



2022 Digital Lending Trends & Predictions

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Lenders will face challenges and opportunities on several fronts in 2022, the through-line of which is technological advancements that bring about greater efficiency, borrower insight, and an enhanced ability to meet customers where they are (and where they want to be). After a prolonged period of shoring up capabilities and processes to deal with the pandemic, lenders can now turn their focus to efficiency as they deal with falling volume by rising purchase mortgage lending. This will prompt lenders to explore new ways of assessing customers' credit risk—the "Classic FICO" score just isn't going to be enough anymore—and getting them into the loans that best suit them. Finally, traditional lenders will have to deal with the upstarts in the market. There's no ignoring fintechs and one-stop shops in housing or automotive lending, so the smart lenders will find ways for meaningful digital engagement with borrowers. This report provides an overview of three trends that will be crucial for lenders to address or to start addressing in the coming year, along with the strategies and decisions lenders must consider to effectively respond to, or even get ahead of, these developments.

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