

# Envel gears up to capture direct deposits with Pinwheel's API



## CHALLENGE

Envel's app offered only manual direct deposits, an outdated process that led to increased end user friction.



## SOLUTION

Pinwheel automated Envel's direct deposit switching, setting the fintech up to increase revenue and better serve customers.

Envel is a US fintech that offers AI-powered mobile banking. Its app does the heavy lifting for users when it comes to investing, saving, budgeting, and other aspects of financial management.



Ultimately, **Envel's goal is to allow users to effortlessly organize their money** into multiple accounts called envelopes, but its manual direct deposit solution was anything but effortless.

To overcome this challenge, Envel teamed up with Pinwheel to **streamline its process of direct deposit switching** and make it as sophisticated as the rest of the app.



Now, using Pinwheel's API, Envel is set to become a one-stop shop for all its users' money management needs.

# Why Envel decided to upgrade its manual direct deposit switching

Prior to working with Pinwheel, Envel's app offered only manual direct deposit switching, a solution that didn't meet the modern consumer's expectations. "Today's consumer has high expectations from fintech apps and little patience for time-consuming features that take away from the digital banking experience."

Above all, consumers turn to fintech solutions because they are digital-first and convenient. But manual direct deposits are an outdated feature and a source of friction for the end user.

The process usually involves filling out paper forms or going into external employee portals to manually provide account information. It makes for a poor customer experience, especially for digital-only banks that customers expect to have slick user interfaces.

Considering that the average adult stays with the [same primary bank account for 14 years](#), fintechs need to go above and beyond to make [direct deposit switching as seamless as possible](#).



In fact, consumers' **second-most requested mobile banking feature** is the ability to set up direct deposit electronically, with 44% saying the feature is "extremely valuable." And what's good for the customer experience is good for neobanks, since easy direct deposit switching lets them capture a greater share of customers' wallets.

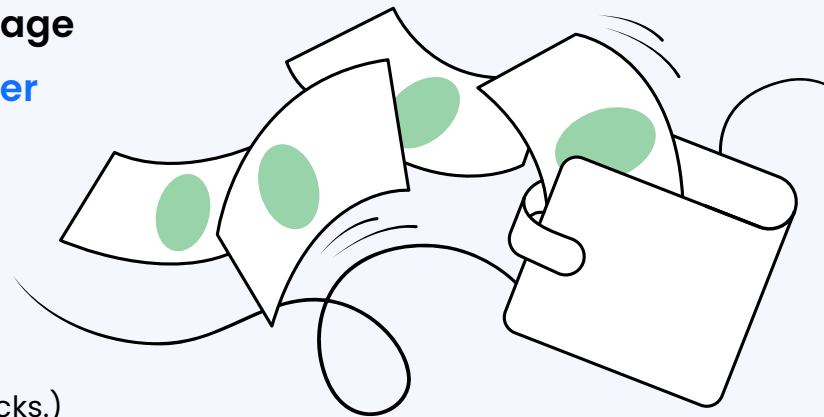
One of Pinwheel's customers (a top 10 neobank by volume) saw a **20% increase in direct deposit penetration in the first month** after implementing automated direct deposit switching.

**By allowing its users to easily update their direct deposit settings, Envel is increasing its chances of becoming the primary bank account for many of its customers.**

It's a big opportunity, considering 21% of consumers have their primary bank account in a neobank, and 62% say they are "somewhat or highly likely" to switch to one, according to a 2021 Galileo survey.

**The average neobank sees an average direct deposit of \$1,000 per customer per paycycle, meaning even just 1,000 customer switches can result in an increase of \$26 million in deposits in a year!**

(Assuming a bi-weekly paycycle—26 paychecks.)



Most importantly, when Envel becomes the primary banking destination for a greater number of customers, it can generate more revenue through interchange fees. With their direct deposit landing in an Envel account, a client is more likely to use it to make everyday purchases, **making the account profitable and creating interchange revenue growth.**

Apart from capturing more deposits, the API sets up a point of connectivity to a user's payroll account, which opens doors to launching other products. By leveraging consumer payroll data, **neobanks can expand into lending or offer earned wage access.**



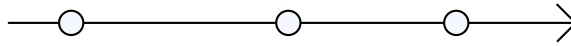
To equip its app with automated direct deposit switching, Envel turned to **Pinwheel's direct deposit switching API**.

# Scope helped Envel integrate Pinwheel's API in a matter of weeks

As an up-and-coming startup, Envel was strapped for engineering resources that could integrate Pinwheel's direct deposit API. To tackle this problem, **Pinwheel connected Envel to our enterprise development partner, Scope.**

Scope is an expert management platform that hosts verified agencies with the skill and experience to integrate Pinwheel. In Scope, Envel matched with the best engineers for their project. In just a few weeks, the engineers on Scope's platform took care of the frontend, backend, and webhook implementation, completing an integration that would have otherwise been backlogged.

**scope**



**Having a Scope expert build our Pinwheel implementation was really straightforward and sped up our process significantly. They customized their implementation process for us, making it really easy to work with them. We found their engagement, communications, and ultimate code delivery seamless and of good quality.**

Alwyn Van Wyk, CTO, Envel

# Envel is set up for success with direct deposit switching

By implementing Pinwheel's direct deposit API, Envel is set up for success as it starts building a name for itself in the world of fintech. Now, it no longer relies on clunky manual deposit switching — its users can complete the entire process in-app.

Here's how the new process works: First, the end user selects their employer or payroll provider. Then, they log in using their credentials and type in the amount they want to direct deposit to their account on payday. No forms, no employee portals, and all data is secure, thanks to our [AES 256 and TLS encryption protocols](#).

**What's more, Pinwheel's API has access to payroll systems and employers for [nearly 80% of paid Americans](#), including people on unemployment assistance, government employees, and workers in the gig economy.**

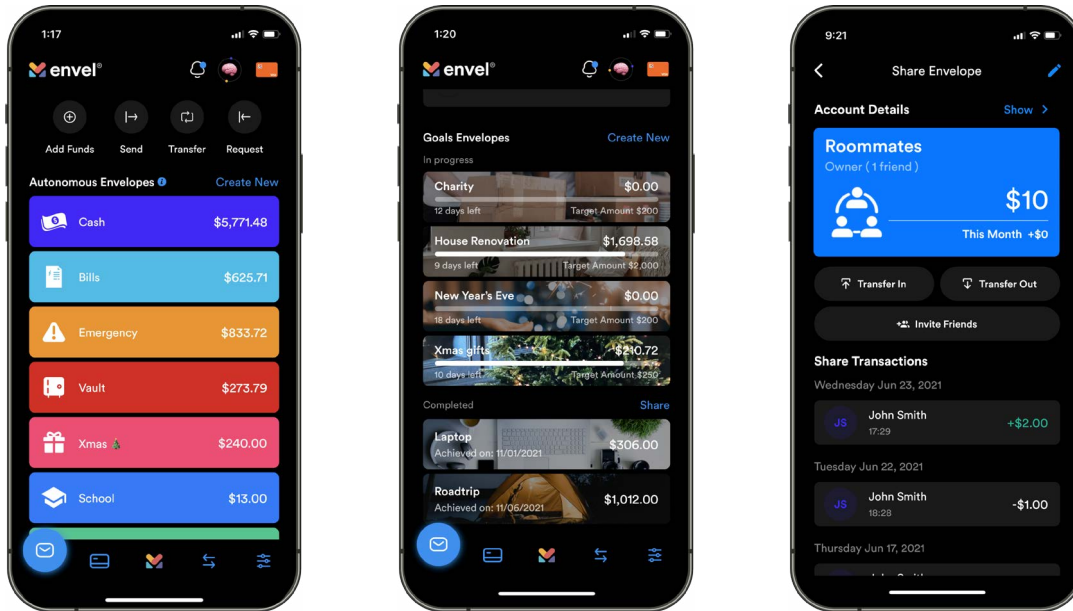


**Our coverage spans 1500 platforms (and counting) which is 3X the industry average.**

Having coverage of gig economy workers is especially important, as the definition of work and employment is changing. There are more and more people who are taking on new forms of work, from being a DoorDasher or a creator to selling content on YouTube

or selling wares on Etsy. In some cases, these employees are exclusively working in the gig and creator economy. In other cases, they may be double-hatting and working a regular W2 job along with doing gigs or creator work on the side. More extensive coverage helps paint a more holistic picture of that consumer and **enables Pinwheel customers to better serve them.**

With more users primarily relying on Envel to shop, budget, save, and invest, it can also deliver the full value of its autonomous banking solution. For example, **the app can automate bill payments, provide early direct deposit, and use the Autopilot feature to automatically set up a savings plan.**



By 2025, the number of neobank account holders is projected to **reach 53.7 million**—a significant increase from 29.8 million in 2021. And by providing seamless, in-app direct deposit switching, Envel is prepared to offer this fast-growing banking cohort a fully digital and friction-free experience.

[Contact sales to learn more →](#)

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