

Monese and Mastercard: Accelerating digital banking across Europe



How did you come up with the idea to build your company?

Our story starts when our Founder and CEO, Norris Koppel, moved to the UK. The first thing on his to-do list was to open a bank account, so he could receive his salary, rent a place to stay, set up his utility bills and manage his day-to-day spendings. The task was anything but simple. To open a bank account, he needed proof of his address, local credit history, utility bills and countless other documents – he couldn't get any of these without having a bank account.

After being stuck in this frustrating loop, he came up with the idea for Monese: an account you can open instantly and use on your mobile, that's inclusive and accessible to everyone. We launched in September 2015 as the UK's first mobile app alternative to the banks.

What are milestones in your company history?

- September 2015 - Launched the first mobile-only current account in the UK
- January 2017 - Closed \$10 million of Series A funding
- July 2017 - Launched EUR currency accounts with European IBANs
- September 2018 - Closed \$60 million of Series B funding
- October 2018 - Launched Monese Business accounts
- February 2019 - Launched exclusive Avios partnership
- April 2019 - Reached 1 million sign-ups
- July 2019 - Launched partnership with PayPal
- October 2019 - Launched local Belgian IBANs
- January 2020 - Reached 2 million sign-ups
- February 2020 - Launched RON currency accounts with Romanian IBANs
- July 2020 - Launched French IBANs for our EUR currency accounts (the first new European banking service to offer local French IBANs)

What are major challenges you encountered when starting your business and trying to find the right partners?

We have always been focussed on supporting a segment that is underserved by the mainstream banks - many of our customers are working in the gig economy, are self-employed, or living in a different European country to that in which they were born. Because of this commitment to the underserved, we have had to challenge many long-standing assumptions that have contributed to underservice in the industry.

At which step did Mastercard emerge as a partner and why?

We partnered with Mastercard early on for our prepaid debit cards, which gave our customers access to the extensive Mastercard network. This partnership proved to be very popular and we quickly expanded from the UK to hundreds of thousands of customers across Europe.

Why did you choose Mastercard as a partner instead of another company?

We forged a partnership with Mastercard because of our shared commitment to financial inclusion. Many of our customers are working in the gig economy, are self-employed, or living in a different European country to that in

which they were born, and are not therefore well served by mainstream banks. We chose Mastercard because of their understanding of this segment's rapidly changing needs, and a shared aim to ensure that these consumers have access to banking services and electronic payments which may otherwise be difficult or impossible to access.

What exactly does Mastercard offer you as a partner?

Mastercard is a supportive partner and a business that understands the needs of a start-up and a scale-up. Not only this, Mastercard brings a deep understanding of the rapidly changing needs of those who are underserved by traditional banks and how today's world of work is changing.

Have there been milestones in the partnership? Can you name some?

- September 2015 - launched Mastercard pre-paid debit card in the UK
- July 2017 - launched Mastercard pre-paid debit card across Europe
- October 2020 - launched multi-year, multi-country strategic partnership to become a principal Mastercard issuer

How did Mastercard help you build up and grow your business?

Mastercard has helped us quickly scale and expand our offering across Europe.

How do you see the future of finance/payment?

We believe that finance and payments technology should provide everyone with a path to sustained financial independence. We still need to work to ensure that everyone is given genuine access to fair and flexible financial services, no matter what their working habits and patterns are, or where they come from.

Cross-border payments will grow significantly over the next 5 years and new mechanisms for money exchange are emerging: Open Banking, Digital currencies and Peer-to-Peer Payments. Our users are constantly moving across countries and across currencies.

What role do you envision for you and Mastercard in this future development?

We will be at the forefront of these changes and we want Mastercard to help us through this change through technology and partnerships.

Please describe in one quote (two or three sentences) the value of the partnership with Mastercard.

Throughout our long and successful relationship, Mastercard has been a very supportive partner. Mastercard understands the needs of start-ups and it has given us scale, reach and flexibility. Most importantly, Mastercard understands the rapidly changing needs of those that are underserved by mainstream banks, as well as the changing dynamics in today's world of work and the impact this has for our consumers and their finances.