

Embedded lending for marketplaces and vertical SAAS platforms

Overview

Implement a credit decisioning platform to underwrite loans to the businesses that are selling on an online platform, using their platform transaction data.

Project Description

Access to credit for fast-growing businesses remains a significant issue for thousands of small and medium sized (SME) businesses in the UK and globally. Banks do not have the relevant data or expertise to understand and underwrite these businesses leading to an explosion of alternative fin-tech lenders to fill this gap. At Lenkie, we are leveraging the power of alternative data and embedded lending to help create financial inclusion and opportunity for millions of SMEs globally. Our mission is to create the financial infrastructure that powers lending across the biggest platforms in the digital world

Embedded lending leverages platform-specific data sets to provide a lending experience that is native to each particular platform. At Lenkie, we offer an embedded lending solution that enables seamless integration of credit products into traditionally non-financial platforms (marketplaces and vertical SAAS). By embedding Lenkie's product, digital platforms can offer credit to their merchants directly in their application, without redirecting them to a third-party portal.

In this project, we will build an embedded lending infrastructure that offers full stack lending functionality , which includes know-your-customer (KYC), underwriting software, loan disbursement and collecting repayments. This integration helps our clients (marketplaces and SAAS platforms) create an embedded lending offering in weeks saving them both time and money.

What you will work on

1. Design and implement a model that predicts future revenue of SMEs using transaction and payout data.
2. Determine creditworthiness of SMEs using transaction data.
3. Identify and flag indicators of potential default risk using open banking data.

4. Develop a decision engine that can be customized using parameters.
5. Build a React-based front end application for customizing the decision engine and displaying the outputs of the credit underwriting.

Who we are looking for

This project aims to attract 2 to 5 motivated students that are interested in data science, data analytics, credit underwriting, software engineering and Fintech. The students should have experience with either python, R or Scala. Experience in a flavour of JavaScript is desirable but not essential. There is no need for prior experience in fintech or financial data as we will provide the required support and guidance in this area. We are looking for individuals with a keen eye for detail that can build the most accurate credit underwriting engine in the market.

What you'll gain

This will be an opportunity to work on a real world problem for one an exciting startup. You will gain invaluable experience using the latest data mining and machine learning techniques. The model you build can be potentially used to bridge the SME funding gap that has led to the failure of several businesses in the UK.

Supervisor Profile

Name: Nnaemeka Obodoekwe

Current Position: CTO, [Lenkie Technologies](#)

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Reading Material

1. <https://medium.com/m2p-yap-fintech/a-beginners-guide-to-embedded-lending-2ad2fe110b08>
2. https://medium.com/@anubhav_55927/embedded-lending-next-disruption-in-fintech-25eb678b67d1
3. https://uploads-ssl.webflow.com/5e1594947ff1c6a39c4dc335/61377c59bc4abaa074ca6d9e_PPS%20-%20Embedded%20Finance%20Whitepaper%20-%202021%203.pdf
4. https://odr.chalmers.se/bitstream/20.500.12380/302384/1/E2021_048.pdf
5. <https://tradedledger.io/articles-insights/how-embedded-finance-works/>
6. <https://scifivc.substack.com/p/embedded-lending>