

# Case Study: LendUp

## IDology Helps Automate the LendUp CIP Process, Allowing Them to Accurately Identify and Approve More Legitimate Customers

### *Background*

LendUp is a socially responsible short-term, small dollar lender that offers loans through any smart phone or computer, anytime and anywhere. Their core product, The LendUp Ladder, offers customers the ability to borrow more money at lower rates, for longer periods of time, as they learn about and demonstrate good financial behavior through LendUp's education and gamification platform.



LendUp

*“At LendUp, we offer customers a **reliable alternative** to more traditional financial institutions. We are a small dollar lending organization that not only gives customers access to credit; we also support them in **building better credit**. The LendUp solution is completely transparent and practically impossible not to understand. Bottom line – LendUp is a **trusted direct lender**, and the simplest, fastest solution for short-term financial needs.”*

*- Sasha Peter Orloff, Co-Founder & CEO, LendUp*

### *Situation*

LendUp is required to meet the **US Patriot Act rules and regulations** such as Customer Identification Program (CIP), Know Your Customer (KYC) and OFAC, the Office of Foreign Assets Control requirements. LendUp was looking for a solution to **automatically and accurately identify customers** in order to meet compliance and protect their business from fraud.

*“We are required to comply with a variety of rules and regulations, including CIP and the Patriot Act. Before working with IDology, we maintained a complex hierarchy of solutions to meet these needs. However, in order to better protect our business, we **required improved coverage and increased accuracy** when verifying customer identities.” - Sasha Peter Orloff, Co-Founder & CEO, LendUp*



IDOLOGY INC.

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## **Solution**

LendUp integrated IDology's ExpectID and ExpectID IQ solutions to identify legitimate customers in real-time, meet compliance requirements and prevent fraud. LendUp also utilizes ExpectID PA to verify the individual complies with the US Patriot Act rules and regulations.

### **LendUp chose IDology because of their:**

1. Ability to automate the CIP process
2. Accuracy of data
3. Coverage
4. Speedy delivery



*“All of our decisions are based on and backed up by data. We chose IDology because they provided a **custom solution with the most statistically accurate data**. Implementation was super easy through an API – we were able to be up and running within a day. Through IDology we are able to meet CIP compliance and increase coverage when verifying identities with **very little friction to our customers**.” - Sasha Peter Orloff, Co-Founder & CEO, LendUp*

## **Results**

IDology was able to quickly and easily implement their solution in just a day which sits at the front of the LendUp waterfall. LendUp has experienced **increased approval rates** and can therefore confidently approve more legitimate customers while also deterring the bad. Additionally, LendUp is able to **dynamically escalate to Knowledge-Based Authentication** only when needed based on risk profile. This reduces customer friction and provides a better overall customer experience. Additionally, IDology helps LendUp successfully meet compliance regulations.

*“What is really compelling about IDology's solution was the ability to escalate to questions based on risk profile. We were able to improve our customer experience by **automating our entire process** and when there is an identity where we don't have a high degree of confidence, we can easily heighten their level of verification. This is an **incredible value** add as most banks have to choose one level of verification across the board. Overall, through IDology, we have been able to increase our approval rates and **get more customers** while also filtering out the bad.” - Sasha Peter Orloff, Co-Founder & CEO, LendUp*

