

Assignment 1

FINTECH Case Study

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KOHO- "WHAT THE FEE?"

Overview and Origin

Koho was established in 2014 and went into beta in 2015 contributing its services through their portable app. The services were expressed to formally dispatch in 2016 yet was pushed back to 2017. Koho makes its income from the trade at whatever point their card is utilized in an exchange. Other than permitting essential chequing administrations, the card likewise permits clients to financially plan their cash and set cutoff points on what they can spend. Since its dispatch, Koho has extended to incorporate money back on their charge card, offer various records like shared services on their cards and offer credit.

Daniel Eberhard, CEO and author of KOHO, joins BNN Bloomberg to examine his organization's "What the Fee" activity which is centered around following bank charges for Canadians. He takes note of that perceivability and building buyer esteem is vital to development in the financial part.

Canadians pay an average of \$159 in bank fees per year. KOHO scans your bank statements to find all the hidden fees you're paying, so you can finally get transparency into the true cost of your bank account. It makes its money off interchange, not banking fees. Every time a transaction is processed, Koho gets a small amount from the vendor.

Koho is a technology company which replaces your bank account. With a card, a web app and a mobile app, Koho does everything you do with your normal bank account, while removing fees and adding innovation.

KOHO Financial provides an application based banking platform intended to simplify financial products available to everyone. Its platform helps users to complete their day to day banking operations while offering tools such as goals, cash flow projections, group spending, spending insights, and categorizations, enabling users to manage their expenses and banking operations on

the go. Toronto-based fintech firm Koho, which claims over 120,000 customers for its mobile banking service.

It offers a free prepaid and reloadable Visa card and app that makes banking easier, cheaper, and more fun. Opening an account is easy and once set up, you can easily load funds using e-Transfer or Payroll deposit and start enjoying the following benefits:

- No monthly fee for the basic KOHO account.
- Earn 0.5% cash back on all purchases. Cash back is credited to your account in 1-2 business days. Koho premium (has a small fee) offers 2% cash back on select categories of purchases.
- Automatically roundup your purchases to the nearest \$1, \$2, \$5 or \$10, and save the difference. For example, if you spend \$3.25 on coffee, you can choose to save \$0.75, \$1.75, or \$6.75.

The technologies used on the companies website with the help of wappalyzer are:

[Analytics- Segment, Google Analytics , Amplitude](#)

[JavaScript frameworks - React, Gatsby2.24.1](#)

[JavaScript libraries - Polyfill](#)

Landscape:

The main domain of KOHO are:

Payments

Financial services

Mobile payments

KOHO is a new era of banking, rooted in the belief that a better banking experience exists. We've set out to build it for all Canadians without any unfair banking charges

Stack and Mogo are the main competitors of the company which also offers prepaid visa like Koho.

Results

Toronto-based FinTech startup Koho declared the end of a \$42 million Series B round today, driven by Portag3 Ventures, with cooperation from Greyhound Capital and other anonymous vital speculators. Sources acquainted with the arrangement put the organization's post-cash valuation north of \$100 million. Koho has raised \$52.6 million to date.

KOHO is up there with Stack on the higher end of prepaid card offerings. One of the highlights for people in love with their iPhones is that KOHO is ApplePay compatible. KOHO does a good job offering things people have come to expect from traditional unsecured credit cards, including no annual fee.

They also have the same type of automated savings system we can see with Stack, letting you round up your purchases to the nearest \$1, \$2, \$5, or \$10, and have your difference deposited into your account. Where KOHO differs is in its exchange fees. While Stack charges no fee, KOHO charges a 1.5% fee on currency exchanges. This is still a 1% savings over the average credit card, so if you're doing a lot of online shopping in currencies other than CAD, this card is still a great option.

Recommendations

I would suggest the company have their own lending so that clients have more trust. Lending always brings more clients. Clients prefer to monitor all their financial transactions at one stop. Therefore, by providing all the financial facilities to clients under one roof, the company is providing them the ease and comfort which they have been looking for. A cloud-based point-of-sale financing platform; FundThrough, which helps small business owners navigate their cash flow challenges by accessing the working capital in their unpaid invoice; and Thinking Capital, which offers tailored ideas to grow businesses and get quick access to capital, are examples of other successful financial lending companies that provide flexible access to credit for their customers.

