (forming 11% and 33% of total expenses, respectively). Currently, Marketing expenses, Employee's benefits and Customer retention activities form 75% of the company's total cost.

The majority of the revenue comes from customers who are between the ages of 18 to 45 years, and need the loan mostly for debt consolidation. Based on the KPMG's value proposition model, Harmony's business model can relate itself with compelling content, context, convenience, customization, collaboration, compliance, control, community, comment, consolidation, conversation and customer experience as the key value proposition factors.

Overall, Harmony needs to keep investing in technology in order to provide the best customer experience. Also, it needs to establish itself as credible and reputed as the banks, so that the lenders can confidently invest their money to fund borrowings. The company also needs to keep investing in its marketing activities to increase its reach and convert itself from an alternative borrowing source to primary loan provider.

1.

Introduction:

The purpose of this report is to present thorough analysis of Harmony's business model as well as it centres around cost that incurs, revenue that's generated and value creation for shareholders & stakeholders.

The report ascertains and scans Harmony's exercise on relevant theoretical model and tools. Along with recommendations and suggestions it deals with the theoretical and managerial implications as well.

2.

2.a.

Business Background:

Harmony Corp. Ltd. is marketplace finance model that has changed the way people lend or borrow money. It's 100% online. It breaks away from the traditional lending procedures and provides a platform where peer to peer lending marketplaces are benefitting the customers. Because of technology it minimizes the cost of financial intermediation which helps customers to an easy access. It creates better financial experience because of its online presence, no ranch, transparent and two-sided market. Its focus is on people.

In just 3 years of its operations Harmony has transacted \$500 Million in lending through their platform.

2.b.

Shareholders & Stakeholders:

Harmony has extensive shareholdings. 28 companies have invested in Harmony viz: Neil Roberts Trustee Company Ltd. (40%), Trade Me Ltd. (15%), Heartland Bank Ltd (13%). They have a database of 30,000 registered users who have transacted online on their portal. Their operational partners are viz: Deloitte, Simpson Grierson, D&B, Experian and Centrix.

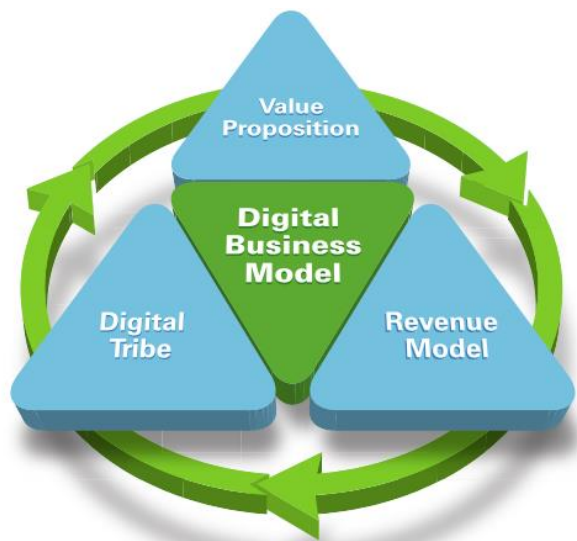
2.c.

Harmony's Business Model

Theoretical Background

There are two theoretical approaches and parameters that form the basis of this report for the in-depth analysis of Harmony business model. The first approach of analysis & investigation is "Business Model Canvas" which considers nine different components, key partners, key activities, key resources, customer relationships, channels, customers segments, cost structure, revenue streams and value proposition (Huang, 2013). To investigate it further and analyse the Harmony's business model or Digital Business Model the KPMG (2009) framework has been used which

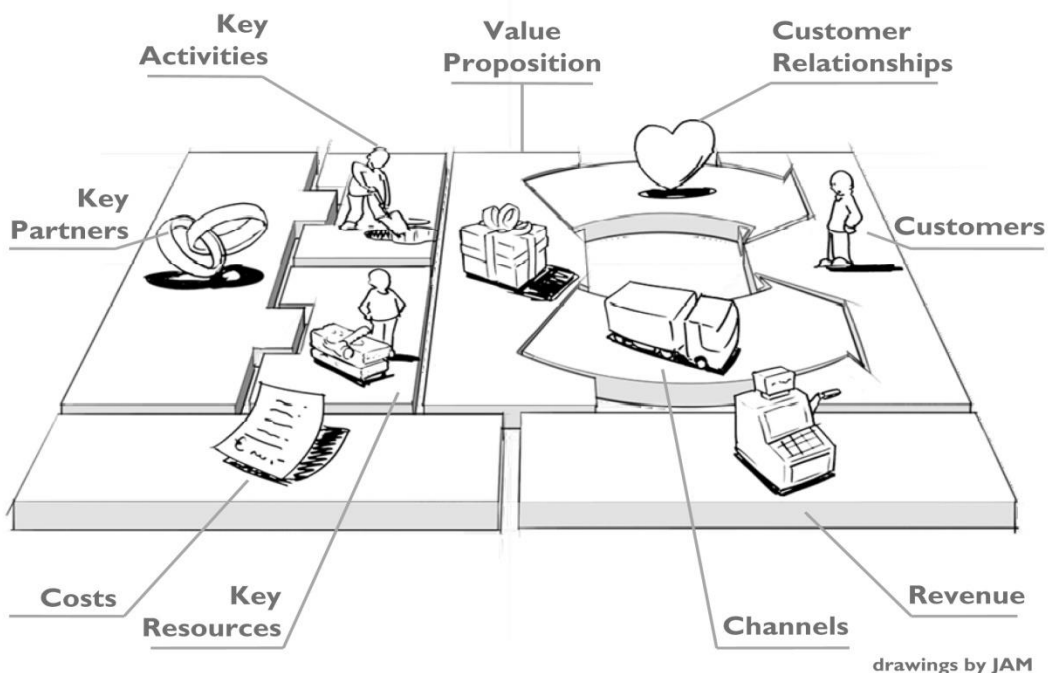
broadly focuses on digital tribe, revenue generation model and value proposition. The two approaches undertaken in this report gives the clear understanding of Harmony’s digital business Model.



Digital Business Model Framework (KPMG, 2009)

Harmony’s Business Model Canvas

Harmony connects lenders with borrowers which determines the company’s key partners and customer segments, also include service providers and operating system providers, financial service providers.



The Business Model Canvas (Strategyzer, 2015)

Business Model Canvas				
KEY PARTNERS	KEY ACTIVITIES	VALUE PROPOSITIONS	CUSTOMER RELATIONSHIPS	CUSTOMER SEGMENTS
Lenders Financial Service providers Investors Payment gateways Recovery agents Loan Insurance	Connecting borrowers & lenders Manage the lenders funds Assess risk factors Collection of instalments. Attract lenders to make pool fund	Peer to peer borrowing & lending services. Providing easy loans without heavy bank charges. Providing quick loans to customers (generally within 24 hours). Good investment opportunities to fund managers and people with idle money. No early repayment fees for borrowers.	Send account reports. Send regular investment opportunities to lenders. E-mails to prospect borrowers.	Borrowers: Entrepreneurs Holiday goers Home buyers Car Buyers Small businesses Personal loan customers Lenders: -Investors looking out for investment opportunities -People with idle money
	KEY RESOURCES		CHANNELS	
	Borrower's data. Lender's data. Borrower's credibility data. Funds pool. Peer to peer operating license.		Website Social media E-mails	
COST STRUCTURE		REVENUE STREAMS		
Information technology expenses. Digital marketing. E-mail marketing. Website maintenance and updating. Database management.		Platform fees Note fees Service & Lender's fees Performance fees Payment protect fees Other fees		

Harmony uses the following channels: website, newsletter and extensive presence on social media like: Facebook, Twitter, LinkedIn and Google +. They are extremely active on social media, keeping their customers up to date. Their approach is customer centric and they share customers memories on their website as well as on their social media pages. The key resources also include data of borrowers & lenders, employees – account managers, consultants, web developers, financial service provides and brand image.

3.

3.a.

Revenue Analysis:

On Harmony's platform lenders and borrowers transacted NZ \$500 million. There is a growth of 62% in Harmony's revenue compared to the preceding year.

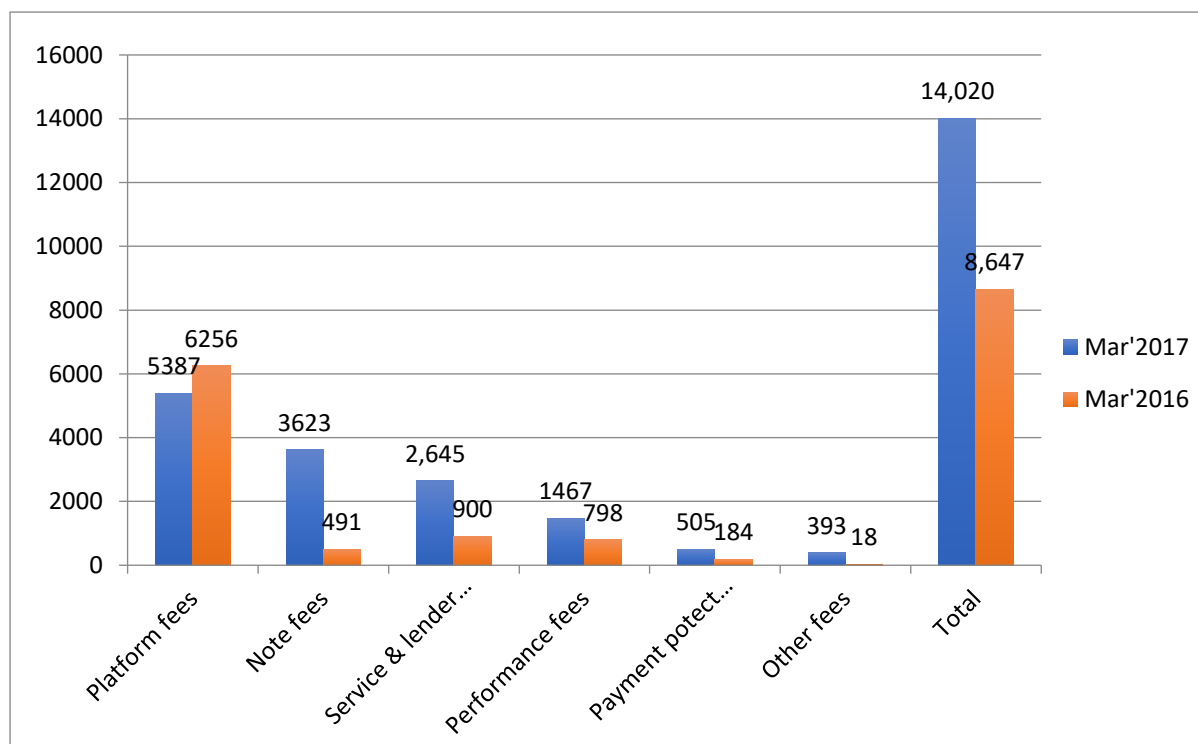
85 new jobs were created within the company. 150,000 accounts in total are created till date including both borrowers and lenders.

3.b.

i. Revenue Creation

Harmony generated Revenue of NZ \$ 14,020 (Mar'2017) by providing the financial services to lenders and borrowers. (Refer to Appendix for detailed statistics)

ii. Revenue Creation chart (in millions NZD)



<https://app.companiesoffice.govt.nz/companies/app/ui/pages/companies/5177041/documents>

iii. Harmony's generates revenue through:

- Platform fees – it's a brokerage fee that's charged to borrowers for arranging a loan between a borrower and a lender.
- Note fee – it is charged to wholesale lenders for marketing.
- Service & lender – it is charged for managing borrower's repayments.
- Performance fee – It is charged when borrower receives interest on returns.
- Payment fees – It's charged to the lenders for arranging the loans
- Other fees – This fee is charged when payments are dishonoured.

iv.

Risk and opportunities for the Revenue Model:

Risks	Advantages
People may default at the time of repaying the loan.	Quick loan approval and disbursement. (Generally within 24 hours)
Lenders may withdraw funds if they find better investment opportunities.	Borrowing & lending process are totally online. No need to go to the office physically.
Declaration of bankruptcy by business & entrepreneur borrowers.	Customer can get loan for almost any purpose.
Entry of bigger players in the peer to peer finance market.	Very competitive rate of return for the investors funds.

3.c.

Key Findings:

Revenue is fundamentally generated through financial services provided to lenders & borrowers. Threats can be market fluctuations. As finances are invested, they are highly prone to market risks. Defaulters, risk of bankruptcy and dishonoured payments can be another threat to this kind of business model.

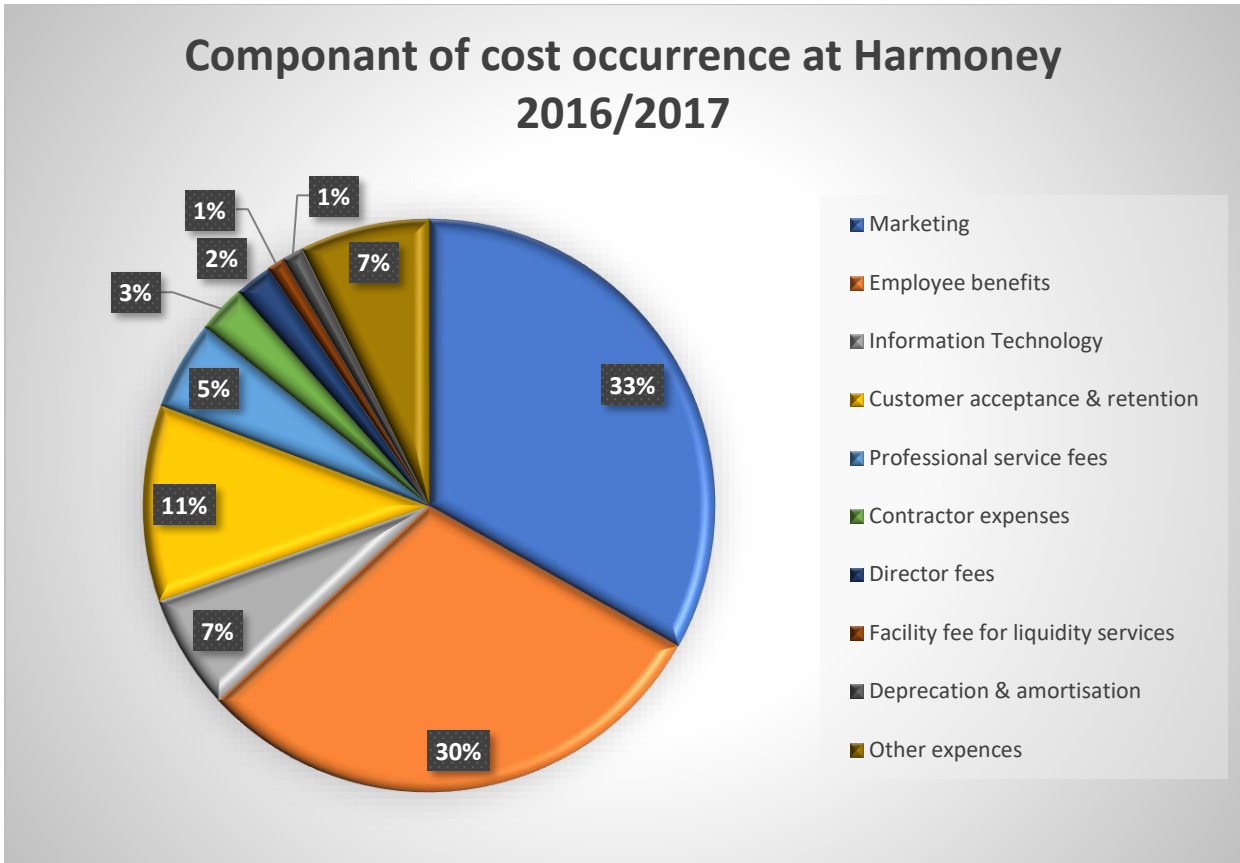
4.

Cost Analysis

4.a.

Harmony's Cost Structure

As given in the 2017 financial statement of Harmony Corporation Limited, the cost components which incurred to drive its' business model are illustrated in bellow graph.



Graph 01. Cost breakdown of Harmoney Corp Ltd for 2016-2017
(Consolidated statement of comprehensive income, 2017).

Harmoney heavily expends on marketing 33% (NZ\$ 6.9 M), then employee benefits 30% (NZ\$ 6.2M). Customer acceptance & retention and IT followed as 11% (NZ\$ 2.3M) & 7% (NZ\$ 1.3M) respectively.

New Zealand’s pioneering and market leading peer-to-peer lending organization had generated NZ\$ 8.6 M revenue in 2015/2016 fiscal year while recoding NZ\$ 14.2 M loss. Continuing same tendency, NZ\$ 14.5M revenue had been generated in 2016/2017 fiscal year but, on the other hand NZ\$ 6.4M loss reported. This loss over revenue inclination can be considered as a matter of concern for the entire business of Harmoney.

4.b.

Online and Offline process

Harmoney is 100% online business model. No offline process.
The online process cost is occurred according to Graph 01 (4.a.)

4.c.

Risks and Opportunities

As stated by Harmoney's CFO, those losses mainly due to upfront investment in both the people and technology in order to developing lending platform which is core resource of the Harmoney business model.

High investment percentage on marketing ensure that people awareness about Harmoney has continually elevated and enhance customer understanding what it offers.

New arrivals of licensed peer-to-peer lenders such as Lending crowd, pledge-me, Lend-Me and Squirral Money which can be functioning as crowded platform too.

Hence, Harmoney investment on marketing, people, technology and customers can be identified as intelligent capital spending for secure future opportunities and mitigate competition risk rather than cost.

4.d.

Key Findings

- 81% of total cost represents, investment cost in investment on marketing, people, technology and customers which will be bring future returns to organization.
- Second highest cost category "Employee benefits" contents value of transferred shares to employees' subject to tenure.
- Part of marketing cost also paid for cornerstone shareholder Trade Me in the form of shares for their e-marketing services.
- Other expenses which is not specified the constituents are represent significant percentage (7%) of the total expenses which organization may need attention for controlling.

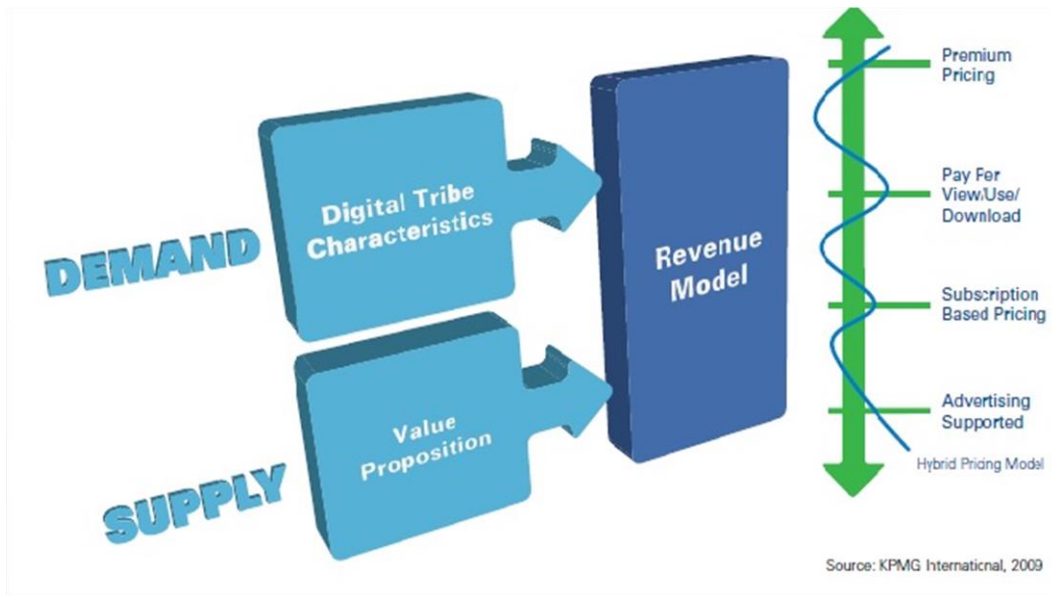
5.

5.a.

Value Creation Analysis:

Value Creation is the most essential component for any business to survive and scale. It helps present the products and services to the customers in the most imperative way. The first stage in achieving value creation is to first understand organization's sources and drivers that may be both inside or outside business and market space or market place (Boon, 2013).

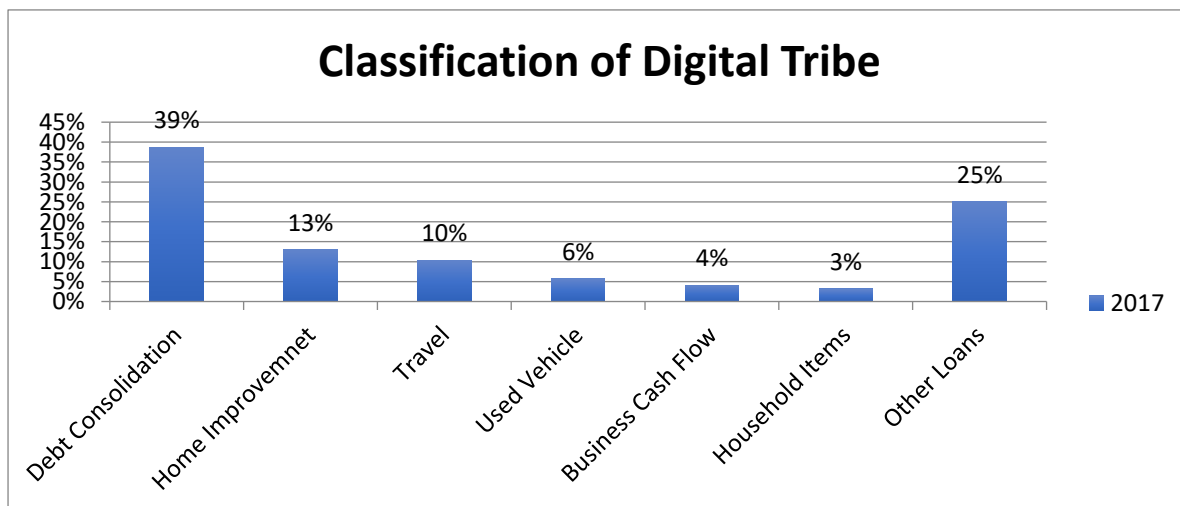
Digital Tribe, Value Proposition and Revenue Model are the 3 components of KPMG's Digital Business Model



The Digital Business Model Framework (KPMG, 2009)

Digital Tribe:

After deep analysis of digital business model of Harmony, we realized the digital tribe of Harmony comprises of customers who are 18 years and above. The demographics of digital tribe for Harmony is quite simple. Most of their borrowers & lenders are between the age group of 18-45 years and are from Australia & New Zealand. Their borrowers approach Harmony mostly for debt consolidation.



(<https://www.harmony.co.nz/about-us/company-story>)

5.b.

Value Proposition:

KPMG Business model suggests 20 ways to create value proposition for the business. After in depth analysis of this business model, the following C's are the ones that create value for Harmony.

i.

Internal Organisation Perspective

Compelling Content: Harmony is having very good hold on media and content with latest testimonials and stories of their customers

Context: Reliable data of funds, lenders and borrowers provided with different market statistics.

Convenience: Fully online based process and provides fast process and loan disbursement within 24 hours.

Customization: Lenders have multiple option to fund their investment to selected borrowers. Borrowers can customize and transfer all loans into one loan account to make payments easy.

Collaboration: Lenders can collaborate with the borrowers to understand at the marketspace the pattern within the industry to understand the pattern Lending and borrowing.

Compliance: The marketspace is in accordance to the NZ Financial Markets Authority.

ii.

External Organisation Perspective

Control: The lender controls the amount disbursed to the borrowers. At Harmony the database for borrowers is compiled by database from various different channels for E.g. Trade Me (owns 15% share at Harmony), which provides database to Harmony.

Community: Harmony doesn't only provide safe transactional loans to the community, but in turn provides a safe medium of loans to facilitate the new age, Gen Y disbursement of loan opportunities to help youngsters work towards their goals. Debt consolidation opportunities to their borrowers, which helps the borrowers to understand the new market trends. Lenders also get monthly & annual reports to understand their investing opportunities.

Comment: Blogs available to review the lending procedure, and supporting community attracts positive feedback from the current customers.

Consolidation: One stop shop for lending and borrowing of funds to consolidate all the debts with an option to have disburse lending according to the lenders choice. Harmony also provides cover for loan repayment options according to the borrower's limit.

Conversation: Conversation part is not so strong as Harmony is fully online based company. No any live chat system for queries or issues. No face to face customer service available with huge amount of portfolio in millions.

Customer Experience: Harmony creates an ultimate customer satisfaction process for lenders and borrowers. The experience online is created in a seamless process which in turn creates value to the lending and borrowing experience.

6.

Summary

Brick and Mortar market being unavailable, there is high possibility of risk factor that is involved in this specific marketplace. Here are a few theoretical and managerial implications:

Theoretical Implications:

Enlisted below are a few theoretical implications that make this marketplace a volatile place to invest:

1. The market is governed under the lending policies governed by the NZ government laws, hence change in the current government with elections dominated by any party which is not in favor of lending/ investing patterns can affect the business drastically.
2. The market is also volatile with the current exchange policies, which again is governed by the political parties.
3. The marketplace offers variable interest rates, which can fluctuate with the market trends.
4. Apart from the government being a major factor, reduction in PCI (per capita income) can also affect the savings of the investors.
5. Absence of marketplace locations to access the information readily can potentially cause a hindrance to having investors look to invest in the business model.
6. No hidden fees are included with lending/ borrowing procedure, however, with Harmony the fees structure include Platform fee, Dishonor fee, Overdue fees, Legal fee, Payment protection fee*, which constitutes another income flow for the Harmony which is another addition in the interest rate for the borrowers.

Managerial Implications:

Enlisted below are a few managerial implications of investing and borrowing from Harmoney:

1. Harmoney has the biggest drawback of having to repay loans within 5-year span of time, however, good be the credibility of the borrower.
2. Early closing of the loan means loss for the lender, as the early repayments draws no special charges on the amount. Harmoney doesn't provide any specific lending period charges. The term of the loan is based on your capability to repay the loan.
3. The officials within dictate the loan amount; hence the amount is termed to have an implication on the interest rate incurred on the borrowing
4. Money used as a loan for debt consolidation can have bankruptcy, which can cause Harmoney to incur possible written off debts in the market.
5. New concept of lending and investing introduced in the market has competition from existing players like banks, financial institutions, and other private lenders, which causes the market place to be volatile.
6. Harmoney unable to provide a human touch can lead to its downfall as this may help the company representatives to build a rapport with the lenders and the borrowers.
7. Conspiring becomes easy, as this can cause fraudulent events in the future, as the process may involve a strict background check, but may have loopholes within the system.

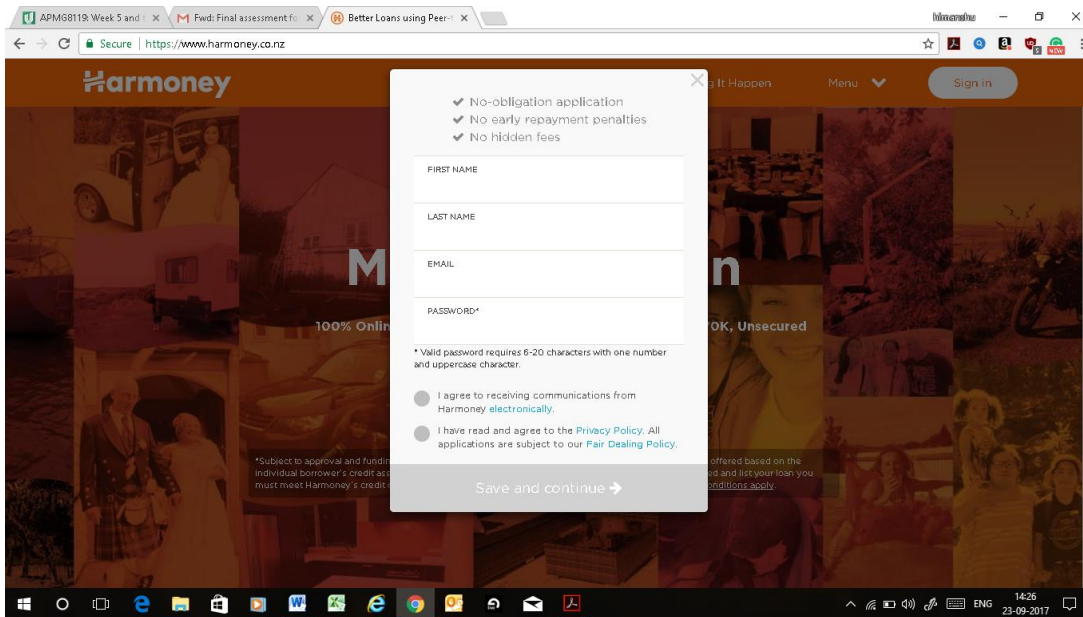
References:

Documents. (n.d.). Retrieved from <https://app.companiesoffice.govt.nz/companies/app/ui/pages/companies/5177041/documents>
("Documents," n.d.)

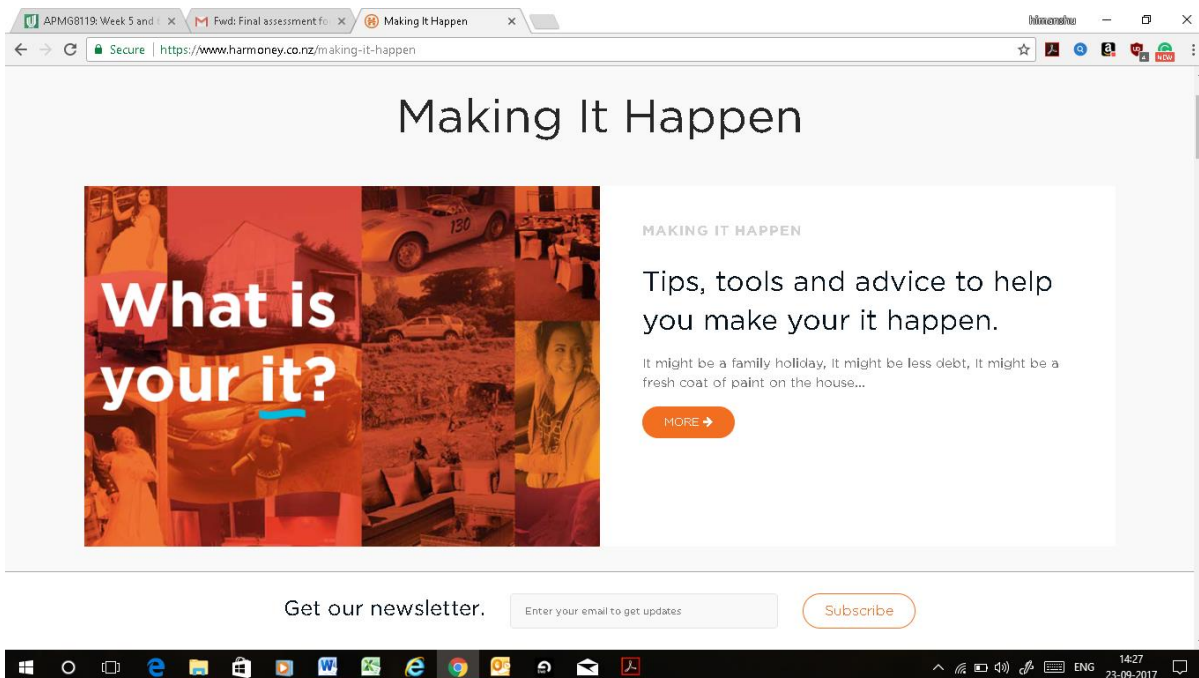
- Harmony. (2017, May 7). *What is a Peer-to-Peer marketplace? | Harmony NZ* [Video file]. Retrieved from <https://www.youtube.com/watch?v=fYcbWuUcLR8> (Harmony, 2017)
- Harmony launches with \$100m to lend - NZ Herald. (2014, September 10). Retrieved from http://www.nzherald.co.nz/personal-finance/news/article.cfm?c_id=12&objectid=11321872 ("HarMoney launches with \$100m to lend - NZ Herald," 2014)
- How we earn money | Harmony New Zealand. (n.d.). Retrieved from <https://www.harmony.co.nz/how-it-works/how-harmony-earns-money> ("How we earn money | Harmony New Zealand," n.d.)
- Huang, Z., & Benyoucef, M. (2013). From e-commerce to social commerce: A close look at design features. *Electronic Commerce Research and Applications*, 12(4), 246-259. (Huang, 2013)
- KPMG. (2009). Emerging Business Models to Help Serve Tomorrow's Digital Tribes. Retrieved from <https://www.kpmg.com/CN/en/IssuesAndInsights/ArticlesPublications/Documents/emerging-business-models-O-0906.pdf> (KPMG, 2009)
- Sharma, S. (2015). Internet Marketing: The Backbone of Ecommerce. *International Journal of Emerging Research in Management & Technology*, 4(12), 200-202. (Sharma, 2015)
- Strategyzer. (2015). The Business Model Canvas. Retrieved from http://businessmodelgeneration.com/canvas/bmc?_ga=1.213998992.645013967.1441919694 (Strategyzer, 2015)
- The Guardian. (2009). Digital Tribes. Retrieved from <http://www.theguardian.com/digital-tribes/interactive/digital-equaliser> (The Guardian, 2009)

APPENDIX:

1. Login Screen: Login pop up to collect basic data of every visitor



2. Newsletter Subscription:



3. Interest rate and weekly repayment calculator, based on borrower's credibility:

APM68119: Week 5 and | Fwd: Final assessment fo | Better Loans using Peer |

Secure | https://www.harmony.co.nz

Harmony Borrow Lend How it works Making It Happen Menu Sign in

“ A+ for ease and convenience getting loan approved and finalized!!
★★★★★
PAUL C. AUG 8, 2017

SHOPPER APPROVED 5,670+ RATINGS ★★★★★

CANSTAR PERSONAL LOAN A1-A5 Credit Rating

QUICK ESTIMATE
Estimate based on 5 year term. Our interest rates range from 6.99% p.a. – 29.99% p.a. and we offer 3 and 5 year terms.

BY AMOUNT BY REPAYMENT

Enter loan amount (\$1,000 – \$70,000)

\$20,000

Select your credit profile below:

EXCELLENT VERY GOOD GOOD AVERAGE

ESTIMATE BASED ON 5 YEAR TERM

REPAYMENTS	INT. RATE
\$93.65* WEEKLY	\$405.83* MONTHLY
6.99%* PER ANNUM	

Get your personal rate • No obligation

Start now

Or call 0800 427 666 (9am – 6pm)

*Based on a 5 year term. Subject to approval and funding. Harmony's interest rates range from 6.99% p.a. to 29.99% p.a. and are offered based on the individual borrower's credit assessment according to Harmony's credit scorecard. In order to be approved and list your personal rate, you must meet Harmony's credit criteria and be eligible to apply for a personal loan. Terms and conditions apply.

14:28 23-09-2017

Credibility Report:

1. Excellent	2. Very good	3. Good	4. Average																								
<p>QUICK ESTIMATE Estimate based on 5 year term. Our interest rates range from 6.99% p.a. – 29.99% p.a. and we offer 3 and 5 year terms.</p> <p>BY AMOUNT BY REPAYMENT</p> <p>Enter loan amount (\$1,000 – \$70,000)</p> <p>\$20,000</p> <p>Select your credit profile below:</p> <p>EXCELLENT VERY GOOD GOOD AVERAGE</p> <p>ESTIMATE BASED ON 5 YEAR TERM</p> <table border="1"> <thead> <tr> <th>REPAYMENTS</th> <th>INT. RATE</th> </tr> </thead> <tbody> <tr> <td>\$93.65* WEEKLY</td> <td>\$405.83* MONTHLY</td> </tr> <tr> <td colspan="2">6.99%* PER ANNUM</td> </tr> </tbody> </table> <p>Get your personal rate • No obligation</p> <p>Start now</p> <p>Or call 0800 427 666 (9am – 6pm)</p>	REPAYMENTS	INT. RATE	\$93.65* WEEKLY	\$405.83* MONTHLY	6.99%* PER ANNUM		<p>QUICK ESTIMATE Estimate based on 5 year term. Our interest rates range from 6.99% p.a. – 29.99% p.a. and we offer 3 and 5 year terms.</p> <p>BY AMOUNT BY REPAYMENT</p> <p>Enter loan amount (\$1,000 – \$70,000)</p> <p>\$20,000</p> <p>Select your credit profile below:</p> <p>EXCELLENT VERY GOOD GOOD AVERAGE</p> <p>ESTIMATE BASED ON 5 YEAR TERM</p> <table border="1"> <thead> <tr> <th>REPAYMENTS</th> <th>INT. RATE</th> </tr> </thead> <tbody> <tr> <td>\$102.83* WEEKLY</td> <td>\$445.62* MONTHLY</td> </tr> <tr> <td colspan="2">10.99%* PER ANNUM</td> </tr> </tbody> </table> <p>Get your personal rate • No obligation</p> <p>Start now</p> <p>Or call 0800 427 666 (9am – 6pm)</p>	REPAYMENTS	INT. RATE	\$102.83* WEEKLY	\$445.62* MONTHLY	10.99%* PER ANNUM		<p>QUICK ESTIMATE Estimate based on 5 year term. Our interest rates range from 6.99% p.a. – 29.99% p.a. and we offer 3 and 5 year terms.</p> <p>BY AMOUNT BY REPAYMENT</p> <p>Enter loan amount (\$1,000 – \$70,000)</p> <p>\$20,000</p> <p>Select your credit profile below:</p> <p>EXCELLENT VERY GOOD GOOD AVERAGE</p> <p>ESTIMATE BASED ON 5 YEAR TERM</p> <table border="1"> <thead> <tr> <th>REPAYMENTS</th> <th>INT. RATE</th> </tr> </thead> <tbody> <tr> <td>\$108.90* WEEKLY</td> <td>\$471.91* MONTHLY</td> </tr> <tr> <td colspan="2">13.52%* PER ANNUM</td> </tr> </tbody> </table> <p>Get your personal rate • No obligation</p> <p>Start now</p> <p>Or call 0800 427 666 (9am – 6pm)</p>	REPAYMENTS	INT. RATE	\$108.90* WEEKLY	\$471.91* MONTHLY	13.52%* PER ANNUM		<p>QUICK ESTIMATE Estimate based on 5 year term. Our interest rates range from 6.99% p.a. – 29.99% p.a. and we offer 3 and 5 year terms.</p> <p>BY AMOUNT BY REPAYMENT</p> <p>Enter loan amount (\$1,000 – \$70,000)</p> <p>\$20,000</p> <p>Select your credit profile below:</p> <p>EXCELLENT VERY GOOD GOOD AVERAGE</p> <p>ESTIMATE BASED ON 5 YEAR TERM</p> <table border="1"> <thead> <tr> <th>REPAYMENTS</th> <th>INT. RATE</th> </tr> </thead> <tbody> <tr> <td>\$119.15* WEEKLY</td> <td>\$516.34* MONTHLY</td> </tr> <tr> <td colspan="2">17.62%* PER ANNUM</td> </tr> </tbody> </table> <p>Get your personal rate • No obligation</p> <p>Start now</p> <p>Or call 0800 427 666 (9am – 6pm)</p>	REPAYMENTS	INT. RATE	\$119.15* WEEKLY	\$516.34* MONTHLY	17.62%* PER ANNUM	
REPAYMENTS	INT. RATE																										
\$93.65* WEEKLY	\$405.83* MONTHLY																										
6.99%* PER ANNUM																											
REPAYMENTS	INT. RATE																										
\$102.83* WEEKLY	\$445.62* MONTHLY																										
10.99%* PER ANNUM																											
REPAYMENTS	INT. RATE																										
\$108.90* WEEKLY	\$471.91* MONTHLY																										
13.52%* PER ANNUM																											
REPAYMENTS	INT. RATE																										
\$119.15* WEEKLY	\$516.34* MONTHLY																										
17.62%* PER ANNUM																											
Interest Rate: 6.99%	Interest Rate: 10.99%	Interest Rate: 13.52%	Interest Rate: 17.62%																								

5. . Free advisory & assessment for people planning to borrow money to start a business:

The screenshot shows a web browser window with the URL <https://www.harmony.co.nz/making-it-happen/how-dean-made-his-new-business-happen>. The page features a large photo of a man in a blue checkered shirt giving a thumbs up. Below the photo, the title reads "Dean's 11 tips for starting a business in New Zealand". The page is dated "22 AUGUST 2017" and includes a "Get our newsletter" form with a "Subscribe" button. The browser's taskbar at the bottom shows various application icons and the system clock set to 15:05 on 23-09-2017.

6. Success stories of people who borrowed money from Harmony to achieve their goals: Making It Happen:

The screenshot displays the 'Making It Happen' website with a grid of four featured articles. The first article is titled "WHAT'S ON YOUR BUCKET LIST?" with a sub-headline "Our Great Kiwi Bucket List" and a brief description: "New Zealand welcomed close to two million tourists in 2016." The second article is titled "What a New Government Could Mean for Your Finances" with a sub-headline "New Zealand heads to the polls later this month." The third article is titled "Last Minute School Holiday Ideas - 5 Options for any..." with a sub-headline "Children grow up quickly, and there are only so many chances to take a memorable holiday before your children fly..." The fourth article is titled "Darrin's making Pontiac restorations happen" with a sub-headline "Darrin from Waimate is a car restorer & president of a classic car club. Here's his top 4 restoration tips." The page includes a "Get our newsletter" form and a "Subscribe" button. The browser's taskbar at the bottom shows the system clock set to 15:09 on 23-09-2017.

7. Online Marketing (Google Ad Words):

The screenshot shows a Google search for "borrow money". The search results include two advertisements:

- Better Loans - Harmony - 99% of loans funded within 24h**
www.harmony.co.nz/Instant/Loans
 4.7 ★★★★★ rating for harmony.co.nz
 Start an obligation-free application. 100% online application. Apply Now!
 Low Rates · Borrow \$70K - \$500,000,000 in Lending · 110K Registered NZers
 Types: Personal Loan, Debt Consolidation, Car Loans, Business Loans, Holiday Loans, Home Improv...
- Borrow Money Online - Flexible Finance Options - goodfinance.co.nz**
www.goodfinance.co.nz/borrow-money
 Cash Loan Specialists. For Loans Tailored To Suit Your Needs. Apply Online Now!
 100% Kiwi Owned · Personal & Cash Loans · Competitive Rates · Simple Online Application

8. Statistical Data for reference:

Classification of Digital Tribe	2017 (%)	2017(Nos.)
Debt Consolidation	39%	13,172
Home Improvemnet	13%	4420
Travel	10%	3538
Used Vehicle	6%	1954
Business Cash Flow	4%	1389
Household Items	3%	1071
Other Loans	25%	8539
Total		34,083

Year	Mar'2017	Mar'2016
Platform fees	5387	6256
Note fees	3623	491
Service & lender fees	2,645	900
Performance fees	1467	798
Payment potect fees	505	184
Other fees	393	18
Total	14,020	8,647

