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FINTECH

Flush with cash, Lumin Digital expands into loans and AI

By Melinda Huspen | February 10, 2025

Digital banking software provider Lumin Digital received \$160 million in funding from investors to upgrade and expand their product offerings, including AI infrastructure and loan acquisition services.

Lumin Digital raised \$160 million in growth financing in 2024, according to a press release, and will be using the investment to innovate and expand its digital banking solutions.

Sean Weadock, chief product officer for Lumin Digital, said that the first priority of the company now that the funding round is complete is “doubling down on what got us to where we are today.”

“We’ve had great success in growing our client base, supporting financial institutions in the digital space, and building a platform that they can use to grow their digital presence and transform their services,” Weadock said. “A lot of what we want to do with that funding is doubling down on the investment by building more capabilities and building things faster and bringing those things to market. The feedback we’re getting from our clients and the market is: Do more. Keep doing what you’re doing. Do it faster.” Lumin lists several credit unions as clients on its website.

Lumin Digital will also be using some of its newly acquired funds to invest in AI infrastructure, according to Weadock.

“When we first built Lumin Digital six or seven years ago, no one really imagined AI becoming what it is today and the



Lumin Digital

acceleration that we’re seeing,” Weadock said. “But that’s exactly the type of future opportunity that we saw coming and want to enable our institutions to capitalize on. We’re taking some of these new concepts and embedding them in so that instead of an institution thinking, ‘Oh, I’ve got to buy another product,’ we want it to already be natively integrated into the platform. A lot of our investment is going to be focused on that.”

Additionally, Lumin Digital is seeking to build digital products that financial institutions can use for loan acquisition and lending services.

“The piece we hear a lot from our cus-

tomers and clients specifically is, ‘Help us with lending. How can we do more in the lending space?’ We need to grow there,” Weadock said. “An emphasis for us post-funding is how we can accelerate that and bring more of those capabilities to the platform. For 2025, at least in terms of things we’re looking at, that will be one of the main focus areas. It’s really driven by that client feedback.”

Founded in 2016, Lumin Digital achieved a revenue growth rate of over 60% in the last year, according to the press release. The company got its start serving credit unions, but is now expanding into the traditional banking space as well.

“Our initial investor partner was PSCU, now known as Velera, and so we spent time building up our client base there,” Weadock said. “Now we’re on the cusp of really starting to push into the bank market with launching our first banks and making more traction on the commercial side of the digital banking space.”

Velera remains Lumin Digital’s primary investor, according to the press release. Additional investors now include Light Street Capital, NewView Capital and Partners Group.

Lumin Digital’s Chief Cloud Officer Kevin Gorlick said in a statement that Lumin has used Amazon Web Services as its cloud provider since the company’s launch.

“When we founded Lumin Digital, we aimed to redefine digital banking by leveraging the best technology available,” Gorlick said. “In choosing a cloud provider, we looked to industry leaders and saw that Amazon relies on AWS to deliver near-perfect uptime and continuous innovation to its customers. That made our decision clear.”

AWS’ product and technology leaders have helped Lumin enhance its platform and drive innovation, he said.

The first credit union to partner with Lumin Digital was Consumers Credit Union, according to a press release from January 2019.

Lindsay McCall, chief operations officer at Consumers Credit Union, stated that at the time of the initial partner-

ship, Lumin Digital was one of the first cloud-native online banking providers in the market.

“I think they were the first digital banking provider to be AWS Certified, which is fantastic,” McCall said. “Their use of microservices to compartmentalize code was so unique in the market because at the time, we were actually experiencing quite a bit of downtime with our other digital banking provider due to the upgrades that they were doing. So that microservices concept was really important for us. Lumin truly embraced agile development from the very beginning, and the concept of getting an update every single week with little tweaks and enhancements to the platform was really intriguing for us.”

Consumers Credit Union announced an additional partnership with Lumin Digital to upgrade their digital banking systems as recently as September 2024.

“When you’re looking at a digital banking platform, uptime really has to be the number one priority,” McCall said. “In 2024 we were at 99.999% uptime, and it’s been very consistent at that high uptime ever since we converted to Lumin. Back when Covid hit and all the stimulus checks were issued, we actually experienced a 40% increase in logins the morning that the stimulus checks were deposited. We maintained a load time of less than one second with Lumin Digital and that was an absolute game changer.”

Lumin Digital works with a variety of

sizes of financial service providers, according to Weadock.

“We can serve a really small institution in terms of really leveling up their functionality,” Weadock said. “Because we’re a cloud native platform, we’re also able to kind of scale up and serve really large institutions with very complex deployments, high volumes of users and high complexity in terms of services that they offer. I think the best fit for us is the mindset from an institution that they feel an urgency to modernize. If they see the value in that, and they’re kind of aggressive in that, it’s just a great fit for us whether you’re a small or large institution.”

Many community-based financial institutions are at various stages of upgrading their online and mobile banking platforms, according to Market Insights senior strategist Jim Perry.

“In recent years, a lot of attention has gone into improving consumer account opening and fraud prevention since those areas needed the most work,” Perry said. “Fraud detection and mitigation are still top priorities, but now we’re also seeing more focus on streamlining commercial account openings to better serve the digital needs of small- and midsize businesses.”

Many of these upgrades, according to Perry, are happening through outside partnerships with fintech companies like Lumin Digital. “That’s because many community-based financial institutions simply don’t have the in-house staff or budget to take on these projects alone,” Perry said.