



Financial Gym

A Balanced Budget Starts with Clean Data



Transactions

Get reliable bank statement data across thousands of institutions.

How Plaid Transactions is feeding a new generation of financial health

After the technology behind Financial Gym's spend-tracking tool, the Training Zone, proved ill-equipped to provide clean transactional data, the New York City-based, fitness-themed financial advisory company linked with Plaid to update its functionality. The result has been a more secure, reliable and user-friendly experience for its customers and staff, and new opportunities for company innovation.

Out with the old

Founded by former Merrill Lynch financial advisor Shannon McLay, Financial Gym relies on the Training Zone and the information it collects to analyze customers' spending habits. This enables its team of personal trainers to properly coach clients to meet personal budgeting goals—say, saving for a wedding, traveling the world, paying down debt, or purchasing a home. When the Training Zone didn't function properly, it hindered company operations and stunted company growth.

"The biggest problem from a client perspective was how the frontend looked like it was from 1995, even though we're in 2018," explained Joy Liu, head trainer of trainers at Financial Gym. "They would say, 'I'm putting all of my financial information in here? Is it going to be stolen?'"

The Training Zone's uninviting appearance caused hesitation, and clients procrastinated in setting up their profiles. That meant trainers didn't have access to the information they needed to be effective advisors.

Even when clients did go through the steps of profile activation, their transaction data would come through jumbled—or not at all.

"Transactions were never categorized," Liu said. "It was a very laborious task for the trainers to hand categorize every single transaction for their clients ahead of meetings. Often times, duplicate transactions were an issue, or the institution would just not link in the first place."

To keep pace with its growing client load, Financial Gym needed a change.

90%

of transactions are automatically categorized appropriately as opposed to 10% using the previous platform

Better details, richer insights

Using Plaid's proprietary integration module, Financial Gym was able to quickly and easily connect its existing system with Plaid Transactions, which seamlessly links with clients' bank and credit card accounts to deliver balance information and transaction data in context and in real time. Most importantly to Financial Gym, Plaid Transactions tags data by geolocation, merchant, and category with a 90% accuracy rate, compared to just 10% with the previous platform. That saves its personal trainers hours of tedious manual work and reduced the time Liu's team spends preparing for quarterly reviews with clients from three hours to a mere 30 minutes.

Clients, too, are noticing a difference, which translates to a better experience for them and more timely profile activations.

"The Plaid interface is sleek and credible, so we have a lot less pushback from clients in terms of linking their accounts," Liu said. "That alone builds a trust weren't able to build before."

Less tedium, more innovation

With relentless debugging and weekly system updates a thing of the past, Financial Gym also has more developer resources available to build out functionality, helping the company to scale in the way that it needs to attract investors, raise capital, and grow the business. The goal is to open three to five new locations in major U.S. cities by the end of 2019.

"Plaid is a scaling tool for us," Liu said. "Now that we don't have to spend so much of our technology resources on making sure transactions are coming through appropriately, we can start to focus more on the behavioral finance aspect of how Financial Gym adds value over another budgeting app. We can focus our resources on the tech side to make the tool even more helpful for our clients and our trainers. Then we can take on an even heavier client load and still maintain the personal feel of one-on-one service."

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Plaid is a technology platform that modernizes banking infrastructure—making it possible to build products that leverage financial data. We focus on lowering the barriers to entry in financial services by making it easier and safer to use financial data. We build beautiful consumer experiences, user-friendly infrastructure, and intelligence tools that give everyone the ability to develop the future of financial services.