Future of Lending: Automation & Document Digitization
Ocrolus helps financial services companies make high-quality decisions with trusted data and unparalleled efficiency.
Quick Facts

- Founded in 2014
- Headquartered in NYC
- Millions of data points validated daily
- 1000+ employees globally
- Raised over $100M in venture funding

Who We Work With

[Logos of companies like BlueVine, Brex, cross river, enova, PLAID, Funding Circle, Square, Sprout Mortgage, SoFi, Square, Mortgage Technology, Reliant Bank, LendingClub]

Investors

[Logos of companies like OAK, BULLPEN, QED, FINTECH COLLECTIVE]
Machine learning is employed to auto-classify documents with near-perfect accuracy, with human QC for support and precision.

Ocrulos intelligently selects the extraction/OCR tool which results in the highest raw accuracy. Data is contextualized by models that continuously get smarter, thanks to our human-in-the-loop workflows.

Data is corroborated against other documents and digital data sources. Suspicious and fraudulent activities are flagged.

Clean, standardized datasets are generated, including analytical insights on cash flows. Ocrulos performs calculations such as income/revenue while enabling lenders to benchmark their data against peers.
Data Aggregation
- argyle
- PLAID
- codat
- Finicity
- Google Cloud
- INSTABASE
- (h[s]) HYPERSCIENCE
- OCR/Data Extraction

Credit Scoring
- EQUIFAX
- TransUnion
- experian
dun & bradstreet
- TaskUs
- TATA CONSULTANCY SERVICES
- genpact
- BPOs

OCR/Data Extraction
- Ocrolus

BPOs
1% of Loans Made Online

“less than 1% of all loans in the world are made online” - Ribbit Capital*

- Given how many people spend so much time online, it’s surprising that such a small percentage of lending is done online

*https://ribbitcap.com/our-mantra/, pre-pandemic statistic
Plenty of good improvements

- Generally nicer application experience for some loan types (e.g. personal unsecured)
- Mobile accessibility
- New lending products (e.g. BNPL)
- More new entrants = more competition = more choice
  - More power in the hands of borrowers
But a long way to go...

- Credit assessment is still too one-size-fits-all
- Larger or secured loans still slow and cumbersome
- Lenders spend tons of time on manual, back-office work
- Scaling volume up/down is operationally painful

% of Mortgage Originations by Credit Score

Source: New York Fed Consumer Credit Panel/Equifax
Can AI change this?

- Depends what “AI” means....

- Certain approaches to AI can have a major impact
  - Personalized underwriting using cash flow data
  - Blending digital + documents data for unified analysis and smoother customer experience
  - Back-office automation for financial institutions
  - Use of automation to scale up and down rapidly
Lenders rely on Ocrolus to precisely understand the financial dynamics that impact loan performance, driving more accurate risk prediction, better pricing, and higher loan profitability. Using our data to enhance existing underwriting models, we’ve demonstrated a 20% lift in predicting default and a 3.5x improvement in ability to detect fraudulent applications.
PayPal’s small business lending division works with Ocrolus to analyze bank statements and digital banking data with our industry-leading cash flow metrics. Providing a one-stop-shop for all formats of data enables lenders to standardize and enhance their approach to underwriting.
The new Plaid Link enables customers to submit pay data in any format, including documents and cell phone images.

Plaid set out to identify a technology partner to process financial documents of any format or quality with perfect accuracy, and chose Ocrolus to power document analysis for Plaid Income. Ocrolus extracts income data from consumer supplied document images, and Plaid verifies the income by identifying matching transactions in digital bank account data.
Scalability

With Ocrorus technology powering its back-office, Cross River Bank was able to become a top three PPP lender nationally, funding more loans than massive banks like TD, Citizens, US Bank, PNC, and Wells Fargo. While big banks tried to manually dig out of insurmountable application backlogs, Cross River Bank was able to process many of its loans within 8 to 12 minutes.

Sources
PPP Loans Originated: https://data.sba.gov/dataset/ppp-foia
# of Branches: https://www.federalreserve.gov/releases/lbr/current/default.htm
Since 2014:

- Over **1.3 Billion** transactions analyzed
- Over **85 Million** pages of financial documents analyzed
- Over **4.5 Million** business applications processed

**Supporting Small Business Recovery**

- Over **2.5 Million** small businesses received PPP loans provided by Ocrolus lenders
- More than **12.8 Million** supporting financial documents processed by Ocrolus
- Over **20%** of PPP loans funded digitized by Ocrolus
AI-driven efficiencies are critical to remain competitive

1. Greater data availability drives more personalized underwriting
2. Automation helps lenders to serve customers better and scale efficiently
3. Customers will flock to lenders who can reduce decisioning times, provide an excellent customer experience across all channels, and offer the right product, on the right terms, at the right time.

Lenders who can make high-quality decisions while ensuring a great customer experience and personalized product will win share and experience the best results.