

april

# The key to **unlocking** customer LTV



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# Why are taxes the final frontier for financial wellness?

Taxation remains a significant financial burden for the majority of American households, ranking as the third largest expense after housing and transportation.

In fact, three out of every five Americans receive a tax refund each year<sup>1</sup>, indicating a prevalent issue of over-withholding—essentially providing the government an interest free loan. This dynamic is particularly impactful for lower to middle-income families, for whom the tax refund often represents the largest single paycheck of the year.

In 2023, the average refund amounted to \$2,956<sup>2</sup>, showcasing a critical financial lifeline for many.

# The filing process is fundamentally broken

Most Americans don't know how much they owe or will be owed until they receive their tax documents from their employers and submit them into a tax filing process. That not only means that they get crucial information about their tax situation too late to take any actions before year-end, but also that they can't plan for a potential bill or potential paycheck in their overall financial picture.

The Internal Revenue Service (IRS) reported that in 2023, 43% of taxpayers used DIY tax software to prepare their returns<sup>1</sup>. However, despite 70% of filers being eligible for the free file program, only 3% utilized this service.<sup>3</sup> The process of filing taxes is not only costly but also time-consuming, with the average individual spending approximately 13 hours and \$248 to file their returns, as detailed by Kiplinger.<sup>4</sup>

**Beem** 

*Excessive fees for tax filing can impact the financial stability of millions of Americans. This partnership with april aligns with Beem's commitment to simplify financial processes and empower its members to maximize their tax refunds—all seamlessly integrated into the Beem app.*

AKSHAY KRISHNAIAH, CEO

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# Why is this issue more important than ever?

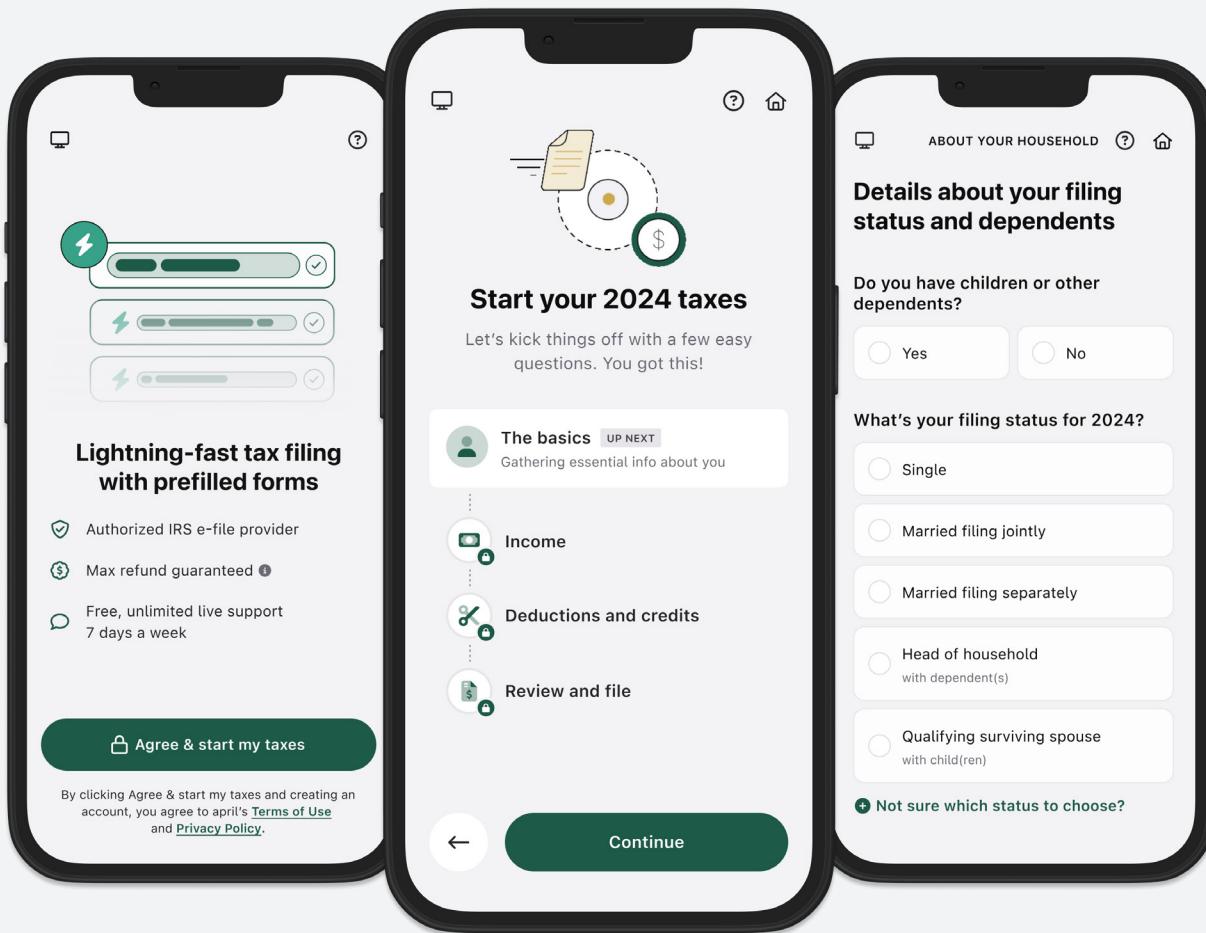
Amid these tax challenges, most American households are grappling with a liquidity crisis. According to a February 2024 report by Bankrate Analyst, Americans now owe more than \$1 trillion in personal debt, exceeding pre-pandemic highs. The data further reveals a troubling trend in credit management, with 49% of credit card holders carrying over balances from month to month, up from 39% in 2021.

This indebtedness spans across income levels, with over **50% of Americans** earning above \$100,000 report living paycheck to paycheck.

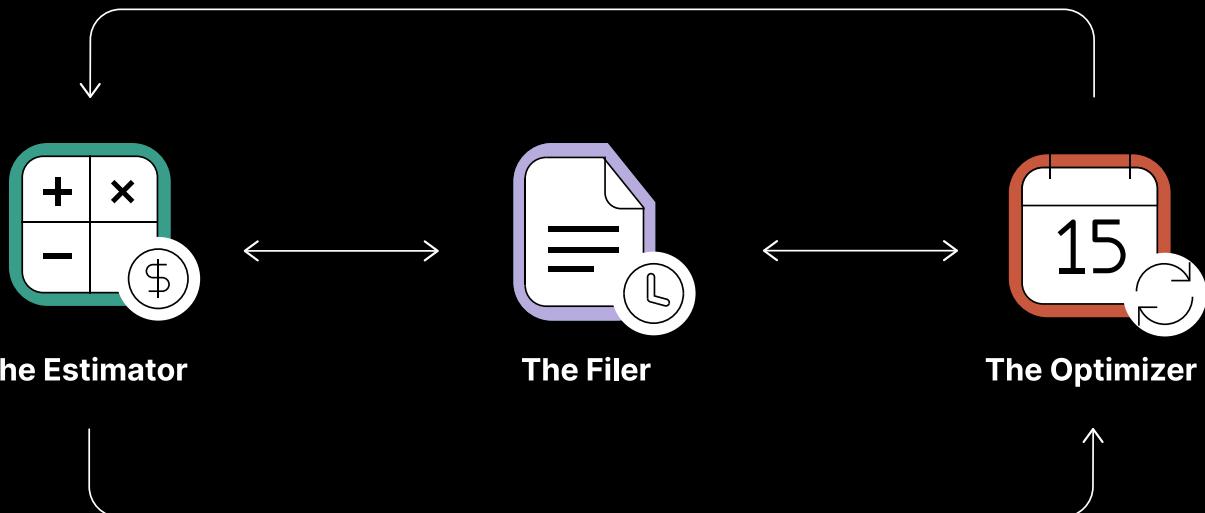


# A suite of embedded products aimed to solve the taxation problem

april is a smarter tax platform aiming to shift the paradigm of taxes – from a once a year retroactive exercise to a year-round planning activity.



We partner with banks, fintechs, and payroll companies to embed sophisticated tax services directly within apps, breaking through the red tape with AI to offer smarter, more accessible solutions. In the 2023 season, a staggering 98% of april users completed their tax filings using only their mobile devices, emphasizing the platform's mobile-first approach.



**The Estimator** offers users a federal tax estimate to prevent surprises, providing valuable insights into the upcoming year.

**The Paycheck Optimizer** gives users control over their tax refunds by allowing them to adjust their withholdings through a simple interface, choosing between more money in each paycheck or a larger refund at filing season. Both products also simplify the filing process.

Our flagship **Filer** product is tailored to ingest data from the partner app and information provided during the Estimator flow, reducing the need for extensive forms and questions for an accurate return.

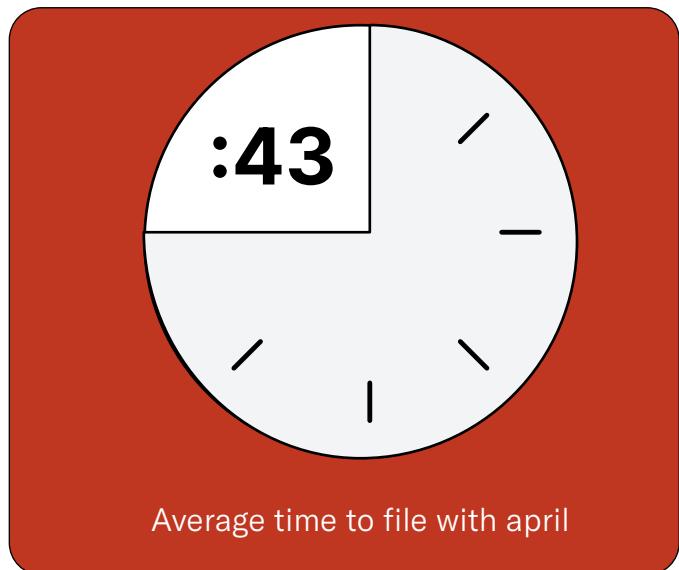
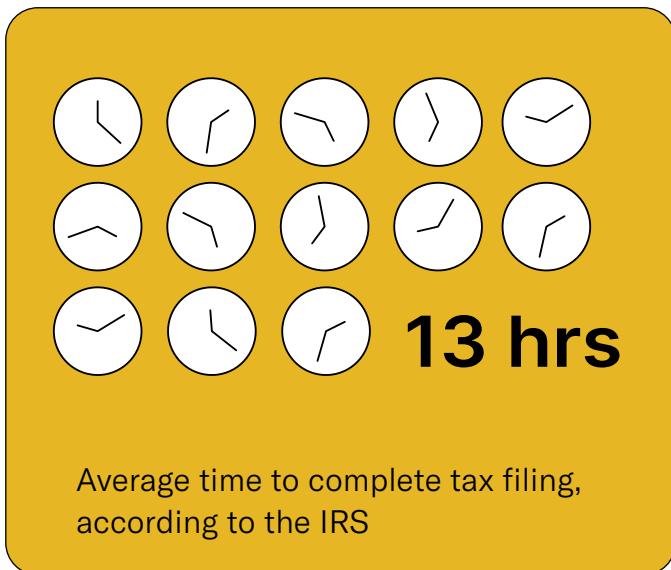
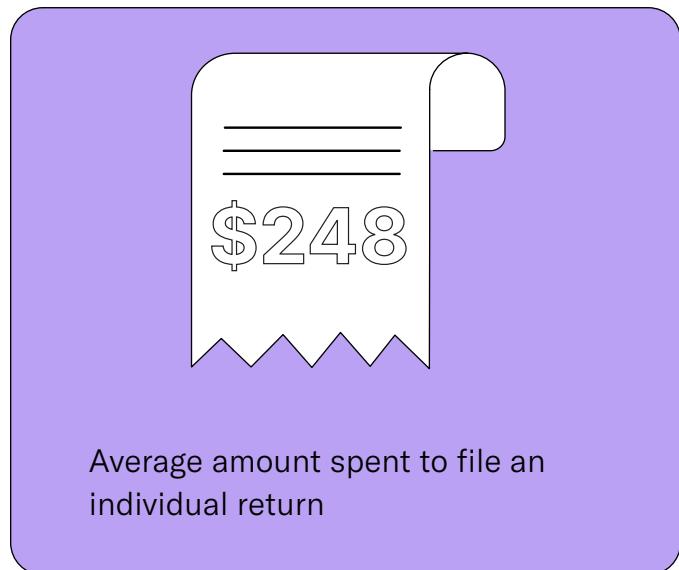
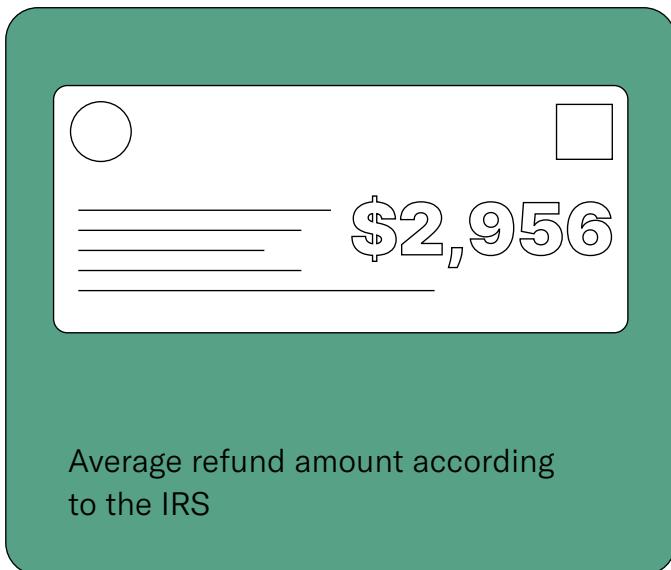
**dayforce**

*We're always looking for more ways to serve workers and providing them a simple way to file their taxes with april was a natural next step. We have a collective goal of helping Americans with their financial wellbeing and this partnership lessens the complexities many Americans face every tax season.*

DEEPA CHATTERJEE, COO

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# Why taxpayers are turning to april over traditional solutions



april has emerged as a preferred alternative to incumbent tax solutions, driven by significant openness among taxpayers to try new approaches — 69% indicated a willingness to experiment with new products in a survey commissioned by april in September 2023.

In the 2023 tax season, April saw real-world data reflected this trend: 27% of April's users were filing their taxes for the first time, and **34% reported switching from TurboTax to April.** "I thought I would try it. Since I bank with you I thought it might be easier and more convenient," Addie, a former H&R Block User said. "I was right."



ZenLedger

*The path to an accurate return should be clear and simple, which is what this solution is providing. We're eliminating the confusion of customers mediating the output from different tools to their e-filers.*

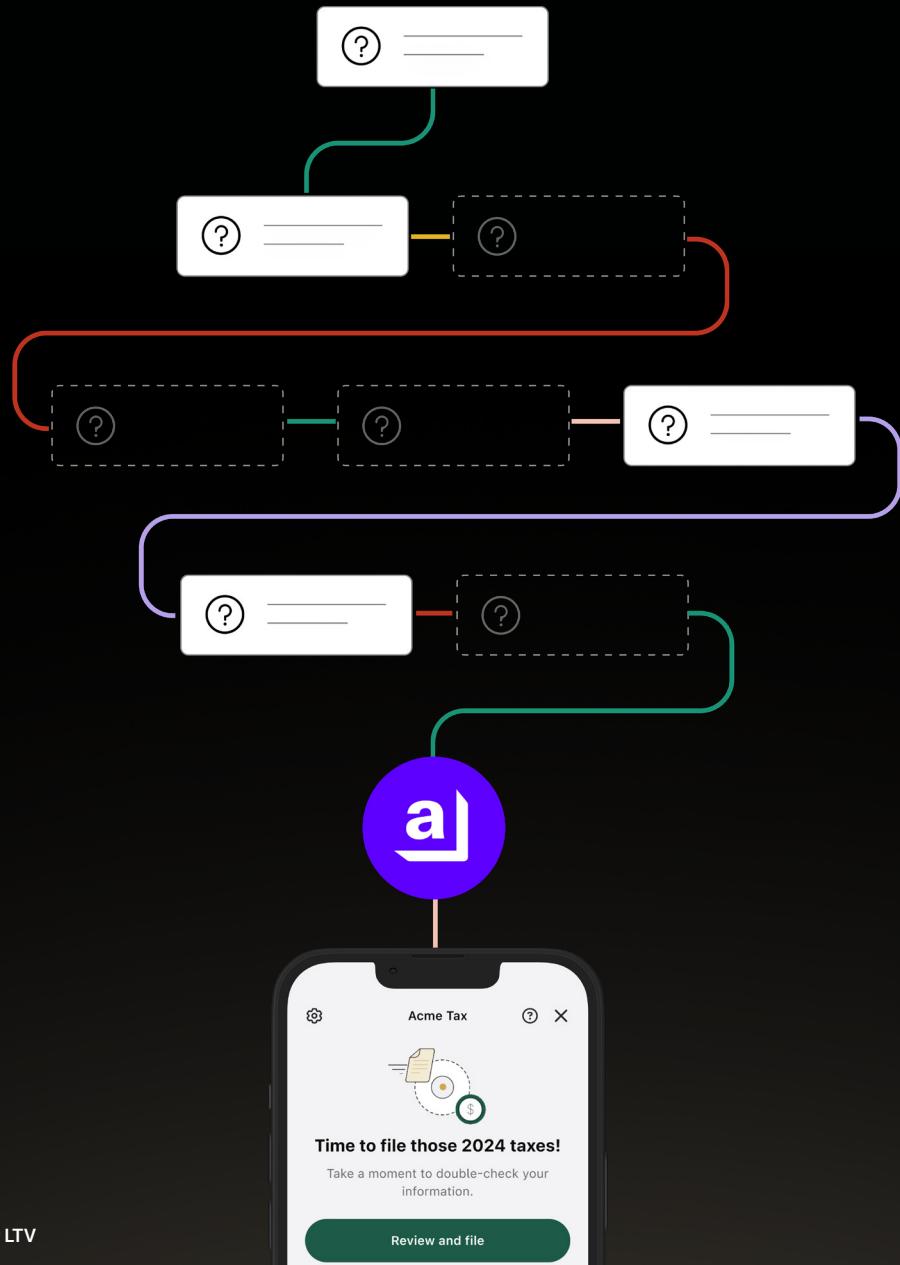
PAT LARSEN, CEO

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# april's smart routing system leverages AI to dramatically reduce the complexity of tax filing

Instead of the industry standard 900 potential questions, the average user answers just 53, with crucial data prefilled by april's partners. This streamlined approach cuts down the average completion time to just **43 minutes**, integrating both state and federal filings into one seamless workflow.



# The business impact on fintechs and financial services companies

In the competitive landscape of financial technology, embedding tax services through strategic partnerships with banks, fintechs, payroll providers, and other entities has proven to be a game-changer.

april's integration into these platforms does more than just add a feature—it fundamentally enhances user engagement, reengages lapsed users, drives new funded accounts, boosts deposits, and ultimately contributes to increased financial wellness and Net Promoter Scores (NPS).



## Boosting engagement

april's collaboration with a prominent neobank illustrates a profound impact on user engagement: an impressive 18% sign-up rate with up to 25% of those new users successfully filing a return on the platform. There is also significant engagement during the tax season characterized by an average of 4.4 additional touchpoints per user who used april's products. The integrated tax services keep users returning to the platform, significantly increasing interaction and engagement with other available financial services.



## Re-engaging lapsed users & funding new accounts

One of the standout achievements of embedding april's tax products has been the ability to reengage users who had previously lapsed. A fintech platform reported that integrating april led to 3% of all lapsed users opening and funding new checking accounts. This reengagement is facilitated by offering conditionally free tax filing, which serves as a powerful incentive for users to revisit and reinvest in financial platforms they had disengaged from.



## Deposit capture year-round

april's integration facilitates an impressive average of 95% tax refund deposit capture. As users manage their tax withholdings through tools like The Paycheck Optimizer, they often see a direct increase in their paycheck sizes, leading to higher deposit volumes before tax time on the platforms. Moreover, users are 30% more likely to complete their tax filings if they engage with an april planning product.



## Enhancing financial wellness

april's collaboration with a prominent neobank illustrates a profound impact on user engagement: an impressive 18% sign-up rate with up to 25% of those new users successfully filing a return on the platform. There is also significant engagement during the tax season characterized by an average of 4.4 additional touchpoints per user who used april's products. The integrated tax services keep users returning to the platform, significantly increasing interaction and engagement with other available financial services.



## Gain customer LTV

Users are more likely to recommend services that they find reliable, user-friendly, and financially beneficial. april's NPS for the 2023 tax season was 58, which reflects greater customer satisfaction and brand loyalty driven by enhanced user experience and a dedication to financial wellness.

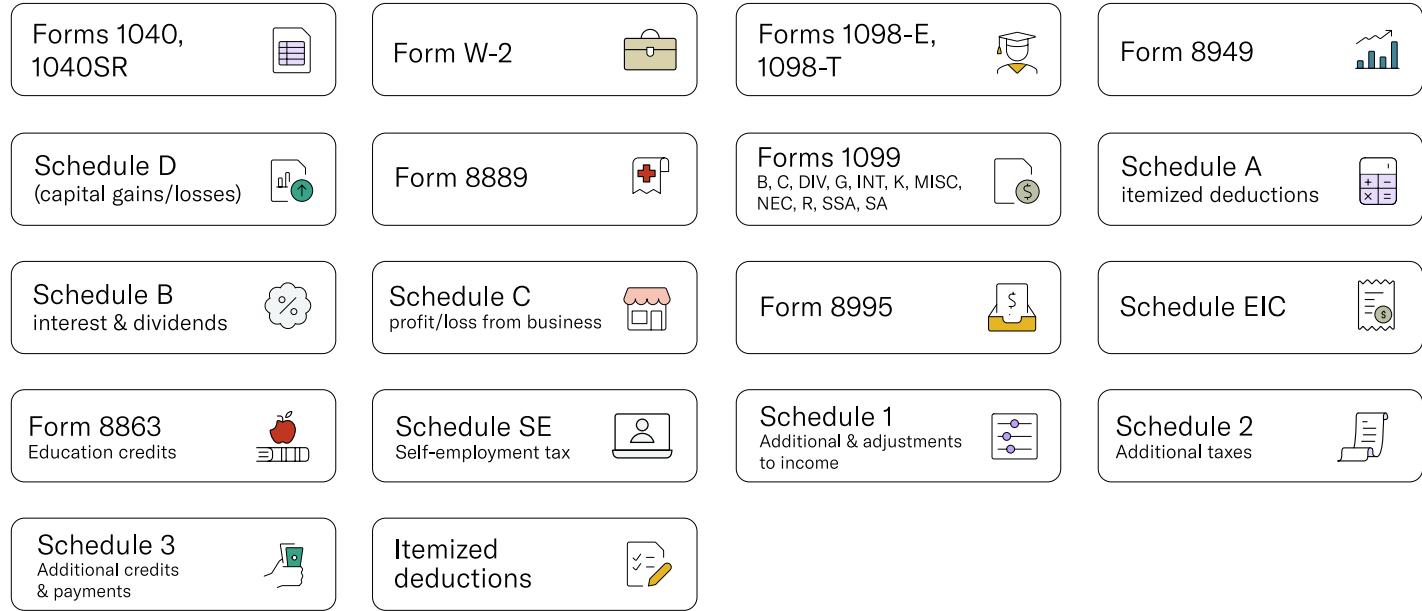


## Build their full financial picture

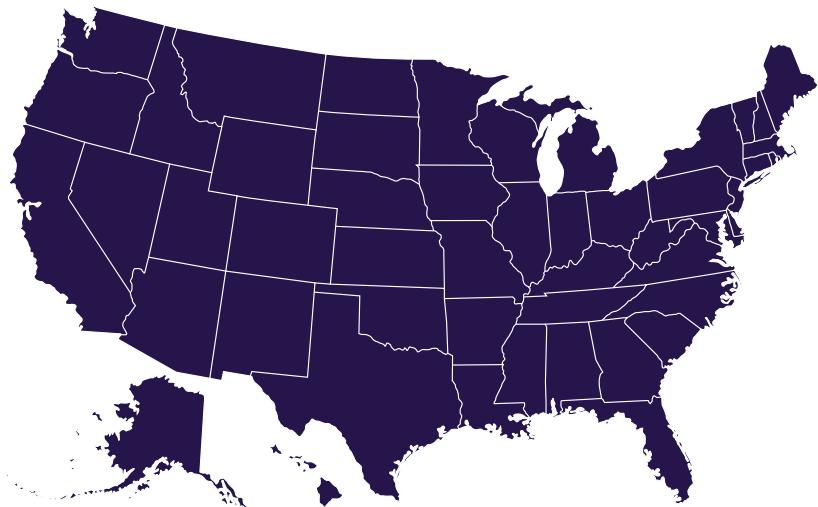
The direct integration of user data for tax services, such as through W-2 forms, simplifies the tax filing process—reducing the time to receive a return by 37% and thereby increasing likelihood to continue filing. When users opt to share their data with the partner, banks and fintechs can design and develop insights and personalized recommendations that help their customers make more informed financial decisions.

# Tax coverage

Federal & national state coverage within a single flow



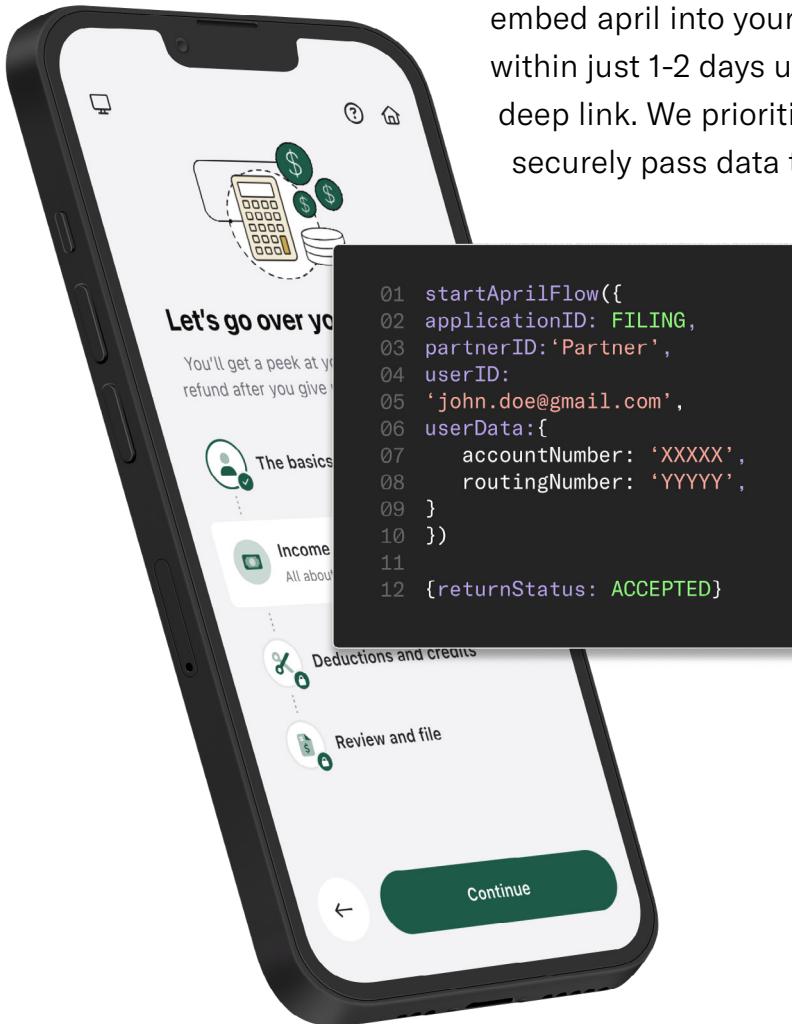
The first national  
e-file provider in  
**15 years**



Robust customer support is included in the product, with live support available via chat 7 days a week during tax season and a robust chatbot experience available 24 hours a day. Our chatbot was so powerful that it successfully resolved **51% of all inquiries** into support.

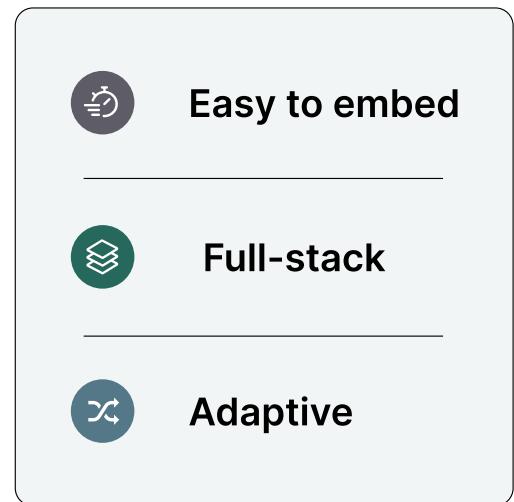
# Embedding april in a matter of weeks, not months, with minimal developer resources needed

Integrating april into your product ecosystem enhances your offerings with robust tax services, **tailored to fit seamlessly** within your existing framework.



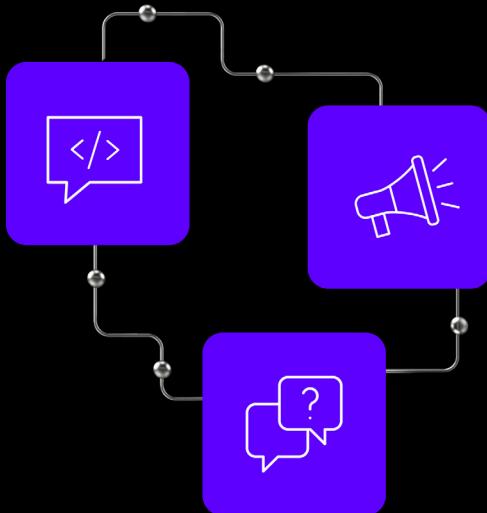
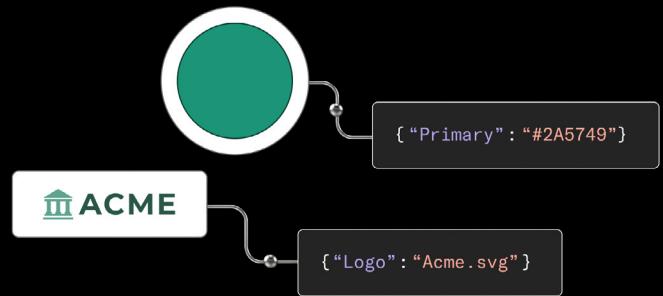
Our integration process is designed for efficiency. You can embed april into your platform—whether mobile or desktop—within just 1-2 days using our native SDK or via a web-hosted deep link. We prioritize security and ease of use, enabling you to securely pass data to the app to pre-fill questions, enhancing

the user experience by simplifying the entry of information. Our system can handle over 50 data points, including income type, marital status, and W-2 information.



# A seamless, streamlined fit

To ensure that April feels like a natural extension of your brand, you can customize the interface with your primary, secondary, and tertiary brand colors, as well as your logo, to maintain a cohesive and white-labeled experience.



We also equip you with a comprehensive marketing playbook that includes templates for emails, push notifications, reminders, and confirmations, helping you to communicate effectively with your users throughout the tax season.

Support doesn't end at launch. We schedule weekly calls with our Customer Success team to address any arising issues promptly, ensuring smooth operation and customer satisfaction. Your team can also build a dedicated tax home in your app, displaying real-time tax progress, and create a streamlined user authentication experience, further personalizing and enhancing user engagement. Through these features, April not only integrates into your ecosystem but also enriches your customer's interaction with your product.

**chime**

*At Chime, we believe that everyone should have access to the very best financial services. Offering a free and convenient way for our members to file their taxes is just one of the many ways to have our members' backs. So far, the reception has been really positive. We're proud to help our members get their taxes done faster and get their refunds sooner.*

MADHU MUTHUKUMAR, CHIEF PRODUCT OFFICER

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## The conclusion: solve a real customer problem with tax

For fintechs and financial services firms planning their strategic roadmap for the coming year, embedding comprehensive tax solutions like april can be transformative. This strategic integration delivers significant returns with minimal effort. Adding april addresses a key customer pain point by streamlining the cumbersome tax process, enhancing user satisfaction, and driving measurable impacts such as increased engagement, higher deposit volumes, and improved retention. Making april's tax services a key feature of your offerings not only resolves a real customer problem but also significantly boosts your platform's value and appeal. A real win-win.

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# Works cited

- <sup>1</sup> <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-dec-29-2023>
- <sup>2</sup> <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-may-3-2024>
- <sup>3</sup> <https://www.nerdwallet.com/article/taxes/data-taxpayers-freefile>
- <sup>4</sup> <https://www.kiplinger.com/taxes/tax-filing/price-of-filing-taxes-with-professional-rising>
- <sup>5</sup> <https://www.cbsnews.com/news/credit-card-debt-record-high/>

Want to discuss embedding tax? Reach out [here](#).

For questions and media inquiries, [press@getapril.com](mailto:press@getapril.com).

**Thank you!**