How FinTech Sandbox + Quovo Helped Catalyze FutureFuel.io’s Growth
Profile

Starting a fintech company is no easy task. It requires developing an innovative product that solves pressing customer problems, navigating a complex regulatory landscape, and surviving on a shoestring budget while raising capital. As of late, there has also been much discussion that less than 2% of venture capital is awarded to female founders; this can make fundraising all the more difficult. These challenges are compounded by the cost of acquiring the data that fintech startups require for their day-to-day operations, whether that be market data for stock trading apps or financial account information for payments or transfers.

Pressed by her vision to tackle student debt at scale, Laurel Taylor launched FutureFuel.io, a B2B2C multi-sided SaaS platform that empowers employers to pay down their employees’ student loans as a means to wage and win the war for talent.

“Although it certainly isn’t the private sector’s responsibility to solve the student debt crises, it is a huge opportunity for employers to express empathy, offer relief, and realize love and loyalty from employees, as a result. There is a critical disconnect between the benefits employers are currently offering and the needs of our workforce; more than 50% of millennials are opting out of 401(k)s — student debt is a blocker to financial health and wellness. This disconnect is made all the more apparent when analyzing the high turnover among millennials in the workplace,” Taylor says.

While graduates average just 12-15 months per job today, a recent study revealed that a startling 86% would remain for 5+ years if their employer offered debt repayment.
“We make it easy to deploy a benefits package that’s more relevant to today’s workforce,” says Taylor. “Student debt has significant financial impact as indebted students save less, buy homes later, and are less prepared for retirement. By offering student loan pay down as a benefit, FutureFuel.io is helping companies attract and retain talent — from millennials to the leadership level, student debt repayment is near equally valued as an employee benefit.”

Challenge

While building their platform, Laurel and her team recognized that connecting with their users’ loan accounts would be critical to (a) delivering an exceptional user experience and (b) gathering important financial data related to the user’s student loans (such as interest rates, principal, and payment history). Accessing user data enables FutureFuel.io to better serve its users, from optimizing the allocation of employer-led contributions and serving up real-time payment notifications informing the user of successful contributions, to serving up significant savings for the user based on personalized, pre-qualified refinancing offers.

Further complicating matters was the high cost associated with acquiring this data and the compliance considerations due to the presence of sensitive information. After weighing their options, the firm determined that they would
look into fintech accelerators to help minimize their burn rate, while searching for a data provider that could securely provide reliable, high-quality student loan information.

Solution

The company conducted a thorough search of fintech accelerators and incubators before applying to FinTech Sandbox, a Boston-based nonprofit that provides free access to market, banking, and investment data. After being accepted to FinTech Sandbox, FutureFuel.io was introduced to Quovo, a New York-based data company that provides connectivity to financial accounts including banks, brokerages, 401(k)s, and student loans. As part of Quovo’s agreement with FinTech Sandbox, it provided FutureFuel.io with free access to its industry-leading fintech API suite, including account aggregation and bank authentication.

“Fortunately, through Quovo’s tokenization process we are able to capture the information we need to send the right payments to the right place at the right time while adhering to strict security requirements,” Taylor notes.

Moreover, the team loves their API; for developers, there’s nothing more important than finding good APIs that are easy to understand and can be painlessly integrated.

FutureFuel.io leveraged Quovo’s Aggregation API to connect with their users’ financial accounts, enabling them to pull student loan data from thousands of
financial institutions. They next used Quovo's Authentication API to pre-populate fields during account creation, enhancing customer experience and improving conversions. Lastly, because Quovo’s system was designed to handle sensitive information, FutureFuel.io was able to comply with financial regulations right out of the gate.

Results

FutureFuel.io now offers an end-to-end platform for companies that want to offer student debt repayment and intelligent refinancing as-a-service. Their platform automates proportional student debt repayment for participating employees, while providing a mobile dashboard and mobile notifications to view repayments and manage their loans. The platform also allows HR departments to easily onboard and manage repayment and refinancing for each participating employee, review reports on employee participation and retention, and analyze the ROI company wide and across departments.

“Establishing meaningful partnerships with companies like Quovo and FinTech Sandbox have been instrumental to accelerating our growth,” notes Taylor.

Without their help it would have taken hundreds of thousands of dollars and years to reach where we are today.
ABOUT QUOVO

Quovo is a data platform providing insights and connectivity for millions of financial accounts across thousands of institutions. With industry-leading APIs, modular applications, and enterprise solutions, Quovo helps deepen relationships by better connecting you to your clients’ financial lives. To find out how Quovo can help you, visit www.quovo.com.

ABOUT FINTECH SANDBOX

FinTech Sandbox is a Boston-based nonprofit founded to promote financial technology innovation globally by providing free access to critical data and resources to FinTech entrepreneurs and startups. Sponsors include Fidelity Investments, F-Prime Capital, Thomson Reuters, Silicon Valley Bank, Amazon Web Services, Intel, State Street Corporation and Goodwin. For more information, visit www.fintechsandbox.org.

ABOUT FUTUREFUEL.IO

FutureFuel.io makes implementation of debt repayment easy, offering student debt repayment and refinancing, as a service. Our best-in-breed SaaS platform empowers employers and partners to “turn on” student debt repayment & refi as a new employee benefit — enterprise-wide or for special employee populations. Refinancing and other value-add products are embedded into a contextually-aware, targeted, user experience, prompting financial literacy. Whether utilized as a branded or white label solution, FutureFuel.io serves up an elegant, simple, and intuitive process for all stakeholders. For more, visit https://futurefuel.io/.