

Competing with online lenders for commercial lending market share

Why businesses need to borrow



7/10 borrow to keep up with rising costs⁴

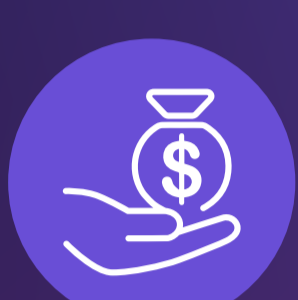
38% of businesses fail because they run out of cash⁵ – immediate access to funding is critical

Traditional financial institutions fall short of borrower needs



up to 32 days

to onboard a new client⁶



36%

of FIs take 5 weeks or longer to execute loans⁷



16%

of FIs take 8 weeks or longer to execute loans⁸

Traditional document collection and verification slow down the onboarding process for banks and credit unions

For 33% of financial institutions, gathering documents is the biggest obstacle in the commercial lending process⁹. Document collection takes, on average:



7 emails¹⁰



27 days¹¹



\$6,000¹²

Two-thirds of financial institutions must re-enter single data points multiple times and 65% struggle to track and follow up on missing items¹³.

The tide is turning to online lenders



- Loan application: 1-7 day turnaround time¹⁴
- Anticipated 20% year-over-year growth in next 2 years¹⁵

Document collection the old-fashioned way

Traditional financial institution document collection and verification process is manual, labor-intensive and out of date:



Data re-entry increases the risk of error while repeated requests for customer information damage relationships.

Automating document collection and verification is the best route forward

Digital solutions, such as AIO, automate the document collection and verification process, reducing borrower stress and decreasing lending cycle times, offering the following benefits:



Customer portals for storing documents



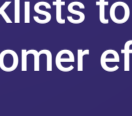
Real-time verification of documents



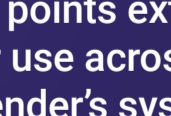
Checklists to guide customer efforts



Data extraction for use across the lender's system



Simple outreach to third parties



Automatic cross checking and data verification



Third parties document uploads directly to the banking portal

80%

reduction in underwriting time through automated document verification¹⁶

Reference:

1. "Small Business Survey: 2021 Report on Employer Firms." Federal Reserve Banks, 2021. Web.
2. "Small Business Credit Survey: 2021 Report on Employer Firms." Federal Reserve Banks, 2021. Web.
3. "Small Business Credit Survey: 2021 Report on Employer Firms." Federal Reserve Banks, 2021. Web.
4. Megan Leonhardt. "Almost Half of Small-Business Owners Are Taking out loans Because of Inflation." Fortune, Dec. 14, 2021. Web.
5. The Top 12 Reasons Startups Fail." CB Insights, Aug. 3, 2021. Web.
6. "Expediting Loan Origination Through Digital Customer Onboarding and Document Verification." Finastra, Jan. 22, 2021. Web.
7. "Survey: Lending Process Challenges Remain, Despite Pandemic-Driven Digital Pushes." Cision PR Newswire. Abrigo, Apr. 29, 2021. Web.
8. "Survey: Lending Process Challenges Remain, Despite Pandemic-Driven Digital Pushes." Cision PR Newswire. Abrigo, Apr. 29, 2021. Web.
9. "Survey: Lending Process Challenges Remain, Despite Pandemic-Driven Digital Pushes." Cision PR Newswire. Abrigo, Apr. 29, 2021. Web.
10. Manish Sinha. "Oh, Identity: It's Bigger." AIO, Jun 19, 2021. Web.
11. Manish Sinha. "Oh, Identity: It's Bigger." AIO, Jun 19, 2021. Web.
12. "Expediting Loan Origination Through Digital Customer Onboarding and Document Verification." Finastra, Jan. 22, 2021. Web.
13. "Survey: Lending Process Challenges Remain, Despite Pandemic-Driven Digital Pushes." Cision PR Newswire. Abrigo, Apr. 29, 2021. Web.
14. "Fast-track Onboarding and Document Verification in Commercial Lending." Finastra, Oct. 6, 2021. Web.
15. "US Digital Lender Originations Expected to Rebound Strongly After Painful 2020." SUJ Global Market Intelligence, Feb. 4, 2021. Web.
16. "Business Identity Made Easy." AIO. Retrieved from: <https://www.aio.network/>.