



The deposit efficiency playbook

How digital account opening drives
growth by meeting the moment



Why deposit efficiency matters more than ever

Financial institutions have been fighting an exhausting war for years: declining deposit volumes, aggressive competition from digital-first players, and customers who can disappear with a single tap.

So much of the war on deposits has been reactive. Digital banks reshaped the market by offering sleek, mobile-first experiences that traditional banks and credit unions have been scrambling to match. Loyalty has never been a given in banking, and deposits are more fluid than ever, moving instantly to the financial institution that best meets the moment.

For regional and community banks and credit unions, the pressure to get deposits right is immense. And by “right,” we don’t just mean acquiring more deposits, but doing so in the most efficient way possible. Your survival depends on deposit efficiency, which is why we created this playbook. It will help you meet this moment by capturing, protecting and growing deposits efficiently in an unforgiving market.

What really matters for deposit efficiency

How well does your financial institution use the deposits it receives? A supremely efficient financial institution uses almost every dollar from deposits to generate profits – usually by loaning funds that earn interest. But if too much of that money sits idle instead of helping the bank grow or increase its profits, there's a serious inefficiency problem.

Deposit efficiency depends on a few pivotal levers:

- Optimizing acquisition cost
- Accelerating time-to-funding
- Mitigating fraud at origination
- Prioritizing lifetime value

Can't we just offer the best rate?

Rate-chasing has always played a factor in winning deposits, so offering the best rate might seem like the most logical solution. However, customers have instant access to the best offers via apps and marketplaces, meaning loyalty built solely on APY is fragile and cannot be relied upon as your main strategy.

Increasing APY also makes it harder to win on APY alone. The average cost of interest-bearing deposits in 2025 is projected to remain elevated at approximately 2.03% – significantly higher than the previous five-year average of 0.9%. Competing on rates alone will drive your acquisition costs up and your efficiency down.

Instead, what matters most is meeting customers' expectations for mobile-first banking and a frictionless deposit account opening (DAO) process – while also protecting against fraud.



2.03%

the average cost
of interest-bearing
deposits in 2025

Each account owner is subject to rigorous evaluation based on their risk profile, including consumer credit knockouts, FCRA checks, fraud risk screening and identity verification, ensuring there are no weak links in the onboarding process.

Understanding the pitfalls of inefficient deposits is only the first step. The next is taking the right actions to overcome them.

The ripple effect of outdated DAO

Customers compare their banking experience to all their other digital interactions. From ride-sharing apps to online checkout flows, they expect speed, security and simplicity from every brand they engage with. An outdated DAO process comes with serious consequences:

Would-be customer abandonment

Poor digital UX, lengthy account opening times, and outdated processes (like the need to visit a branch in person or upload a sea of documents) send would-be deposit customers to competitors that offer a better experience. Based on the trends we're seeing here at FIS® Origination Suite,, customers will abandon the DAO process if it takes longer than 2.5 minutes.

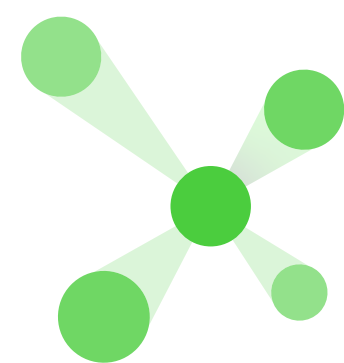
Deposit leakage

As the industry adapts, it becomes nearly effortless to move direct deposits. What used to be "an account for life" is now "an account until a better offer appears." 76% of U.S. consumers are likely to switch banks if another one better fits their needs, and 91% cite digital banking as an important factor in choosing where to bank.

Higher fraud risks

Deposit accounts are particularly vulnerable to fraud since they require less underwriting than lending products. Fraudsters often use individual deposit accounts as entry points for larger fraud schemes, so legacy systems that limit fraud verification to KYC and KYB aren't enough to combat this risk. Modern platforms, on the other hand, take a lending-grade approach to fraud prevention on the deposit side that only takes seconds to complete and screens not only primary applicants, but all beneficial owners as well.

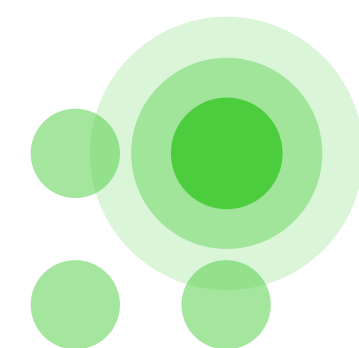
Your deposit efficiency action plan



1. Deliver instant, digital-first (mobile-first) deposit experiences

Being digital-first is only the beginning. The real opportunity lies in being mobile-first and reimagining your DAO experience from the ground up. Too often, institutions take legacy branch processes and simply replicate them digitally.

With most consumers using mobile apps as their primary banking channel, the DAO experience must be intentionally designed for mobile, not just compatible with it. Features that prevent friction during onboarding – like pre-filled data and instant fraud verification – aren't nice-to-haves. They're the baseline for meeting customer expectations and preventing abandonment before a single dollar is deposited.



2. Expand beyond the branch: Play offense in new channels

As consumers increasingly turn to fintech apps, marketplaces and platforms to manage their money, banks and credit unions need to meet them where they are and become part of their everyday financial interactions.

With Origination Suite, for example, we've helped institutions grow their customer base by partnering with leading personal finance platforms, tapping into high-intent consumer traffic that is completely untethered from their branch network.

Some institutions are successfully competing with digital players by launching their own digital-only brands. This gives banks and credit unions the opportunity to capture digitally native customers without eroding their brand equity.

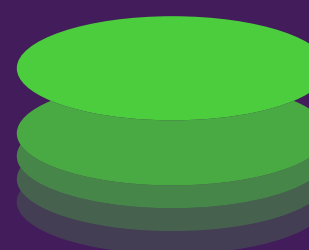
In a recent case, a legacy institution launched a standalone digital brand to solve for speed-to-market and scalability. By combining the agility of a modern fintech with the ingrained trust of a traditional bank, they successfully tapped into new channels – proving that established players can overcome geographic limitations to drive growth without physical infrastructure.



3. Defend deposits with smarter risk management

Delivering fast onboarding processes shouldn't preclude implementing security and fraud measures. When banks rely on traditional deposit solutions that focus heavily on KYC box-checking, like identity verification via documents or databases, but neglect real fraud risk, they open themselves up to serious vulnerabilities.

Implementing lending-grade fraud verification during account opening is essential and should be the standard for deposits. Critical fraud prevention processes such as intelligent risk segmentation – which places applicants into segments in real time for faster, smarter risk assessment – must take place before opening the account, not after.



4. Build lifetime value, not just immediate growth

Loyalty that survives rate fluctuations is built through personalized, seamless experiences, and one of the most important catalysts that drives long-term value is thoughtful cross-selling.

Rather than relying on broad demographics, banks and credit unions should be leveraging their data to anticipate when a customer is likely to need a new product, like personal loans or credit cards, and be ready with the right offer at the right moment. When institutions extend proactive, well-timed offers, they create meaningful value for the customer and deepen the relationship beyond a single deposit.

The most modern DAO platforms offer cross-sell opportunities during the opening process, resulting in a frictionless experience in which the customer only has to input their information once.

Institutions should also not get bogged down in the APY battle. While rates cannot be ignored, offering a customer experience that stands out from competitors' with its personalization, speed and ease is the most important factor for long-term success in deposit efficiency.

Deposit efficiency

How to future-proof your deposit process

Many financial institutions simply digitize their existing processes, but that's not sufficient to meet ever-rising customer expectations, fraud tactics and digital standards. Your deposit engine must evolve as they do.

That's why forward-thinking institutions are moving away from static, in-house solutions and investing in modern DAO platforms that are built to adapt. Buying a DAO solution from a trusted vendor ensures your technology keeps pace with what's next. A vendor will take care of integrating and managing third-party data sources, proprietary policies, fraud detection tools and feature updates, so your institution stays future-ready without carrying the full development burden.

Deposit efficiency

Meet the moment to increase deposit efficiency

Banking customers are moving faster than ever. If your institution isn't offering speed, security and ease, another one will.

But with that urgency comes a massive opportunity. Financial institutions that invest in frictionless, secure, digital-first deposit funnels won't just survive – they'll win. They'll grow low-cost deposits, strengthen customer relationships, and gain a crucial edge in NIM, retention and long-term profitability.

Accomplishing this requires a shift in mindset. In this environment, playing defense is not enough. Banks and credit unions need to meet the moment and create a deposit infrastructure that's as modern as the customers you're trying to serve.

In a transparent, mobile-driven world, deposit efficiency is no longer a back-office concern – it's the foundation of profitable banking. Now is the moment to build it right.





Deposit efficiency

Unlock massive deposit efficiency gains with FIS Origination Suite

As the war on deposits continues, Origination Suite's DAO is designed to meet the moment quickly and effectively by offering:

Unified deposit and lending origination: Origination Suite is one of the only platforms that combines frictionless DAO with a quick, simple lending experience for both consumers and SMBs.

Built-in, lending-grade fraud screening: Protect against fraudsters who exploit DAO with real-time ID verification, compliance checks and intelligent risk segmentation. Origination Suite's AI also continuously adapts its fraud models, helping you stop fraud before it starts.

Smarter, faster experiences: Make onboarding experiences fast and frictionless with pre-filled data, automated approvals and instant account opening.

Scalable growth: Origination Suite deploys in weeks and scales in months – accelerating time-to-market by up to 70%.

Cost savings: Lower operational expenses by eliminating third-party vendor sprawl and automating redundant processes like document verification and risk assessment.

Origination Suite helps leading financial institutions meet the moment by strengthening their deposit efficiency and generating profitability gains. Book a demo to see how we can do the same for you.

[Book a demo](#)

Our **technology** powers the global economy across the money lifecycle.



Money at rest

Unlock seamless integration and human-centric digital experiences while ensuring efficiency, stability, and compliance as your business grows.



Money in motion

Unlock liquidity and flow of funds by synchronizing transactions, payment systems, and financial networks without compromising speed or security.



Money at work

Unlock a cohesive financial ecosystem and insights for strategic decisions to expand operations while optimizing performance.

About FIS

FIS is a financial technology company providing solutions to financial institutions, businesses and developers. We unlock financial technology that underpins the world's financial system. Our people are dedicated to advancing the way the world pays, banks and invests, by helping our clients confidently run, grow and protect their businesses. Our expertise comes from decades of experience helping financial institutions and businesses adapt to meet the needs of their customers by harnessing the power that comes when reliability meets innovation in financial technology. Headquartered in Jacksonville, Florida, FIS is a member of the Fortune 500® and the Standard & Poor's 500® Index. To learn more, visit FISglobal.com. Follow FIS on LinkedIn, Facebook and X (@FISglobal).



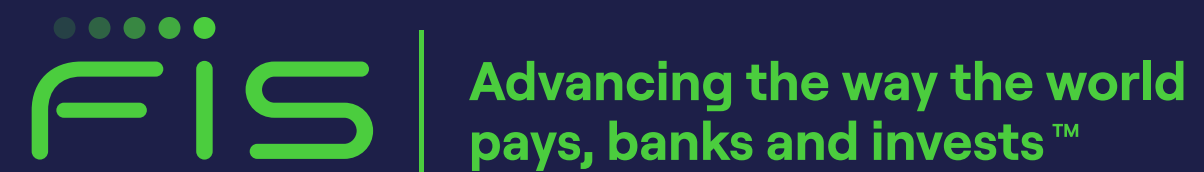
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¹ The Financial Brand, Competitive Digital Services Now Trump Interest Rates, Fees When Consumers Choose a Bank
² Forbes, Why Fintechs Are Beating The Banks In New Checking Accounts
³ Office of the Comptroller of the Currency, Bank Deposit Growth to Remain Sluggish Through 2025
⁴ FIS Amount, Better Together: How to Win the War on Deposits Through Digital Lending
⁵ J.D. Power, Retail Bank Customer Satisfaction Holds Steady but Trust Declines
⁶ PYMNTS, 45% of US Consumers Want Banking Bundles