

ALINE: Design and development of ESG(environment, social, and governance) based investment service

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Homepage
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Aline helps people align their investment and consumption with their values. With growing awareness of sustainability, people want their money to contribute to making the world a better place. Beyond profit-making, Aline considers social and environmental value and impact. The personal value index, with its six main criteria, translates values into sustainable finance. By gathering the data from the initial survey and from regular value updates, the index is weighted according to the user's values. The investment portfolio is adjusted according to the index, and consumption against the user's values.

1. Background (objectives)

Increasing numbers of people want to invest while making the world a better place, and the market for sustainable investment is constantly growing. Despite the market potential, financial services have been confined to profit-making, and deliver financial information in numeric terms only.

Aline, a mobile investment service, is developed to help users invest in what they value by allowing them to see the social and environmental impacts of their investments. Studies have found that people are more likely to practice sustainable investment if they can tailor their investment to its social and environmental impact. Aline provides a personalized financial service that matches users' values.

2. Contents

Aline delivers financial information through intuitive color-coding, with 6 key colors to help users unfamiliar with finance. Each color stands for a core value area: red for climate change, yellow for labor welfare, green for resource management, light blue for pollution and waste, blue for product responsibility, and pink for corporate ethics. With these colors, Aline creates color gradients to represent individual company values. With its robo-advisor and intuitive UI, Aline removes the high barrier of entry to investment. In addition, Aline displays information in a simple form, so that new and young investors can easily learn and use the service without prior knowledge.

While existing financial services primarily evaluate companies' prospects using financial statements, Aline foregrounds environmental, social, and governance (ESG) factors, which are crucial metrics in the context of the current climate crisis and era of social injustice. Statistics and studies show that companies with good ESG ratings tend to perform well in the long term. In addition, to lower the entry barrier to financial information and to cultivate financial literacy, Aline provides users with ESG information in user-friendly language. These strategies help users to align their personal values with their investments and consumption.

3. Expected effect

Aline aims to build people's awareness of sustainability and nudge them to invest in like-minded companies. The more people invest in sustainable companies, the more these companies will grow, thereby raising expectations about social standards. This virtuous cycle will continue to develop, thus helping to solve the challenges facing the society and the planet.

Aline has this year been recognized by the design world. At the prestigious iF Design Award, Aline had the highest score in the 'Service Design' category and received the Gold Award, given to only 75 entries out of 10,000 competing works. The jury said that "this simple, user-centered concept focuses on the environmental, social, and governance factors of personal investment. The learnable modular app system opens up new ways of thinking about consuming and investing in the market."

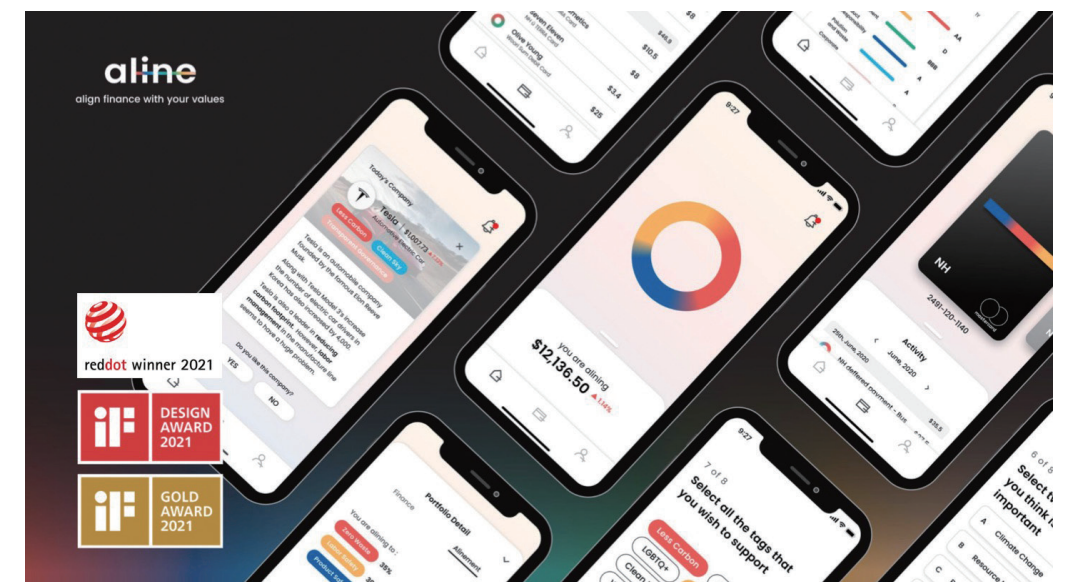


Figure 1. ALINE

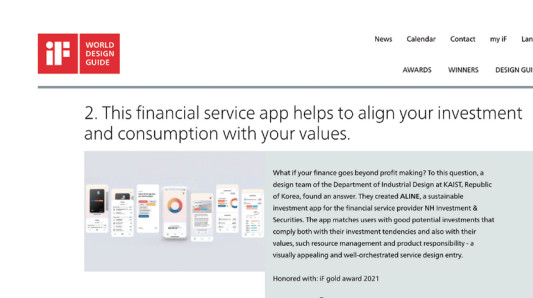


Figure 2. Selected as iF '10 Designs for 2020-2021 Sustainable Consumption'



Figure 3. Applied to NH Investment & Securities' mobile investment service 'Namuh' app

Research outcomes

- Paper** iF Design Award 2021 Gold Award (Service design category) (Top 1%)
- iF Design Award 2021 Winner (User interface design category)
- Red Dot Design Award 2021 Winner (Brand & Communication design category)

Research funding

Industry (NH Investment & Security - KAIST UX Design Research Center)