

# Data Aggregation 101: What You Need to Know

Data aggregation is an engine that simplifies and clarifies multiple sources of data into one complete picture. But how is it used in your Personal Financial Website — and why should you care about it?

Read on to learn about how your Personal Financial Website uses aggregation to collect and display your financial data, why we're enhancing it, and how this will improve your Connections experience.

## Why is Data Aggregation Important?

We use data aggregation to consolidate all your accounts into one view on your Personal Financial Website — like your checking account, 401(k), and investment account balances — so you can easily monitor your finances, and we can create an accurate financial plan based on real-time data.

## What's Changing in Data Aggregation?

As digital threats — like data breaches — continue to grow, financial institutions are looking for ways to protect investors' sensitive data by adding new and enhanced security measures.

In addition, the Consumer Financial Protection Bureau (CFPB) has outlined a clear set of principles financial technology companies must abide by when it comes to handling consumer data.

All these changes are driving the financial technology industry to find new ways to minimize risk when aggregating data. For many, this means adopting a more secure method of aggregating data through APIs.

We fully support this push toward more secure data aggregation across the industry and as such are adopting a more secure method of data aggregation.

## How is My Technology Responding?

Though your Personal Financial Website already employs rigorous data security practices beyond most industry standards, we're always looking for ways to continue to reduce risk. So we're leading the charge in adapting API-based aggregation.

Unlike traditional aggregation methods, APIs do not rely on your username and password for access. They're built in partnership with your financial institutions and create a secure and reliable channel for transporting financial data.

## How Will This Affect Me?

In the immediate future, you may be required to take a small action when your connection transitions to an API. While each API will have a slightly different process for authorization based on the financial institution's process — the basic process will remain the same.

The process will look something like this — when the API becomes available, the connection will show an error on your Accounts page. Simply go to [Organizer > Accounts](#) and follow the instructions on the connected account to re-establish the link through the API.

**That's it! Once you're connected through the API, you'll experience increased reliability, security, and more control over your data.**