



Earned wages without the wait

Branch helps hourly workers get ahead by offering payroll advances and budgeting tools.

by Alex Hegevall Clarke

For the majority of Americans, cash flow is a challenge. More than half live paycheck-to-paycheck, and 40% don't have \$400 in the bank.



Under those conditions, even minor money shocks have the potential to create serious long-term damage to a person's financial health. A flat tire can lead to a lost job. A missed rent payment can result in an eviction.

Partnering with employers, Branch is an app that helps working Americans with cash flow challenges take care of unplanned expenses. Over time, it helps them get to a better place, financially.

To accomplish that, Branch offers no-cost advances on a person's earned wages. That money can be deposited into the Branch Wallet, a zero-fee bank account that comes with a debit card. Finally, Branch offers budgeting tools to help people manage their cash flow between paychecks.

"Our users work hard, and they want to get to a better place," said Ahmed Siddiqui, Vice President of Product at Branch. "Our goal is to remove barriers to financial health and give them the tools they need to get ahead."

Branch is used by over a million people who work at some of the nation's largest employers. Companies that have started offering Branch to their workers include Taco Bell, Planet Fitness, and Visiting Angels locations.

When time is of the essence

In the fall of 2018, Branch wanted to address a unique challenge: to get users the money they needed right away. Not in days or hours—but in minutes or seconds.

Imagine a single parent driving home to their kids after work. They stop at a gas station, only to discover that there isn't any money in their bank account. They need gas, or they can't get home to their kids. So they download the Branch app.

Branch works by sending payroll advances to a user's bank account or debit card. Especially in the case of debit cards, they needed a way to make sure that the account information was correct and not fraudulent. And they needed to be able to do it in minutes.

That's where Plaid comes in. Historically, verifying a debit card could take days—far too long for the single parent at the gas station. By partnering with Plaid, Branch has been able to drastically reduce that interval, as you can see from the table below.

85%

More than 85% of Branch users are able to instantaneously connect their bank accounts with Plaid.

"Plaid integrates quickly and easily. Because the docs were so clear, we could start coding without the usual rigamarole."

AHMED SIDDIQUI,
Vice President of Product, Branch

84%

When Branch uses Plaid to verify users' debit cards, they are able to authenticate 84% of cards within 24 hours.

62%	62% of user debit cards were verified within 45 seconds.
8%	An additional 8% of user debit cards were verified within 15 minutes.
14%	An additional 14% of user debit cards were verified within 24 hours.
84%	All told, 84% of user debit cards were verified within 24 hours.

Branch accomplishes that feat with three simple steps. 1) They use Plaid to perform a real-time balance check on the account. 2) They send a small amount of money—just a few cents—to the account. 3) They perform additional Plaid balance checks at predetermined intervals over the next twenty-four hours.

For Branch, the result was an increased conversion rate and significantly less fraud. For the single parent, the result was a full tank of gas and dinner at home with the kids.

Connect a bank in seconds

Of course, Branch doesn't just deal in debit cards. They also send and receive money directly to and from a user's bank account. Here, too, they partner with Plaid.

To connect an account with Plaid, Branch's users simply select their bank from a list, then enter their bank username and password. Plaid now connects to all 11,642 US banks and credit unions, as well as thousands of financial institutions in Canada and Europe. The whole process can often be accomplished in a matter of seconds.

As a result, Branch enjoys a superior success rate. When users attempt to connect their bank accounts, more than 85% are able to do so instantaneously. At the same time, Branch is able to verify users' account balance, cash flow, employment status, and income. They use this data to provide the payroll advances they offer to their users.

For Siddiqui, the deciding factor was Plaid's ease of integration. He and Branch were able to get Plaid up and running in just one month: two weeks of developer time plus two weeks of testing. He cites Plaid's crystal-clear documentation and an attentive support team.

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Staying one step ahead

Branch knows that for their users, time is of the essence. So when they build new products and features, they focus on finding new ways for their users to move money faster and more efficiently.

“We noticed that many of our users didn’t have a bank account,” said Siddiqui. “In many cases, that was causing them real pain and preventing them from accomplishing their goals. So we now offer them a free bank account.”

But in order to keep those customers, merely offering an account won’t be enough. Branch must continue to innovate, understanding and meeting their users’ unique needs better than any other financial institution. In that quest, they consider Plaid a partner.

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Plaid is a technology platform and data network that enables applications to connect with users’ financial accounts. We focus on lowering the barriers to entry in financial services by making it easier and safer to use financial data. Today, we support developers across North America and Europe.