

how Bits of Stock is pioneering a new era of embedded wealth-building



Bits of Stock

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Founded

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Featured Integrations

Banno™, Banno Digital Platform™,
Banno Digital Toolkit™



Cobalt Award Winner: The Integrator

The Cobalt Awards program focuses on celebrating outstanding achievements in financial institution and fintech performance, dedication to people and communities, and a passion for innovation and reducing the barriers to financial health. Learn more about submission categories (The Changemaker, The Barrier Breaker, and The Integrator) and annual prizes at jackhenry.com/cobalt-awards.



Bits of Stock, a fintech innovator in fractional investing and stock rewards, is redefining how consumers build wealth – one transaction at a time.

“Through our integration with Jack Henry™, we’re able to turn everyday debit card transactions into wealth-building opportunities through fractional stock rewards and round-ups – helping financial institutions attract younger, digitally native accountholders, deepen daily engagement, drive deposit growth, and unlock new, recurring revenue streams,” says Arash Asady, CEO of Bits of Stock.

In a financial landscape where younger generations are disengaging from traditional banking, Bits of Stock is rewriting the rules of engagement – pioneering a new era of embedded wealth-building where every transaction is a step toward financial empowerment.

“This integration isn’t just about adding features,” states Asady.

“It’s about fundamentally reshaping how banks and credit unions connect with the next generation of accountholders – transforming their value proposition and competitive position.”

turning deposit hotels into wealth-building homes

Community banks and credit unions are facing a dual threat: younger generations are disengaging from traditional banking while deposits are flowing to competitors offering more engaging digital experiences.

“Bits of Stock is bridging the critical gap between financial institutions and younger demographics by addressing what we call the deposit hotel phenomenon – where accountholders simply drop off paychecks via direct deposit before quickly moving funds elsewhere for more engaging experiences,” shares Asady.

This fleeting relationship, Asady warns, leads to what Bits of Stock refers to as the deposit death spiral – a cycle fueled by disengagement that leads to deposit attrition.



“For fintechs seeking to scale, differentiate, and deliver real impact, Jack Henry isn’t just a vendor. They’re a partner that makes it all possible.”

Arash Asady

CEO of Bits of Stock

Once funds leave and vanish into the hands of digital-first competitors, it becomes increasingly difficult to recapture those deposits or regain share of wallet. The longer this cycle continues, the more financial institutions risk becoming invisible to the very consumers they need to grow and thrive.

Bits of Stock’s mission: to make stock ownership accessible to all Americans, reverse the spiral, and turn deposit holders into wealth-building homes where every swipe builds ownership.

the power of Banno

“Our platform simply wouldn’t exist without Jack Henry’s Banno Digital Toolkit,” comments Asady.

“Integrating with the Banno Digital Toolkit and open APIs helped us create a unified experience within the Banno interface, empowering users to view and manage stock rewards and roundups, invest in thousands of fractional stocks and ETFs, and engage with their finances daily – without ever leaving their primary banking app. No separate log ins. No friction. Just intuitive, everyday investing.”

By embedding digital wealth directly within the Banno platform, Bits of Stock unlocked real-time access to transactional data – transforming it into a powerful engine for curating tailored investment opportunities and igniting powerful moments of financial engagement.

“The Banno platform gave us instant access to millions of accountholders across hundreds of financial institutions – reducing our accountholder acquisition costs from the industry average between \$305 and \$325 to a fraction of that,” notes Asady.

The result of this powerful integration? Deeper trust, stronger relationships, and deposits that stay firmly rooted within the banking ecosystem – rather than drifting toward digital-first competitors. “While competitors offer isolated rewards programs, we’ve created a comprehensive investment experience embedded directly into the daily banking relationship,” adds Asady.



“Our integration with Jack Henry transcends simple API connectivity. It’s more than a technical accomplishment – **it’s a strategic transformation and a blueprint for fintech success.**”

Arash Asady

CEO of Bits of Stock

With deposit acquisition remaining the top priority for 64% of banks and 37% of credit unions specifically concerned about acquiring younger accountholders, Bits of Stock is directly addressing these strategic imperatives through a unique integration approach.

“This seamless integration was made possible through the Jack Henry VIP program and close collaboration with Banno’s implementation specialists to meet rigorous security, compliance, and UX standards,” says Asady.

“What might have taken us a decade to build through direct-to-consumer acquisition, we’ve achieved in months with Jack Henry – positioning us to be the de facto investment solution for community financial institutions nationwide.”

embedded wealth, real results

After six months of development and testing with partners like OMB Bank and Strata Credit Union, Bits of Stock launched its embedded wealth solution in early 2024.

The results were immediate – and impressive.

In fact, OMB Bank reported a 22% increase in card engagement and an 11.18% boost in average order value, demonstrating how Bits of Stock drives deeper transactional relationships. Strata Credit Union also experienced a 27.49% increase in monthly spending and a 15.27% rise in card transactions, significantly outperforming their traditional checking account activity.

Further validating the platform’s impact, a study conducted in partnership with NYU Stern Professor, Arun Sundararajan, analyzed data from over 6,457 users, with research showing monthly spending increased by more than 22% after users received their first stock reward, and monthly transactions increasing by 19%.

Even more compelling, fractional stock rewards have shown to be 34 times more effective than cash rewards at increasing spending per dollar – highlighting the powerful psychological effect of owner-ship and long-term financial engagement.



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Arash Asady

CEO of Bits of Stock

“Our results underscore the transformative potential of our embedded solution – not just for consumers, but for financial institutions seeking to deepen engagement, connect with young account holders, grow deposits, and future-proof their offerings,” comments Asady.

By lowering barriers to entry and making investing automatic through everyday spending, Bits of Stock is helping younger generations start their investment journey years earlier than previous generations – fundamentally altering their long-term financial trajectory.

strategic synergy and embedded innovation

Jack Henry’s open ecosystem and commitment to embedded fintech made this integration not only possible – but powerful.

“Jack Henry didn’t just provide APIs – they provided a strategic alliance,” shares Asady.

“One of the most valuable aspects of working with Jack Henry is their speed of innovation and deep commitment to our mutual success. Jack Henry understands that helping us succeed means helping their financial institutions capture back the \$324 million in deposits bleeding to fintechs annually.”

Asady continues, “Their team brought deep technical expertise and provided white-glove support during our integration. With the help of Jack Henry, we successfully refined the experience while ensuring compliance and delivering a product that feels native to the Banno platform – offering a differentiated, high-impact solution that addresses top industry priorities like deposit growth, digital engagement, and generational relevance.”

Successfully eliminating barriers to investing, Bits of Stock’s embedded solution makes wealth-building automatic through everyday spending and the ability to invest with as little as \$0.01. This creates a fundamentally different relationship with account holders and their financial institutions – one where each transaction contributes to long-term financial progress.



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“On the flip side, we’ve dramatically improved the experience for banks and credit unions through digital investing,” says Asady.

“Instead of building complex brokerage infrastructures, our integration with Jack Henry allows banks and credit unions to deploy a robust embedded wealth program in weeks – creating a differentiated offering that attracts younger demographics while generating subscription revenue and non-interest income.”

future focused: what’s next for Bits of Stock?

As Bits of Stock looks to the future, the fintech plans to expand their offerings with a new Free+ model, which leverages a tiered subscription approach – enabling financial institutions to offer basic digital wealth features at no cost while monetizing premium services.

They’re also introducing digital assets into their rewards ecosystem, meeting the growing demand for cryptocurrency exposure in a secure, regulated environment.

This spirit of innovation and impact is exactly why Bits of Stock was named one of two winners of the prestigious Jack Henry Cobalt Integrator Award, which recognizes fintechs that are not only bridging the gap between technology and service delivery but also transforming the financial health of consumers and the competitive strength of financial institutions.

“We’ve fundamentally reimaged how wealth-building and banking experiences converge while addressing today’s most pressing strategic imperatives through a unique integration approach that delivers measurable business outcomes and a bold vision for the future of embedded finance,” comments Asady.

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By embedding wealth-building into everyday banking, Bits of Stock is not just adding features – they’re transforming the financial lives of consumers and the competitive edge of financial institutions.

“For fintechs seeking to scale, differentiate, and deliver real impact, Jack Henry isn’t just a vendor. They’re a partner that makes it all possible,” concludes Asady.

connect with next-generation technology

For more information about Jack Henry, visit jackhenry.com.