

IDC MarketScape: North American Small Business Lending Decisioning Platforms 2023-2024 Vendor Assessment

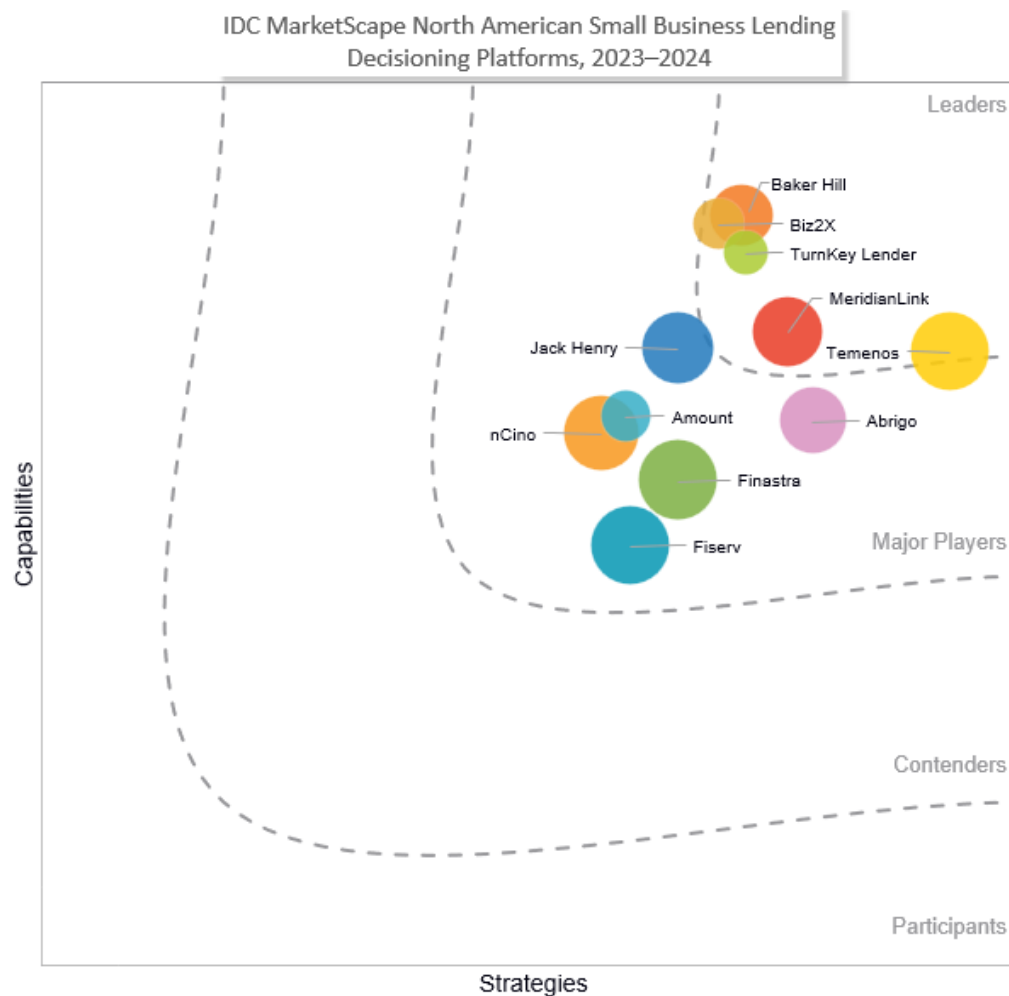
Raymond Pucci

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IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape North American Small Business Lending Decisioning Platforms Vendor Assessment



Source: IDC, 2023

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IDC OPINION

Small business lending has experienced significant changes in recent years. The emergence of fintech and nonbank lenders changed the competitive mix of credit providers. Community banks and credit unions were once a mainstay for small business borrowers but had been slower to transition to lending technology that brought speed and scalability to the lending process resulting in lost market share. Now financial institutions have stepped up their technology buying and, along with fintechs, find a wide selection of lending platform vendors that can streamline and elevate their lending decisioning proficiency while creating outstanding customer experiences.

The current small business lending market provides increasing opportunities for lenders since small businesses are using lending for reasons beyond just working capital loans. They are looking to lenders for various loan types including supply chain financing, accounts receivable/invoice factoring, lines of credit, business to business, and buy-now-pay-later (BNPL) marketplaces. These are areas that both traditional and nontraditional lenders can find success when using the right lending decisioning and customer experience platforms that are especially important now that financial institutions and fintechs find themselves under macroeconomic and financial pressures that require cost savings and operational productivity enhancements.

Lenders must increase their investment in technology applications to capitalize on small businesses growing cash flow needs. These lending software vendors have developed artificial intelligence (AI) and cognitive technologies that enhance loan origination and credit decisioning with a focus on creating a modern front-end experience. This involves streamlining the end-to-end loan processing function including data collection, document management, applicant verification, credit analysis, and underwriting. Lenders can also establish an enterprise intelligence system that accelerates loan processing functions including credit decisioning. The technology represents a major step forward to streamline the complex processes involved with loan origination and credit decisioning for borrowers. Enterprise intelligence assists lenders in making faster and more accurate decisions through location-independent data, analytics, AI, machine learning, and automation. Not only does enterprise intelligence deliver credit decisioning velocity, but it also does this while reducing risk.

In addition to providing small business lenders and staff with the tools needed to make accurate and risk-managed decisions, lending decisioning platforms must present an efficient and accessible interface with their borrowers that are becoming more selective with choosing a lender. Many are sole proprietorships that have similar digital banking characteristics as consumers. But many times they have more frequent and varied borrower needs to maintain cash flow for normal operating expenses as well as unexpected events. Small business owners want a frictionless loan experience requiring lenders to have a streamlined process that leads to a rapid credit decision. Lenders will find that the relationships can lead to long-term customers and provide opportunities to deepen the relationships.

Today's lending market offers a crowded field of vendors with lending platforms for automating loan origination leading to loan decisioning and closing. This document presents a short list of small business lending decisioning platform vendors in North America for 2023-2024 using the IDC MarketScape model. The research in this study quantitatively and qualitatively assesses multiple characteristics that help explain a vendor's success and position in the marketplace relative to the vendor's peers. All of the vendors in this study provide current solutions for North American financial institutions and fintechs to deploy advanced lending decisioning workflows. These technology vendors

submitted an in-depth account of their current capabilities and strategies for this document. In addition, reference clients were interviewed to assess the vendor's ability to meet the lending market's strategic needs and current requirements.

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

For this IDC MarketScope on small business lending decisioning platforms, the vendors must:

- Have an established reputation offering small business lending software solutions sold directly to financial institutions or fintechs with significant revenue from banks, credit unions, and technology companies.
- Have a solution in production for multiple North American clients for a minimum of six months and whose primary market is North America, or the vendor must have identified the region as a key area for growth.
- Provide an out-of-the-box solution or application that can be configured with the lender's look and feel and can provide the lender's client with a certain level of customization.
- Provide a front-end solution for applying for small business loans including but not limited to data collection, document management, borrower identification, and digital communications.
- Provide a decisioning solution for credit decisioning and back-end platforms for small business loans including but not limited to underwriting, credit check, regulatory compliance, decisioning, notification, and funding.

ADVICE FOR TECHNOLOGY BUYERS

Use this IDC MarketScope for vendor selection and as part of a due diligence process. Financial institutions and fintech lenders can use this IDC MarketScope to help develop a short list of vendors from which to solicit information, including demos, about their product or services. Technology buyers may use this study to evaluate a vendor's proposal and demonstrate the breadth and depth of a provider's capabilities compared with the overall market.

This IDC MarketScope is one of two documents related to small business lending software with selected vendors that have both front-end customer experience (CX) and back-end lending decisioning solutions and platforms. As our research unfolded, it became clear that few vendors will provide a back-end platform without having a front-end customer experience component; thus the process for this IDC MarketScope used the decisioning platform as the foundation for all the studies. Satisfaction and more front-end flexibility in regard to overall customer experience were then factored into the customer experience document to provide the holistic approach to providing an end-to-end solution analysis. We encourage all technology buyers to determine their own best strategy regarding their consumer lending approach, whether looking for a modern back-end system to complement a custom-built or third-party front-end experience or when looking for an entire end-to-end approach.

Some considerations for internal preparation and vendor selection are:

- Develop or update an organizational technology road map to include:
 - Integration with other internal systems
 - Impact on other technology partners/vendors
 - Technology gaps that must be identified and resolved

- Project time frame for system planning and implementation
- Decision makers and stakeholders
- Ownership of new systems
- Resources and skill sets required for success
- Risk management and data governance issues
- Current and future regulatory impact
- Assess vendor capabilities and experience for:
 - Small business lending markets and a wide mix of business loans
 - Lenders of your size and customer base
 - Hands-on demonstration
 - Knowledge of lending laws and regulations
 - Fraud management features
 - System investment and upgrade plans
 - Customization and configurability options
 - Total cost of ownership on annual basis
- Consider additional IT and organizational factors, including:
 - Understand the borrower's journey in seeking and obtaining a loan from beginning to end. Small businesses are accustomed to streamlined processes for digital transactions, and the user interface of technology platforms is usually a differentiating factor.
 - Prioritize customer experience and sustainable engagement over just transaction processing. Lending may be a small business' first experience with a lender and can open a range of cross-selling opportunities that contribute to lifetime customer value.
 - Establish a data-driven culture with investment in technology and skill sets to enhance data literacy and competence across the organization.
 - Practice collective learning by sharing of knowledge and data across the enterprise by continuous data capture and assimilation.
 - Assimilate analysis of internal and external data across the organization to develop insights and establish institutional knowledge.
 - Improve business outcomes by delivering data insight and business intelligence throughout lending operations calibrated for time, context, and scale.
 - Invest in lending staff training to gain expertise in using AI solutions used in credit decision making.
 - Develop an enterprise intelligence road map that considers risk, security, governance, and regulatory compliance.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Abrigo

Abrigo is positioned in the Major Players category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about Abrigo include:

- **Year founded:** 2019
- **Company headquarters:** Austin, Texas
- **Number of employees:** 590
- **Ownership:** Private
- **Brands/products:** Sageworks Lending and Credit Risk Solutions

While Abrigo appears to be a relatively new entrant as a loan origination software vendor, its legacy was established over many years bringing together firms including Sageworks and Banker's Toolbox. Abrigo's most recent acquisition occurred in January 2023 with DiCOM Software, a developer of automated credit risk management solutions. Abrigo's predominant lending solutions apply more to small business and commercial markets, although the company does have a presence in consumer lending as well. For consumer lending, personal loans represent the largest lending product.

Strengths

- Large customer base of community banks
- Single core integration and portfolio management for life of loans
- Integrated suite of credit risk management
- More depth and coverage for business loans at this time

Challenges

- Many acquisitions in the past year that will require organizational assimilation and integration
- Lags behind in terms of credit decisioning automation
- Lags behind in terms of price models

Consider Abrigo When

Community banks and credit unions should consider Abrigo when looking for end-to-end loan origination software for working capital and term loans.

Amount

Amount is positioned in the Major Players category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about Amount include:

- **Year founded:** 2020
- **Company headquarters:** Chicago, Illinois
- **Number of employees:** 255
- **Ownership:** Private
- **Brand/product:** Small Business Lending

Amount is a digital-native technology vendor spun out of Avant. It provides lending platforms for small business loans including term loans, lines of credit, credit cards, SBA, and vehicle and equipment loans. North America is its main market, although it does have a limited global presence.

Strengths

- Modular platform with automated account origination process
- Low code and configurable for agility and faster go to market
- White-label platform option that gives lenders choice and flexibility

Challenges

- Ability to sustain growth in lending platforms in high-interest rate environment
- Maintaining ability to remain competitive in the market
- Lags behind in terms of price models

Consider Amount When

Financial institutions, fintechs, merchants, and marketplaces that seek to have an automated lending decision platform across various access channels including mobile bank apps, in branch, and ecommerce sites should consider Amount.

Baker Hill

Baker Hill is positioned in the Leaders category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about Baker Hill include:

- **Year founded:** 1983
- **Company headquarters:** Carmel, Indiana
- **Number of employees:** 145
- **Ownership:** Private
- **Brand/product:** NextGen Business Lending

Baker Hill is a smaller but long-standing financial technology firm with a primary focus on lending origination software and related solutions. Its loan origination solutions share a common database and an automated process from application to decisioning to reporting.

Strengths

- Dedicated solely to lending origination software market
- End-to-end loan processing automation
- Risk-managed, loan-level insight for loss mitigation
- Exceeds peers in customer service delivery

Challenges

- Impact of recent acquisition and change in new private ownership
- Maintaining ability to remain competitive in the market
- Lags behind in terms of price models

Consider Baker Hill When

Community banks and credit unions that are seeking a compact and lending-focused software vendor that delivers small business loan platforms including working capital, lines of credit, and vehicle and equipment loans should consider Baker Hill.

Biz2X

Biz2X is positioned in the Leaders category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about Biz2X include:

- **Year founded:** 2019
- **Company headquarters:** New York City, New York
- **Number of employees:** 600
- **Ownership:** Private (wholly owned subsidiary of Biz2Credit)
- **Brand/product:** Biz2X Platform

Biz2X offers a global SaaS lending platform for financial institutions of various sizes. Its small and medium-sized business (SMB) loan platform includes working capital, lines of credit, real estate loans, SBA loans, and accounts receivable/invoice factoring. The company operates primarily in North America, with some presence in Europe, the Middle East, and Asia/Pacific.

Strengths

- Configurable loan process workflow supporting numerous financial products including deposit accounts, business credit cards, and SBA loans
- Credit analytics and management across the entire loan portfolio
- Network of third-party integrators
- Exceeds peers in a range of services

Challenges

- Cloud solutions only offered with AWS, which alone is not a challenge unless a financial institution prefers to use a different cloud provider
- Relatively small base of banking clients
- Lags behind in terms of delivery options

Consider Biz2X When

Community and regional financial institutions looking for a loan decisioning software vendor with expertise in business lending can consider Biz2X.

Finastra

Finastra is positioned in the Major Players category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about Finastra include:

- **Year founded:** 2017

- **Company headquarters:** Paddington, United Kingdom
- **Number of employees:** 10,000
- **Ownership:** Private
- **Brands/products:** LaserPro and DecisionPro

Finastra is a global financial services software vendor resulting from the merger of D+H and Misys in 2017. It delivers a wide range of applications to financial institutions, fintechs, and marketplaces for lending, payments, banking, treasury, and capital markets. Finastra provides small business lending software for many types of business loans including working capital, lines of credit, vehicles, and accounts receivable/invoice factoring.

Strengths

- End-to-end lending solutions with many automated features
- Compliance expertise to assist with various lending regulations and laws
- Deep expertise in home equity and personal loans

Challenges

- Requirements in managing a large portfolio of financial products besides lending
- Clients and prospects using other core banking platforms likely to stay with their existing provider
- Lags behind in terms of range of functionality

Consider Finastra When

Community banks, credit unions, and small regional financial institutions looking for credit decision platforms on a broad range of small business loan types can consider Finastra.

Fiserv

Fiserv is positioned in the Major Players category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about Fiserv include:

- **Year founded:** 2007
- **Company headquarters:** Brookfield/Milwaukee, Wisconsin
- **Number of employees:** 41,000
- **Ownership:** Public
- **Brand/product:** Loan Director

Fiserv is a long-standing financial services tech vendor established through a long history of mergers and acquisitions in the past 40 years. Its extensive portfolio of core banking services serves financial institutions and fintechs of all sizes on a global basis. Its small and medium-sized business lending platforms are integrated with other banking and financial services.

Strengths

- Strong legacy core provider with a wide-ranging portfolio of core banking and lending services
- Business lending solutions that can integrate or be cross-sold with other applications

- Vast financial resources and global reach

Challenges

- Small business lending overshadowed by the wide breadth of its other services for financial institutions and merchants
- Has undergone varied organizational changes in recent years
- Lags behind in terms of delivery options

Consider Fiserv When

Financial institutions and fintechs of any size that are looking for a software vendor that has not only business lending solutions but also a wide array of banking and financial services can consider Fiserv.

Jack Henry

Jack Henry is positioned in the Major Players category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about Jack Henry include:

- **Year founded:** 1976
- **Company headquarters:** Monett, Missouri
- **Number of employees:** 7,000
- **Ownership:** Public
- **Brand/product:** LoanVantage

Jack Henry is a long-established technology vendor with a wide array of IT applications for banks, credit unions, fintechs, and digital banks. Its solutions for the financial services industry include core banking platforms, bank transaction process automation, and related technology applications. Jack Henry provides loan origination and loan servicing on a single end-to-end platform for small business loans such as working capital, real estate, and accounts receivable/invoice factoring.

Strengths

- Strong legacy core provider with a wide-ranging portfolio of core banking and lending services
- Single loan origination platform with many automated features
- Online application tools and embedded forms

Challenges

- The fact that lending is just one of many financial technology solutions vying for product expansion and future investment
- While widely adopted among lenders, only offers Microsoft Azure for cloud support
- Lags behind in terms of delivery options

Consider Jack Henry When

Community and regional financial institutions as well as fintechs and digital banks that are looking for a legacy financial technology vendor with additional core banking solutions besides lending can consider Jack Henry.

MeridianLink

MeridianLink is positioned in the Leaders category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about MeridianLink include:

- **Year founded:** 1998
- **Company headquarters:** Costa Mesa, California
- **Number of employees:** 700
- **Ownership:** Public
- **Brand/product:** MeridianLink Business

MeridianLink is a financial services software vendor with an end-to-end digital loan origination system for business working capital and term loans.

Strengths

- Single origination platform across all loan types and applicant access channels
- Mobile device digital origination for borrowers
- Exceeds peers in innovation

Challenges

- Midyear 2023 financial results under pressure due to market conditions
- Multiple acquisitions in recent years that require focus on core operations and delivery
- Lags behind in terms of price models

Consider MeridianLink When

Community banks, credit unions, and other financial institutions that are seeking a small business credit decisioning platform can consider MeridianLink. MeridianLink's small business lending solutions include working capital and term loans.

nCino

nCino is positioned in the Major Players category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about nCino include:

- **Year founded:** 2011
- **Company headquarters:** Wilmington, North Carolina
- **Number of employees:** 1,650
- **Ownership:** Public
- **Brand/product:** Cloud Banking Platform – Small Business Banking Solution

nCino is a global technology vendor that features a unified, cloud-based retail banking platform with solutions for loan origination, deposit account opening, and in-branch customer account management. For small business lending, nCino offers a credit decisioning platform including working capital, lines of credit, and vehicle, equipment, and real estate loans.

Strengths

- Fully digitally transformed end-to-end business lending platform
- Supported exclusively by Salesforce's cloud-based banking platform
- Scalable and flexible platform for financial institutions of any size across multiple geographies

Challenges

- Financial and banking clients must align with Salesforce SaaS banking platform hosted in own datacenter.
- Community and smaller financial institutions may be overshadowed by nCino's many large bank clients.
- The company lags behind in the range of services offered.

Consider nCino When

Global, enterprise, regional, and community financial institutions that can operate on the Salesforce banking platform can consider nCino.

Temenos

Temenos is positioned in the Leaders category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about Temenos include:

- **Year founded:** 1993
- **Company headquarters:** Geneva, Switzerland
- **Number of employees:** 7,500
- **Ownership:** Public
- **Brand/product:** Temenos Banking Cloud Lending

Temenos is a financial technology vendor with financial institution clients around the world. It operates a cloud-native platform with partnerships with all the major hyperscalers. Deployment options for banking clients include cloud and SaaS. Banks may leverage Temenos' R&D resources. Temenos delivers decisioning platforms for small business lending products including working capital, lines of credit, vehicle and equipment loans, and real estate.

Strengths

- Comprehensive digital banking and lending platforms
- Supports alternative credit data sources for lending decisions
- Composable banking features that provide choice and flexibility for bank clients

Challenges

- Smaller financial institutions may be overshadowed by larger bank clients.
- The North American market competes for future product development with other geographies of Temenos.
- The company lags behind in components of total cost of ownership.

Consider Temenos When

Regional banks, community banks and credit unions, and challenger banks that are looking for front-to-back core and digital banking platforms for small business lending can consider Temenos.

TurnKey Lender

TurnKey Lender is positioned in the Leaders category in this 2023-2024 IDC MarketScape for small business lending decisioning platforms.

Quick facts about TurnKey Lender include:

- **Year founded:** 2014
- **Company headquarters:** Austin, Texas, and Singapore
- **Number of employees:** 160
- **Ownership:** Private
- **Brand/product:** TurnKey Lender Enterprise Solution

TurnKey Lender is a global software vendor with an automated lending platform for commercial finance providers that use it as an infrastructure for loan origination, underwriting, and reporting. TurnKey Lender offers its AI-based loan origination and servicing software primarily to nonbank lenders.

Strengths

- Digital-native developer with bank-grade automated lending platform
- Full stack, no-code modular lending platform for ease of use
- Commercial credit scoring and decisioning tailored to various industries and credit products
- Exceeds peers in customer service offerings

Challenges

- Fast growth across global regions requires focus and execution.
- Some lending clients and prospects may prefer banking industry vendors.
- TurnKey Lender lags behind in terms of customer service delivery.

Consider TurnKey Lender When

Nonbank, embedded, and traditional lenders that are looking to offer business loans in areas including working capital, BNPL, microfinance, equipment loans, merchant cash advances, and inventory financing can consider TurnKey Lender.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the

company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

The 11 small business lending decisioning platform providers evaluated in this IDC MarketScape provide strategic direction and ongoing support for a financial institution or fintech's small business lending needs. All vendors in this study were assessed as a result of their respective ability to address most small business lending needs of any North American institution. Each vendor supported a number of use cases consistent with providing a complete end-to-end consumer banking solution.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

This IDC study represents an assessment of North American vendors in the small business lending segment. Small business lending is defined as any secured or unsecured loan, except for mortgage-related products, provided to a small business owner. This research is a quantitative and qualitative analysis of the features, functionalities, and strategic road maps that explain the success of the major small business lending solution providers with a particular focus on the decisioning and back-end solution.

This IDC MarketScape is a part of a series of four evaluations that will encompass the customer experience and decisioning platforms in both the consumer lending and small business lending segments.

Strategies and Capabilities Criteria

Tables 1 and 2 provide key strategy and capability measures, respectively, for the success of a small business lending decisioning platform.

TABLE 1**Key Strategy Measures for Success: North American Small Business Lending Decisioning Platforms**

Strategies Criteria	Definition	Weight (%)
Delivery	▪ Cloud-based delivery ▪ Flexibility and options for cloud deployments ▪ Implementation method ▪ Ability to offer various implementation options including on premises, cloud and as a service, and modularity	24.0
Financial/funding	▪ Funding sources ▪ Vendor's current funding health and ability to access additional funding ▪ Profit and growth projections	14.0
Growth	▪ Customer growth ▪ Profit and growth, ensuring the level of risk of the customer's investment with vendor	6.0
Functionality/offering	▪ Ability to match evolving business needs ▪ Demonstrates commitment to meet the customers' and markets' evolving small business lending needs ▪ Specific offering road map ▪ Articulates a strategy and road map for small business lending functionality that aligns with current institution needs	20.0
R&D	▪ R&D planning ▪ Direction of future R&D funding and initiatives	10.0
Other	▪ Analyst's assessment of vendor's overall strategy in relation to peer group ▪ Consumer loan-specific functionality ▪ Financial account integration	26.0
Total		100.0

Source: IDC, 2023

TABLE 2

Key Capability Measures for Success: North American Small Business Lending Decisioning Platforms

Capabilities Criteria	Definition	Weight (%)
Customer services delivery	▪ Tiered support service — basic to premium ▪ Vendor offering support that meets varying institution needs and price points ▪ Customer council on feedback ▪ Vendor enabling a system for gathering and addressing institutions' current and future needs	15.0
Customer services offering	▪ Company's services organizations aligned with priority customer segments and executing well ▪ Vendor offering differentiated support for small business lending solutions with knowledge workers in specific credit markets ▪ Optimizing the product — optional services (offering rather than service) ▪ Product selection and pre-sales options	18.0
Total cost of ownership	▪ Cost effectiveness (actual licensing subscription fees versus value) ▪ Vendor providing a transparent pricing solution that details all aspects of small business lending solution to allow institution to fully recognize the overall cost	7.0
Functionality/offering	▪ Predictive analytics: It includes the use of big data, AI, and analytics to - determine borrower risk and future behavior. ▪ Product-specific features: The vendor provides unique and emerging small business loan features that address the needs of its customers. ▪ Essential capabilities: The company's services organization is aligned with priority small business segments and effectively using open API technology. ▪ Range of services offered: The vendor provides support across a range of options from strategy and implementation to production.	24.0
Pricing model	▪ Pricing models offered ▪ Competitive pricing models offered and customizable to meet different organizations' small business loan needs	6.0
Range of services	▪ Adjacent services (implementation services, consulting services) ▪ Ability to identify and promote other financial service products, core banking, and services based on existing customer profile	7.0
Customer satisfaction	▪ Analyst's judgment of customer satisfaction ▪ Analyst's assessment of vendor's overall capabilities in relation to peer group	5.0

TABLE 2**Key Capability Measures for Success: North American Small Business Lending Decisioning Platforms**

Capabilities Criteria	Definition	Weight (%)
Other	▪ Document management and customer communication ▪ Provides features and functions to provide effective customer communications and tools ▪ Company's services organizations aligned with priority customer segments and executing well ▪ Decisioning flexibility	18.0
Total		100.0

Source: IDC, 2023

LEARN MORE**Related Research**

- *IDC MarketScape: North American Small Business Lending Customer Experience Solutions 2023-2024 Vendor Assessment* (IDC #US49787323, forthcoming)
- *IDC FutureScape: Worldwide Banking 2024 Predictions* (IDC #US51290623, October 2023)
- *IDC FutureScape: Worldwide Digital Lending 2024 Predictions* (IDC #US51287823, October 2023)
- *Shrinking Bank Lending Requires AI Credit Decisioning* (IDC #lcUS51107223, July 2023)
- *Banks' Stricter Lending Standards Squeeze Small Businesses* (IDC #lcUS50866723, June 2023)
- *Enterprise Intelligence in Financial Services: Accelerating Decision Velocity to Scale and Differentiate* (IDC #US50591123, May 2023)
- *Machine Learning Becomes a Key Enabler of Bank Operations Automation* (IDC #lcUS50200823, January 2023)
- *IDC Market Glance: Worldwide Consumer and Small Business Lending Digital Transformation Strategies, 2Q22* (IDC #US49009422, April 2022)

Synopsis

This IDC study uses the IDC MarketScape model to provide an assessment of a select list of technology vendors that offer small business lending decisioning platforms to financial institutions and fintechs that provide a variety of business loans in the North American market.

"The small and medium-sized business lending market has undergone a significant transition in the past two years," says Raymond Pucci, research director, Worldwide Lending Digital Strategies at IDC.

"Small businesses are relying more on nonbank lenders that were early adopters of AI-based lending platform technology. Now both traditional and nontraditional lenders are all-in on buying AI and machine learning lending applications that streamline the loan decision process for lenders and borrowers alike. Small business lenders will benefit from cost savings and productivity gains by using a current-generation lending decision platform."

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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