



# Streamlining fiat-to-crypto onramps with Banxa

A conversation about how Banxa, a leading global crypto onramp, built a seamless and intuitive crypto onboarding flow and reduced friction from KYC processes.

## Streamline crypto onboarding

Onramps are an essential onboarding tool for the crypto industry, allowing users to quickly convert fiat into crypto. Banxa seeks to maximize conversions and enhance the user experience by offering a seamless and intuitive onramp and KYC experience.

Crypto users often run into duplicate KYC processes and clunky user experiences. Banxa has mitigated this using Plaid Identity Verification's optimization features, such as the returning user experience and Autofill. They've built an automated process that enables 90% of users to avoid manual document verification and complete onboarding in as little as 15 seconds.

In this interview, we speak with Tom Chalmers, Chief Product Officer at Banxa, about how they streamlined crypto onramps, handled issues with manual KYC processes, and created an onramp that's trusted by the crypto ecosystem.

*This interview has been edited for clarity and length.*

**Plaid:** Tell us about the Banxa mission.

**Tom:** Banxa exists to help crypto businesses acquire and retain users with seamless experiences. As crypto matures, our role will evolve into delivering innovation that forms the backbone of tomorrow's most successful Web3 projects.

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10-  
30%

Uplift in the number of users  
successfully completing KYC

**Plaid:** What are the main challenges around onboarding in crypto? How is Banxa navigating them?

**Tom:** Acquiring crypto users is difficult for wallets, given the competitive and saturated landscape. Everywhere, users upload KYC documents and complete other tasks before being able to actually use their crypto. This makes interacting with Web3 a high-friction experience. Plaid helps Banxa make crypto onboarding easier.

We are the only ramp offering a document-free flow to Web3 apps in the US. This is good for our partners, such as wallets, for three reasons: 1) easier onboarding reduces drop-off and causes more users to stay on their platform, 2) it brings in more good users (given they're properly verified) while still having higher success rates, and 3) more good users getting into crypto builds our ecosystem.

**Plaid:** How does Banxa think about balancing simple user onboarding with strong fraud mitigation?

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50%

Fewer drop-offs were seen  
across some segments.

**Tom:** Bad actors are a mainstay of crypto at this stage of our industry's maturity. On-ramping presents a myriad of opportunities for scams and fraud. Onboarding the user, while largely AML compliance-driven, is also a critical aspect of balancing risk economics. For every bad actor onboarded, you must onboard 100 good users to balance them out.

Many think that document and selfie verification is stronger than document-free verification, but that's not always true. Plaid is easier for users but harder for fraudsters. We've found reductions in fraudulent users alongside strong conversion increases.

Our partners trust their ramps to manage fraud and onboarding. A fraudulent user let through the door is a fraudulent user on their platform. Poor fraud management erodes trust from legitimate customers and ultimately angers regulators. You should definitely pick ramps that keep bad actors off your platform.

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30%

Fraud alerts were reduced by  
as much as 30%

**Plaid:** Why did you decide to prioritize finding an identity verification solution?

**Tom:** When you break down the onboarding funnel, identity verification (IDV) is both an important and ever-growing part of getting from fiat to crypto. Most of our partners need to make critical improvements to their IDV process. Why not make it a good experience rather than a necessary hurdle?

At the start of the year, we had a clear internal objective to improve onboarding conversion. One opportunity we identified was getting users to complete onboarding without leaving their devices. In the US market, Plaid stood out as a big step change in how crypto users can be onboarded.

**Plaid:** In your eyes, what made Plaid stand out among competitors?

**Tom:** Once a network reaches a certain point, there are exponential returns. What stood out to us was Plaid's consumer adoption in the US market and Plaid's approach to capitalizing on this network, chiefly through the returning user experience. After we tested and became confident about getting the desired results, the decision was easy.

**Plaid:** As you were working to integrate Plaid, how did that process go?

**Tom:** The team was responsive and clear. The support we received was beyond what was needed, as the docs were easy for our developers to follow. We got up and running without any delays.

We mapped our journey with the Plaid team and identified unique scenarios and use cases that the team helped us easily push through. Plaid gives us a great synchronous flow for the one in ten users who can't autofill or have a data issue; they have an automatic fallback to document verification. We can easily set the retry logic, which means we have almost no users asking our ops team to remediate issues. This is great for our partners because there are fewer tickets for their CX teams.

**Plaid:** Plaid Identity Verification's returning user experience and Autofill features seemed important to Banxa. How did you compare those against other solutions in the market?

**Tom:** One of the key benefits of Plaid Identity Verification is the Autofill component. 9 out of 10 users coming through are eligible for Autofill, meaning they are onboarded without having to enter more than a few fields and complete a one-time password (OTP). This whole process can be completed in as little as 15 seconds while still being highly secure.

There are others that offer this in the US, but not alongside a solution like the returning user experience. Over time with returning users, the network of customers trying our partners' apps for the first time will be met with a welcome and familiar experience. More importantly, it's something they trust with their data.

**Plaid:** How do you suggest crypto merchants think about user onboarding?

**Tom:** Our partners keep telling us that user onboarding needs to be smoother and easier. Sure, KYC is critical, but conversion metrics alone can be misleading. Seeing KYC and IDV simply as an unfortunate source of friction is not right. Just because fewer users drop off at one stage doesn't mean the overall onboarding is great. Crypto merchants need to step back and look at the whole funnel. Who's bringing in more returning users? Who's getting positive feedback? Who's showing transparency around pricing and fraud rates?

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Tom Chalmers,  
Chief Product Officer at Banxa

The ideal on-ramp provider isn't just about getting users past the KYC hurdle. It's about delivering high-quality users who stick around. If your identity verification process is weak, you're opening the door to bad actors, and that's never good for business or our ecosystem. The goal should be to find a ramp that strikes the right balance of good conversion rates, a seamless user experience, and strong fraud prevention. That's how you build long-term growth and a thriving user base. We believe Banxa is optimizing this for our partners by leveraging Plaid.

**Plaid:** What is next for Banxa?

**Tom:** Our priority is to build products that help our partners to innovate, grow, and succeed. As a B2B2C provider, our partners seek to offer their users the best possible experience. Part of building great products for our partners is building easy-to-use, low-touch user experiences that support our partner's innovative UX approaches.

Banxa will be at the forefront of innovation as crypto use cases become more utility-driven and greater emphasis is placed on users owning their data. Together with platforms like Plaid, we'll become enablers of the evolution of identity verification via use cases like zero-knowledge proofs.

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Plaid is a global data network that powers the tools millions of people rely on to live a healthier financial life. Our ambition is to facilitate a more inclusive, competitive, and mutually beneficial financial system by simplifying payments, revolutionizing lending, and leading the fight against fraud. Plaid works with over 8,000 companies including fintechs like Venmo and SoFi, several of the Fortune 500, and many of the largest banks to empower people with more choice and control over how they manage their money. Headquartered in San Francisco, Plaid's network spans over 12,000 institutions across the US, Canada, UK and Europe.

Questions? Reach out to our sales team at [info@plaid.com](mailto:info@plaid.com)