January 2026

Speaking Alternative Credit Data: Standardized Terminology

Stewart Watterson
Strategic Advisor, Retail Banking and Payments Practice

Prepared for

LexisNexis®
RISK SOLUTIONS

datos
INSIGHTS

Table of Contents

Introduction

Introduction

Credit risk underwriting faces an unprecedented influx of new data types, more diverse than at any time since the FICO score's invention. Yet, the industry lacks a common language to discuss these innovations, creating friction when vendors and lenders try to align on basic definitions.

The Underwriting Data Lexicon establishes a standardized three-layer taxonomy:

- **Region**, reflecting regulatory frameworks

- **Category**, based on source and delivery

- **Regulatory status**, determining permissible uses

The framework defines four data categories—Traditional Credit, Alternative, Open Banking, and Emerging/Specialized—with specific examples mapped across North America, the U.K., the EU, the Asia-Pacific region, and the Middle East and North Africa.

The intent of this report is to add these categories to the credit risk lexicon to improve industrywide communication about underwriting innovation.

Key Insight

Specific data types will continue to evolve and expand, but establishing standard categories enables more efficient industry dialogue about credit underwriting innovation.

Credit data evolution:

- Credit risk underwriting faces an unprecedented influx of new data types that are more diverse than at any time since the FICO score's invention.

- New data sources foster a transformative shift; they are not merely supplementary information.

- Much of this data meets local market regulatory compliance standards and can be integrated directly into scoring models and rules engines.

Underwriting Data Lexicon

Challenge, Solution, Goal

The Terminology Challenge

- Industry practitioners struggle with inconsistent naming conventions for these data types.

- Multiple terms describe similar data sources without clear, standard definitions.

- Confusion arises when explaining specific data types requires lengthy clarification.
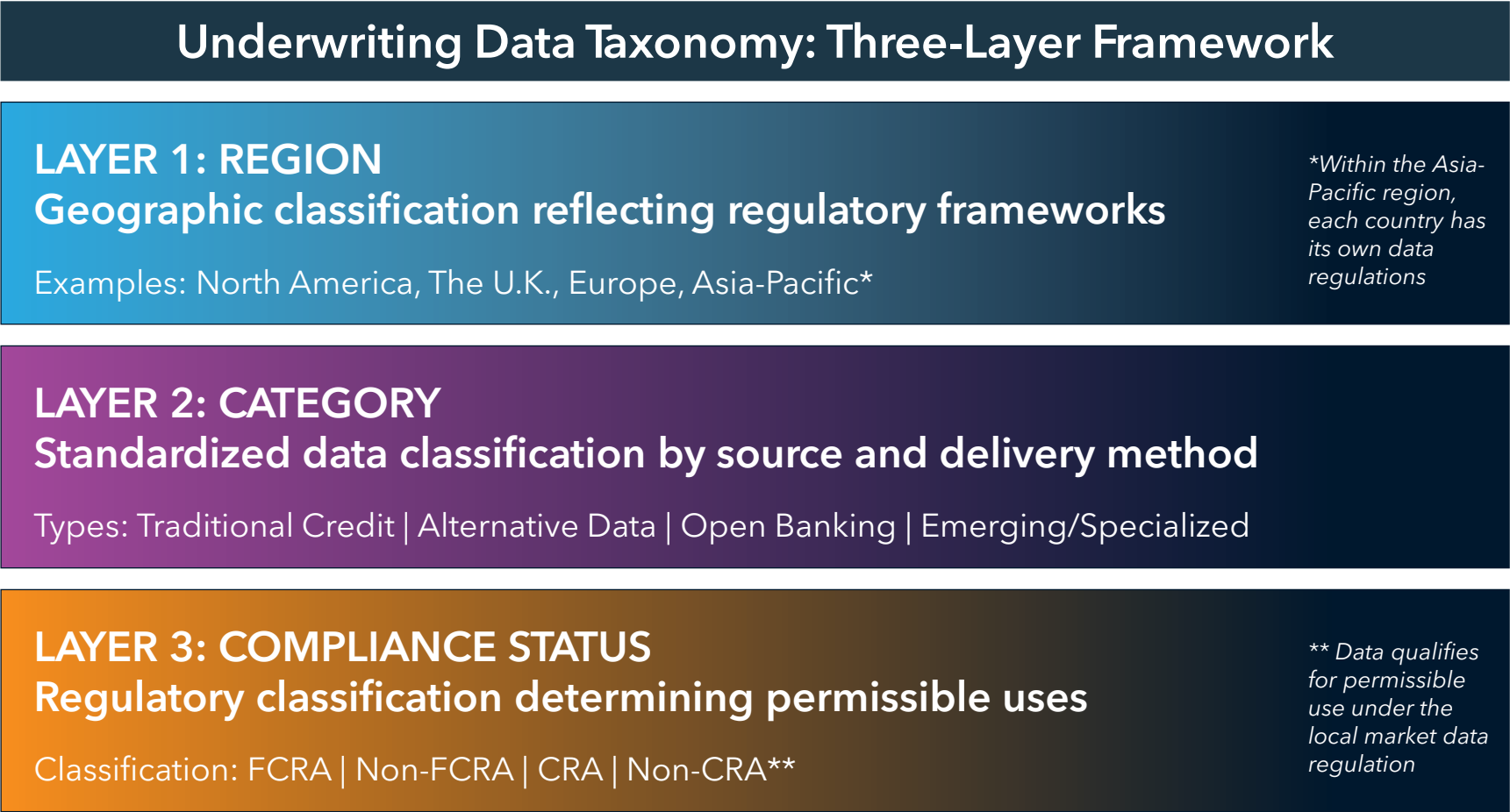
The Solution: Standardized Categorization

- This report establishes consensus-based categories developed through extensive industry consultation.

- Focus centers on creating a standardized classification framework rather than debating specific terms.

- The accompanying table provides representative data samples within clearly defined categories.

The Goal

- Add the following data categories to the credit risk management lexicon for clearer industry communication.

Data Taxonomy

Data taxonomy: A hierarchical classification system that organizes concepts into structured categories based on shared characteristics

Underwriting Data Taxonomy: Three-Layer Framework

LAYER 1: REGION
Geographic classification reflecting regulatory frameworks

Examples: North America, The U.K., Europe, Asia-Pacific*

Within the Asia-Pacific region, each country has its own data regulations

LAYER 2: CATEGORY
Standardized data classification by source and delivery method

Types: Traditional Credit | Alternative Data | Open Banking | Emerging/Specialized

LAYER 3: COMPLIANCE STATUS
Regulatory classification determining permissible uses

Classification: FCRA | Non-FCRA | CRA | Non-CRA**

*** Data qualifies for permissible use under the local market data regulation*

Data Categories

Traditional credit data: Historical financial lending account and repayment data, combined with public record data, with summary data delivered via a credit bureau report and credit scores

Alternative data: Financial and public record data not found on traditional credit reports, with the granular data and scores

Open-banking data: Consumer-permissioned financial accessed directly from FIs, with the granular data delivered via API in real time

Emerging and specialized data: Primarily behavior-based information based on granular data sources, which are currently not approved by local market regulators but hold potential for the future

Examples of Terms by Geography

LexisNexis® Risk Solutions
Global Region Lexicon

NORTH AMERICA

TRADITIONAL CREDIT DATA

Historical financial lending account and repayment data, combined with public record data, with summary data delivered via a credit bureau report and credit scores

FCRA

- Payment history
- Credit utilization
- Public records
- FI's in-house data
- Bankruptcies
- Identification information
- Financial credit inquiries

ALTERNATIVE DATA

Financial and legal public record data not found on traditional credit reports, with the granular data and scores delivered via API

FCRA

- Utilities/rent/telco
- Professional licensing
- Educational information
- Insurance
- Asset ownership
- Business license
- Lien/judgments
- Credit inquiries from DDA, online, and nontraditional lenders

OPEN BANKING DATA

Consumer-permissioned financial accessed directly from FIs, with the granular data delivered via API in real time

FCRA

- Bank account data
- Account and credit card transaction history
- Cash flow
- Account transfers
- Recurring payments

EMERGING AND SPECIALIZED DATA

Primarily behavior-based information based on granular data sources, which currently cannot be used in the specific geography but hold potential for the future

NON-FCRA

- Social media
- Device behavioral data and metadata
- Geolocation
- Text and voice customer service-interactions data

UNITED KINGDOM

TRADITIONAL CREDIT DATA

Historical financial lending account and repayment data, combined with public record data, with summary data delivered via a credit bureau report and credit scores

CRA

- Payment history
- Credit utilization
- Public records
- FI's in-house data
- Credit inquiries
- BNPL
- Identification information
- Current account turnover data (CATO)

ALTERNATIVE DATA

Financial and public record data not found on traditional credit reports, with the granular data and scores delivered via API

CRA or NON-CRA

- Professional licensing
- Educational information
- Insurance
- Asset ownership
- Business license
- Credit inquiries from DDA, online, and nontraditional lenders
- County court judgements (CCJ), IVAs

OPEN BANKING DATA

Consumer-permissioned financial accessed directly from FIs, with the granular data delivered via API in real time

CRA or NON-CRA

- HMRC tax data
- Bank account balances
- Account and credit card transaction history
- Utilities/rent/telco
- Cash flow
- Account transfers
- Recurring payments

EMERGING AND SPECIALIZED DATA

Primarily behavior-based information based on granular data sources, which currently cannot be used in the specific geography but hold potential for the future

NON-CRA

- Social media
- Device behavioral data and metadata
- Geolocation
- Text and voice customer service interactions data

MENA

TRADITIONAL CREDIT DATA

Historical financial lending account and repayment data, combined with public record data, with summary data delivered via a credit bureau report and credit scores
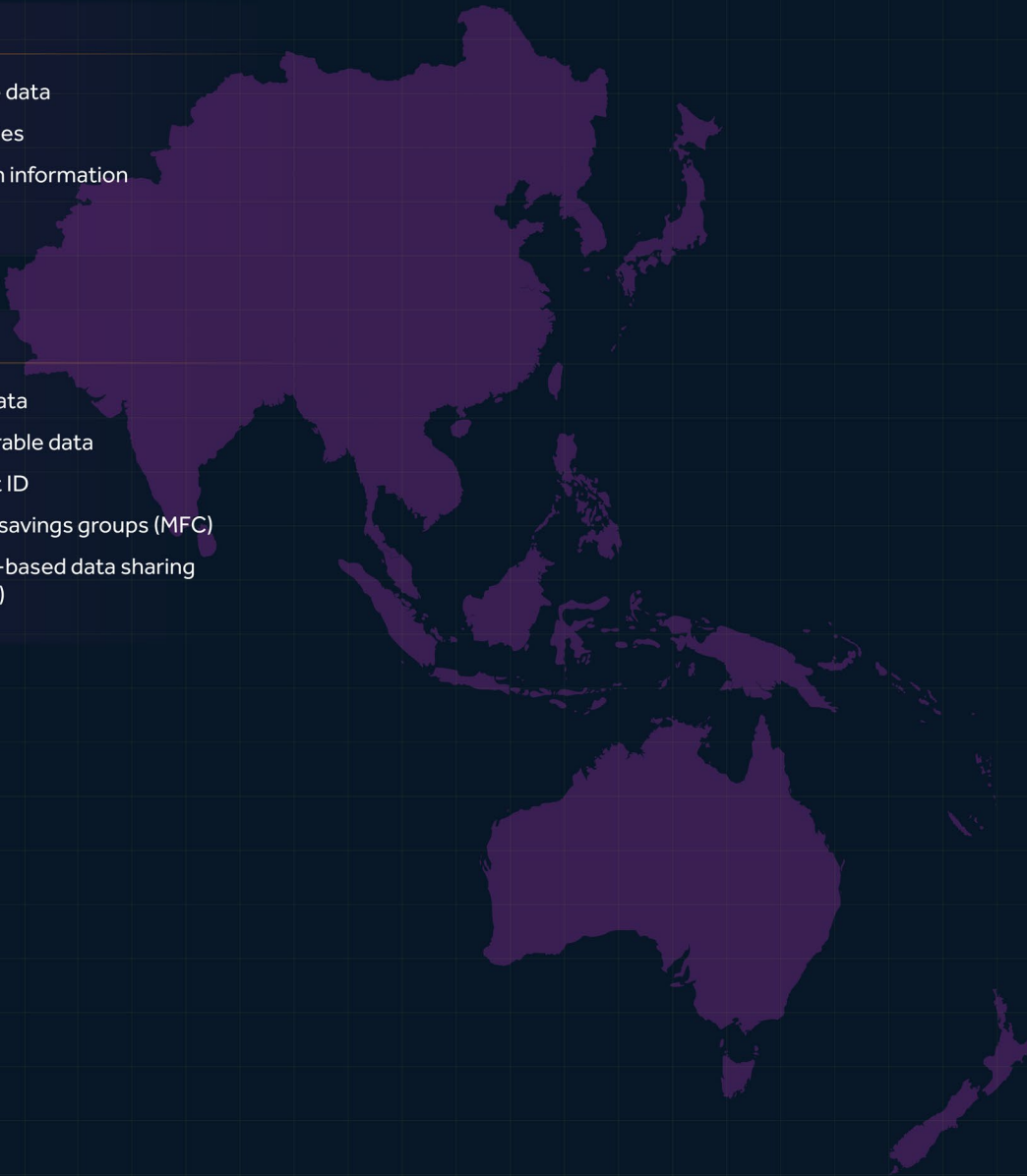
CRA

- Payment history
- Credit utilization
- Public records
- FIs' in-house data
- Credit inquiries
- Identification information

ALTERNATIVE DATA

Financial and public record data not found on traditional credit reports, with the granular data and scores delivered via API

NON-CRA

- Gig economy and e-commerce
- Telco device metadata
- Health and wellness
- Wallet and super-app data
- Behavioral data
- IoT and wearable data
- Government ID (EFR)
- Asset ownership
- Mobile money ecosystems (M-Pesa, Airtel Money)

Source: Datos Insights

LexisNexis® Risk Solutions
Global Region Lexicon

APAC

TRADITIONAL CREDIT DATA

Historical financial lending account and repayment data, combined with public record data, with summary data delivered via a credit bureau report and credit scores

CRA

- Payment history
- Credit utilization
- Public records
- FIs' in-house data
- Credit inquiries
- Identification information

ALTERNATIVE DATA

Financial and public record data not found on traditional credit reports, with the granular data and scores delivered via API

NON-CRA

- Gig-economy and e-commerce
- Telco device metadata
- Health and Wellness
- Wallet and super-app data
- Behavioral data
- IoT and wearable data
- Government ID
- Community savings groups (MFC)
- Consortium-based data sharing (Lender Link)

LexisNexis® Risk Solutions
Global Region Lexicon

EUROPEAN UNION

TRADITIONAL CREDIT DATA

Historical financial lending account and repayment data, combined with public record data, with summary data delivered via a credit bureau report and credit scores

CRA

- Payment history
- Credit utilization
- Public records
- FIs' in-house data
- Credit inquiries
- Identification information

ALTERNATIVE DATA

Financial and public record data not found on traditional credit reports, with the granular data and scores delivered via API

NON-CRA

- BNPL history
- Gig economy and e-commerce
- Telco device metadata
- Wallet and super-app data
- Behavioral data
- IoT and wearable data
- Government ID
- Asset ownership
- Payroll and HR
- Health and wellness

OPEN BANKING DATA

Consumer-permissioned financial accessed directly from FIs, with the granular data delivered via API in real time

NON-CRA

- Bank account data
- Account and credit card transaction history
- Utilities/rent/telco
- Cash flow
- Account transfers
- Recurring payments
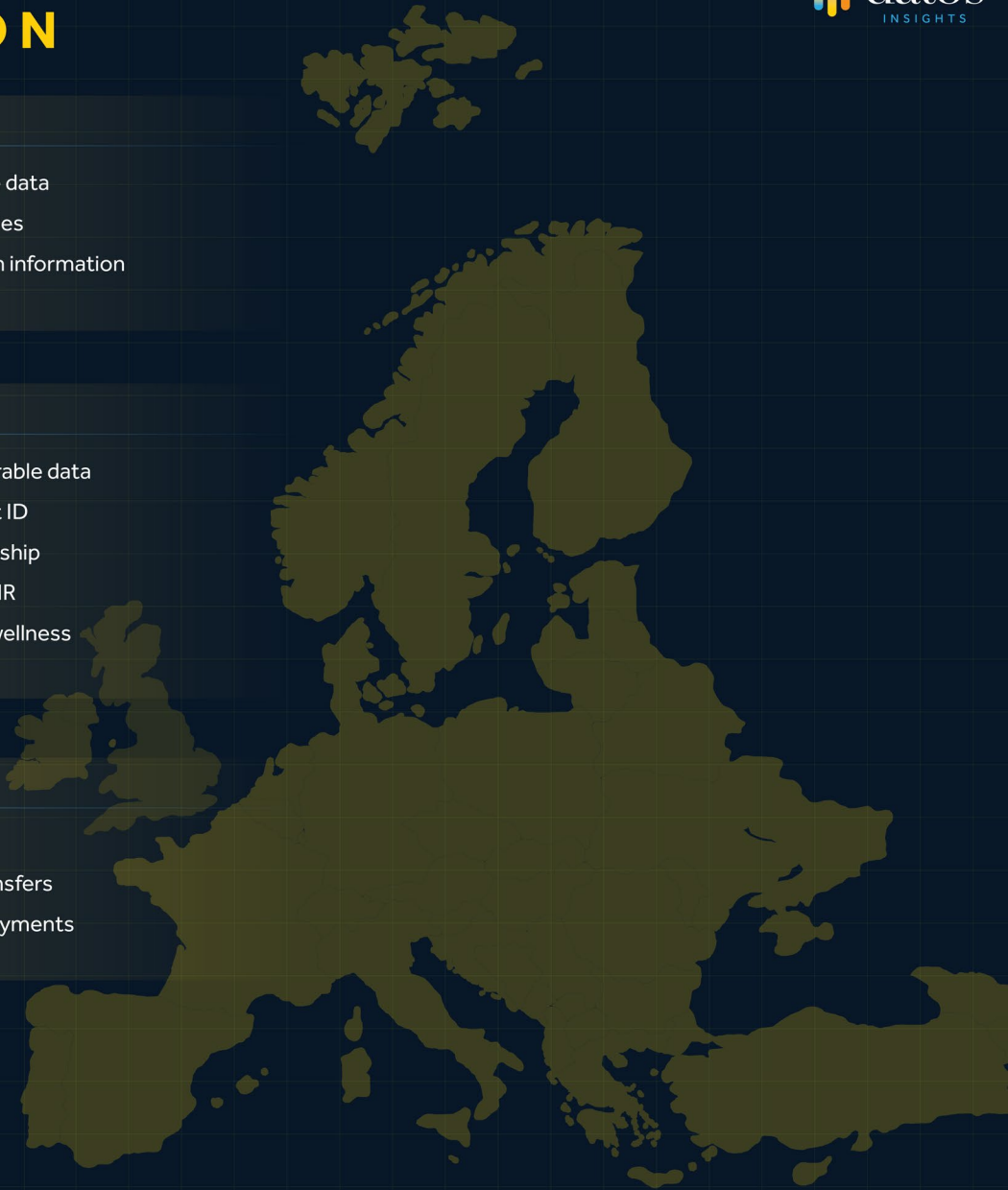
Conclusion

Conclusion

This taxonomy provides a shared vocabulary for credit underwriting innovation, enabling industry participants to focus on substance rather than definitional confusion.

- It provides a shared vocabulary for credit underwriting innovation across the industry.

- It enables focus on substantive discussions rather than definitional debates.

- Four-category framework accommodates regional regulatory differences.

- It remains flexible as data sources evolve and regulations adapt.

- Lexis Nexis® Risk Solutions and Datos Insights encourage industry adoption to accelerate dialogue on expanding credit access, improving risk assessment, and leveraging new data sources responsibly.

About LexisNexis® Risk Solutions

LexisNexis® Risk Solutions provides customers with innovative technologies, information-based analytics, decisioning tools, and data management services that help them solve problems, make better decisions, stay compliant, reduce risk, and improve operations. Headquartered in metro Atlanta, Georgia, it operates within the risk market segment of RELX, a global provider of information-based analytics and decision tools for professional and business customers.

Datos Insights Powers Financial Services Transformation

Datos Insights is the leading research and advisory partner to the banking, insurance, securities, and payments industries—both the financial services firms and the technology providers who serve them.

In an era of rapid change, we empower firms across the financial services ecosystem to make high-stakes decisions with confidence and speed. Our distinctive combination of proprietary data, analytics, and deep practitioner expertise provides actionable insights that enable clients to accelerate critical initiatives, inspire decisive action, and de-risk strategic investments to achieve faster, bolder transformation.

INSIGHTS & ADVISORY

DATA & INTELLIGENCE

CONSULTING
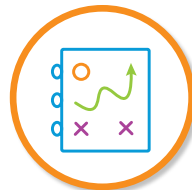
EVENTS

Contact us

Contact our client services team to learn more and become a client sales@datos-insights.com

Explore our latest research and insights on datos-insights.com