

Table 1: Features of P2P platforms

Model	Predominant platform type	Features and implicit expectations	Estimated percentage of P2P platforms (%)	Estimated percentage of market (%)
Conduit	P2P and investment-based	<ul style="list-style-type: none"> Platform undertakes due diligence on person/business seeking investment Investor responsible for choices made about the prospect of a good return 	20	4
Pricing	P2P	<ul style="list-style-type: none"> Platform undertakes due diligence on person/business seeking investment Platform responsible for accurately pricing loan (that is, calculates likely return) Investor responsible for choices made from platform's advertised interest rates for individual loans 	20	8
Discretionary	P2P	<ul style="list-style-type: none"> Platform undertakes due diligence on person/business seeking investment Platform responsible for accurately pricing loan (that is, calculates likely return) Investor chooses from platform's advertised target rates of return Platform allocates investment on behalf of investor to achieve advertised target rate of return 	60	88

Notes: Figures for the percentage of P2P platforms and market share by business model are estimates only. Estimates are based on cumulative lending figures from a sample of authorised firms. Some platforms may also operate more than one business model. Estimates exclude platforms with an interim permission. **Source:** FCA. **Copyright:** Money Management