STAKANA

Increasing Deposits/Loans with AI for Community Banks and Credit Unions

Stakana Pitch Deck for RevTech Labs
February 28, 2023

VALUE PROPOSITION

Financial institutions can outsource their hardest / most impactful data issues to us.
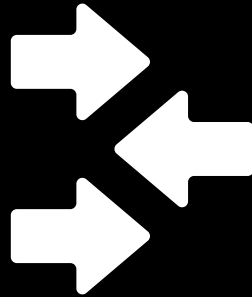
- WE BUILD AI-POWERED ACTIONABLE FORECASTS THAT DELIVER A PROVEN ROI.

PROBLEM

Many community banks and credit unions struggle to compete against big banks due to a lack of resources and a significant analytics gap.

COMMUNITY BANKS / CREDIT UNIONS

BIG BANKS

WHY IT MATTERS

40%

Up to 40% of financial institution revenues will be at risk by 2025 due to a lack of actionable customer analytics. (McKinsey)

20%

Average expected revenue lift from **personalization alone**. (BCG)

Forecasting/personalization -> highest impact.

SOLUTION

Forecast customer behavior via SaaS using the best AI methods from retail.
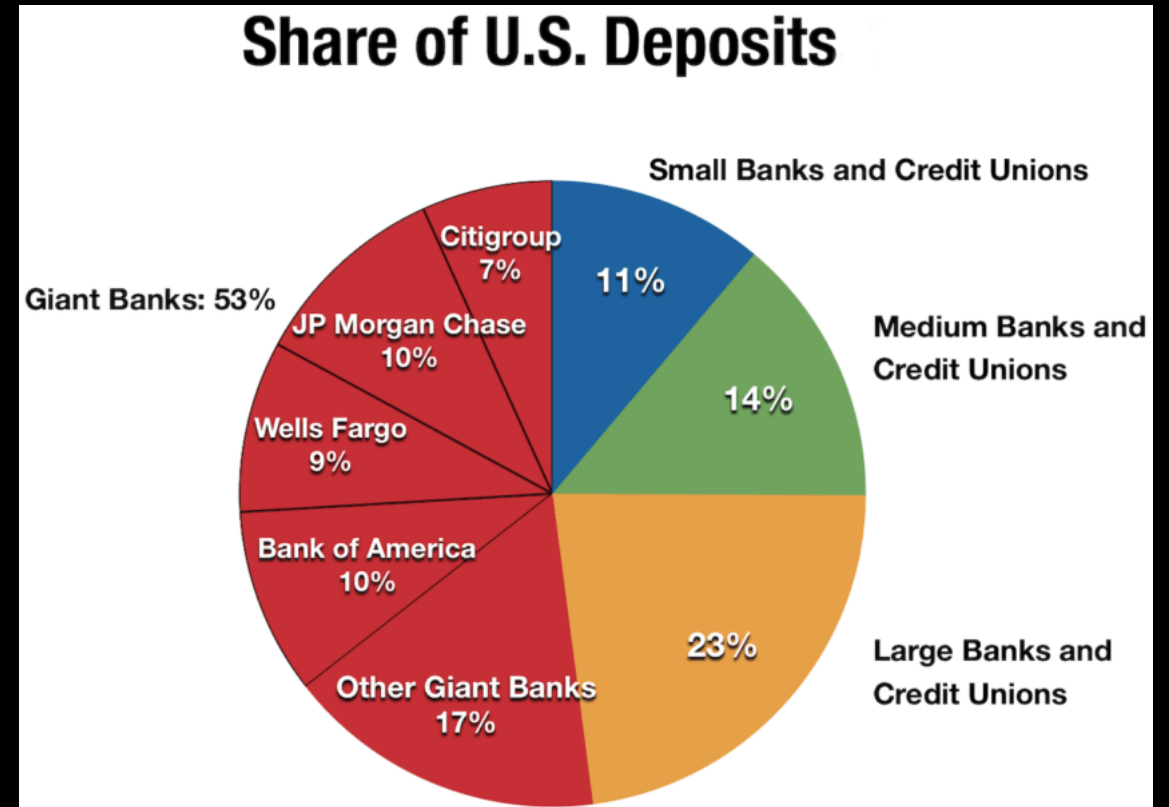

WHO WILL CLOSE AN ACCOUNT?

WHO WILL NEED A NEW FINANCIAL PRODUCT?

FOR FI CONSUMERS / BUSINESSES / FINTECH PARTNERS

OPPORTUNITY

- **10,000 COMMUNITY BANKS / CREDIT UNIONS** IN US/CANADA.

- MARKET ABOUT **40% OF $18B** IN US DEPOSITS ... BUT **99% OF ALL FINANCIAL INSTITUTIONS**.

- **BANKING-AS-A-SERVICE** NEW, GROWING QUICKLY, NEEDS ANALYTICS.

- US ALTERNATIVE LENDERS EXPECTED TO DO **$8.7B** IN TRANSACTIONS IN 2023, WITH **2.4% ANNUAL GROWTH**.

Share of U.S. Deposits

- Small Banks and Credit Unions — 11%
- Medium Banks and Credit Unions — 14%
- Large Banks and Credit Unions — 23%
- Giant Banks: 53%
  - Citigroup 7%
  - JP Morgan Chase 10%
  - Wells Fargo 9%
  - Bank of America 10%
  - Other Giant Banks 17%

REVENUE MODEL

Subscription with pricing based on a financial institution's asset size.

ANNUAL SUBSCRIPTION BILLED SEMI-ANNUALLY

AVERAGE ARR: $60,000 / PRODUCT

GO-TO-MARKET STRATEGY

We target early-adopter / new CXO financial institutions.

TOP OF FUNNEL
- Outreach at events

MIDDLE OF FUNNEL
- Warm intros via partners / connectors

BOTTOM OF FUNNEL
- Exclusive access to product updates

WHO WOULD NEED US THE MOST?

FINANCIAL INSTITUTIONS WITH % LOANS / DEPOSITS FAR FROM 100% (WHO NEED TO INCREASE DEPOSITS OR LOANS)

CU	City	Assets	% Loans / Deposits
USALLIANCE Financial	Rye, NY	$2,644M	137.0%
Linn Area CU	Cedar Rapids, IA	$630M	119.5%
Connex CU	North Haven, CT	$932M	111.7%
Salal CU	Seattle, WA	$1,262M	108.6%
Chevron FCU	Concord, CA	$4,909M	99.4%
Grow Financial	Tampa, FL	$3,473M	77.7%
Texans CU	Richardson, TX	$2,133M	66.7%

LEADERSHIP

NATE DERBY

Founder and CEO

20+ years in Retail Analytics

HOWARD KEENER

Director of Marketing / Operations

20+ years in MarCom / Operations

CHARLES BROPHY

Director of Research Engineering

20+ years in AI / Data Engineering

FRANK GUEVARA

Director of Finance

15+ years in Finance / Sales / Customer Care

LEADERSHIP RETAIL DATA SCIENCE EXPERIENCE

FINANCIAL PROJECTIONS

	2023	2024	2025
# Customers	8	18	60
Revenue	$445K	$895K	$2,520K
Expenditure	$487K	$867K	$1,580K
Profit / Loss	-$42K	$28K	$940K

COMPETITION

Reportive - Financial Industry Focused - Affordable

Predictive - Financial Industry Focus - Affordable

ADVANT EDGE DIGITAL

CALLAHAN

STAKANA

TRELLANCE

STRUM PLATFORM

MX

JACK HENRY

DATATEAM

6SENSE

SAS

MARKETO

EXL SERVICE

IBM

Reportive - Not Focused - Expensive

Predictive - Not Focused - Expensive
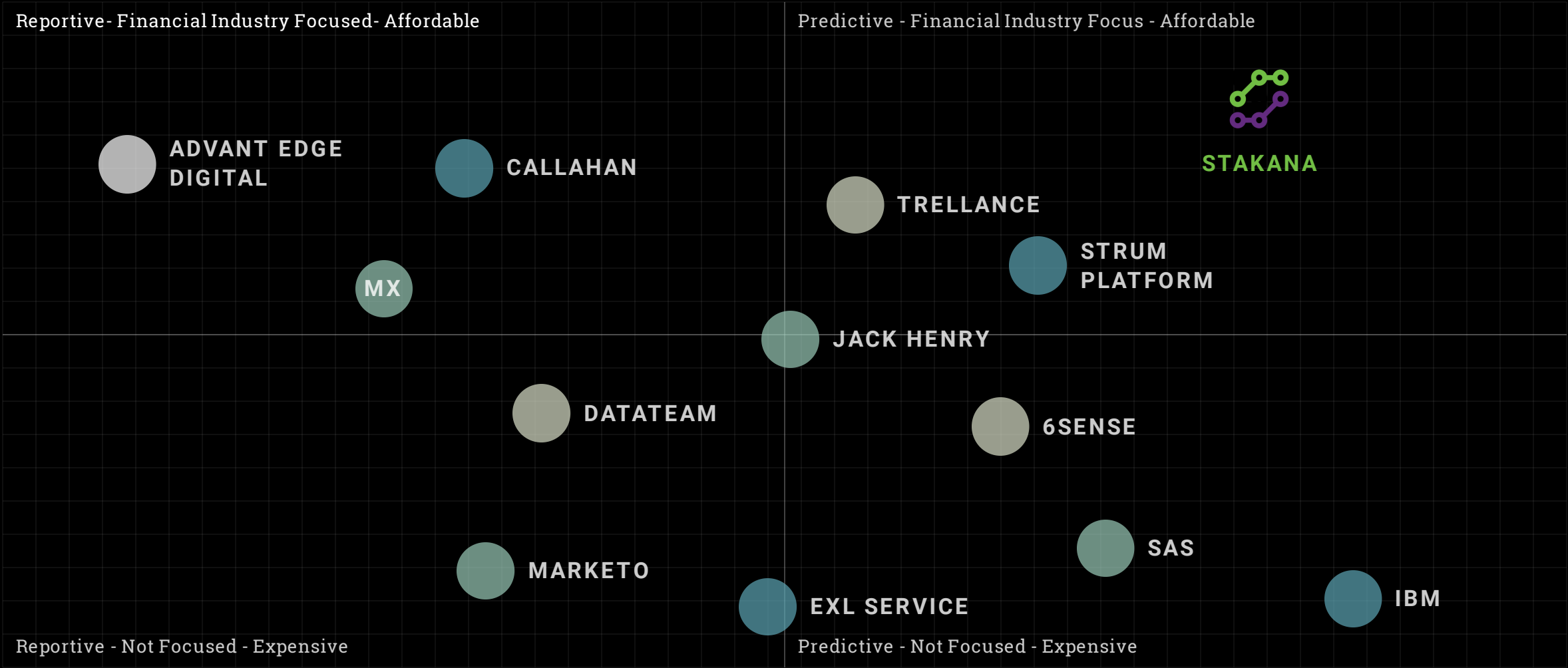
RESULTS OF FIRST PRODUCT

Forecasting customer attrition, operationalized for 2.5 years at CEFCU of Peoria ($7B in assets), assessed monthly.

3-MONTH ATTRITION DECREASED BY 72% (MEDIAN)

THAT'S 700+ CUSTOMERS RETAINED EVERY YEAR

WORTH $250K++ / YEAR

RECENT TRACTION

- **7/13: MEASURED ACCURACY FOR FIRST PRODUCT -> DOUBLED OUR PRICES**

- **7/25: STARTED THE TAMPA BAY WAVE ACCELERATOR**

- **11/8: GOT 19 LEADS FROM VENTURETECH CONFERENCE**

- **12/2: FIRST OF MEETINGS WITH 4 HOTTEST LEADS**

- **1/18: PARTNERSHIP WITH BAAS STARTUP ALLISON FOR BANKING-AS-A-SERVICE ANALYTICS**

- **1/30: SIGNED ON FIRST CLIENT FOR CREDIT UNION INDIRECT MEMBER PILOT PRODUCT**

REVTECH LAB ASKS

STAKANA

- **HELP ENGAGING EARLY STAGE FINTECH INVESTORS**
  - We're raising $750K, already have a lawyer / contracts / setup.
  - We need help connecting with the right investors.

- **HELP ENGAGING EARLY ADAPTER BANKING-AS-A-SERVICE COMMUNITY BANKS**
  - Coastal Community Bank of Everett, WA will likely be the first.
  - We'll need help packaging this, reaching out to other banks.
  - We'll also have help from Tampa Bay Wave accelerator, FinTech startup Allison.

- **(WE DON'T NEED MUCH HELP ENGAGING EARLY ADAPTER CREDIT UNIONS)**