

Digital Assessment

Our Mission

At Harvest, we seek to help banks stop the outflow of deposits to three categories of fintech competitors: micro-savings, micro-investing, and macro-investing.

Outflow Composition



Largest Outflows

Vanguard[®]
Betterment
 robinhood
 STASH

Outflow data

Banks Are Losing 4% of Deposits Annually

2018 aggregated net outflows to micro-savings, micro-investing, and macro-investing totaled, on average, 4% of bank deposits.

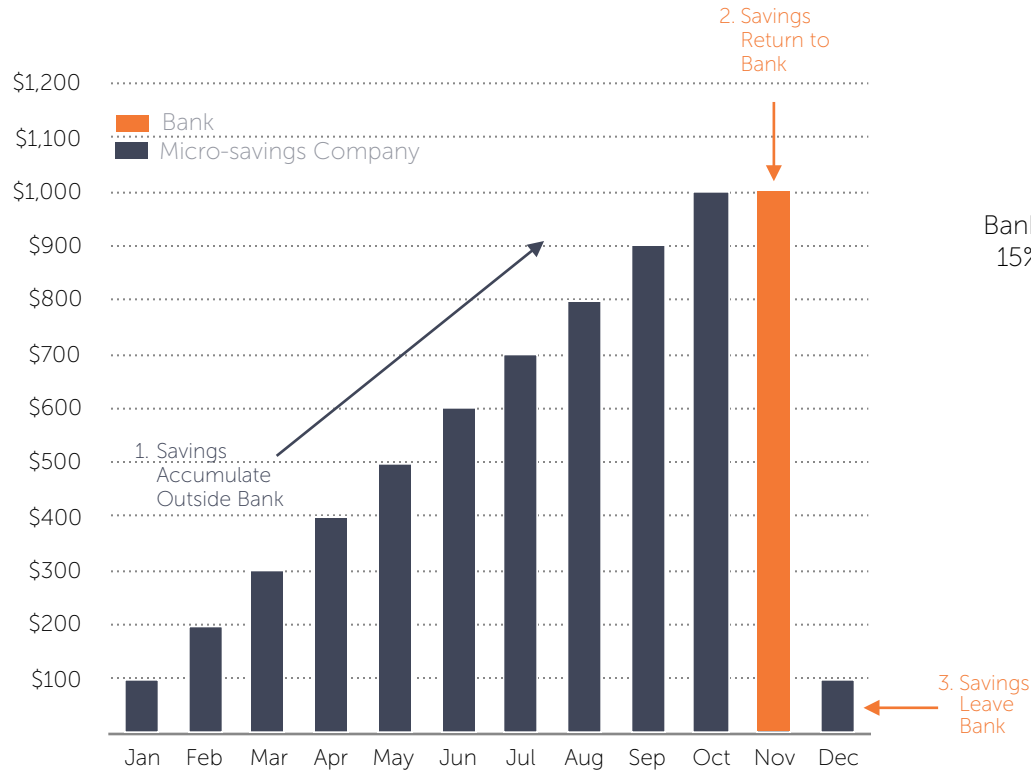
Outflow Composition

Macro-investing solutions like Vanguard, Betterment, and Fidelity contributed to the largest outflows, with micro providers making up about 24% of net outflows.

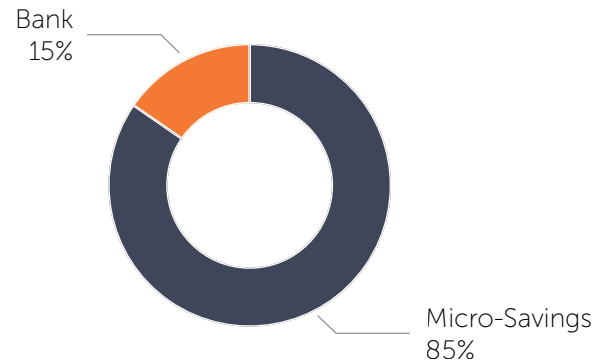
Largest Outflows

Vanguard, Betterment, Robinhood, and Stash were the largest dollar-for-dollar net outflows from our bank sample. Micro-savings providers like Digit and Qapital tend to net out to zero due to their inherent inability to facilitate transactions post savings.

Monthly Deposit Flows



Annual NIM Composition



Micro-savings Hurt Banks

Annual Net Outflows of \$0 Still Hurts

Even in a situation where net annual outflows are \$0, the flow of monthly deposits significantly impacts the Net Interest Margin earned by a bank

Annual True-Up of NIM Favors Fintech

Fintech companies like Digit and Qapital win the income battle even when net annual outflows are \$0; in this example, deposits are held out of the bank for 10 months, but when they return, they typically flow out immediately to the saved-for purchase, providing the bank with only 1-month of NIM versus the 10 months captured by the fintech micro-savings provider.

Integrated Savings & Wealth/Trust

The Platform

Goalkeeper
Smart Micro-Savings



Signals
Business Intelligence

Jumpstart
Digital Account Opening



Automate
Digital Advice

Sample Customers



Digital Assessment

Question #1

How digital is your current account opening experience?

5

All account types across trust and wealth can be opened digitally by an advisor and client directly.

4

Most account types across trust and wealth can be opened digitally by an advisor and client directly.

3

A small number of account types across trust and wealth can be opened digitally by an advisor and client directly.

2

We do just about everything with paper, although e-signature can be used in some cases.

1

We only use paper.

Question #2

How satisfied are your middle and back office teams with your current account opening process?

5

All our employees love our account opening process.

4

Most of our employees like our account opening process.

3

Some of our employees like our account opening process.

2

Most of our employees complain about the account opening process.

1

No one likes our account opening process.

Question #3

How satisfied are your clients with your current account opening process?

5

All our clients love our account opening process.

4

Most of our clients like our account opening process.

3

A small amount of our clients like our account opening process.

2

Most clients aren't crazy about our account opening process.

1

Our clients all complain about our account opening process.

Question #4

How satisfied are your trust officers/
advisors with the tools provided for
account opening?

5

Our trust team/officers love the opening process.

4

Most of our trust team/officers like the opening process.

3

Very few of our trust team/officers like our opening process.

2

Most are generally unhappy with our current opening process.

1

They all complain about our current process.

Question #5

How close are you or your teams to delivering on the executive mandate around digital transformation?

5

We have that nailed. 100% complete.

4

We've made a ton of progress and are close to being finished.

3

We are kicking off now and have a long way to go.

2

We're still trying to figure out how to go about it.

1

I can't even spell digital transformation.

How did you score?

Tally up those scores and let's see how you did...

20-25

You're doing phenomenally well and your employees and clients like the way you're doing it. Keep it up.

15-19

You're on the right track, but you still have work to do to get your solution digital and fully embraced by your team.

10-14

You have got some real work to do to improve customer and employee satisfaction around account opening.

<10

You're pretty much at ground zero when it comes to digital and an account opening process that people like; this will have an impact on your business.