

GAMIFICATION FOR BETTER INVESTMENT DECISIONS

CONTEXT

The Investment Management Association of Singapore (IMAS) was formed in 1997, to represent a body of investment managers in the investment and fund management industry.

Currently, the industry is heavily dependent on financial intermediaries (FIs) such as banks, insurance companies, securities brokerages and platforms to distribute products to end investors in Singapore. FIs are paid a fee (i.e. trail fee) and/or transaction commission for their distribution role. While every individual investor's investment objectives are different, the advice and products sold to end investors are typically those which earn the FIs the highest commission / income, without discerning the true needs of the investor.

The public's lack of familiarity with investing in assets (i.e. including stocks, Exchange-Traded Funds, Real Estate Investment Trusts, mutual funds, Singapore Government Securities, Singapore Savings bonds, Investment-Linked Policies, etc.) and lack of understanding of the characteristics of various assets result in issues like high sales charge levied on them without their realisation, high total expense ratio, misalignment of interests between the distributors and investors, and overtrading of mutual funds. This in turn affects the retail investor's experience negatively, with them receiving below expected investment returns due to high costs. Thus, new or potential retail investors are often too intimidated to invest and/or have a preference for short-term quick gains.

By leveraging on technology, as well as the mechanics and dynamics of a gamification to create an accessible and sustainable platform for investment education, IMAS hopes to educate retail investors about the basics of investing, so as to facilitate healthier and more informed savings and investing habits, empowering them to make more informed decisions regarding their investment choices. The target audience can be from the middle-class working and early-working professionals who may have an interest in investing but do not have enough knowledge or motivation to do so.

PROBLEM STATEMENT

How might we utilise a gaming platform to build investment knowledge and learn the basic principles of investing for retail investors for better and well-informed investment decisions?

WHAT ARE WE LOOKING FOR

A prototype solution that teaches the basic principles of investment to the public through simple gameplay based on real historical data. The solution is meant to be targeted at the underserved general public with a focus on the middle-class working and early-working professionals who may have interest in investing but do not have enough knowledge or motivation to do so.

The solution should include overall concept for the gameplay and how the investment content is incorporated. It should take into consideration the following:

- A safe environment for users to have the freedom to fail, experiment and choose different scenarios to play, based on real historical data.
- It should allow for different investment scenarios/market conditions to enable players to make investment decisions in varied investment landscape to learn how to navigate the markets.
- Ability to build investor profiling and risk assessment to allow players to understand their investment objectives (e.g. income vs capital gains), suitability for passive vs active investing and risk profiles

Be fun, easy to play and engaging for the broader public, especially those who have not considered or are not investing actively.

- Ensure game accessibility in terms of intuitiveness of gameplay and being able to stop midway and continue easily is extremely important. Allow for easy plug-and-play for third-party software to leverage on its subscribers' insights.
- The solution should be user friendly, developed on a scalable and robust backend system. As it will be capturing end client's data and user patterns, the solution should ensure it adheres to necessary data compliance and protection regulations.
- The solution should have a rewards feature to incentivise constant and repeated play
- The solution should not take too long to load or use progressive indicators when loading
- It would be good if the solution can be expanded to be a social platform where friends and family can play together, communicate and even compete.

There are no restrictions on the geographic location of the problem solvers who may choose to apply to this challenge. However, the prototype needs to be demonstrated in Singapore.

POSSIBLE USE CASE

Bill has been working for two years and would like to invest within the next six months. He tries the game from this platform and:

1. Completes Stage 1 of the game, with an outcome of having a better idea of his investment profile and investment choices, next
2. Completes Stage 2 to gain knowledge on investment goals, his investment objectives and be able to build up an investment portfolio based on his newly acquired knowledge.
3. After setting up his portfolio, he proceeds to Stage 3, where real historical data is used, to review the profits/loss he would have made, using the investment choices he selected earlier

After months of usage, with the awareness of what to do and not to do in investment market, he is more confident in putting real money for investment. He now has a better understanding of the technical jargons and crafted his own investor profile, risk appetite, objectives and goals for investing. He has also put together a simple investment asset portfolio (e.g. mixture of bonds, stocks, funds, insurance) that served his needs. He has also a mid-term plan on when to act on diversification after learning how to make educated investment decisions through the game.

WHAT'S IN IT FOR YOU

- SGD \$50,000 of prize money for each winner of this challenge (see Award Model)
- Opportunity to work with industry members and stakeholders, and to be involved in IMAS' joint promotion of the game with its partners to increase its publicity
- Partner with CPF, SGX, Moneysense to commercialise solution for industry-wide deployment with IMAS.
- Opportunity to pitch to industry audience in:
 - IMAS Digital Accelerator Program Showcase in March 2020
 - IMAS-Bloomberg Investment Conference in April 2020
 - For more information, visit www.imasdap.com

EVALUATION CRITERIA

The Applicants shall be evaluated in accordance with the evaluation criteria set out below.

Solution Fit	To what extent does the proposed solution address the problem statement effectively?
Solution Readiness	How ready is the proposed solution to go to the market? Is there any evidence to suggest capacity to scale?
Solution Advantage	If the solution is truly innovative, does it make use of new technologies in the market, and can it potentially generate new IP?
Company Profile	Does the product have user and revenue traction? Do the team members possess strong scientific/technical background?

AWARD MODEL

30% of the prize money will be awarded to each selected finalist at the start of the prototype development process, with the remainder 70% to be awarded during the prototype development process, based on milestones agreed between IMAS and the solver.

Note that a finalist who is selected to undertake the prototype development process will be required to enter into an agreement with IMAS that will include more detailed conditions pertaining to the prototype development.

DEADLINE

All submissions must be made by **14 February 2020, 1600 hours (SGT/GMT +8)**. IMAS and IMDA may extend the deadline of the submission at their discretion. Late submissions will not be considered.