

DriveWealth bolsters API with Plaid partnership

Article

The US-based API brokerage platform partnered with Plaid to speed up funding of online investing accounts, [per](#) BusinessWire. DriveWealth's API provides its 90 clients, including fintechs and financial institutions, with the underlying infrastructure to offer fractional share trading and robo-advisory products to their end users. Plaid's API connects with [4,000](#) financial services clients, allowing consumers to link their financial accounts to aggregate their financial data in one place, ease authentication, or initiate payments.

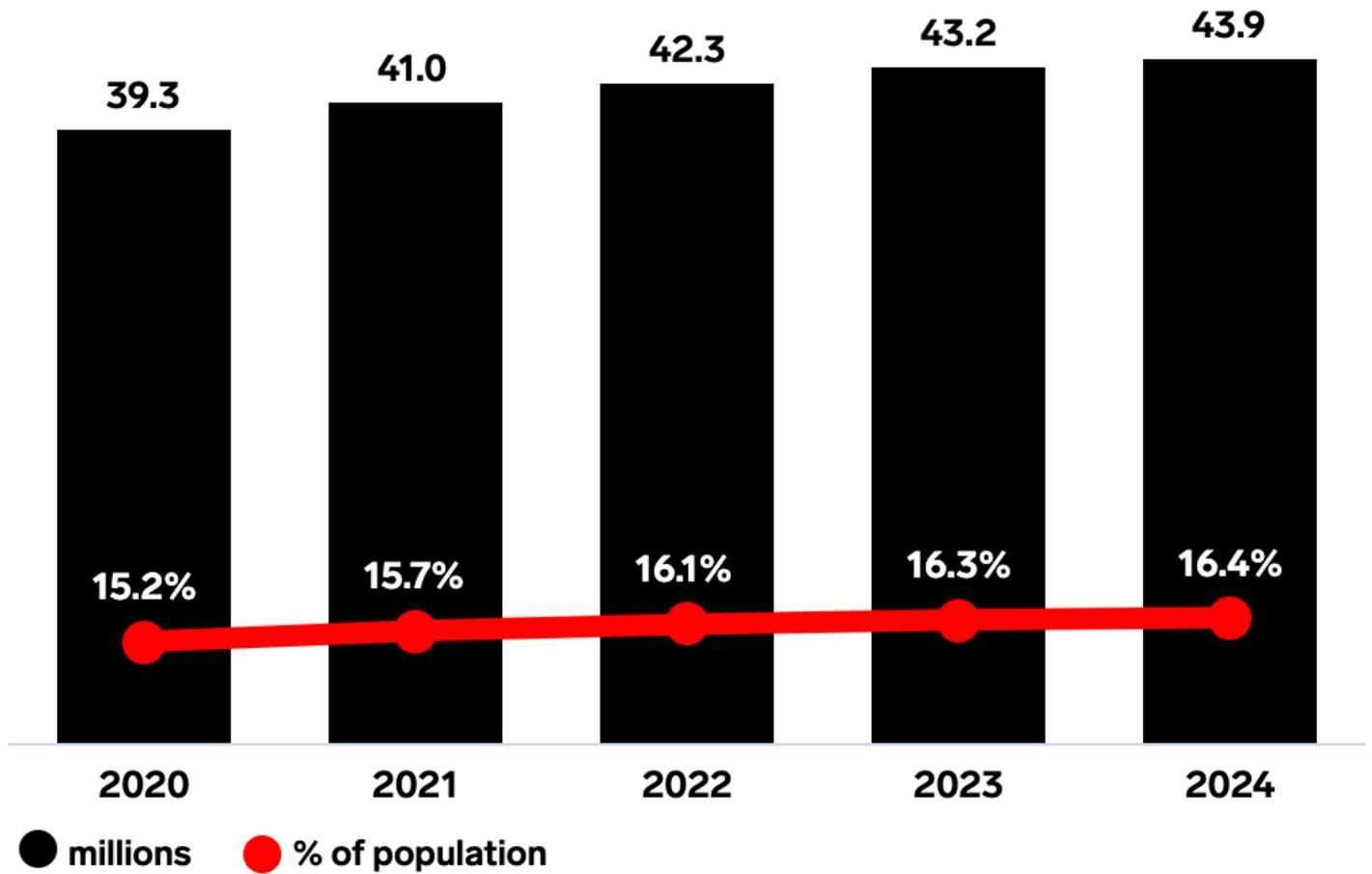
Their combined API capabilities reduce friction in the investing process and should help DriveWealth attract Plaid's clients. Mutual clients of both fintechs can now authenticate their

end users' bank accounts via Plaid to ease and accelerate bank transfers to investing accounts already powered by DriveWealth's API. Their clients can therefore offer a smoother digital investing experience just as more consumers are [seeking](#) online investing services. The partnership also exposes DriveWealth's brokerage infrastructure to those Plaid clients that may be considering launching an investment product, such as [TransferWise](#).

The Plaid partnership could also support DriveWealth's move toward embedding investing products on more platforms beyond just brokers. Fintech disruption aimed at democratizing access to stock trading [first](#) focused on doing away with commission fees, introducing fractional shares, and lowering minimum account balances to zero. DriveWealth is positioning itself to power the next step in this evolution: embedding investment services into everyday retail experiences. DriveWealth already enables global [brands](#) to add investing options to loyalty rewards toolkits, such as topping every customer credit card swipe with fractional shares of their stock: "Customers can invest in a fee-based portfolio based on their broader consumption behavior, such as earning stock back from spending money at Starbucks or on Amazon," per an Insider Intelligence interview with CEO Bob Cortright. Plaid is already in talks with [25%](#) of Fortune 100 companies with no financial products, including Microsoft, and DriveWealth could help these potential partners embed investing products in the near future.

Digital Brokerage Users

US, 2020-2024



Source: eMarketer, August 2020

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