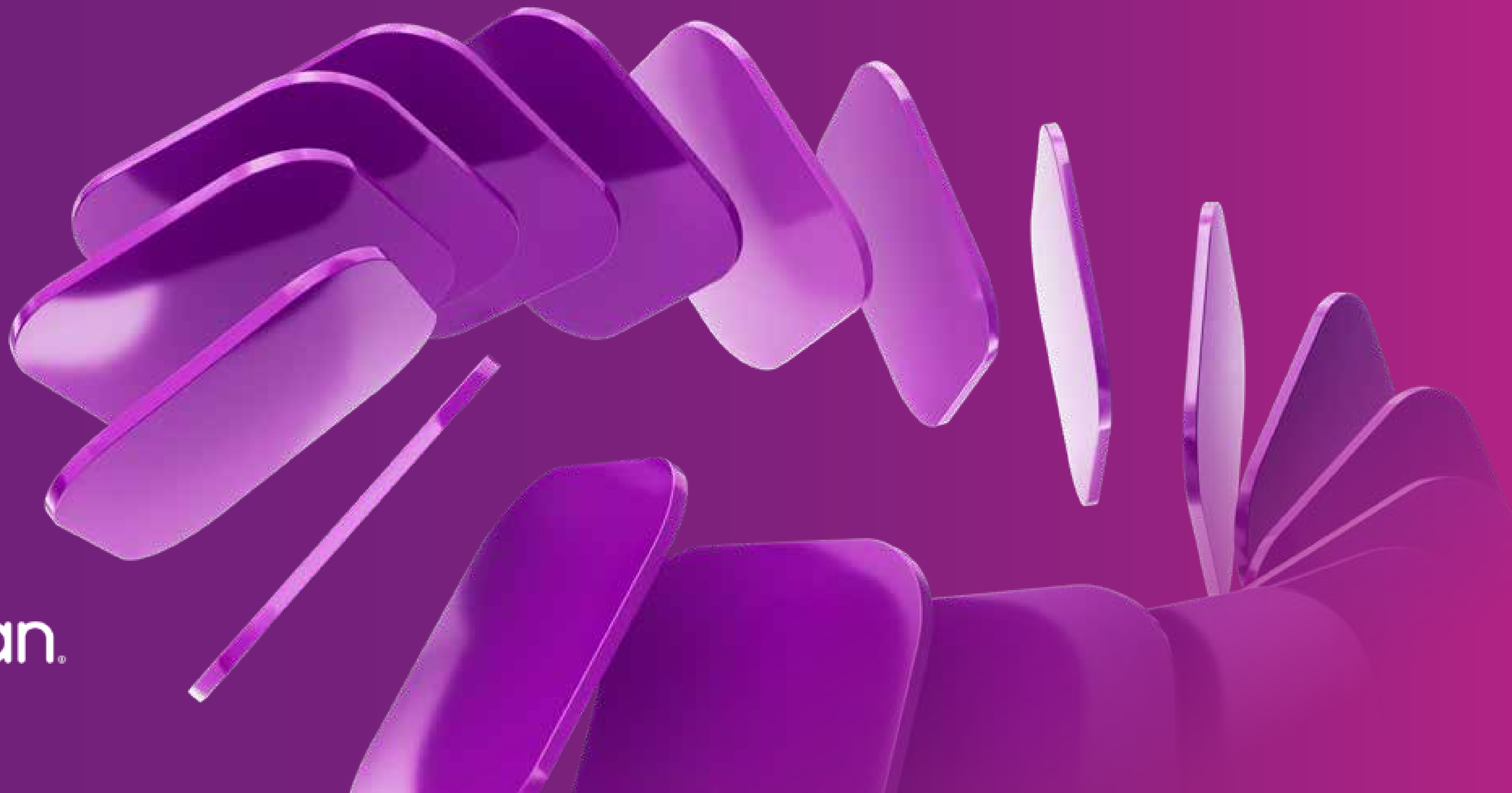
CONNECTED INTELLIGENCE: SCALING AI WITH TRUSTED DATA AND DECISIONING

WHAT IT TAKES TO OPERATIONALISE DATA, AI AND GOVERNANCE IN CREDIT AND FRAUD RISK FOR TRUSTED DECISIONS



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FOREWORD

AI is reshaping how decisions are made across credit and fraud risk. But for financial institutions (FIs), adoption alone will not deliver value. The focus now is on whether data, governance, and operating models can support trusted decision authority driven by AI.

Our research shows that while many FIs are investing in AI, few have been able to scale it consistently across the decisioning lifecycle.

Applying AI within a trusted and controlled decisioning context requires confidence in the data underpinning decisions, clarity of policy, and a deep understanding of the domain in which those decisions are made. Without this, AI remains difficult to scale beyond isolated use cases.

Decision authority defines where and how decisions are made: who (or what) can act, what they can act on, and the limits within which those decisions remain acceptable. More critically, it defines how responsibility is shared between human judgement and automated systems.

AI does not change this, but it makes it more visible: without clear authority, and the ability to trace, explain and validate how decisions are made, even accurate AI outputs are difficult to trust or act on, making them ineligible for compliance-related business uses.

At the same time, the pace of change is accelerating. New capabilities are emerging rapidly, but the fundamentals are not changing. For leaders, the priority is shifting from experimentation to execution; applying an integrated approach to data, governance and AI, within the right context, to deliver consistent and reliable outcomes at scale.

This report sets out what that looks like in practice, and the capabilities required to move from fragmented approaches to connected intelligence.

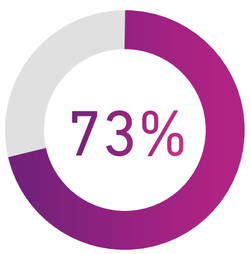
Keith Little,
President, Experian Software Solutions

EXECUTIVE SUMMARY

AI is changing how decisions are made across credit and fraud risk However, adoption alone is not delivering value at scale

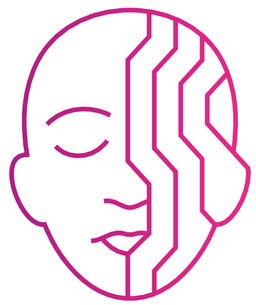
Financial institutions face increasing pressure to improve the speed, consistency and accountability of risk decisions

Risk assessment is becoming continuous, spanning credit, fraud and compliance across the lifecycle.



of financial institutions prioritise real-time decisioning, for decisions that are responsive to context, explainable, traceable, and consistent across interactions

AI is a strategic priority, but adoption remains at an early stage



AI is widely recognised as central to improving decisioning. However, 68% of financial institutions remain in early or emerging stages of adoption.

While 68% are deploying AI to support decision-making, fewer than 30% have extended its use into core risk environments at scale.

While AI is delivering value in contained use cases, scaling remains constrained by three persistent challenges

Data quality and integration are barriers to scaling AI

54% of organisations report increased demand for high-quality, structured data, with real-time data identified as the most significant disruptor.

Integrating alternative and third-party data into AI workflows also remains a key barrier.

Data must be accessible, connected and governed at the point of decision to support AI at scale.

Trust is essential as AI moves into core risk processes

35% of respondents cite lack of trust in AI outputs as one of the key challenges, while **42%** report increased scrutiny around data governance and usage. **86%** agree that transparency of analytics and insights is critical to improving decisions.

Trust depends on embedding governance within execution, enabling explainable, traceable, and controlled decisioning.

Fragmentation constrains consistency and operational scale

43% of organisations identify fragmentation between systems as a significant challenge.

Capabilities across data, analytics, systems and governance remain disconnected, limiting consistency in decision-making.

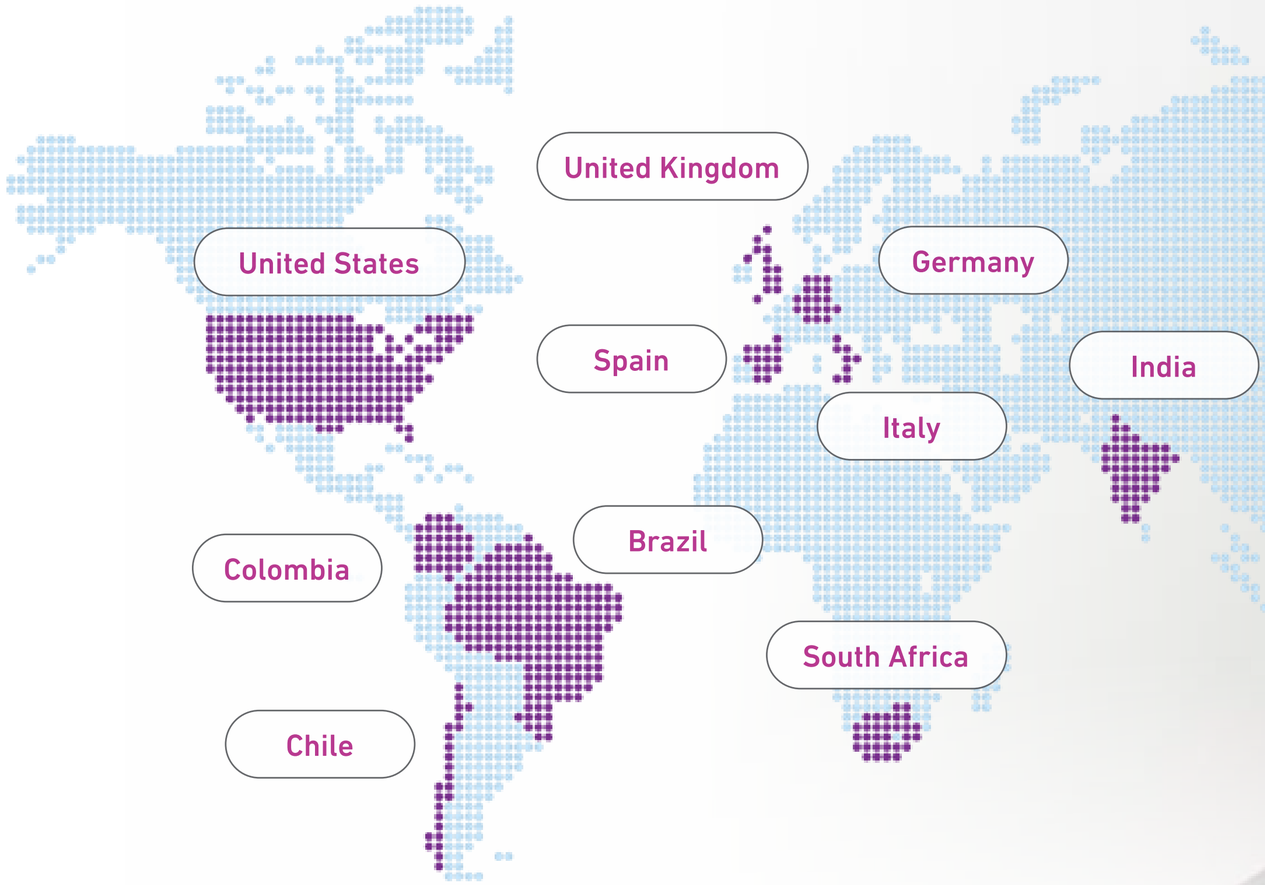
Greater integration is required to enable coordinated and consistent decisioning across the lifecycle.

Addressing these challenges enables a more connected approach to decisioning

Around **60%** of organisations are moving towards architectures where AI systems can interact across tools and data sources, with similar levels of interest in unified data, software and AI solutions.

Organisations that address data, trust and fragmentation can establish a connected decisioning environment that supports real-time, consistent and accountable decisions across the lifecycle, that will enable greater value from AI adoption.

About the research



Experian and Phronesis conducted global research in 2026 with over 800 senior decision-makers across 12 countries, and over 80 expert interviews to explore the key challenges and opportunities facing financial institutions in credit and fraud risk.

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FROM UNDERWRITING AND FRAUD DETECTION TO ALWAYS-ON INTELLIGENCE

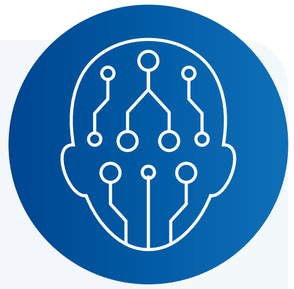
Underwriting remains the foundation for how financial institutions (FIs) assess and manage risk. What is changing is how and where decisions are applied.

Experian's 2025 global research into the future of underwriting identified a clear shift already underway. Risk assessment is becoming continuous, spanning credit, fraud and compliance across the lifecycle. Decisions are no longer made at fixed points in time, but triggered dynamically by customer behaviour, transactions and external signals.

This year's research builds on that foundation, exploring what it takes to deliver this model in practice.

Historically, underwriting and fraud detection operated as discrete, segmented functions, executed at defined points in the customer journey and often culminating in back-office underwriting or investigative manual processes. Decisions were based on static datasets, predefined rules, and assessed within relatively narrow contexts.

> **In an age where customers are increasingly demanding, increasingly time poor, an instant decision is absolutely critical.**
> Credit Risk Leader, UK Building Society



Today, rapid advances in AI, combined with rising expectations for hyper-personalised, seamless and transparent digital experiences, mean that decisions are increasingly distributed across systems. They are:

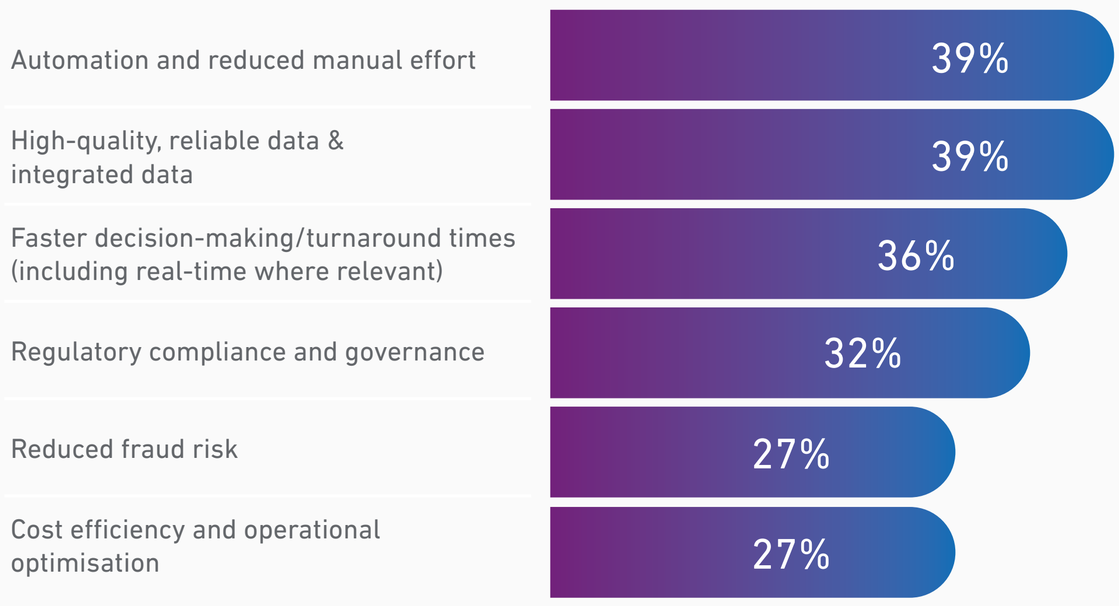
- Triggered by customer behaviour, transactions and external signals
- Dependent on both historical and real-time data
- Applied across multiple stages of the lifecycle, from origination through to login risk, account management, transaction monitoring and collections
- Embedded within workflows, shaping actions rather than standalone outputs

This shift, and the diverse complexity of these capabilities, underscores the importance of aligning AI to a decision authority framework.

Experian's latest global research reflects this shift in expectations. Approximately **70–75%** of FIs are prioritising real-time decision capabilities, followed by cost reduction and improved risk selection and pricing precision.

Alongside improvements in data quality and automation, organisations are prioritising outcomes that impact multiple core business objectives, including **faster decision-making, regulatory compliance and governance, higher approval rates and reduced fraud risk.**

Key current needs from data, AI and software:



This signals a move towards continuous evaluation, where decisions are made not only in response to changing conditions, but also in anticipation of them. As AI capabilities evolve, including the emergence of more agentic interactions, this shift extends further, enabling systems not only to inform decisions, but to initiate and execute actions within defined parameters.

This introduces a new level of complexity. Decisions must be:

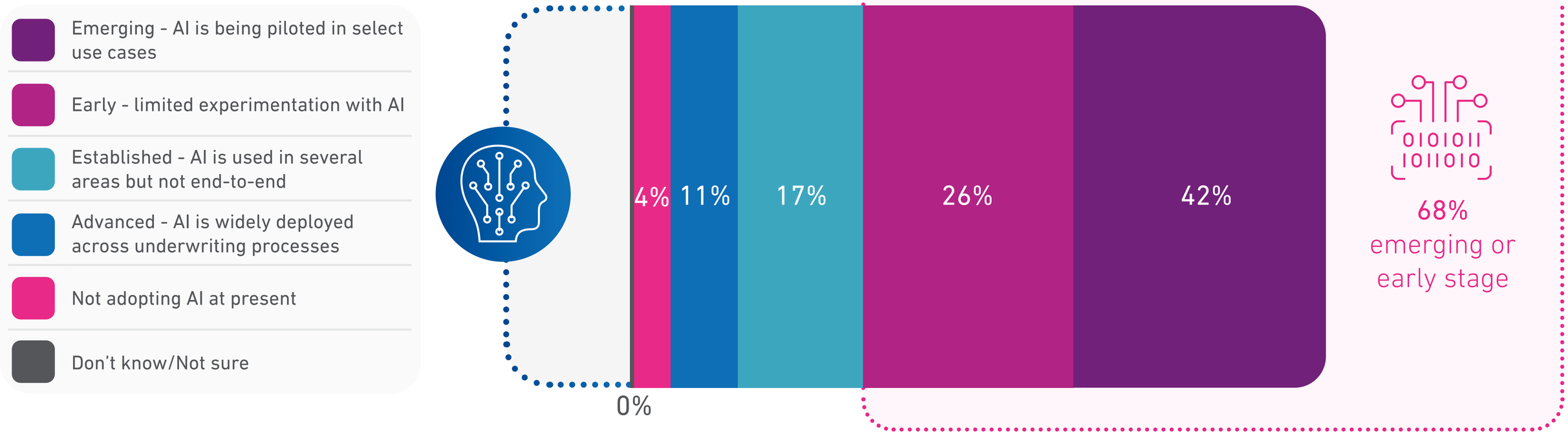
- Traceable and explainable
- Responsive to real-time context and threats
- Consistent across channels and interactions
- Aligned across risk domains and operational processes

Many FIs have invested in the components required to support this change, including data, models, and workflow capabilities. Yet, as risk assessment becomes continuous and embedded, a gap is emerging between what FIs aim to achieve and what they can consistently deliver.

AI is often expected to close that gap. In practice, however, its impact remains uneven, delivering value in contained areas but proving difficult to scale across interconnected processes. The challenge has moved beyond whether AI can improve processes, to what it takes to operationalise consistently across the business and support continuous, real-time decisioning across the lifecycle.

> **Risk assessment is no longer confined to defined stages in the customer journey. As AI capabilities evolve, the way decisions are made across the lifecycle is becoming continuous, triggered by customer behaviour and external signals.**
>
> David Bates, MD Credit and Verification Services, UKI, Experian

AI adoption in fraud and credit risk remains early-stage



Most organisations remain in pilot or partial deployment.

> For financial institutions, the priority is to ensure decisions are embedded within operational workflows, grounded in trusted and contextual data, and governed in a way that keeps outcomes traceable, explainable and aligned to policy.
>
> Damian Ramos, VP Software Solutions and Analytics, SPLA, Experian

SCALING AI FROM USE CASE TO SYSTEM

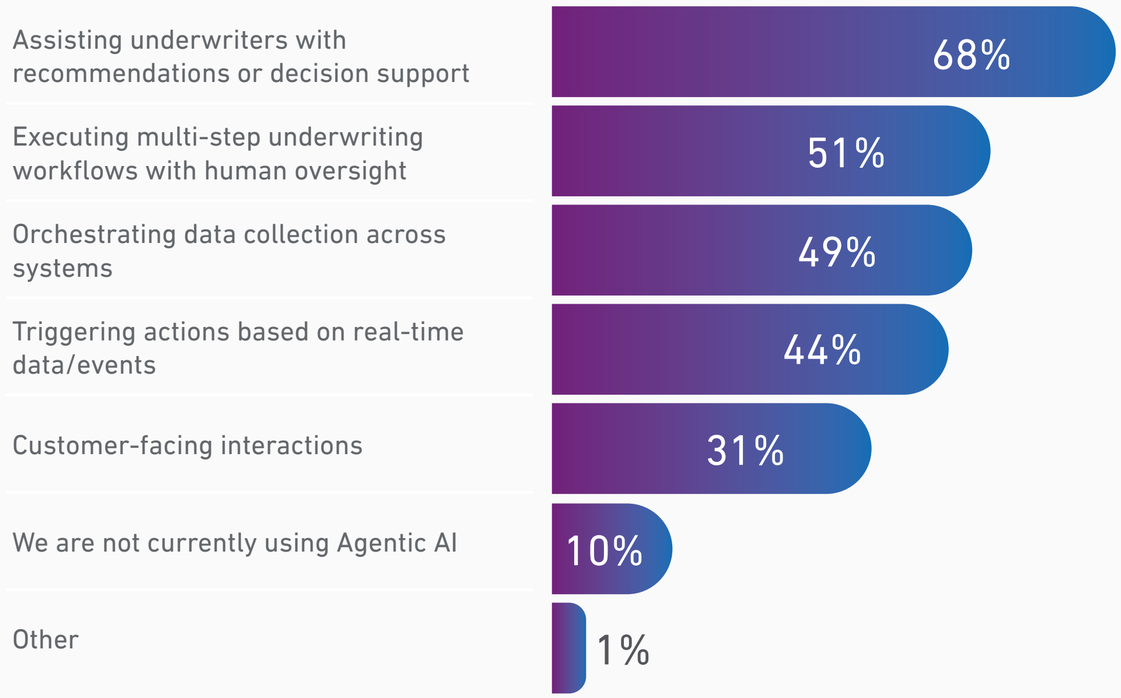
AI is becoming more widely adopted across credit and fraud risk functions. What is less clear is how far that early-stage adoption has translated into scalable impact and ROI.

Across financial institutions (FIs), progress has been fastest in areas where execution is contained: Today, agents are being used in specifically defined aspects of customer servicing, fraud detection, case management, collections and operational processing. In these environments, data is accessible, workflows are defined, interdependencies are limited, and outcomes are repeatable.

As agentic AI begins executing actions across systems, requirements for governance, auditability and control increase significantly.

According to the research, this is reflected in adoption patterns, with **2 out of 3** FI respondents deploying agentic AI to assist underwriters and fraud investigators with recommendations or decision support.

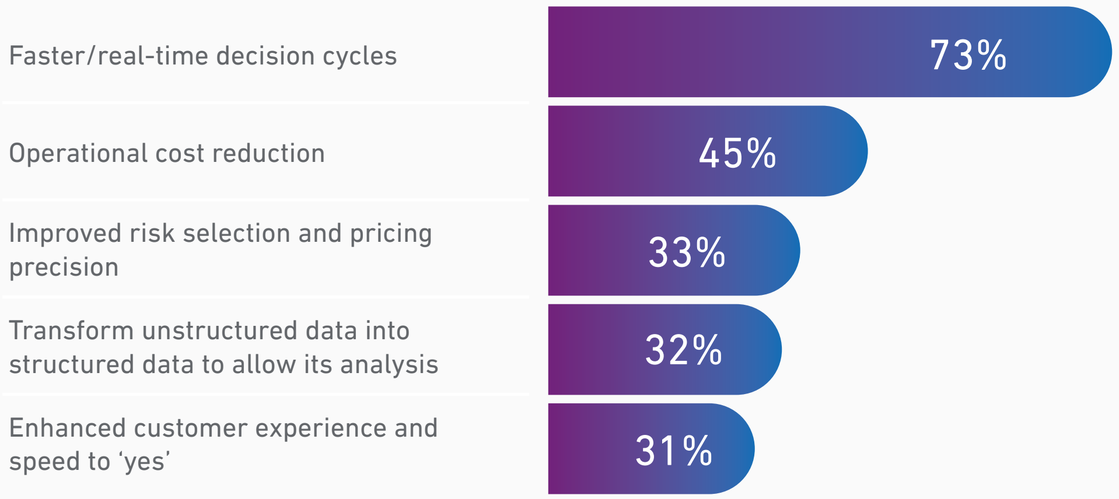
Respondents deploying agentic AI in assisting underwriters with recommendations or decision support

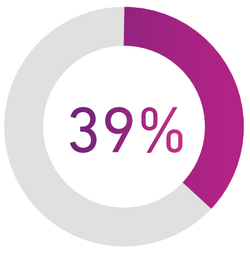


> Agentic AI is used to support specific processes, for example during initial customer interactions when it's not clear what the best product to offer is.
>
> Chief Lending Officer, Italian Bank

In these environments, AI is delivering measurable value, improving efficiency, and responsiveness. But its impact is often localised.

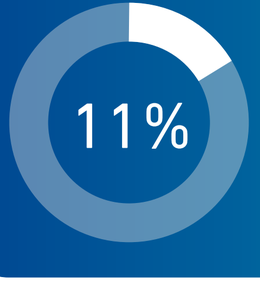
Organisations identify the primary benefits as:





of organisations cite reduction in fraud losses among the key KPIs for AI-driven decisioning.

Attention is shifting towards applying AI within core risk processes where decisions are continuous, interconnected, and subject to policy and regulatory constraints.

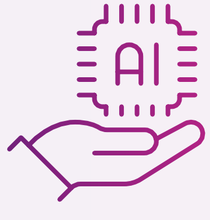


of respondents have been able to extend AI into core environments at scale, with most remaining in partial deployment.

> **Human-in-the-loop is an important driver of comfort at this point. This shouldn't be fully handed off to AI.**
> SVP, Cloud Architecture, US Bank

As AI moves further into core risk processes, human involvement is shifting from execution to oversight.

This is reflected in adoption patterns. Half of respondents identify multi-step workflows with human involvement as a leading use case for agentic AI. At the same time, appetite for fully autonomous decisioning remains limited. **One-third** of organisations are not comfortable allowing AI to make decisions without human review, while around half are only comfortable doing so for low risk decisions.

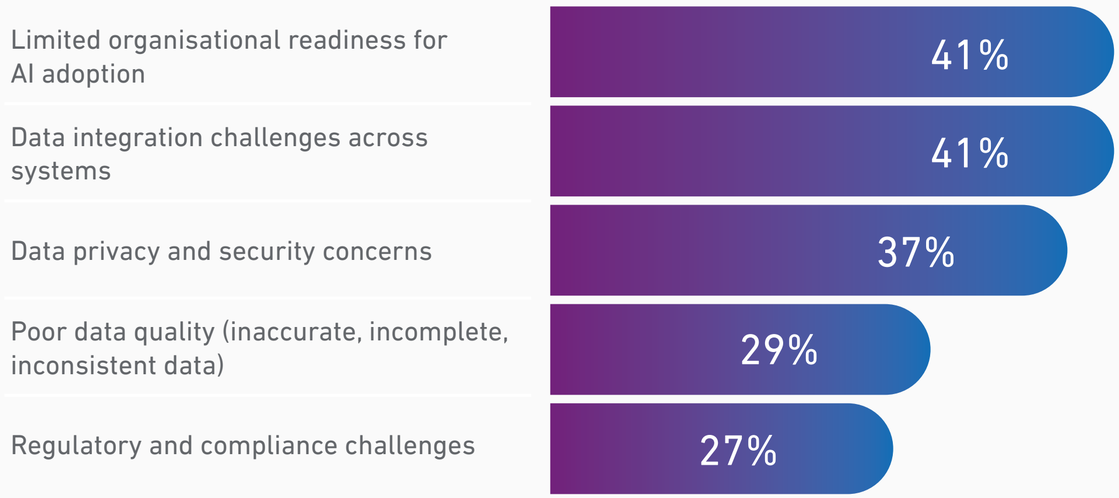


> **The new role for the human is more monitoring and controlling of our technology.**
> Former Chief Risk Officer, Colombian Financial Institution

AI is delivering within limits, and those limits can be defined by the operating environment:

- Fragmented data that is difficult to access and reconcile
- Systems that require integration rather than operating end-to-end
- Governance that ensures control, but introduces operational friction

Challenges in applying AI, data and software to fraud and credit risk decisioning



> Software is what operationalises that data. You need a strong architecture and typical APIs to connect data with agents[...] this is still fragmented.
> Former Chief Risk Officer, Colombian Financial Institution

This becomes more significant as AI evolves. As agentic capabilities begin to initiate and execute actions across workflows, AI is no longer confined to individual tasks. Instead, it operates across systems, data sources and processes, often with limited human intervention.

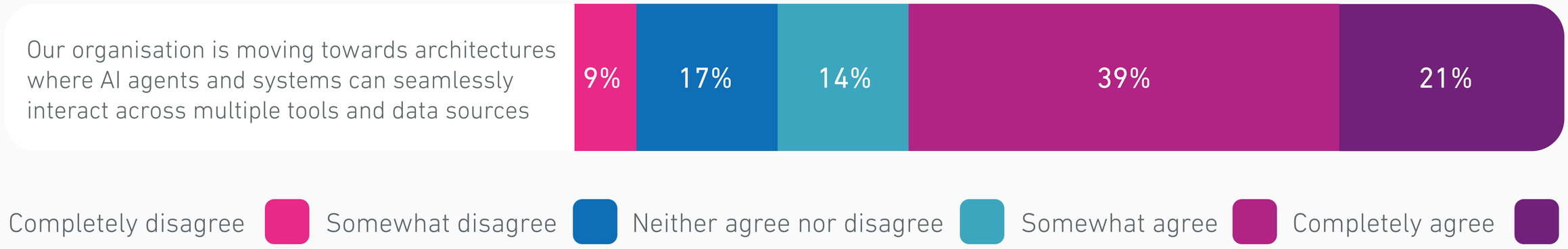
Agentic systems require:

- Reliable, real-time access to data
- Clear boundaries of control and accountability
- Environments where actions can be executed consistently and safely

Without these conditions, the impact is not just limited performance, but can result in inconsistent or uncontrolled outcomes, particularly in regulated risk processes.

As AI becomes more agentic, the environment in which it operates becomes the catalyst to its effectiveness

This shift is already underway. 60% of respondents agree that they are moving towards architectures that enable AI agents and systems to interact seamlessly across tools and data sources.



Scaling AI depends on whether the underlying operating model can support it. In this context, the operating model is the mechanism that enables data to be accessed, connected, and activated across the business, shaping how effectively that capability can be realised in practice.

General-purpose AI can generate insight but lacks the domain context required to apply it within credit and fraud risk environments. Effectiveness depends on access to proprietary data and signals, including identity resolution, fraud intelligence and behavioural patterns, and the ability to apply these within operational workflows.

> AI is delivering clear value in contained use cases, where data is accessible and workflows are well defined. The challenge is extending that value into core risk processes, where decisions are continuous, interconnected and subject to policy and regulatory constraints. For financial institutions, this requires an operating model that can support consistent execution, with data, systems and governance aligned to enable AI to scale beyond isolated applications.
>
> Molly Poppie, Chief Product & Analytics Officer, North America, Experian

BUILDING A TRUSTED DATA ADVANTAGE

Data is the primary constraint in scaling AI. Across organisations, data remains fragmented, inconsistently defined and governed, lacking in trusted lineage, and difficult to reconcile across the lifecycle. As a result, access is often delayed, and its application varies depending on where and how the data can be used.

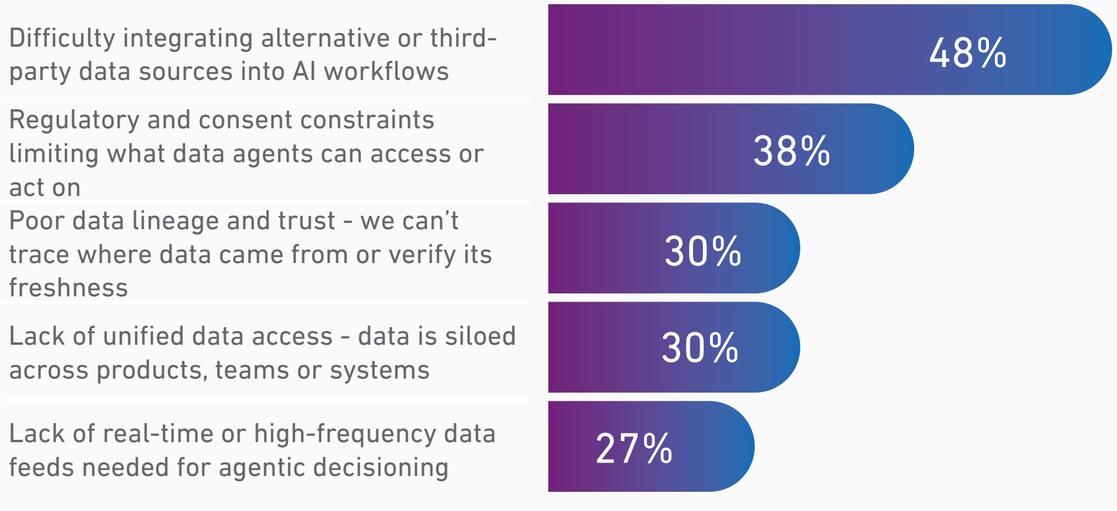
Across financial institutions (FIs) surveyed, this is a consistent finding. As AI adoption increases, **54%** of FIs surveyed see increased demand for high quality and properly structured data alongside more automated data access and processing.

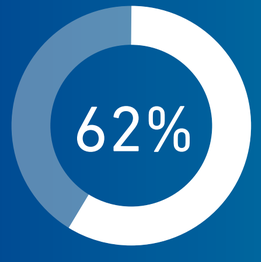
FIs have access to extensive internal (transaction and behavioural data), bureau, and alternative data sources. The issue is how that data is structured, integrated, and applied within live processes.

> Consistent omnichannel data is a challenge. It's a **big challenge to retrieve data for multiple sources**. It's a nightmare.
>
> Branch GM, Large Brazilian Bank

This reflects a structural issue rather than a technical one. Data is distributed across systems and functions, making consistent governance difficult. In many cases, the challenge is not availability, but control: how data is defined, managed, validated, and applied in a consistent way.

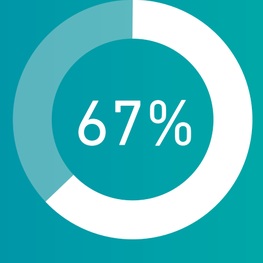
Key data-related barriers to scaling AI include:





of respondents agree that data quality and governance are one of the reasons AI deployments fail.

Agree that the ability to get data into the required format is one of the biggest obstacles for using their own data to build models and feed into underwriting.

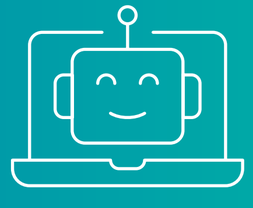


AI amplifies these effects, increasing demand on how data is accessed, monitored, improved, governed and applied in real time. This increases the importance of quality, completeness, freshness, lineage and permitted use of the data behind AI decisions.

Data that is delayed loses relevance. Data that is inconsistent, invalid, and out of date introduces risk. Data that is fragmented cannot be applied at scale.

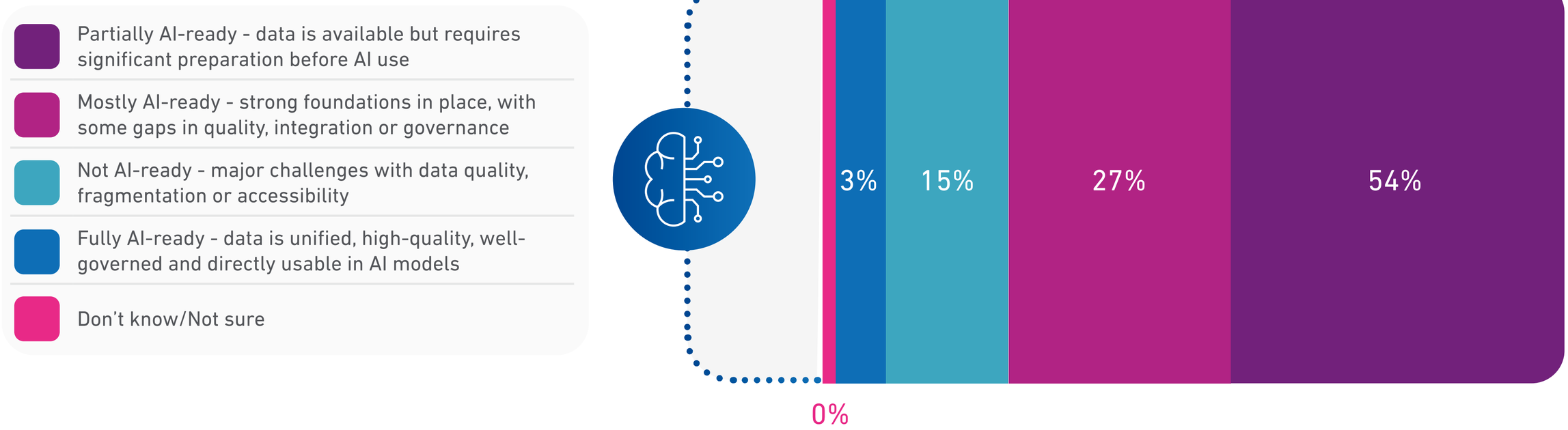
> The data quality isn't just accuracy, in a lending data AI system, you're talking about completeness, consistency, timelessness, traceability of this data. **AI raises the stakes; modern AI will increase the sensitivity to data quality**. Models will amplify noise. It's more dangerous if you have noisy bad quality data. If you don't have quality data, everything else is destabilised.
> Former Product Lead, Large UK Neobank

As interactions become increasingly agent-driven, the role of traditional user interfaces begins to shift. Consent is no longer captured only through static journeys but needs to be managed dynamically within AI-led interactions, as part of the decisioning flow itself.



Leading FIs are prioritising the ability to make data available at the point of use, embedded within workflows, aligned across systems, and monitored, improved, and governed in a way that supports execution. This requires a different approach to data architecture: one that treats data as a connected operational layer rather than a collection of sources.

Data readiness



> But it really takes that quality of a solution to achieve good data governance, which to me is what unlocks the comfort and confidence to really leverage AI at scale and not just kind of use it for these one-off solutions.
>
> SVP, Cloud Architecture, US Bank

Real-time or near real-time data is seen as the biggest disruptor in fraud and credit decisioning, cited by **24%** of respondents, with AI and machine learning in data processing and decisioning close behind at **21%**.

Decisioning in credit and fraud depends on data that is:

- **Instantly observed** from the moment the consumer or agent initiates the first interaction, throughout the entire session, and across sessions
- **Resolved at entity level** (e.g. identity resolution across devices, accounts and channels)
- **Continuously updated** through behavioural and transactional signals
- **Contextualised within the decisioning moment**, not retrospectively analysed

This includes:

- Data collection methods for digital signals intelligence
- Integration and orchestration systems to coordinate services and agents
- Identity graphs and link analysis
- Fraud signals derived from device, network activity and behavioural patterns
- Bureau and alternative data aligned to specific use cases and regulatory constraints

As traditional data sources become more widely available, differentiation increasingly depends on the ability to integrate bureau, alternative and internal/ proprietary data sources into decisioning workflows.

> I think that becomes the special sauce, the mix of different data sources that you're able to utilise.
> Former Product Leader, Decision Intelligence Platform

Systems that initiate and execute actions require current, consistent and traceable data. Without this, the challenge is not only reduced performance, but reduced control and risk.

Data governance, **quality**, and **lineage** are among the top three challenges when it comes to data in fraud and credit decisioning.

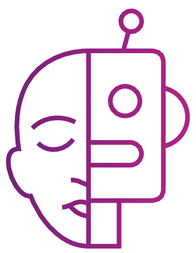
As a result, **trust in AI is fundamentally derived from trust in the underlying data and how it is applied**.

Confidence in the underlying data infrastructure becomes critical to scaling advanced AI use cases. Decision authority is not uniform, but varies by use case complexity, requiring clear control layers and human oversight where appropriate.

> Trusted AI starts with trusted data. When data is incomplete, inconsistent or lacks effective governance, AI amplifies those weaknesses across decisioning, risk and operations. Financial institutions can scale AI with confidence and efficiency when data quality, governance and business context are embedded into the operating environment, with controls applied directly within day-to-day workflows. The result is AI powered by trusted, AI-ready data, enabling faster, explainable and compliant decisions.
> Yao Li, CPO, Global EDQ, Experian

TRUST AND GOVERNANCE DEFINE THE LIMITS OF AI

As AI moves into core risk processes, the ability to establish trust through control, explainability and governance becomes central to how it can scale. It reflects the ability to explain decisions, understand data lineage, and how outcomes align to policy and regulatory expectations.



One of the top challenges organisations face in managing underwriting decisioning is a lack of trust in AI-generated outputs.

In practice, governance determines whether AI can move beyond experimentation into execution. 42% of respondents agree that with the rise of AI adoption there is increased scrutiny around data governance, consent, and permissible use.

This is particularly evident in credit and fraud risk processes

Decisions must be:	FIs must be able to:
Explainable to regulators and customers	Trace how a decision was reached
Consistent with defined risk appetite	Validate the data and logic used
Traceable across systems and data sources	Apply controls consistently across processes
Applied in a way that can be monitored and controlled over time	Demonstrate that outcomes are aligned to policy

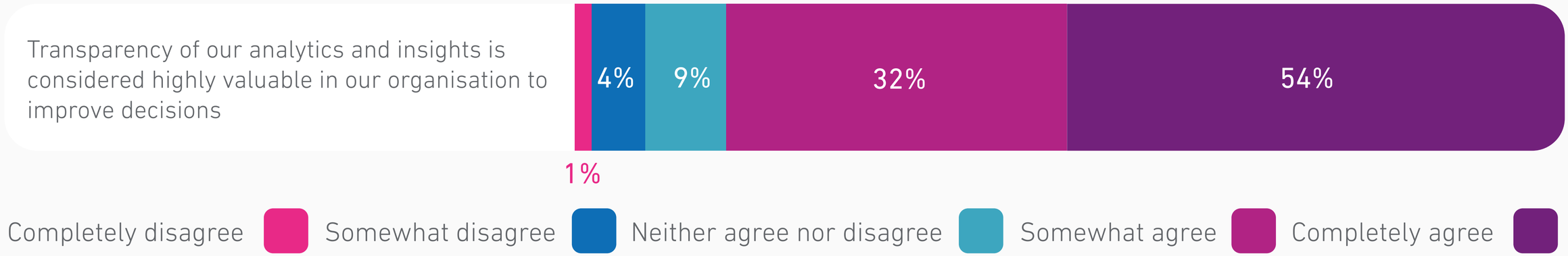
> If you don't have governance, you get lost. The regulator is going to stop you if you can't prove your AI is under control.
>
> Chief Lending Officer, Italian Bank

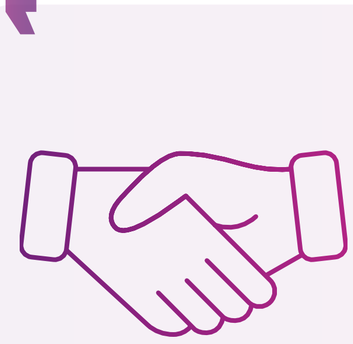
Yet across most FIs, governance remains fragmented. There are different governance requirements across the business, and across credit decisioning and fraud risk management.

It is critical that businesses have flexible governance controls that can be appropriately modified for the specific area of concern.

As a result, governance control is distributed across systems, managed by different teams, and applied at different points in the process. This makes it difficult to maintain consistency, particularly as decisions become more dynamic across the lifecycle.

86% of respondents agree that transparency of analytics and insights is considered highly valuable to improve decisions.





The only thing that builds trust is transparency. It has to be overcommunicated.
VP of Credit, US Financial Institution

In many organisations, governance is still applied as an overlay, through review processes, manual checks, and post-decision validation. This post-fact approach limits the ability to scale automation, particularly in regulated environments where accountability is nonnegotiable.

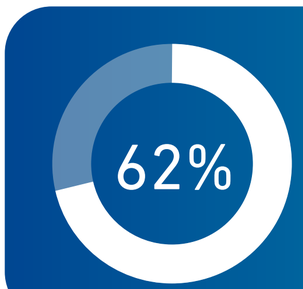
This is amplified as AI evolves. Agentic systems introduce a shift in AI from supporting decisions to initiating and executing actions across workflows. Agentic AI can operate across multiple data sources and systems, dynamically determining how to complete tasks.

Where traditional governance frameworks assume static models and predefined processes, agentic systems introduce continuous decision-making, adaptive behaviour and distributed execution, requiring more agile governance management processes.

Without clear control mechanisms, this creates challenges in:

- Defining accountability
- Monitoring behaviour in real time
- Ensuring alignment with policy and regulatory requirements
- Increasing compliance and operational risk

Governance is emerging as one of the primary reasons AI initiatives fail to scale, reflecting limitations not in the technology itself, but because the operating model cannot support controlled execution. A complete AI strategy should include governance as a core tenet of the decision authority framework.



of respondents agree that data quality and governance are one of the reasons AI deployments fail.

As AI becomes more autonomous, the ability to embed control within execution becomes the defining enabler of trust, shaping what can be automated and where. Its effectiveness depends on how consistently it is applied across systems and workflows.

Within model risk management, policies define how models are developed, validated, deployed, and monitored across the lifecycle. Ultimately, agentic monitors can more accurately and autonomously scan the regulatory horizon for emerging regulatory changes and can more effectively identify potential model drift away from those policies.

AI systems that operate outside these frameworks may generate outputs, but they lack domain context and ultimately decision authority.

Embedding policy directly into the decisioning environment ensures that AI operates within the full operational context, enabling consistent, real-time and auditable decision-making rather than isolated outputs.

> As AI moves into core risk processes, the ability to establish trust through governance becomes critical to how it can be applied. This is not just about oversight, but about ensuring decisions can be explained, traced and aligned to policy at the point of execution. For financial institutions, the priority is to embed governance within decisioning processes, so that control is maintained consistently and outcomes remain compliant and accountable.
>
> Shail Deep, COO, EMEA & APAC, Experian

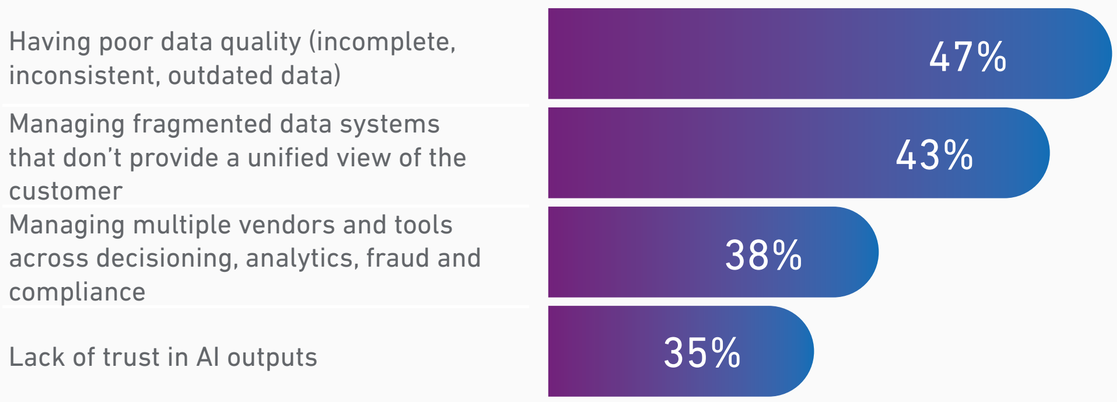
FROM FRAGMENTED CAPABILITIES TO CONNECTED INTELLIGENCE

Within credit and fraud risk environments, FIs have developed sophisticated capabilities to assess, monitor and manage risk throughout the lifecycle, using technology, data, analytics, and governance.

However, in many organisations, these components are still managed in separate siloes. Data is accessed through one system, analytics are applied in another, policies are enforced independently, risk systems operate in isolation across the journey, and workflows span multiple environments.

The research indicates that around **43%** of FIs identify fragmentation between systems as a key challenge in scaling capabilities through the lifecycle.

Challenges in managing underwriting decisions



> What's lacking is the real-time decisioning, something that's unified or centralised.
> Senior Risk Expert, Large Australian Bank

In addition, fewer than **30%** of FIs surveyed have a coordinated framework for managing credit and fraud risk data across multiple domains.

Fragmented data cannot be applied consistently. Analytics and AI deployed in isolation remain limited in impact. Governance applied separately from execution introduces variability in control. The result is inconsistency in how risk is assessed, managed and acted upon across the lifecycle, making outcomes harder to trace, audit and govern, even where AI outputs appear accurate.

> The more you can bring it into one solution, the better.
> Credit Risk Leader, UK Building Society

Already, 60% of organisations agree they are moving towards architectures where AI agents and systems can seamlessly interact across multiple tools and data sources, signalling a positive transition from isolated models to coordinated systems.

To effectively maximise the benefit of AI across the FI ecosystem, credit and fraud risk assessments can no longer be isolated across silos of the customer journey. They must be continuous, event-driven, and embedded within operational workflows. Maintaining consistency, control and trust under these conditions depends on how effectively data, AI, software and governance are aligned, which is where a well-formulated decision authority framework becomes critical.

Leaders are prioritising:

- A unified intelligence layer connecting data, analytics and workflows
- Real-time data activation, not just aggregation
- Embedded governance, aligned to execution
- Modular flexibility, to evolve without replatforming

8 out of 10 respondents are willing to test or adopt a unified solution that combines data, software and AI for fraud and credit risk. But execution remains the differentiator.

> If you are thinking of offering a seamless and unified platform, I think that would be the best solution.
> Head of Finance Transformation, Brazilian Bank

> **Many organisations have the data, AI and governance capabilities required, but they are executed separately, limiting consistency and control over how decisions are made.**
> Eduardo Mônaco, VP of Credit and Platforms, Brazil, Experian

To maximise agentic AI success, businesses should consider a connected intelligent decisioning layer that includes:

- Bureau, alternative, internal, behavioural, and fraud data
- Identity resolution and entity-level intelligence
- Decisioning software and workflow orchestration
- Embedded governance, explainability, and policy control
- Modular integration across existing environments

AI adoption without a structured approach does not translate into impact. Its effectiveness depends on whether AI operates within a controlled decisioning context, where proprietary data and embedded policy enable consistent, trusted decision authority at scale.

> Scaling AI depends on establishing connected intelligence, underpinned by trusted data and informed by domain context, where decision authority defines how outcomes are applied, validated and governed. This is what enables financial institutions to move from fragmented capabilities to consistent, controlled outcomes at scale.
>
> Jim Fick, Managing Director, Global Operations, Experian

Learn more about the Experian Ascend Platform™

Explore the Experian Aperture Data Studio

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