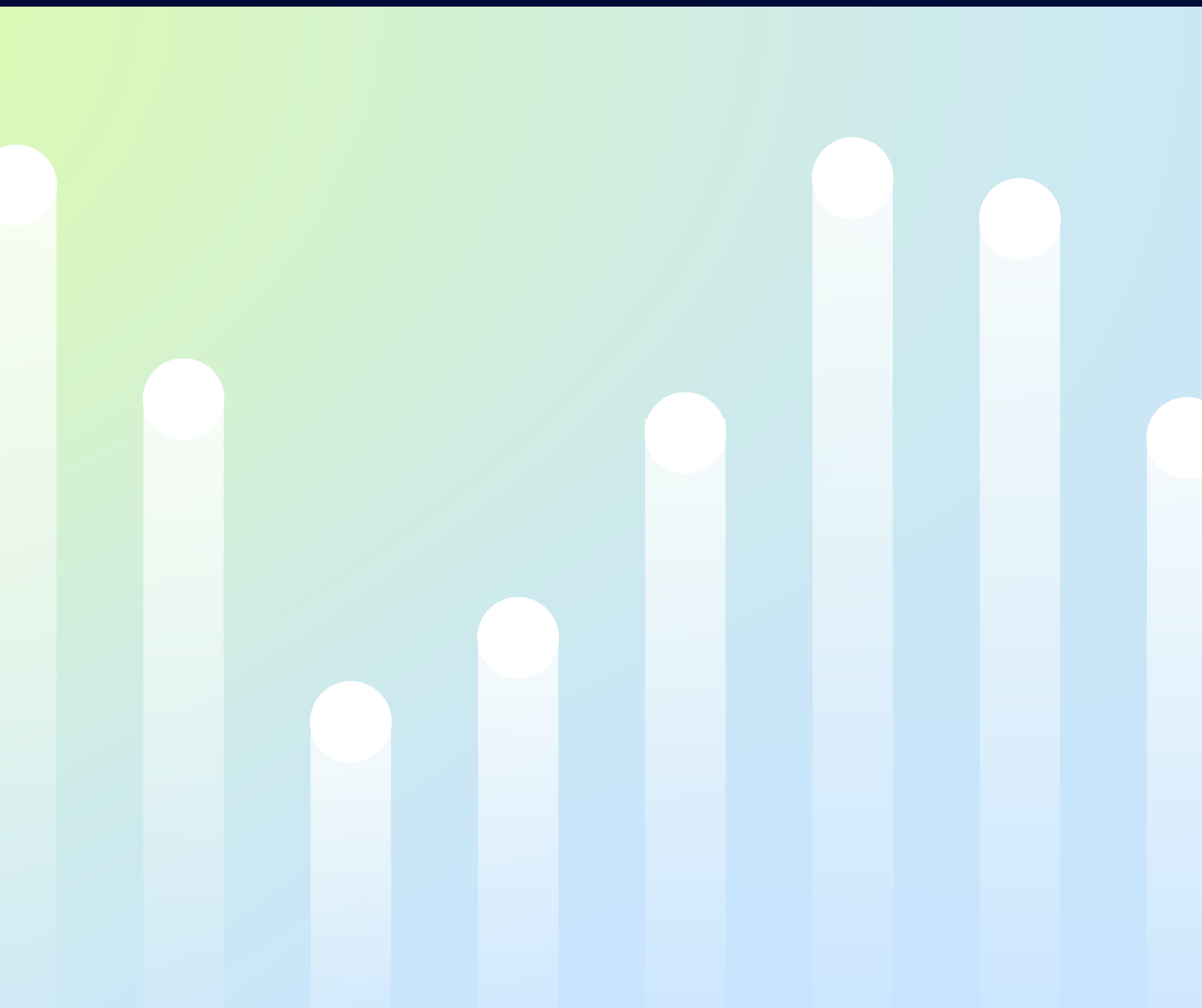


CASE STUDY

Authenticity and Technology: The Keys to Successful Vertical Banking

How Panacea Financial Launched a Digital Bank for Doctors, by Doctors



Introduction

How Panacea Financial Launched a Digital Bank for Doctors, by Doctors

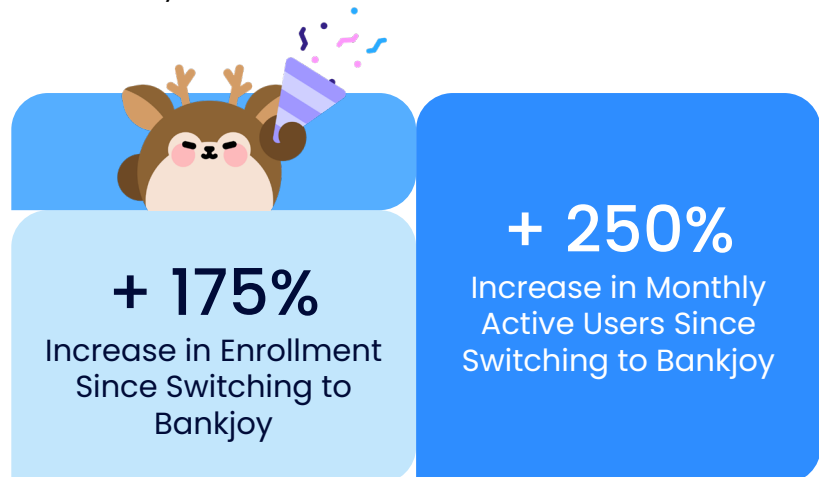
When physicians Ned Palmer and Michael Jerkins began their careers, they noticed a gap no one was filling: financial services uniquely designed for the lives and needs of medical professionals. The banks didn't understand the new doctors' situation, so they created a new bank that would.

In 2020, they launched [Panacea Financial](#), a digital bank purpose-built for doctors and medical students. No physical branches. No generic offers. Panacea is completely focused on solving specific financial problems for medical professionals.

Today, Panacea serves 7,000+ customers across all 50 states, has originated over \$750 million in loans, and is widely recognized as a trailblazer in vertical banking, having earned multiple features in Forbes.

And since 2024, they've provided a seamless, scalable digital experience powered by Bankjoy.

This is their story.



About Bankjoy

Bankjoy

Founded in 2015, Bankjoy delivers modern banking technology and elegantly designed financial solutions to banks and credit unions.

Our mission is to uplift communities in partnership with community financial institutions by providing technology that enhances people's everyday financial lives and reconnects these institutions to their community roots. Bankjoy's suite of products includes online and mobile banking, conversational AI, online account opening, loan origination, personal financial management, and statements.

For more information, visit www.bankjoy.com.

The Idea

Create a Better Banking Experience for Doctors

As new doctors, Palmer and Jerkins faced struggles common to med school graduates: mountains of debt, low residency income, and a shortage of spare time. When they turned to traditional financial institutions for help, they were met with high interest rates and rigid loan terms—and that was from the banks that didn't flat-out reject them.

This didn't add up. Doctors tend to be high-income, good-credit account holders: the kind of people banks should want to build relationships with. And yet, they were consistently treated like high-risk customers.

The doctors hatched an idea: what if new physicians had the option of banking with an institution that truly understood their financial situation—a bank that could see past who they were “on paper” and help speed them on their way to thriving medical careers?



Vetting the Idea

The banking problem for new doctors needed to be cured, and Jerkins and Palmer approached this problem with the same level of rigor that they'd learned in med school. They formed a hypothesis, and tested it.

They started by discussing the problem of financial stress with their colleagues. “We found out this was happening far more pervasively than anyone was talking about,” says Palmer. “It led to an outcome that nobody would want, which is your doctor thinking about their next meal, and whether they're going to make ends meet by the end of the month.”

Palmer and Jerkins spent years conducting well-documented, well-cited research to determine whether there was a viable banking opportunity here. And they found a stark inconsistency:

- Student loan servicers petition the US federal government to impose higher interest rates on loans with higher exposure, and medical students traditionally have very high debt.
- The same institutions tout these loans as low-risk to their investors: med school grads rarely default.

When they saw this, they realized they had an opportunity. Med school grads were low-risk loan customers, but financial institutions treated them as high-risk. This meant a new player could come in, provide them with a better experience, split the margins, and reap the loyalty rewards.

Going to Market

Jenkins and Palmer partnered with [Primis Bank](#) to launch a digital-only banking brand entirely tailored to doctors, dentists, and veterinarians. Their go-to-market strategy relied heavily on partnerships with channels that this audience already trusted, specifically **podcasts, trade associations, and referral programs**.

Panacea launched in November 2020, and rapidly grew accounts, deposits, and loan originations, but with this growth came a few specific technological challenges.

Powering Rapid Growth

The Switch to Bankjoy

Panacea is a digital-only brand, and giving their customers a modern, intuitive digital experience became more and more important as they grew. However, the digital banking system they had launched on posed several issues as they scaled:

- Setting up accounts was a complicated and time-consuming process.
- Users dealt with dated and unintuitive interfaces
- Simple customer issues required significant support time



“ We were on [...] a complex system with slow rollouts, a lack of flexibility to do what we needed to do, and a clunky, complicated user experience, we were looking for something more modern, more intuitive. We wanted something that reflects not just our banking, but ultimately where we want to go as a fintech company. ”

Hope Kay

Director of Digital Platform at Panacea Financial

Panacea began exploring options for a new digital banking platform. And in May 2024, they re-launched their banking services on Bankjoy.

Wins Since Switching to Bankjoy

+ 250%

Increase in Active Monthly Users

**+ 175%**

Increase in Accounts

**Hours to Minutes**

Simplified Account Creation Process

**+ 40%**

Increase in Customer Satisfaction



Increasing Monthly Active Users With Modern UX

Panacea wanted to provide a digital banking experience on par with the intuitive design people expect from the apps and websites they use every day. Bankjoy's platform empowers them to do this, with interfaces that meet modern digital expectations. After upgrading their user experience with Bankjoy, Panacea has more than tripled their monthly active user count.

Boosting Accounts With Self-Service Account Creation

Before Bankjoy, Panacea's account creation process required a lot of time from both the customer and Panacea's support team. "[Our old system had] a complicated process for our servicing team to get customers set up," Kay says.

However, Bankjoy's enrollment process is entirely self-serve, and allows new customers to access their accounts in as little as 90 seconds. As Kay puts it: "Enrolling with Bankjoy is done by the customer, hands-off. That is a huge improvement."

Collaborative, Continuous Improvement

While Bankjoy checked the necessary boxes (core integrations, security features, high-end mobile and desktop design, etc.), Bankjoy's approach to technology partnership is where Panacea's team feels the real long-term wins.

With their previous digital platform, it took months, or even years to roll out new capabilities. With Bankjoy, Panacea can count on a quarterly release schedule and a product roadmap.

“

Partnership: that's huge. I'm talking to our customers to understand what they need. And Bankjoy is talking to me all the time to understand what I need. Shared roadmap planning and partnership is definitely an added win—beyond basic solving of problems.

”

**Hope Kay**

Director of Digital Platform at Panacea Financial

Vertical Banking Lessons From Panacea's Success

We interviewed the Panacea leadership to learn what advice they would share with financial institution leaders interested in exploring vertical banking. Here's what they had to say.

Authenticity is Paramount

When it comes to creating a niche banking entity for a specific audience, establishing a genuine connection with the target audience is key.

Identifying a potential target market is just the first step. In order to truly build a connection with that audience requires talking with people in the niche, understanding their situation, and creating authentic, empathetic experiences for them.

Note: Palmer and Jenkins completed years of research before starting Panacea—and they were part of their own target audience. If you don't have direct experience with the niche you're targeting, you'll want to get plenty of input from people who do!

Choose a Name That Connects With Your Niche

Creating a brand that resonates with your audience involves the difficult process of choosing a name. For first-time vertical banks, Palmer recommends presenting name ideas to members of the target community to gather feedback and impressions—and ultimately choosing a brand name that signals who the target community is.

When discussing how they chose the name Panacea, Palmer explains:

“

What we wanted was something that would be instantly recognized by our community. We were looking for, frankly, a nerdy dog-whistle.” Panacea was a name that medical professionals would immediately identify—and it also stood for the company's goal. “We want to be the cure for all [medical professionals'] financial ailments.

”



Ned Palmer

COO and Co-Founder of Panacea Financial

Choose a Tech Partner That Can Support Differentiation

Vertical banking allows you to reach specific audiences without needing to run physical branches, but that makes your choice in technology vendors even more important.

“Choose vendors who will support you and work together on your shared visions,” advises Kay. “One size doesn't fit all in a digital platform. While basic banking is fairly standard, there are opportunities to go beyond. Choose a partner who has a vision, but also respects your vision and where you're going.”

Launch Your Niche Bank With Bankjoy

Bankjoy's all-in-one digital banking platform gives you all the tools you need to launch your own vertical bank. Plus, our team of experts will help you vet, validate, and make the case for your new brand ideas. Financial institutions have started digital brands in a matter of weeks on Bankjoy—find out how you can start reaching targeted audiences with us too!

[Bankjoy.com/book-a-demo](https://bankjoy.com/book-a-demo) →

