

Quovo + Sezzle

Empowering Young Consumers with Enhanced Account Connectivity



Profile

In 2016, Charlie Youakim, Paul Paradis, and Killian Brackey were working on a startup to lower the cost of interchange for merchants, but they soon noticed that establishing a credit history had become difficult for young consumers. In 2017, the founders pivoted to create Sezzle, a “buy-now, pay-later” service that does not require shoppers to enter into traditional loans or pay any upfront fees or interest. With an installment repayment plan, younger consumers can attain the lifestyle they desire without the burden of high fees.

Sezzle integrates with ecommerce platforms including Shopify, WooCommerce, Magento, and Commerce Cloud to offer an

embeddable widget that merchants can add to their online shops and product pages. Shoppers can view a four-installment payment breakdown of individual items and their total cart.

Challenge

To drive merchant and user adoption, Sezzle needed an account connectivity provider that offered:

- Reliable connectivity to debit accounts across major and longtail financial institutions; and
- A means of analyzing account statements to make a credit risk decision

Solution

Sezzle chose Quovo as its account connectivity partner for its competitive price point and reliable connectivity to consumer financial accounts. Quovo charges a flat fee per user per month, regardless of how many balance checks are performed or accounts are linked to the Sezzle platform. The result is a fixed, monthly cost for financial account connectivity.

Sezzle customers often create their accounts during a checkout process, so it's critical that linking accounts is simple and seamless. To pay with Sezzle, customers can link a debit card,

Total (2 items) **\$200**

Select a Payment Method

Credit Card 
Pay \$200 upfront

 **sezzle**
\$50.00 every 2 weeks. 0% interest.

[COMPLETE ORDER](#)

[← Back to Shipping Info](#)

credit card, or bank account to the platform. Quovo's Instant Auth product quickly verifies account and routing numbers and owner details for the user's bank account at thousands of banks and credit unions, and its Autoverified Microdeposits enable a seamless account authentication at remaining institutions. As a result, Sezzle users can connect bank accounts at all financial institutions across the US, reducing the chance of user abandonment.

Once customers have made a purchase with Sezzle, the installment payments are automatically scheduled biweekly over the next six weeks. Quovo's Aggregation enables Sezzle to perform an unlimited number of balance checks ahead of debiting the account to reduce the likelihood of incurring NSF fees.

"From a product and development perspective, it's clear that Quovo was first built for developers. From the beginning of our initial testing, the API had easy to follow documentation, test institutions for User Acceptance Testing, and more reliable connectivity to accounts at the top 50 banking institutions," said Charlie Youakim, CEO of Sezzle. "Quovo's confidence scores for transaction data and information reliability were also important factors for us as we need to properly demonstrate account ownership for our fraud detection processes. Lastly, the Quovo support team proactively responds to tickets and solves problems where other providers left us at a dead end."

Results

Quovo helps Sezzle effectively analyze the risk of young consumers with limited credit history and offer simple, interest-free POS financing. Merchants who offer Sezzle see increased conversion rates of 10% or greater and an increase in basket size by 41% with first-time Sezzle users. In addition, Sezzle users shop 42% more frequently than with other payment methods.