



The Business Value of Notarize

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BUSINESS VALUE HIGHLIGHTS



Click on highlights below to navigate to related content within this PDF.

442%

three-year ROI

\$2.4M

average annual benefits
per organization

60%

reduction in the fixed cost of
transactions

54%

more efficient notarization staff

\$85K

higher revenue due to business
enablement

27%

fewer missed deadlines

17%

reduced regulatory risk

Executive Summary

Remote online notarization (RON) allows documents to be notarized completely online in electronic form and signed with an electronic signature. RON can play a major role in digital transformation initiatives, particularly in regulated industries. It is a vital technology for enabling anytime, anywhere business processes, and it will play an important role in organizations adopting a hybrid work model.

RON transactions are completed easily and rapidly, improving both customer and employee experiences. There are also cost and security benefits.

IDC interviewed seven organizations that had experience with and knowledge about the benefits and costs of using Notarize to streamline and manage their notary process.

Overall, IDC calculates that study participants will achieve average annual benefits of \$2.4 million per organization and a 442% three-year return on investment (ROI) by:

- ▶ Enabling organizations to increase revenue through quicker transactions and the ability to enter new markets
- ▶ Enabling notary staff to work effectively and efficiently when processing notarizations
- ▶ Significantly decreasing the fixed cost of the notary process when compared to in-person transactions

Situation Overview

According to the National Notary Association:

“Notarization is the official fraud-deterrent process that assures the parties of a transaction that a document is authentic and can be trusted. It is a three-part process ... that includes vetting, certifying, and record-keeping Above all, notarization is the assurance by a duly appointed and impartial Notary Public that a document is authentic, that its signature is genuine, and that its signer acted without duress or intimidation, and intended the terms of the document to be in full force and effect. The central value of notarization lies in the Notary’s impartial screening of a signer for identity, willingness, and awareness.”

Remote online notarization mirrors the in-person notarial act. It allows documents to be notarized completely online in electronic form and signed with an electronic signature. The relevant parties appear before a commissioned notary via a secure two-way video experience.

Specifically, the steps of remote online notarization are:

- ▶ The individual requiring the notarization uploads the relevant document(s) to the RON technology vendor platform. This may also be accomplished via email or by connecting to a cloud-based document repository.
- ▶ The individual must undergo identity verification. First the signer must complete a series of knowledge-based verification questions. Then the signer uploads an image of a government-issued photo ID that is forensically analyzed via software for authenticity.
- ▶ When the identity verification process is complete, the signer is connected with the live notary via a secure two-way video experience. The notary manually confirms the identity of the signer, witnesses the electronic signature, and places his/her notarial seal and signature on the document(s).
- ▶ The individual then downloads the notarized document(s) as a digital original. The notary maintains a record of the transaction, which includes a digital journal and video of the session.

The primary benefit of remote online notarization is ease of use and convenience. Notaries are available anytime, anywhere, and there is no need for either the signing parties or the notaries themselves to travel to a physical location. Because of this, transactions can be completed much more easily and rapidly, ensuring a better experience for all.

For a business, this equates to improved employee experience and improved customer experience, as well as, potentially, faster time to market, faster time to revenue, and so forth. There is a cost benefit as well, since remote online notarization minimizes the costs associated with paper, printing, postage, couriers, and storage.

Remote online notarization is also more secure than traditional face-to-face notarization. Paper documents can be lost or misplaced, and there is no permanent video recording of a face-to-face encounter. Remote online notarization offers a completely digital record, along with an audit trail and an electronic journal. Remote online notarization also mitigates signer and/or notary error and delivers more robust identity verification and, hence, fraud reduction.

Notarize Platform Overview

Founded in 2015 and headquartered in Boston, Massachusetts, Notarize is a pioneer in remote online notarization. According to the company, during its seven years in business, it has worked with dozens of state governments and chaired multiple committees to craft and advance remote online notarization legislation in more than 40 states and at the Federal level.

The Notarize solution is versatile and designed to integrate with an organization's existing employee notaries or connect the user with a nationwide network of commissioned notaries on the platform, or both. The platform also helps a company offload the complexity of managing notaries. Notarize's simple and intuitive interface enables a company's new notaries to be onboarded easily to the platform and enables notaries to obtain digital certificates.

The Notarize platform supports an end-to-end notarization workflow that is accessible via a web interface or a mobile device and is automatically configured to comply with specific state requirements and document types. Signers must be U.S. citizens or people with a valid social security number, but they can be located anywhere in the world — a benefit for expats and travelers who can typically only access notaries at U.S. Embassies. According to Notarize, the RON eligibility engine analyzes over 14.5 million rules to ensure compliance by industry, state, and/or commercial program. Notarize uses credential analysis software to analyze government-issued IDs for signs of alteration or forgery.

The platform is configurable and brandable, and much of its functionality is exposed via a set of APIs. In addition to its horizontal remote online notarization platform, Notarize offers an Intelligent Closing Platform specifically designed for the real estate market.

Notarize helps its customers track important key performance indicators (KPIs), such as number of notarized transactions, time to complete transactions, and conversion rates. The company notes that the average connection time to a notary is less than 15 seconds and the typical transaction takes approximately 15 minutes.

The Business Value of Notarize

Study Demographics

IDC conducted interviews with seven organizations that had robust knowledge and experience regarding the impact of Notarize in terms of costs and benefits. These organizations were asked a wide variety of qualitative and quantitative questions to uncover the operational and business benefits achieved from their use of the Notarize platform.

Table 1 (next page), presents the firmographics of the interviewed organizations. IDC spoke with organizations that had a range of company sizes from 130–20,000, indicating that a good variety of company sizes were represented in this research. On average, organizations had 6,496 employees, with an IT staff of 1,565. Interviewed organizations were located in the United States and represented the finance, real estate, insurance, and automotive sectors.

TABLE 1
Firmographics of Interviewed Organizations

Firmographics	Average	Median	Range
Number of employees	6,496	1,000	130 to 20,000
Number of IT staff	1,565	40	3 to 8,500
Number of external customers	271,300	15,000	1,500 to 1.2M
Total revenue per year	\$8.0B	\$166.2M	\$15.0M to \$40.5B
Total number of documents notarized per year	617,079	15,000	3,600 to 3.6M
Countries	United States (7)		
Industries	Finance (4), real estate, insurance, automotive		

Source: IDC Business Value Research, June 2022

Choice and Use of Notarize

Interviewed organizations were able to clearly dictate their reasons for choosing Notarize to support and streamline notary processes. Unsurprisingly, the pandemic led participants to search for a safe way to support their customers. Remote online notarizations supported this initiative, in that customers could complete the process from the safety of their homes. Notarize was viewed as a mature RON platform. This maturity was important because RON was often a new process for the interviewed organizations, and they needed a partner that would help them navigate and determine best practices to be compliant with industry regulations. Organizations also indicated that the large notary pool offered by Notarize was appealing. This large pool enabled them to enter new markets where they did not otherwise have notary representation.

To elaborate, customers specifically perceived the benefits of Notarize to be:

▶ **A safe way to complete notarizations during the pandemic:**

"We began with Notarize in July 2020, and it was tied to the pandemic. We recognized the opportunity to offer a service to our participants from the safety of their home."

▶ **An automated platform with a large bank of notaries:**

"We were excited for the opportunity to work with Notarize and their existing bank of notaries. Their automation, where all we need to do is point a participant to a website and have them upload forms, was very appealing."

▶ **The availability of notaries in new markets:**

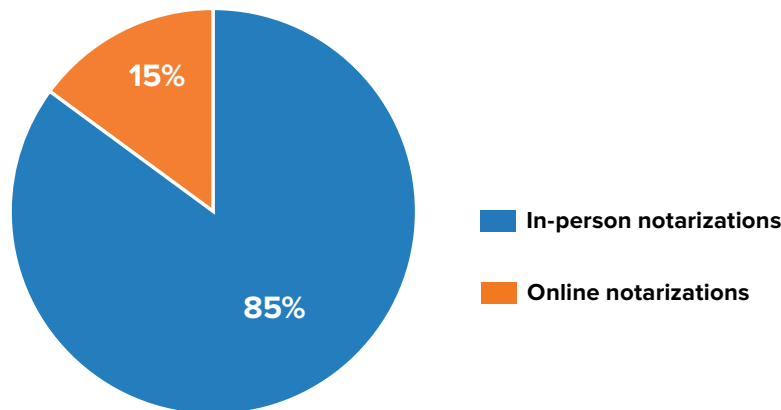
"The primary goal was to allow our operations to continue in markets where we didn't have notaries on staff, or they were in the process of obtaining their notary commission."

► **An industry leader in online notarizations:**

“It seems like they’ve thought of everything. They make it really seamless, not only for the company, but for the signer as well. Their company as a whole is hands down the leader with the most support behind them.”

RON transactions represented 15% of the total transactions completed within the interviewed organizations (**Figure 1**). While this number does not seem large, interviewed organizations did recognize the convenience and speed that came with completing transactions with Notarize. In fact, they expected to increase the number of RON transactions by 13% in the next year. As one customer stated, “A goal of my organization is to continue selling cars and processing our registration by leaning on Notarize.”

FIGURE 1
Types of Notarizations Completed



n = 7; Source: IDC Business Value Research, June 2022

Table 2 provides additional information regarding the usage of Notarize by the interviewed organizations. As shown, there was an average of 5,450 unique customers and 381 partners. Additional metrics are presented below.

TABLE 2
Organizational Usage of Notarize

Notarize Usage	Average	Median
Number of unique customers	5,450	3,950
Customer growth rate	13%	10%
Number of partners	381	13
Partner growth rate	9%	9%

Source: IDC Business Value Research, June 2022

Business Value and Quantified Benefits of Notarize

Study participants attributed considerable operational and business improvements to their use of Notarize. The ease of use and functionality of the Notarize platform was appreciated by notary staff and customers alike. Importantly, the interviewed organizations were better able to serve their customers, especially when they needed a document to be notarized quickly. The platform gave staff the unique ability to track a customer's progress through a notarization transaction, which allowed them to move transactions forward and help customers when needed. It also enabled notary staff to upload, update, and tag documents with far greater ease than a more traditional in-person approach, creating a more streamlined transaction. This enabled organizations to have fewer missed deadlines and close more transactions on schedule.

Study participants discussed these benefits and more below:

▶ **Large notary pool across the United States:**

"The primary benefit is the large notary pool, and that was unique to what other companies could provide. They have a large distribution of notaries located all across the US."

▶ **Better customer service:**

"I think we've moved mountains by offering this online notarization because it's a great service. Many times, clients need to do a transaction quickly and Notarize helps with that."

▶ **Ability to close on schedule:**

"The efficiency and flexibility of being able to easily and quickly set up the closing electronically and send the signers the eClosing transaction email where they know how to connect with us is the largest benefit. If there are last-minute changes, which there are always within our industry and with our lenders, we are easily able to update the documents and still keep that same scheduled closing time."

▶ **Cost savings in working with industry leader:**

"Ultimately, going electronic is saving us money in general, and we recognize and have identified Notarize as the leader in the industry."

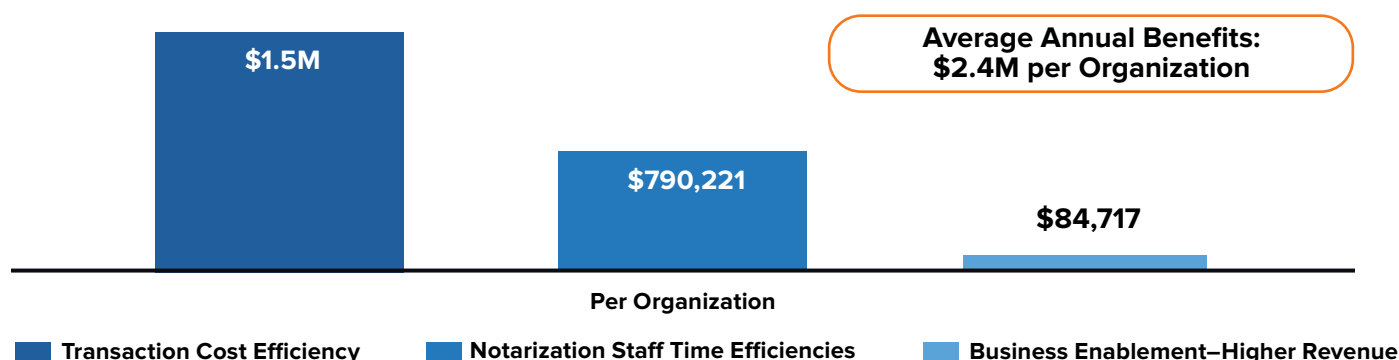
▶ **The ability to track the closing process with the customer:**

"Their platform is built better, so the functionality of it is a lot easier for us. Another feature they have is it allows our eClosers, our eNotaries, to see where that signer is in the process. The signer has to open an eClosing transaction email, and that's how they ultimately connect with us, but we can see where that signer is in that process."

The benefits noted above provided considerable value for interviewed organizations. As shown in **Figure 2** (next page), IDC's business value calculations indicated that interviewed organizations achieved \$2.4M in average annual benefits with Notarize. This significant achievement was attained by transaction cost efficiencies, staff time efficiencies, and business enablement. For every 1,000 transactions completed with Notarize, this amounted to \$114K per organization.

FIGURE 2
Average Annual Benefits Per Organization

(\$)



n = 7; Source: IDC Business Value Research, June 2022

Notarize Efficiency Gains

IDC evaluated the fixed cost of in-person traditional notary transactions against the cost of a transaction completed with Notarize, using the number of transactions completed with Notarize as the constant. Substantial savings were noted. Specifically, organizations found that they saved transportation costs, supplies, and postage fees, amongst others. As one participant stated, “The closings that we’re doing, we normally would just send out our traditional notary to meet the person at their house. The average fee for the notary is \$120. For our eClosings, it is less than half that. Plus, in a traditional closing setting when we hire a notary, we supply a postage slip, so that’s \$20–30 we eliminate because we don’t need to ship anything.” As shown in **Table 3**, RON transactions completed with Notarize saved organizations a staggering \$73 per transaction when compared to a traditional notarization. This is a 60% benefit and amounted to a \$1.5M cost efficiency per organization per year.

TABLE 3
Online Notarization Transaction Cost Efficiency

Online Notarization Transaction Cost Efficiency	In-Person Transactions	Transactions Completed with Notarize	Benefit	Percent Benefit
Cost per transaction	\$122	\$49	\$73	60%
Number of online transactions completed, per year*	21,263	21,263		
Cost efficiency per organization	\$2.5M	\$1.0M	\$1.5M	60%

Source: IDC Business Value Research, June 2022

*IDC used the number of actual transactions completed with Notarize as the constant to calculate what the cost would have been for organizations if they were completed in-person.

In addition to cost savings, interviewed organizations also benefited greatly from staff efficiency gains. Notary staff were able to complete transactions 54% quicker with Notarize. This was largely thanks to the streamlined functionality of the platform. Specifically, notary staff appreciated that they gained the ability to track the notarization process, as well as the ease and flexibility of uploading and tagging documents. One organization noted, “Notarize’s platform is very simple in the feature of uploading, tagging, and sending out the eClosing. We cut our time to complete these tasks in half.” As shown in **Table 4**, this efficiency gain resulted in notary staff saving 42 minutes per transaction and amounted to \$792,864 in value of staff time per year. In addition to saving several minutes per transaction, organizations also experienced a 54% reduction in the number of days it took to complete a transaction.

TABLE 4
Notarization Staff Time Efficiency Gain

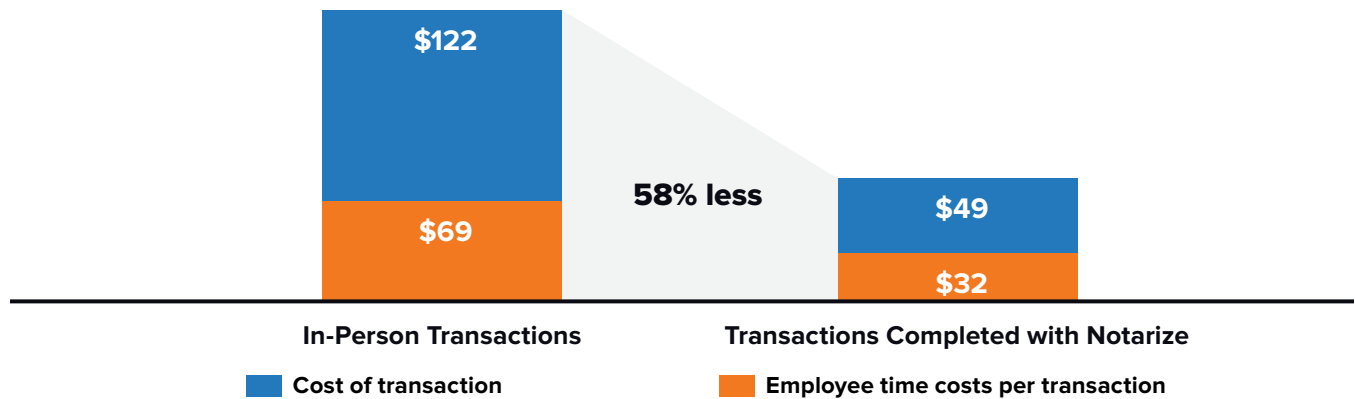
Notarization Staff Time Efficiency Gain	In-Person Transactions	Transactions Completed with Notarize	Benefit	Percent Benefit
Total time per notary process, minutes	78	36	42	54%
Number of online transactions completed, per year*	21,263	21,263		
Total time per year, minutes	1,663,048	768,698	894,350.26	54%
Total time per year, hours	27,717	12,812	14,905.84	54%
Value in staff time per year	\$1.5M	\$681,470	\$792,864	54%

Source: IDC Business Value Research, June 2022

*IDC used the number of actual transactions completed with Notarize as the constant to calculate what the cost would have been for organizations if they were completed in-person.

In summary, IDC noted that interviewed organizations recognized tremendous cost savings per transaction completed with Notarize. As seen in **Figure 3** (next page), transactions completed with Notarize cost organizations, in total, 58% less than those completed in-person. This amounted to a cost savings of \$110 per transaction.

FIGURE 3
Total Cost Per Transaction Summary
 (\$)



n = 7, Source: IDC Business Value Research, June 2022

In using Notarize, organizations also benefited from strong KPIs. IDC observed that the platform gave organizations the flexibility they needed to quickly update documents and fix problems as they occurred. As seen in **Figure 4**, this resulted in a 27% reduction in the number of missed deadlines for organizations when using Notarize. Not only did organizations reduce missed deadlines, but they also reduced their regulatory risk by 17%. Interviewed organizations appreciated that Notarize was a mature solution with robust audit trails. There was also a sentiment of strong partnerships with Notarize. This partnership empowered organizations to rely on Notarize to help navigate industry-specific regulations and they operated with the knowledge that Notarize would help them alleviate regulatory problems if they were to occur.

FIGURE 4
Notarize Usage KPIs
 (% reduced)



n = 7, Source: IDC Business Value Research, June 2022

Business Enablement Benefits

Interviewed organizations were able to achieve business growth due to their partnership with Notarize. The platform enables organizations to complete transactions with far greater speed and efficiency without sacrificing quality. This has enabled notary staff to take on a larger volume of work. As stated by one participant, *“We’re doing roughly 400 closings a month, and there is no way we would be able to do that with our other platform, absolutely no way. We are licensed in 35 states. I see the potential for growth because the efficiency is there, we can turn around more closings in a shorter amount of time. Right now, we schedule closings every hour*

on the hour, but my goal is to be able to schedule it on the half hour, and then of course, we'll be able to do more." Also, thanks to the large network of live, commissioned, always-available notaries provided by Notarize, interviewed organizations were able to enter new markets with greater ease, enabling the creation of new revenue streams.

Table 5 illustrates the business enablement revenue impact of Notarize. Organizations were able to achieve total additional gross revenue per year of \$85,000.

TABLE 5
Business Enablement — Higher Revenue

Business Enablement – Higher Revenue	Per Organization	Per 1,000 Transactions Completed with Notarize
Total additional gross revenue per year	\$566,667	\$26,651
Assumed operating margin	15%	15%
Total additional net revenue, IDC model	\$85,000	\$594

n = 7; Source: IDC Business Value Research, June 2022

ROI Summary

Table 6 presents IDC's return-on-investment analysis for study participants' use of Notarize. As shown, IDC projects that they will achieve three-year discounted benefits worth an average of \$5.8M per organization through the benefits previously described. These benefits compare with total three-year discounted costs of \$1M per organization. IDC projects that the benefits and investment costs will result in an average three-year ROI of 442% and a break-even point in investment occurring in approximately 4.4 months.

TABLE 6
3-Year ROI Analysis

3-Year ROI Analysis	Per Organization	Per 1,000 Transactions Completed with Notarize
Discounted benefits	\$5.8M	\$273,262
Discounted investment	\$1.0M	\$50,440
Net present value	\$4.7M	\$222,822
Return on investment	442%	442%
Payback (months)	\$4	4.4
Discount factor	12%	12%

n = 7; Source: IDC Business Value Research, June 2022

Challenges/Opportunities

For organizations to obtain optimal benefits from remote online notarization, the relevant document workflows must also be digital. This means that solutions should be deployed as part of a broader digitization and integration initiative. That effort must be methodical and thoughtful — and truly transformational — to avoid the risk of building existing inefficiencies into automated processes. However, this document illustrates the significant benefits that can be achieved.

Organizations must remain cognizant of the regulations and laws that apply to remote online notarization in their state and for their specific document types and ensure that digitized workflows continue to comply with industry, government, and regional regulations. Notarize can assist with this task.

Finally, adoption of remote online notarization will require clear communication, training, and change management programs across all impacted stakeholders, including IT and business resources, partners, and customers. Organizations using their own notaries will need to ensure that those individuals are trained and certified to perform remote online notarization in their state. An additional risk is that partners that have not digitized their own processes may have additional adoption challenges.

Conclusion

To succeed and thrive in the digital economy, organizations must leverage digital capabilities, not only to maintain continuity of business operations but also to exploit those capabilities to drive productivity, innovation, and competitive differentiation.

In addition, we know that hybrid work models are here to stay. In recent IDC research, 82% of respondents in North America told us that their organization has adopted or will adopt a hybrid work model in 2022. These organizations will depend on always-available, location-independent cloud solutions and automation to keep the business running. Remote online notarization is an important tool for the digital-first business.

Appendix

Methodology

IDC's standard Business Value/ROI methodology was utilized for this project. This methodology is based on gathering data from organizations currently using the Notarize platform as the foundation for the model.

Based on interviews with organizations using the Notarize platform, IDC performed a three-step process to calculate the ROI and payback period:

- 1. Gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of using the Notarize.** In this study, the benefits included employee productivity gains, staff time savings, and reduced costs.

- 2. Created a complete investment (three-year total cost analysis) profile based on the interviews.** Investments go beyond the initial and annual costs of using the Notarize and can include additional costs related to migrations, planning, consulting, and staff or user training.
- 3. Calculated the ROI and payback period.** IDC conducted a depreciated cash flow analysis of the benefits and investments for the organizations' use of Notarize over a three-year period. ROI is the ratio of the net present value (NPV) and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

IDC bases the payback period and ROI calculations on a number of assumptions, which are summarized as follows:

- ▶ Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and manager productivity savings. For purposes of this analysis, based on the geographic locations of the interviewed organizations, IDC has used assumptions of an average fully loaded salary of \$100,000 per year for IT staff members and an average fully loaded salary of \$70,000 per year for non-IT staff members. IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).
- ▶ The net present value of the three-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.
- ▶ Because IT solutions require a deployment period, the full benefits of the solution are not available during deployment. To capture this reality, IDC prorates the benefits on a monthly basis and then subtracts the deployment time from the first-year savings.

Note: Numbers in this document may not be exact due to rounding.

Message from the Sponsor

Notarize Online. Anytime. Anywhere.

Smarter, simpler, and safer than paper, online notarization with Notarize brings trust to life's most important moments. The product and platform streamline important business processes and customer transactions, ensuring a notarization is completed quickly, securely, and without errors — every time. Discover the possibilities of going fully digital and eliminate the time, costs, and potential for errors that could occur when you send your customer out into the world with an important document that requires notarization. Notarize is the proven platform trusted across industries, innovators, and many of the Fortune 500 who need key documents notarized anytime, anywhere.

[Learn More About Notarize](#)

About the Analysts

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Megan Szurley is a Consulting Manager within IDC's Custom Solutions Division, delivering consultative support across every stage of the business life cycle: business planning and budgeting, sales and marketing, and performance measurement. In her position, Megan partners with IDC analyst teams to support deliverables that focus on thought leadership, business value, custom analytics, buyer behavior, and content marketing. These customized deliverables are often derived from primary research and yield content marketing, market models, and customer insights.

[More about Megan Szurley](#)**Holly Muscolino****Research Vice President, Content and Process Strategies
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Holly Muscolino is the Research Vice President, Content and Process Strategies and the Future of Work, responsible for research related to innovation and transformation in content and process solutions, including intelligent process automation and content workflow services. Holly's core coverage also includes the role of technology in driving the Future of Work.

[More about Holly Muscolino](#)



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