



Boosted deposits by 19%

How Stash grew their user base and reduced fraud by building Plaid into their onboarding flow



21%

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“Plaid makes onboarding seamless and allows customers to start moving money on the platform right away.”

DAN MENDES,
Senior Director of Product, Stash

PLAID PRODUCTS

- [Transactions](#)
- [Identity](#)
- [Balance](#)
- [Auth](#)

Problem

To get more investors on the platform, Stash needed a better way for users to link their outside financial accounts.

Solution

Plaid provides a fast, simple, and secure way for Stash customers to connect their external accounts.

Results with Plaid

According to Stash, they saw the following results with Plaid:

- 21%** With Plaid, 21% more Stash customers were able to link an outside financial account compared with the previous provider
- 19%** Since switching to Plaid, 19% more Stash customers funded their accounts compared with the previous provider
- 15%** Retention after six months is 15% higher for customers who connect with Plaid compared with those who do so using microdeposits

For millions of Americans who want to invest in themselves but don't know where to start, investing apps like Stash are a welcome solution.

Founded in 2015, New York-based Stash is one of the fastest-growing financial subscription platforms in the United States. With six million customers and counting, its popularity can be attributed in part to its radical accessibility. Memberships start at just \$1 a month, giving customers easy and affordable access to a suite of products including investing, banking,¹ education, and financial advice.

Many of these services require access to a customer's outside financial accounts. To link them, Stash previously relied on microdeposits. But this slow and error-prone process muddled the onboarding experience, resulting in a low conversion rate. Their subsequent experiment with an external provider wasn't much better.

Stash needed a simple, fast and reliable way for customers to connect their outside financial accounts. That's when they turned to Plaid.

¹Bank Account Services provided by Green Dot Bank, Member FDIC.

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A better onboarding experience

With Plaid, users simply select their financial institution from a list and enter the username and password for the associated accounts. Plaid now connects to more than 11,000 financial institutions—often in a matter of seconds.

For Stash, this account-connection step triggers a series of safeguards designed to protect both consumers and Stash. For instance, Plaid enables Stash to authenticate the user's outside bank account. That helps keep bad actors out.

"With any type of fraud, there's potential liability, so we save money by limiting our risk," explains Dan Mendes, Senior Director of Product at Stash. "By allowing us to verify users' identities, Plaid helps us save money—period."

When it's time for customers to fund their new accounts, Stash uses Plaid to check the balance of the customer's outside account. This helps the new user select a funding amount they can afford and cuts down on costly overdraft fees.

These simple interventions contribute to a better onboarding experience, according to Mendes. In fact, since switching to Plaid from a previous vendor, conversion rate is up 21% and the number of customers funding their Stash accounts is up 19%.

"Plaid makes onboarding seamless and allows customers to start moving money on the platform right away," says Mendes. "And that's critical when we think about helping customers start their journeys towards building long-term wealth."

Increased retention through personalization

Stash's core services of investing, banking, and a debit card that rewards customers with stock (the Stock-Back® Card)² get customers in the virtual door. But it's the company's personalized insights and guidance, such as budgeting advice, that keeps customers coming back.

To power these services, Stash relies on the 24-month transaction history Plaid provides. This allows Stash to share personalized financial insights with users, helping them meet their money goals.

"Plaid gives us a good sense of what the customer's financial life looks like, which helps us make recommendations about how much they should deposit or invest at any given moment," says Mendes.

"By allowing us to verify users' identities, Plaid helps us save money—period."

DAN MENDES,
Senior Director of
Product, Stash

² All rewards earned through use of the Stash Visa Debit card (Stock-Back® Card) will be fulfilled by Stash Investments LLC. Rewards will go to your Stash personal investment account, which is not FDIC insured. You will bear the standard fees and expenses reflected in the pricing of the investments that you earn, plus fees for various ancillary services charged by Stash. Stash Stock-Back® Rewards is not sponsored or endorsed by Green Dot Bank, Green Dot Corporation, Visa U.S.A., or any of their respective affiliates.

15%

Retention after six months is 15% higher for customers who connect with Plaid, compared with those who do so using microdeposits

Stash is able to recommend other products based on insights from Plaid as well. Visibility into a customer's finances enables Stash to make personalized offers based on spending patterns. For example, if Stash sees that a customer subscribes to Spotify, they can suggest paying for the subscription with the Stash debit card. In return, the customer would receive 2X Stock-Back®—a program that rewards users with stock in the companies on their everyday purchases.

From more targeted offers to more relevant financial advice, personalization has boosted retention at Stash. To wit, retention after six months is 15% higher for customers who connect with Plaid, compared with those who do so using microdeposits.

“When people link with Plaid, we know more about them and can personalize their experience, ultimately better helping them hit their unique financial goals,” says Mendes.

A B2B2C mentality

Having evaluated several financial data aggregators, Mendes appreciates Plaid's focus on end-users, noting that the company is constantly engaged in understanding the challenges Stash customers are facing.

| *“Plaid embodies a B2B2C mentality,” says Mendes.*

Looking ahead, Stash plans to expand their usage of Plaid as they continue to grow their product suite. After a year of record-high revenue, the company sees Plaid as a key enabler of future growth.

“Plaid embodies a B2B2C mentality.”

DAN MENDES,
Senior Director of
Product, Stash

| *“I don't think Stash is truly fulfilling its mission until we're helping all of the American middle class,” concludes Mendes. “Plaid is critical in helping us get there.”*

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Plaid builds digital infrastructure that allows people to securely connect their financial accounts to the apps they want to use. We power more than 5,000 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