



# Automation and bank term loans

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smartbiz



While SBA 7(a) loans are often considered the best loan in small business lending, their stringent qualification requirements and lengthy, intensive application process place them out of reach for many small business customers. Luckily, bank term loans can often be an excellent alternative. Although they tend to have higher interest rates, these rates generally remain stable over time, enabling your customers to better plan and budget for the future.

Since term loans are typically easier to process and faster to close, recent years have seen a sharp increase in competition from online lenders who don't necessarily have your customers' best interests in mind. Most small business owners prefer to work with a bank they know - and a human they can talk to. These same business owners also require the speed and efficiency that online lenders promise and many traditional banks aren't yet set up to deliver.

To meet the requirements of their small business customers, more and more lenders are choosing to partner with technology platforms that automate the most intensive parts of the term loan application process. An AI-powered platform for small business lending, such as SmartBiz, can help decipher whether or not a term loan - or another product - could be right for your customers, then help seamlessly connect your customers to the best terms for their specific situations.

## How banks can compete - and win - with online and alternative lenders

Online and alternative lenders market themselves as superior to banks and, without peering under the hood, their clean, easy-to-use interfaces and fast approval times can be very attractive to a small business owner looking for a simple solution. However, many of these lenders often have sky-high interest rates (as high as 60%, compared to the term loan rates from traditional financial institutions, which typically don't exceed 25%), making them a bad deal for most borrowers.

Time-strapped small business owners want the ease and speed of online lending, without dealing with this new crop of online and alternative lenders. Banks and traditional financial institutions need a way to deliver their customers access to the funding they need, while delivering the modern application experience they expect. To truly remove friction from the process and compete in such a fast-paced space, more and more banks are partnering with financial technology platforms like SmartBiz to harness the power of automation.

### SmartBiz streamlines term loan processing

SmartBiz is a leading small business lending platform that harnesses the power of AI and the experience of exceptional support professionals to help you present the best funding options to your customers alongside the best possible application experience. Partnering with SmartBiz allows you to connect your small business customers with access to the right funding, when they need it most, as easily as other alternative lenders and without adding additional resources to do so.

SmartBiz's banking services team handles the entire processing and underwriting portion of your customers' term loans on your behalf. Among other benefits, SmartBiz can help you with:

**Rapid approval:** SmartBiz uses artificial intelligence to "read" every loan application for qualifying criteria and flag anything that may need further investigation. This way, your team doesn't have to spend weeks poring over piles of paperwork to approve borrowers. Instead, you go through a much smaller list of potential applicants in a fraction of the time, saving your institution time and money while giving customers the timely approval they seek.





**Minimizing human error:** Robust technology is much less likely to make errors than humans. SmartBiz automation pulls every fact and figure and ensures it ends up in the right place so that a typo doesn't result in denying a qualified applicant or approving an unqualified applicant.

**Experienced customer service:** SmartBiz unlocks your customer service's highest potential and backs it up with a team that is well-versed in the technology and in small business lending. This helps your institution focus on building relationships with customers, knowing they also have access to an additional layer of expertise when needed.

## Unlock your term loan processing potential with SmartBiz

The SmartBiz platform infuses the best elements of technology and people, enabling you to expedite the otherwise time-intensive process of evaluating and approving applicants. One seamless, hassle-free application is supported end-to-end by an exceptional support team - giving your customers an intuitive interface to complete the necessary forms and get access to the funding that's right for them.

Contact SmartBiz to learn how our platform can help you grow your small business lending program and help take your financial institution to the next level.

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