



Tackling the Data Deficit Holding Back the Gig Economy

Bankuish is tapping data captured by gig platforms to enable more workers to access credit

Executive Summary

Globally, the gig economy continues to expand as individuals and employers use digital platforms to give themselves greater flexibility. But the benefits of gig work can come with a major downside: exclusion from the traditional financial system.

To address this issue, fintech Bankuish has built a sophisticated system that can analyse the detailed data produced by ride sharing, food delivery, freelance and creator platforms to assess an individual worker's creditworthiness. In each case, Bankuish is taking advantage of regulatory requirements that oblige these platforms to share the data they generate with the subjects of that data, whether they be drivers, freelancers or creators.

Armed with this data, five-year-old Bankuish has helped generate more than US\$400 million in loans from its banking partners in the US, Brazil, Mexico, Chile, and Colombia to gig economy workers. It says the default rate for these loans is just 3.3% - well below industry norm of about 7%.

Crucially, Bankuish can combine data from multiple platforms, meaning it can have a much more comprehensive view of an individual than that available to individual platforms. Bankuish charges the financial institutions recurring data access fees and a one-off "finders' fee" or revenue share in the event that an individual accesses a loan or another banking product through the Bankuish app. The app now has more than 850,000 active users, according to Bankuish.

As well as providing information and analysis to banks, lenders and insurers, Bankuish is providing valuable insights to individual gig economy workers. Its app analyses the user's working patterns and compares them with the working patterns of other app users to suggest ways in which they could increase their earnings.

Bankuish is also beginning to employ data from the telecom industry. Telefonica is an investor in the fintech, while also acting both as a distribution channel and a data provider. Bankuish notes the usage data captured by telecoms operators, such as whether people contact the same people regularly and the time they spend living in one place, can be valuable in assessing credit worthiness.

Globally, the gig economy continues to grow strongly. It will be worth more than US\$2 trillion by 2032, growing at a CAGR of more than 16% between 2021-2031, according to Business Research Insights. In the US, 36% of the U.S. workforce—58 million people – already work in the gig economy, using flexible platforms, such as Uber, Deliveroo and YouTube, to choose their own shifts as drivers or make deliveries, and to create content, according to consultancy McKinsey.

People choose to work in this way for various reasons: some traditional jobs were displaced during the pandemic, while many individuals see gig roles as opportunities to boost their income, enjoy flexibility, or both. But with the benefits of gig work comes a critical downside: potential exclusion from the traditional financial system.

“Created in the early 20th century to help retailers evaluate repayment risk when the workforce shifted from agrarian self-employment to wage-earning factory and office jobs, credit scoring systems remain largely wage-income-centric,” says Jose V. Fernandez, CEO and founder of Bankuish, a Miami-based fintech. “The tools for measuring creditworthiness haven’t evolved to reflect the way people work today.”

As a result, hundreds of millions of people around the world can’t access formal credit. About 70% of Latin Americans are considered unbanked or underbanked, according to Latin America Reports, while more than 50% of Americans would likely be declined for a bank loan due to low or non-existent credit scores, according to consultancy OliverWyman.

Jose V. Fernandez can speak from first-hand experience. When he first moved to the US, he had no credit record in the US. As a native of Madrid, his career to date had been working in the banking sector in Spain. As a result, he was unable to rent an apartment in New York and had to sleep on a friend’s couch for more than a month. In the end, he had to raise enough cash to pay six months’ rent up front.

Without access to affordable credit, millions are pushed toward predatory lenders and financial products with high fees and rates, feeding cycles of poverty and mistrust. For many gig workers, this

The tools for measuring creditworthiness haven’t evolved to reflect the way people work today

Jose V. Fernandez - CEO and founder of Bankuish

makes for a precarious living. If an Uber driver’s car breaks down, without a credit score, they can’t access a loan on reasonable terms to fix the vehicle. That means they either take a loan with an extortionate interest rate or they can’t work and may no longer be able to cover their rent, their children’s school fees, their credit card or the cost of groceries.

From the banks’ perspective, a lack of credit information is also a major problem: they end up ceding a big part of the credit market to others. “This gap isn’t just bad for workers, it’s a missed opportunity for banks and lenders,” notes Jose V. Fernandez.

Tapping a new source of truth

When running another fintech (Atlas Money) facilitating the provision of credit in West Africa, Jose V. Fernandez noted that many potential borrowers were working in the gig economy, as drivers and couriers. “In their apps, there is a lot of information, and the more I looked into those apps, the more I realised that, as a risk analyst, as an underwriting analyst, I would feel a lot more comfortable about being able to lend, open a credit line to give a personal loan, even finance a vehicle to these individuals,” he recalls.

Armed with this insight, Jose V. Fernandez went on to found Bankuish in the US in March 2020, just as the pandemic was beginning to turn the global economy inside out. He first tested his hypothesis by canvassing gig economy drivers in São Paulo in Brazil where he has a lot of contacts. After more than



200 drivers shared their gig platform data with him, Jose V. Fernandez was convinced this information would enable banks to better assess risk.

“Every transaction includes GPS location of start and finish, amount of money made, number of stars awarded by the end user, cancellation rates, timestamps, tags feedback, you name it, it tells you whether you’re the owner of the vehicle, the model and make of the vehicle,” he explains.

Working with contacts in Spain’s banking industry, Bankuish began by targeting the Mexican market, where it raised funds from local investors. Telefonica Movistar, which has operations in both Spain and Latin America, was also an early investor.

Every transaction includes GPS location of start and finish, amount of money made, number of stars awarded by the end user, cancellation rates, timestamps, tags feedback, you name it, it tells you whether you’re the owner of the vehicle, the model and make of the vehicle.

Jose V. Fernandez - CEO and founder of Bankuish

Over the next five years, Bankuish built an increasingly sophisticated system that can analyse the detailed data produced by ride sharing platforms, such as Uber and Lyft, food delivery platforms, such as Deliveroo and Just Eat, freelance platforms, such as Upwork, Fiverr and Freelancer.com, and creator platforms, such as YouTube, TikTok and Only Fans. In each case, Bankuish is taking advantage of regulatory requirements that oblige these platforms to share the data they generate with the subjects of that data, whether they be drivers, freelancers or creators. “We need a source of truth,” explains Jose V. Fernandez. “We can’t use self-reported data.”

Crucially, Bankuish can combine data from multiple platforms, meaning it can have a much more comprehensive view of an individual than that available to individual platforms. By integrating data from telcos, Bankuish can also provide independent verification of income patterns and real-world financial behaviour, further bolstering lender confidence. As a result, it has sufficient data, for example, to help Uber enable drivers in Mexico to borrow enough money to purchase new vehicles.

Bankuish uses AI and other tools to analyse the data generated by gig economy platforms, and assess the risk of extending credit to these workers on behalf of its clients in the banking sector. To reduce the risk of hallucinations and bias, Bankuish uses multiple AI models that check and verify each other’s assumptions and outputs.

As Bankuish gathers more information on an individual and they pay back their formal loans, their Bankuish Score typically rises over time, making them eligible for larger lines of credit. At the same time, if Bankuish’s system detects a negative change in working patterns, it can give a lender an early warning that an individual might default on a repayment.

New insights into the gig economy for banks and workers

“To serve the underbanked, I believe you don’t need to reinvent the banking ecosystem,” explains Jose V. Fernandez. “It is better to build a bridge that helps traditional financial institutions like the ones I used to work for. I went into fintech as a founder, because I believe that financial inclusion, most of the time, can be solved simply with the equation for asymmetrical information.”

For the banks, the data provided by Bankuish gives them “a holistic understanding of the gig economy, so their products and processes can be adjusted to the necessities and opportunities of the future of work,” adds Jose V. Fernandez. “This has allowed us to offer different products in different markets

by partnering with banks with global operations. The value they see in what we do, and our information is replicated in different countries, and in this way, we help bring financial dignity to gig workers everywhere.”

After Mexico, Bankuish expanded into Chile, Colombia and Brazil. It began operating in the US in July 2024 and is growing rapidly in that market, according to Jose V. Fernandez.

As well as providing information and analysis to banks, Bankuish is increasingly offering valuable insights to individual gig economy workers. It provides a free app that analyses an individual's working patterns and compares them with the working patterns of other app users to suggest ways in which they could increase their earnings. For example, it could show a driver that their earnings will increase if they were to move their shift forward or back in the day. It will also show the individual which platforms are the most lucrative for particular tasks or shift patterns.

Bankuish has two revenue streams: it charges the banks recurring data access fees and a one-off “finders’ fee” or revenue share in the event that an individual accesses a loan or another banking product through the Bankuish app. The app now has more than 850,000 active users, according to Bankuish.

Alternative data delivers a low default rate

Since 2020, Bankuish says it has helped generate more than US\$400 million in loans from its banking partners in the US, Brazil, Mexico, Chile, and Colombia to gig economy workers. “The Bankuish Score has already de-risked hundreds of thousands of individuals with a default rate well below industry standards. We have helped our partners maintain a default rate of ~3.3% thanks to our alternative credit scoring,” adds Jose V. Fernandez. “Our pipeline contains some of the biggest banks and insurance providers in the world, looking to serve the gig industry while using alternative data to better understand them.”

As well as being an investor in Bankuish, Telefonica has become a major partner, acting both as a distribution channel and a data provider. “We are currently working with Telefonica to leverage the immense amount of data that they under-monetise,” Jose V. Fernandez explains. “They have an enormous amount of valuable data, such as do people pay their telephone bills on time. Are they pre-paid or postpaid? What is their usage? With AI, we’re able to cross-analyse all this information.” He notes that pattern recognition software shows there is a relatively low risk of fraud when lending to people that frequently contact the same people and have been based in the same place for a long period of time. Stability and ongoing relationships tend to indicate that a person is trustworthy.

Going global through local partnerships

By 2028, Bankuish is aiming to become the preferred credit bureau for major banks and insurance providers worldwide assessing the creditworthiness of gig workers. To that end, it is looking to operate across Europe, while expanding its team to harness local expertise. It is seeking to build strong partnerships with local banks, telcos and gig economy platforms that will help ensure its solutions resonate across diverse communities.

In Europe, “we’re doing a lot of back testing with our banking partners,” notes Jose V. Fernandez. “Back testing is offering our data anonymised, so they don’t see the person, but it’s real data so our banking partners can see the impact this data would have on their decision-making processes.”

At the same time, Bankuish is refining its risk models, and expanding its range of financial empowerment tools to go beyond gig work, freelance work, creator work and into new types of work related to the rollout of AI. “By doing so, we aim to remain a key player in the financial technology space, driving forward economic empowerment and inclusion for the future of work,” concludes Jose V. Fernandez. “For gig workers, we want to bring dignity to their financial lives, because we believe they deserve better. And we want to help them earn more.”



About the GSMA

The GSMA is a global organisation unifying the mobile ecosystem to discover, develop and deliver innovation foundational to positive business environments and societal change. Our vision is to unlock the full power of connectivity so that people, industry, and society thrive. Representing mobile operators and organisations across the mobile ecosystem and adjacent industries, the GSMA delivers for its members across three broad pillars: Connectivity for Good, Industry Services and Solutions, and Outreach. This activity includes advancing policy, tackling today's biggest societal challenges, underpinning the technology and interoperability that make mobile work, and providing the world's largest platform to convene the mobile ecosystem at the MWC and M360 series of events.

For more information, please visit the GSMA corporate website at gsma.com

Follow the GSMA on LinkedIn: [@GSMA](https://www.linkedin.com/company/gsma).

About the GSMA Foundry

The GSMA Foundry is the go-to place for cross-industry collaboration and making positive change happen, supported by leading technology organisations and companies. By bringing together members and key industry players, engaging, and unifying the end-to-end connectivity ecosystem, the GSMA is solving real-world industry challenges.

Our vision is to unlock the full power of connectivity so that people, industry, and society thrive. This enables the mobile industry's mission: to connect everyone and everything to a better future.

Find out more, or submit a new project idea, at gsma.com/Foundry

Bankuish

Bankuish is a mobile platform where gig workers, freelancers, and creators leverage their work history data to raise their creditworthiness. Users gain access to a marketplace of preapproved financial offers from national banks tailored to their unique profile, as well as tools to grow their credit score.

The company helps banks gain new customers, manage risk, and improve current customer relationships. The Bankuish Score has been used to de-risk hundreds of thousands of individuals while maintaining a default rate well below the industry standard. Present in the US, Latam and expanding into Europe, Bankuish is currently used by the world's largest banks, fintechs, and insurance providers to originate over four hundred million USD of credit to the future of work.

For more information, visit: www.bankuish.com

About this case study

This case study is for information only and is provided as is. The GSM Association makes no representations and gives no warranties or undertakings (express or implied) with respect to the study and does not accept any responsibility for, and hereby disclaims any liability for the accuracy or completeness or timeliness of the information contained in this document. Any use of the study is at the users own risk and the user assumes liability for any third party claims associated with such use.