



More funded accounts

With Plaid, First Tech Federal Credit Union was able to increase their average initial funding amount by 5x



\$717

With Plaid, the average initial-funding amount for new members grew from \$144 to \$717

Problem

Before Plaid, First Tech's onboarding flow was high-friction and in need of a technology boost.

Solution

Plaid enables First Tech to offer members a fast, convenient, and more secure way to fund their new accounts.

Results with Plaid

First Tech reports the following results with Plaid:

\$717 With Plaid, the average initial-funding amount for new members grew from \$144 to \$717

50x After integrating with Plaid, First Tech increased their transfer amount limit by 50x

4 weeks It took First Tech only four weeks to integrate with Plaid

“Integrating Plaid has allowed for First Tech members to move significantly larger amounts of money at account opening without increasing risk.”

MATT HICKS,
VP of Deposit Products &
Member Insights, First Tech

When you serve the world's biggest tech companies—firms like Google, Amazon, and Microsoft—as well as their employees, you've got to provide a best-in-class user experience. After all, these tech workers know a good UX when they see one.

Established in 1952, the San Jose-based First Tech Federal Credit Union provides banking, investment, insurance, and tax services to more than 700,000 members, most of whom live in the western United States.

Since its inception, First Tech has emphasized technical innovation. Recognized as one of the first financial institutions to offer online banking, they were also an early adopter of omnichannel. And, in 2019, Forbes named First Tech one of Oregon's best credit unions, giving them high marks in consumer trust and digital services.

Still, one critical aspect of their new-member onboarding flow lacked innovation. To fund new accounts, members were required to manually input financial information such as the name of their bank, account number, and routing number. This process was not only error-prone but slow: once new customers had completed their part of it, the money would still take the better part of a week to appear in the new account. Even worse, fraud had become a major issue.

PLAID PRODUCTS USED

- Auth
- Identity
- Balance

“Our risk management team made us cap initial funding amounts at \$500,” explains Sandeep Reddy, Manager of Digital Products at First Tech. “For a company that had built our reputation on an excellent UX, this reflected poorly on us, while also limiting new account deposits.”

To meet their customers' high expectations, First Tech needed a more intuitive way to fund their new accounts. For that, they chose Plaid.

Immense jump in revenue

First Tech integrated Plaid in 2019 to improve their account-funding step. Now, members can simply select their financial institution from a list and enter the username and password associated with their accounts. Plaid enables them to connect to more than 11,000 financial institutions around the world—often in a matter of seconds.

This streamlined onboarding experience is a big step up from manual entry, but it's not the only benefit. During the account-funding step, the credit union can now verify that the outside account being connected belongs to the member attempting to connect it.

As a result, the credit union was able to increase their initial funding amount limit by 50x. By raising these limits, First Tech saw the average initial-funding amount grow from \$144 to \$717.

“Integrating Plaid has allowed for First Tech members to move significantly larger amounts of money at account opening without increasing risk. It also allows them to instantly create a deeper relationship with First Tech through a convenient and secure process,” says Matt Hicks, VP of Deposit Products & Member Insights at First Tech.

Playing to a tech-savvy crowd

Plaid helps First Tech do more than just increase initial funding amounts and mitigate risk. By simplifying the account-connection step, the credit union provides the world-class user experience their members have come to expect. As Reddy puts it, the process is simply easier and less prone to error.

“People can still enter their bank account details manually if they want to. But those who use Plaid experience virtually no user errors,” says Reddy.

Plaid also enables First Tech to check the balance in external accounts before processing a transfer—for example, to fund a new account. Previously, members couldn't see the balance in their originating account, and neither could First Tech. This resulted in unsuccessful transfers and painful NSF fees.

With Plaid, members can see a list of available accounts, along with account balances. This allows them to select the account from which they want to transfer funds and choose an amount they can afford.

“The balance feature is a quiet win for our customers. It's one of those subtle yet extremely helpful features that sets our platform apart,” says Reddy.

“After two sprints and just four weeks, we were using Plaid in production.”

SANDEEP REDDY,
Manager of Digital Products,
First Tech

50x

After integrating with Plaid, First Tech increased their transfer amount limit by 50x

4 weeks

It took First Tech only four weeks to integrate with Plaid

“People can still enter their bank account details manually if they want to. But those who use Plaid experience virtually no user errors.”

SANDEEP REDDY,
Manager of Digital Products,
First Tech

Other business units are taking notice

As a large credit union with 1,500+ employees, First Tech recognizes that implementing new technology can be a hassle, notes Reddy. But he says integrating Plaid was easy.

“After two sprints and just four weeks, we were using Plaid in production,” says Reddy. “In fact, everything about working with Plaid has been easy.”

He says the rest of the credit union has taken notice, and next year the company plans to triple their Plaid usage.

“All of our business units are now aware of the value Plaid can offer them,” concludes Reddy. “We look forward to working even more closely in the future.”

plaid.com

Plaid builds digital infrastructure that allows people to securely connect their financial accounts to the apps they want to use. We power more than 4,000 financial apps and services, as well as more than 11,000 financial institutions in the US, Canada, UK, and Europe.

Questions? Reach out to our sales team at info@plaid.com