



Ibexa proves a crowd pleaser for Skandi FinTech



The crowdfunding platform Kameo was founded in 2014 inspired by the business model of the “sharing economy” popularized in the UK. With a Norwegian founder, a license from the Danish Financial Supervisory Authority and a launch in Sweden, Kameo is Scandinavian to the core. Kameo is officially registered as ‘Kameo AS’ in Norway, ‘Kameo ApS in Denmark’ and ‘Kameo Svensk filial’ – in Sweden. Founder Sebastian Martens Harung and his CTO Urban Stärner, looked long and hard for the ‘perfect’ fintech platform but Kameo ended up creating its own using the Ibexa Content framework and bespoke functionality developed by its technology partner ZWEBB Sweden AB. Since going live, the success of Kameo has exceeded all expectations. Loans for real estate and other projects in Sweden, Norway or Denmark are fully subscribed within hours, with investor returns averaging more than 9%.

Kameo selected Ibexa technology to run its loan-based crowdfunding platform as this offered the best and most cost-effective path to developing a full-blown fintech solution. Ibexa’s framework architecture allowed for a speedy development of core functions and easy integrations with bespoke tools developed by ZWEBB. A first version of the site was ready in less than five months and the platform was launched in Sweden in March 2016, in Norway in 2017 and in Denmark in 2018.

Ibexa and its partner ZWEBB extended its content and experience platform for a FinTech use case. The intuitive interface and complex back-office compliance tools developed as part of the project contributed hugely to the success of crowdfunding site Kameo.

We looked for a technology platform that could adapt to support the complex use case of a fintech. Ibexa succeeded brilliantly in delivering what we needed.

◆ Challenges

- The technology platform had to be robust and safe for handling personal data and integrate with Scandinavian BankID systems
- The system architecture had to be flexible and integrate easily with third-party systems and functionalities created especially for the fintech use case
- Investors can make cross-border investments in local currencies so system has to provide a clear overview, and performant content and translations capabilities
- Investment “journey” had to be simple and intuitive because target market in most cases is the small, private investor

◆ Summary

- It took less than five months to launch Kameo
- Loan management system (LMS), KYC questionnaire, account statement, deferred payments functionality, XML feed to tax authorities and more, were developed by ZWEBB and implemented on the Ibexa DXP
- Content creation, risk management and compliance reporting all realized intuitively from Ibexa
- Ibexa translation files functionality to transpose parent site to Norwegian, Danish and English
- Re-design for December 2020, partly in response to much higher than anticipated peaks in traffic

◆ Business Benefits and ROI

- Reliable platform infrastructure has won the trust of investors: latest project attracted 300,000 SEK of investment per minute after launch
- Transparent and intuitive experience with returns, re-payment date and risk category clearly flagged up from the outset
- Integrations provide easy oversight by regulating bank and automated reporting functionality to Swedish tax authorities
- Ibexa framework architecture speeds up development
- Clear permissioning and workflows
- Extensibility: new design with improved dashboards, performance fine-tuning and real-time statistics to be launched in December 2020



Why Ibexa?

A fintech use case poses very difficult questions to the platform that supports it. Safety and reliability have to be allied to a flexible framework able to integrate with many different complex functionalities that have to satisfy the end-user as well as Scandinavian financial regulators. Ibexa was chosen for its advanced capabilities and “open” architecture which simplified the task of developing a fintech use case for the platform.

Because Ibexa offers a content structure, an admin interface and other advanced functionalities out of the box, development was rapid: it took less than five months to launch the first version of Kameo. The FinTech was a runaway success because of the simplicity and transparency of the investment opportunities on offer. It was the absolute requirement of simplicity that made Kameo such a complex project – complexities that were resolved in Ibexa.

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Opening doors to the financial market for personal investors

In 2014, Norwegian tech entrepreneur Sebastian Harung founded a startup with the ambition “to be the door opener to the financial market for the whole of Scandinavia”. The inspiration for Harung’s fintech was the crowdfunding loan model that has proved such a success with a broad base of investors in the UK. The project addressed two markets that Harung realized were underserved in Scandinavia: financing for small businesses, and better returns for small savers.

Real estate projects were the preferred loan vehicle, because most people are familiar and at ease with the idea of bricks and mortar as an investment.





A flexible, bespoke, scalable and cost-effective solution

No FinTech is simple to launch, but Harung's vision for Kameo created even more technological – and regulatory – complexity. Existing digital investment platforms usually rely on banks as an intermediary, but in Kameo, investors research, initiate and fund their loans on a platform that also pays out the interest and returns the principal.

This meant having to be licensed as a payment institution – the Danish Financial Supervisory Authority granted Kameo its license in 2016. Although Scandinavian financial regulations are very much in alignment, Norway has a specific requirement that loans cannot be initiated from the paying account. This points to another complexity of the project: its technical implementation.

Harung's search for a complete Fintech platform was extensive and in certain respects fruitless, because such an out-of-the-box tool does not exist. But as often happens, what appeared to be a setback turned out to be a positive because by selecting Ibexa as the framework and ZWEBB as technology partner to implement it as a FinTech use case, Kameo gained a flexible, bespoke, scalable and cost-effective solution.

The platform had to be second-to-none in terms of robustness, security and performance. It also had to be flexible enough to offer integrations not just with well-known third-party apps and the Scandinavian BankID system but also with complex bespoke functionalities to be built or adapted by ZWEBB.

It was this adaptability that had attracted Zwebb CEO Zoran Marinkovic to Ibexa in the first place. "The Ibexa technology and approach attracted our attention early on," says Marinkovic. "Ibexa gives you a framework, not a complete CMS – and when I say 'complete' really I mean 'closed': you cannot step outside the confines of the system, you cannot fine-tune or finalize it in the way you want. With Ibexa, you do have that freedom."

Marinkovic (and Kameo) realized that the Ibexa framework structure made it a great fit for a FinTech use case, which places huge demands on the flexibility and inter-operability of the supporting platform. Kameo wanted in effect to function like a bank, not just as a loan intermediary, or a credit facilitator. For this to happen, the system had to accommodate many different processes and workflows.



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Integrations and multiple languages are easily handled by Ibexa

Investors coming to Kameo can see what loans are “live”; content on the nature of the projects is detailed and extensive – it needs to be compliant with pan-Scandinavian financial jurisdiction. The Ibexa translation files functionality renders the sites in Swedish, Danish and Norwegian (as well as English for parts of the parent site). A calculation engine developed by ZWEBB interacts seamlessly with the content, telling investors at a glance what returns they can earn for a preferred level of investment, and on what dates these returns (as well as the principal) will be paid out.

Investments are grouped in risk categories, where a step-up in perceived risk pays a higher yield. It turns out that the sweet spot for most Kameo investors is not the lowest-risk group which pays out about 6%, already a very competitive yield. Lenders prefer the higher risk group which is averaging returns upwards of 9%. Risk appetite is not conservative because under Scandinavian regulations, Kameo investors cannot lose more than 30% of their original investment.

All these calculations and considerations have to be very transparent for the potential investor. Every loan is assessed manually by Kameo’s risk management team; overnight, an automated activity report is sent as an XML feed to the Swedish tax authorities (Skatteverket); DNB as the receiving bank needs constant access; a deferred payment functionality had to be developed to align Kameo with Norwegian financial regulation – and last but not least, loans have to be introduced and updated constantly, because they are oversubscribed as soon as they are launched.

“That is a lot of complexity,” says Kameo CTO and partner Urban Stärner, “but the Ibexa framework has been able to absorb it all.”

He adds: “We had a great business model but its success depended on the quality of execution. Ibexa and ZWEBB have played – and are continuing to play – a huge part in our execution story.”

As Harung and Stärner foresaw, Kameo has been a runaway success. In 2016, the year it launched, Kameo initiated 10 projects; in 2019, there were 96. The average rate of return over that time is an astonishing 9.51%. A small number of loans defaulted, but Kameo investors in those projects did not lose a penny.

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Ibexa is scalable, reliable and manages massive spikes in traffic

Market volatility in the wake of the Corona pandemic has further intensified demand for Kameo projects and in August 2020, it launched as many as 19 with an average yield of 9% and an average runtime of 15 months.

ZWEBB is preparing for a re-design where these statistics will be compiled automatically in real time. "The entire codebase is hosted at GitHub," says Mladen Plasic, lead developer at ZWEBB "So we adopted a workflow that enables us having several teams working on multiple features at the same time. Once the development is done and QA says it's ready - the new design of the Kameo website will be shipped out together with accompanying new features."

The main task of the re-design is to optimize the site which sees massive spikes in traffic when a loan is published. "One of our latest loans was for 4M SEK," says Stärner, "and we had to close that to investors after 50 minutes. At some point, around 300,000 Swedish Crowns were being invested every minute."

He concludes: "This shows the importance of having a platform that is both reliable and scalable. That is what Ibexa gives us."

Workflows enable several teams to work on multiple features at the same time.



ZWEBB implemented and extended Ibexa to support Kameo as a reliable and versatile fintech, a considerable feat. Going forward, we can develop our business model without worrying about the technology because with ZWEBB we are in safe hands.

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