



Zopa's lambs: Video ads, internet investment, and the financialization of affect

John Carter McKnight and Adam Fish

abstract

This article is about how affect is mobilized through video advertising to encourage people to try new practices: discuss money and use peer-to-peer banking. A 2013 television commercial for a UK-based peer-to-peer lending firm demonstrates how affect is mobilized in the context of financialization in an age of austerity and increasing social inequality. The commercial, 'Zopa Lambs,' assembles imagery of an idealized rural England to obscure geographical and class differences among its customers while positioning the firm as a trustworthy upholder of conservative banking values against predatory payday lenders and irresponsible global banking firms. While the firm is entirely internet-based, in an environment of relatively low financial and technological literacy, trust is constructed heavily through the use of traditional media. While financial instruments generally are marketed through affective associations with particular status circles, here that circle is constructed neither as a wealthy urban elite nor as a populist mass, but as the 'sensible:' a weighted term carrying affective resonance with times of austerity, capital investment rather than consumption, and an idealized rural past.

Affect and its capture

In December 2013 the peer-to-peer (P2P) lending firm Zopa Limited ('Zopa') aired a television commercial in the UK which began with an announcer's plummy tones declaring that 'when it comes to money, there's a particular L-word that people don't like to talk about.' That 'L word' was 'loan:' the commercial then substituted every mention of the word 'loan' in describing its product with the term 'lamb,' an image of a fluffy lamb obscuring the word 'loan' in the commercial's text. The 30-second spot ends with the tagline 'Sensible

Loans for Sensible People,' the only time in which the actual L-word at issue is used.

Our study of Zopa began with a set of expectations, nearly all of which were to prove incorrect during the year and a half of our work with the firm, examining its role in the ecology of UK-based alternatives to high-street banking. Key among those expectations was the conception of P2P as being grounded in a techno-libertarian rhetoric related to that of the Pirate Bay, the Pirate Party, filesharing communities, and open-source software development. What we found was the keyword 'sensible,' a term freighted in Zopa's usage with social class and regional overtones, deployed to position the firm, its customers, and its products in a particular niche within not only retail financial products in the UK but within an ongoing, contentious discourse around class identity playing out in the popular media. 'Zopa Lambs' represents a distillation of that discourse, and this work attempts to elucidate it as a study of a manifestation of affective capitalism in an era of austerity, financialization, and growing inequality.

We assemble a theory of affect from media and cultural studies focusing on how affect is generated, circulated, captured, and capitalized on media and technological systems. Key to the theory of affective economies is the notion that producers and audiences are recursively linked through mediated networks. Emotional connection may develop resulting in either empathic activist networks or 'resonant collectives' or self-interested mobs like rioters or 'idiot collectives' (Hands, 2014). Affective collectivities aggregated through television advertising would be designated as 'idiotic' in so far that they are first self-serving entities collated only because of emotional resonance and consumeristic affinities. These idiotic collectives are joined by emotional affinity but not empathy. In this case, Zopa hail's an audience as a sensible class of consumers conscious of cost and tentative about public discussions of money. This we argue, is the mechanism for the generation of affect in television viewers.

The advertisement is aired on television, a conservative medium of sobriety. Zopa uses this familiar medium to disarm a rather radical notion, that individuals would use the internet to lend money to each other thereby routing around the central role played by banks. In this manner, a comforting affect is circulated on a traditional medium intended to facilitate the consumption of a relatively revolutionary concept: P2P lending. The video needs to motivate television advertising viewers towards online practices. Thus, the affective dimension of 'Zopa Lambs' is not only its call to emotions but also the way the video is communicated across online communities.

These efforts in televisual trust development succeed, however, only when they link to online practices, that is, to people actually using the Zopa interface to lend and borrow money. It is this transition from lean-back television viewing to lean-forward online interactivity that the affect is 'captured' in an affective economy. It is instructive to consider affective economies in light of Deleuze's concept of the 'double-movement of liberation and capture' (1972). Affective economies provide corporations opportunities to capture social capital in the form of affective intensities. Chow says captivation 'is semantically suspended between an aggressive move and an affective state, and carries within it the force of the trap in both active and reactive senses' (Chow, 2012: 48, in Berry, 2014). As a double-movement, affect is not exclusively an economic unit; as emotion also has the capacity to motivate people towards political activism and other 'resonant collective' activities. In our case, affect is captured by corporations capable of situating themselves at key junctures in the affective economy. The political potential of P2P lending, namely its capacity to decentralize banking, is completely ignored in this movement towards the sensible.

Finally, the affect that is generated in television audiences, circulated on television and online, and captured in an online banking platform, is eventually capitalized on by Zopa. The concept of 'affective economy' provides an insight into the capitalization of affect. Ahmed introduces the concept of 'affective economy' as an economy where emotions are not just experienced, but constantly being accumulated and exchanged between people. As Ahmed argues, 'emotions work as a form of capital: affect does not reside positively in the sign or commodity, but is produced as an effect of its circulation' (2004: 45). Thus, what scholars of affect in new media point out is the capacity of emotions to be produced, circulated, and 'captured' in online economies. Scholars often mobilize affect to theorize not quotidian but rather intense states of being, political passion, for instance. We consider the more conservative and 'idiotic' manifestations of affect, how the mundane emotion of sensibility is constructed.

Thus this article is about how affect is mobilized through video advertising to encourage people to try new things: talk about money and peer-to-peer banking. Zopa attempted to do this through producing a television commercial which substituted a discussion of money with a discussion of 'lambs.' This switch, it was hoped, would entice a collective of people reticent to do so to discuss money and use an unfamiliar online lending system. In the process of the analysis, we endeavor to contribute to affective theory by situating the theory in terms of media-based circulation, personal economics, and class. Our position is that corporations use affect to create the conditions for the financialization of affect—or how discourse of money becomes embedded intertwined with other forms of being, namely, *sensibility*. These are not politicized, 'resonant collectives' but

rather, classed-based idiotic collectives aggregated by the persuasive powers of advertising. This article illustrates the findings of an 18-month investigation into P2P banking that included limited participant observation, select longitudinal interviews, and an analysis of primary marketing documents.

Zopa and P2P lending

Recently, P2P lending systems have emerged as a popular vehicle for unsecured consumer and small-business lending. Crowd-funding systems operate as a mixture of charitable donation and pre-purchase. By contrast, P2P lending involves the exchange of funds at commercial rates of interest, competing largely in the personal-investment market on price, by 'disintermediating' banks with relatively high overhead costs. Where filesharing sites provide minimal architecture for the mutual transfer of data, auction sites like eBay.com operate as marketplace infrastructure, enabling transactions between buyers and sellers and providing a reputation system driven by customer rankings. P2P lending firms are similar to auction sites, but offer critical intermediation, typically by evaluating the creditworthiness of potential borrowers through credit checks and underwriting due diligence. Those failing credit checks cannot borrow through the firm. While Zopa's ethos of P2P may appear inclusive of a variety of financial classes, it must reaffirm pre-existing class demarcations.

Zopa was the first P2P financial firm in the UK, founded in 2006, and has remained the market leader, with £697 million lent as of 18 December 2014. (Zopa.com, 2014). P2P consumer finance comprises 31% of the £1.7 billion UK alternative finance market as of 2014, a market which nearly tripled in size during 2014 (Nesta, 2014). However, the same survey notes that awareness and understanding of the alternative finance market is low within the UK, with 42% completely unaware of such practices and platforms, and 60% unlikely to use them out of lack of knowledge and fear of risk (*ibid.*). While growing at an impressive rate, Zopa must familiarize potential clients with its rather novel products. Clients also need to have or develop financial as well as technological literacy. It is the difficulty of doing both of these tasks, encouraging experimentation while building trust, which is Zopa's challenge for future growth.

Zopa is a technology company that wants to make using computers to manage personal capital easy. Thus, the task of the company is to link financialization to the pre-existing practices surrounding social media. Financialization designates the manner in which a discourse of money becomes embedded within practices usually not regarded as financial issues. Parenting, is a key example of a realm of

social life that has shifted from being about the welfare and education of young people, to largely a discussion of the costs associated this daycare and provisioning a child. Furthermore, it means teaching the youth about financial management. In this way, parenting has become financialized. Zopa's challenge is to take link online practices such as social media use to discussions and practices of money so that personal computing becomes financialized. To do this, they replace uneasy concepts of money, banking, and the internet with comforting images of lambs in familiar situations like the English countryside. This shift is linked to macro-economic trends attendant with neoliberalism wherein the personal wealth self-management is linked to being sensible.

Theorists argue that the rise of television financial news as 'infotainment' is an essential aspect of financialization, both reinforcing the sense of importance of financial knowledge and providing information and markers of legitimacy through the endorsement of particular products and practices by television 'experts' (Clark et al., 2004). While our research supported the role of media experts in legitimizing alternative financial firms and products, including Zopa, it, along with the Nesta study, suggests that the general level of financialization in the UK is lower than that of the more thoroughly studied US. In this environment, Zopa has had to transform its products and messaging substantially to reflect a general ignorance of and timidity about financial innovation in the retail UK market.

Critically, Zopa operates not only within a relatively underdeveloped environment of financialization, but one in which a range of financial discourses are being advanced and challenged in the mainstream press and politics. While on the one hand, bankers are criticized for excessive salaries, offshoring jobs and profits, and impersonal business practices, welfare claimants and segments of the working class are stigmatized in the media for their consumptive practices and for profiting unfairly from welfare benefits, with their consumption underwritten by extortionate payday loan firms. Thus Zopa works to position itself on the one hand as not a group of greedy financiers and on the other not pandering to the greedy lower classes: neither a bank nor a payday lender. In order to do so, the firm uses a variety of strategies to identify itself as heir to middle-class values and practices abandoned by groups at both ends of the class spectrum: the 'financially challenged middle,' in the words of one executive. This article brings together an analysis of data gathered through interviews and one particular advertisement, 'Zopa Lambs,' in the context of affective rhetorics of class within the contemporary UK.

Zopa Lambs: Enacting middle-class Englishness

'Zopa Lambs' begins with an establishing shot of a quintessentially English vista (Figure 1): low rolling hills with a flock of sheep in the foreground, a hedgerow and trees in the middle ground, and a village obscured by haze in the distance. One is struck by what this image is not: representative of the central London environment of Zopa and other financial institutions, nor of the suburban row houses of the firm's lenders, nor of the Northern working class neighborhoods of the potential borrowers the advertisement is ostensibly aimed at. Rather, it is to Austerity Britain what Tolkien's Shire was to a generation that had survived world wars: a soothing vision of quintessential fantasy-Englishness.



Figure 1: *The British Imaginary*. "Zopa Lambs - 2013 TV Advert," copyright Zopa 2013, source <https://youtu.be/FhvI8x1kH38>

The announcer explains that 'people don't like to use' the 'L-word,' and so 'lamb' will be substituted, as a cute lamb raises its head to block the word 'loan' on the screen. Zopa is defined as 'a personal lamb company that offers lambs to people who are sensible with money.' Despite the regulator-required financial text on the screen, the visual and auditory message is that Zopa is offering the idyllic vision of fantasy Englishness – not a better working class life or entrée into the middle class but rather bucolic vision – and not to anyone but to the 'sensible' (Figure 2).



Figure 2: *Not The Consumption Basket*. "Zopa Lambs - 2013 TV Advert," copyright Zopa 2013, source <https://youtu.be/FhvI8x1kH38>

'Sensible' was used frequently in the Zopa offices as well as in marketing material, and with a sense of cultural weight beyond its literal meaning. Asking Zopa employees to articulate what the term meant to them was surprisingly difficult: eventually it was one of the firm's non-English employees who was best able to capture the term's connotations in English culture. While a linguistic analysis is well beyond the scope of this work, we were told that it has affective referents to post-World War II austerity, of a piece with the omnipresent 'Keep Calm and Carry On' images and related memes, with 'mend and make do' another affectively related phrase. Thus key attributes are the delay of gratification and consumption. In short, an assertion of normative middle-class values against the supposedly consumption-driven 'undeserving poor.' Correspondingly, the examples of why someone 'sensible' would want a Zopa 'lamb' are 'a new kitchen or a car'—according to the advertisement—a capital investment in one's property or a reliable means of getting to work.

The commercial concludes with the first use of the word 'loan,' now that any problematic associations with the lower classes have been broken and replaced with those of life in the Shire. Just to make sure, though, the word 'sensible' is used twice in the five-word tagline (Figure 3). Also present, for the second time, is a reference to the 'Most Trusted' award from Moneywise, 'the UK's leading personal finance magazine' which Zopa won in 2014. This is an expected move both from concepts of financialization (Clark et al., 2004) and from our own observations that Zopa's customers tend to seek trust in new media via verifications from traditional media: telephone calls, television news, and magazines.



Figure 3: *Sensible and Trusted*. "Zopa Lambs - 2013 TV Advert," copyright Zopa 2013, source <https://youtu.be/FhvI8x1kH38>

'Zopa Lambs' is a snapshot of a moment in the financialization of the UK. It uses powerful affective associations to engender trust in the firm, but by means which neither assume a high degree of financial and technological literacy on the part of the viewing public nor market a neoliberal or consumerist vision. Rather, the firm engenders affective associations with a bucolic imagined England as an assertion of traditional values, or what Polillo (2013) would call conservative banking rhetoric.

According to Polillo (2013), as a result of conflict as a structural property of the financial system, bankers occupy two rhetorical positions, 'conservative' and 'wildcat,' which vie for support from the state in terms of regulation, policy, and institutional structure. Polillo's conservatives seek financial stability through an exclusionary logic, where wildcats seek financial democracy through an inclusionary logic. Conservative bankers create financial instruments with signals for banking tradition, austerity, thoroughness, competence, prudence, and principles (*ibid.*: 57). Wildcats, by contrast, construct prestige out of violating conservative boundaries, accusing conservative bankers of undue privilege who close off the boundaries of financial status groups (*ibid.*: 60).

Zopa is a relatively new and unknown entrant into the personal finance market, and a very different firm from a high-street bank: driven by marketing and software experts rather than veterans of the financial sector. As a classic example of a 'wildcat' in Polillo's schema (2013), one might expect a rhetorical message of democratization of access to financial instruments, an assault on the exclusivity and privilege of bankers, and associated populist imagery. Yet, Zopa is implicitly asserting an affective claim in 'Zopa Lambs' and its other messaging that other

financial firms have abandoned banking conservatism: by lending to people who are not 'sensible' – profligate lower and upper classes alike. Polillo asserts that 'bankers are specialists in the production of collective identities, which they attach to financial instruments, and then police by restricting their circulation to individuals or organizations that fulfill the criteria specified in their identity.' (2013: 220) Thus, the final remark in Zopa's commercial, 'sensible loans for sensible people.' As you will read below, the construction of the conservative and sensible Zopa user is mirrored in changes made to the way Zopa presents itself online to its clients.

Socio-technical mainstreaming: The safeguard changes

In an interview we conducted in mid 2014, Zopa CEO Giles Andrews defined the firm's original heavy users as 'freeformers' – sophisticated people who don't trust institutions, and who are largely self-employed. They are independent, have the skill to self-select products, and are of a demographic who are moving away from packages of travel, albums of music, and lifelong party affiliation. Zopa's early branding, he claims, thus developed around themes of choice, self-reliance, and collaboration, themes which appealed strongly to IT professionals, who comprised a significant portion of the 'freeformers' at Zopa. Andrews notes that the investigation prior to investment of this group is based on examination and exploitation of the platform, not of the product's financial risk. 'Trust,' for these individuals, thus meant trust in the software to perform according to specification, rather than the stability of the firm, its ability to provide credit-checking services, or a low risk of loan default. These early adopters didn't require comforting advertisements to build up their faith in the company. This conception of trust is common in alternative finance products appealing to a highly technologically literate demographic. For example, bitcoin has been described as 'a shift from trusting people to trusting math' (Antonopoulos, 2014).

Initially, Zopa offered its lenders a suite of tools to manage lender's investments through the platform, in addition to the firm's services as a credit-checking intermediary. The Zopa site presented lenders with the opportunity to bid on requests for funds in distinct brackets of risk and return, with the site acting as a clearinghouse for matching bid/ask orders. A core of frequent users tended to bid low, undercutting the price offered by other lenders, in order to maximize the amount of their funds which would be matched by a borrower request for funds. This system arguably rewarded frequent visitors to the site, who could monitor the range of lender offers and alter their own to enable a quick lending match. Infrequent or less-sophisticated users would find that they would not be able to

find matching requests for their funds, such that their investment would sit idle, earning no interest.

Hulme and Wright's extensive 2006 study of Zopa's business model made much of the desire for 'risk and playfulness' in the firm's early devoted customers (2006: 32-4 et seq.), noting that 'Social Lending' users self-described as 'rational, savvy actors who have a particular willingness to take risks and who feel compelled toward sensation satisfaction owing to their disposition for pleasure seeking,' and as 'playing a kind of game, which is simultaneously calculating and strategic and motivated by a deeper urge to create a pleasurable and playful experience' (*ibid.*). They acknowledge, however, that even in what may have been a heyday of fit between the technological infrastructure, rhetorics of empowerment, and a userbase seeking a playful, risky, competitive environment, members' feelings of control were largely illusory, 'created by the different disciplinary technologies forming the basis of Social Lending schemes and mainstream financial institutions' (*ibid.*).

Zopa management viewed the low rate of bid/ask matching as a challenge to the firm's ability to grow and as fundamentally 'unfair,' a term used often by managers in discussing the firm's early architecture. Thus in 2013, Zopa sought to replace one customer group – the playful, risk-taking technologists of Hulme and Wright's 2006 report – with another –risk-averse, less technologically inclined near-retirees. To do so they changed their product from a customizable basket of loans to a pre-selected one, instituted a self-insurance fund called 'Safeguard' to cover bad debt losses (as governmental deposit insurance only covers bank deposits, and p2p firms are structured to avoid categorization as a deposit-holding bank) and began to simplify the processes of borrowing, lending, and monitoring investments via the firm's website. Zopa's marketing changed to stress trustworthiness of the firm and of their borrower base in response to extensive demographic profiling of their new target audience. One manager described Zopa as having the opposite marketing issue from bitcoin and other early-adopter-phase alternative financial technologies: rather than complexity, obscurity and novelty being attractions, market research indicates that Zopa's new lenders want the firm to be famous – covered in the mainstream financial media in particular – for them to feel better about their decision to invest.

'Trust' for these lenders is crucial, and it is based in knowledge of the decision-making of their peer group, defined fairly narrowly in age, social class, wealth, and financial literacy. In focus group testing, while borrowers disliked testimonials with photographs of other borrowers, lenders responded strongly to facial photographs as signifiers of commonality with their socio-economic class. One of the indicia of trust is the assertion that Zopa is a 'real company:' several

employees noted that many of the phone calls they receive simply want to know that Zopa has an office with 'English-speaking' people answering the phone. This is arguably a marker of low technological literacy, that reassurance can be delivered by an old, established technology (voice telephony) that cannot by a newer technology (an interactive website, an email contact form). It does certainly signify a desire for additional markers of trust prior to the decision to become a lender. Similarly, Zopa holds an annual party for its customers in London, which is attended almost entirely by late-middle-aged male lenders. Interviews with attendees suggested that they use the party to reaffirm the boundaries of their status group: attendees are more interested in speaking to each other than to Zopa employees, though the celebrity status of Andrews, the CEO, is important for them in establishing legitimacy. The humor and whimsicality identified by Hulme and Wright has little appeal. Lenders are not interested in the technology of Zopa or in pure maximization of financial return, but are primarily motivated by personal goals, particularly around saving for specific family-related projects such as an adult child's wedding or house down payment, and of performing the social identity of savvy and *au courant* middle-class investor.

'A feeling of community' and 'the desire to be part of something' were mentioned as motivations for, and outcomes of, lender attendance at Zopa's annual party. However, it is important to distinguish these feelings from those appearing in the conclusions drawn by Hulme and Wright in 2006. Hulme and Wright analogized 'Social Lending' to the worker-created Friendly Societies of the 17th through 19th Centuries in the UK. Whether this analogy was appropriate at the time, it is not a fit for the nature of Zopa's customer base in 2014. What Zopa's lenders seek to be a part of, and to police the boundaries of, is a 'status circle' as Polillo (2013) uses the term borrowed from Max Weber: a group marked by their possession of a financial instrument which indicates status through exclusion. Lenders seek tokens of social likeness with each other: photographs on the website, visual and verbal cues at the annual party, which signify maturity, moderate wealth and financial sophistication. Zopa is not a mutual aid society: it is a circle of holders of a somewhat novel financial instrument which constructs its holders as financially prudent, savvy, and prosperous, built on the aggregation of demand for a different financial instrument entirely – 5- and 10-year unsecured loans – by individuals who are not constructed as a status circle and who are geographically and culturally far removed from Zopa's lenders.

Despite the significant socio-cultural gap between Zopa's southern English middle-class retiree lenders and its northern English working-class young-parent borrowers, Zopa's marketing has consistently attempted to elide those distinctions by attempting to create an affective group of the financially

‘sensible.’ In July 2014, we watched the production of a series of marketing videos in which lenders were repeatedly pressured by the contractors conducting the interviews and Zopa marketing staff to claim that the ‘sensibility’ of borrowers was a factor in their lending decisions, despite none of the lenders mentioning this factor and significant resistance from some. Given the evident sophistication of Zopa’s marketing operations, including the collection and analysis of a broad range of qualitative and quantitative data, this insistence seemed curious. The remainder of this paper will provide an explanation for this focus in Zopa’s affective messaging, arguing that its emphasis on the ‘sensible’ is not intended to appeal to potential lenders so much as it is to position the firm as a legitimate participant in the UK retail financial market, in contradistinction to ‘payday lending’ firms which have come to be associated with unscrupulous business practices and a lending base stereotyped via narratives of ‘poverty porn’ as irresponsible, consumption-driven scroungers, or ‘chavs.’ It is in this context that the ‘Zopa Lambs’ commercial acts as a key text of affective messaging, associating the firm with a range of traditional British middle-class financial discourses.

Affective capitalism

Zopa’s corporate strategy, internal processes, and external messaging are the products of a complex interplay of British financial regulation (itself significantly different from US and European counterparts), an e-commerce ideology of the superiority of data collection and analysis to sectoral industry experience, and global processes of financialization and affective marketing. Taken together, these disparate elements form a remarkably coherent and sophisticated synthesis of corporate practice behind increasingly more ‘simple’ user experiences and advertising messages. It is this simplicity which this paper problematizes. This paper demonstrates how the above elements have interplayed in the production of the almost comically simple ‘Zopa Lambs’ advertisement.

As an entirely web-based business, Zopa is encountered almost exclusively through screens: in the first instance, its website through which borrowing and lending takes place. Other screens, however, are nearly as important: coverage in financial segments of the news has played a critical role in establishing the firm’s credibility, according to Zopa’s CEO and other executives. This interplay of retail finance and the media, especially television, is key to the process of financialization. Clark et al. (2004) describe the blending of finance and entertainment at the core of the concept definition of financialization as the effects of finance on social relations, a scope far too great to be of any real utility). The authors see the rise of financial media messaging as popular entertainment

as a consequence of deregulation, requiring greater attention to financial products at the personal level rather than the delegation to the welfare state or lifelong employer which was a norm for much of the 20th Century in many nations, This process, they claim, is building upon the essential and deeply historical role of money and finance as performative (e.g. Graeber, 2011) to create an environment in which the value of financial products is increasingly bound up with their media image. By performative we refer to theories of finance, such as derivatives models, which influence the developments of markets themselves, whereby the market comes to match the financial theory (Callon, 2007).

Thus financial products, previously regarded as arcane and a matter for either the extremely wealthy or for institutional experts, have taken on the attributes of intangible products generally within a consumer capitalism driven by affective messaging. Jarrett (2003) remains one of the best analyses of the marketing of web-based products, describing the 'e-commerce consumer' as conceptualized by firms as not merely or primarily a 'rational actor' per the traditional economic and marketing literature but one vitally concerned with social relationships, such that consumption of online goods becomes a means of expressing and codifying social identity. In this environment, successful brand advertising involves the synthesis of tangible product characteristics (as the rational-actor role of consumers cannot be ignored) with 'symbols, meanings, images, and feelings from a culture, to create a brand that is loved' (Jarrett, 2003: 344).

Internet-based firms, however, diverge significantly from the values and practices of traditional firms and advertising agencies. Where the 'Mad Men' era relied on an intuitive sense of the zeitgeist to generate those images and feelings, a key marker of the Web 2.0 (O'Reilly, 2005) business model is the belief that the collection and analysis of vast amounts of data enabled by a new generation of communications and computing technologies can be used to generate more powerfully persuasive and better-targeted messages. Andrejevic (2011: 615) refers to this belief as 'the data-driven fantasy of control in the affective economy,' yet whether the business practices driven by such beliefs are fantastical or not is open to question: certainly Zopa's dramatic growth after the Safeguard changes would suggest that their business practices and ideologies are remarkably realistic.

Following Polillo (2013), financial instruments may be classified along two axes: exclusivity and control. Exclusivity refers to the size of the potential group of holders of the instrument, control to the extent to which the holder is able to influence the instrument's value (e.g., the manager of a hedge fund has high control, the holder of a food-stamp coupon low control). With exclusive instruments, unofficial, non-market relations among an elite group of holders

are the key interactions. Historically, such relations have been the basis for much financial regulation within England (Scotland having a significantly different banking and regulatory history) (Moran, 1984, Gola, 2009). Polillo (2013: 7) observes that financial instruments thus become 'loaded with the solidarity and social honor of membership' in a class of holders. Zopa operates within the uniquely exclusive environment of English retail financial products, one long marked by a small oligopoly of major banks and a relatively closed social elite at the intersection of corporate banking and governmental regulation marked by consensus decisionmaking within a highly homogenous group.

In Polillo's terms, Zopa has been acting as a 'wildcat' pursuing a strategy of financial democracy, or the opening up of access to elite financial instruments for a mass consumer public, versus 'conservatives' who stress stability through elite control. Polillo observes though that wildcat pressures to open up financial markets are 'aimed at corroding those old networks and at creating the space for new systems with a different architecture of exclusion' (2013: 13). In an institutional context, then, Zopa's messaging has two simultaneous aims: to recruit a group of customers from those previously excluded from the elite (by providing a P2P product previously limited to the technologically and financially savvy which offers rates of return otherwise only available to the very wealthy) while constructing that group as exclusionary of those 'beneath' them. In short, Zopa attempts to align itself with middle-class values against a financial and social elite on the one hand and the 'undeserving poor' on the other.

The challenge Zopa faces, though, is that the extensive data it has collected on its users shows that it does not have one customer base but two, with borrowers and lenders differing in nearly every key demographic category. Certain themes recur in the way management describes their current lenders: they are primarily male, around age 50; living in southern England; risk-averse; motivated by fear of poverty, inflation, low returns from savings accounts; and self-describe as experienced investors who dabble in the stock market and use P2P as part of their portfolio, while borrowers are from the English Midlands and North, often in public service employment, and in their 30s with young children, seeking to borrow for home improvement. In the words of one Zopa executive, borrowers are 'my friends from school who stayed up north and started families' while the lender is a 'doctor outside London in the country 5 years from retirement.' Despite these differences, the executive classified both their customer bases as united under the umbrella of 'the broad and financially challenged middle.'

While Zopa has extensive data on its user base, including geographical dispersion of borrowers and lenders, it does not make this information publicly available on its website. According to Zopa marketing staff, this is intentional, to

elide geographic and related class distinctions between borrowers and lenders. Rather, Zopa has focused on the term 'sensible' as the affective link connecting its users. This term attempts to establish a contrast between Zopa and payday lending firms, which have garnered negative press for high-risk lending to a social class of users often stigmatized in a genre of press known as 'poverty porn' (Jensen, 2014) for being socially and financially irresponsible and dependent on the largesse of a 'sensible' middle class. Zopa's focus on the disciplined working-class and less wealthy middle class subject, however, contrasts with the expressed interests and self-descriptions of lenders, who focus on financial return, their own financial sophistication, and openness to financial and technological innovation, in which the backgrounds, bodies and values of borrowers are unified into a black-boxed financial instrument.

However, much of the message involving the construction of the 'sensible' borrower, including, we argue, 'Zopa Lambs,' is only incidentally concerned with convincing potential lenders that the firms borrowers share middle-class investment goals rather than valuing lower-class conspicuous consumption and even less with appealing to potential borrowers. Zopa staff generally agree that their loan product competes almost entirely on technical features, particularly price: borrowers seek the lowest interest rates, and find Zopa's grant of more control to holders than conservative banks allow, particularly the ability to repay early without penalty, an attractive feature. Affective notions of brand loyalty and group identity are believed to be almost entirely irrelevant in the borrower's purchase decision. Correspondingly, lenders generally express little interest in the identity of borrowers, individually or as a class, preferring to regard the loan product as a financial instrument rather than a conduit to individuals of a different social class. Indeed, we witnessed lenders protesting, often strongly, against being asked to state on-camera for a Zopa promotional video that 'sensible borrowers' factor into their affiliation with the firm and its products.

We argue, following Polillo, that a key purpose of the 'sensible' messaging in creating an affective class of the 'financially challenged middle' is not in the first instance to ascribe prudent middle-class values to Zopa's actual and prospective borrowers, but rather to the firm itself. Jensen (2014) describes a spate of British television programs in 2013-2014 commonly referred to as 'poverty porn' – in which welfare benefits claimants are stigmatized as morally corrupt, motivated by consumption rather than investment, and profiting from the largesse of the welfare system. She links the discourses of poverty porn to those of a neoliberal assault on the social solidarity underlining the welfare state through politicians' division of people into 'skivers and strivers,' 'shirkers and workers.' A third element to be linked to these discourses is that surrounding alternative financial firms in the same period: in a number of news articles, the 'undeserving poor'

are linked to predatory payday lending practices, particularly those of the firm Wonga (e.g., Swinford, 2013, which claims that ‘Britain has an ‘Alice in Wongaland’ economy in which people are taking out payday loans and raiding their savings to fuel shopping sprees’). Wonga came under attack in the media both for unscrupulous collection practices, such as sending fake letters from attorneys, but also for underwriting the consumption practices of a social class unable to afford the luxuries they crave. It is in this media environment in which ‘Zopa Lambs’ is situated. Zopa has undertaken a series of actions, including actively seeking governmental regulation and forming a trade association, which excludes payday lenders, to distinguish itself from firms associated with both immoral business practices and immoral customers.

‘Zopa Lambs’ evidences the low level of financialization, or the imposition of requirements of financial interest, knowledge, and practices once the province of institutions, onto the individual. It assumes an unwillingness to engage in discussions of personal finance, and uses euphemism and affective sleight-of-hand to render the subject palatable to a middle-class audience. While financial instruments generally are marketed through affective associations with particular status circles, here that circle is constructed neither as a wealthy urban elite nor as a populist mass, but as the ‘sensible:’ a weighted term carrying affective resonance with times of austerity, capital investment rather than consumption, and an idealized rural past. ‘Zopa Lambs’ reflects the use of affective association in marketing digital financial innovations in an environment of distrust of both elite bankers and a stigmatized underclass of an imagined consumption-driven ‘undeserving poor’.

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the authors

John Carter McKnight is Assistant Professor, Governance of Emerging Technologies at Harrisburg University of Science and Technology. His work unites his academic training in the sociology of technology with a prior decade's experience as an attorney specializing in financing high-technology companies. His research examines online community formation and management through the interplay of community culture, technological platforms, user experience design, and user/producer interactions.
Email: jmcknight@harrisburgU.edu

Adam Fish is a Senior Lecturer in the Department of Sociology at Lancaster University. He is a social anthropologist of digital culture, business, and politics. He investigates the interface of economic and political power, cultural discourses and practices, and networked communication technologies. These interests coalesce into critical and ethnographic investigations into media industries and media activism.
Email: a.fish2@lancaster.ac.uk