

Bank Zero opens fully and publishes 2022 Zero pricing guide

Bank Zero today released its new pricing for 2022. With all fees remaining exactly as they were in 2021 and 2020, it sends a powerful message of Bank Zero's intent to bring much-needed relief to both consumers and businesses. Zero monthly fees, zero fees for debit orders, EFTs and card transactions – and zero fees when buying prepaid items such as data or electricity.

Michael Jordaan, Bank Zero chair, says: "Advanced App-based banking is now available to 24 million South African smartphone users and their businesses. This brings huge fee relief (potentially in the billions), great features and full access – our youngest customer is 3 whilst our oldest is 80. That's just incredible."

One of the key features of Bank Zero is that the zero fees and innovative functionality are the same for consumers AND businesses. Until Bank Zero arrived the business sector had little relief from high banking fees on top of cumbersome paper-intensive processes. As one customer tweeted: "This is game changing for the SME market!" Bank Zero sees huge opportunity in this space, with the South African SME market alone estimated at 5.6 million businesses.

The Bank Zero App caters for most South African businesses with turnovers from small to in the billions. (Although it will not onboard listed companies and public sector-linked companies). Yatin Narsai, Bank Zero CEO, is "pleasantly surprised by the higher-than-expected number of businesses registering during the closed roll-out, mostly (PTY) LTDs followed by CCs and then sole proprietors."

Michael adds: "It's wonderful to see how customers are voting with their money. We've already seen significant deposits flowing into Bank Zero so early in its life cycle."

Since its public debut, Bank Zero has experienced excellent take-up and growth in card transactions. Most popular is ecommerce – with card subscriptions (i.e. the new debit orders) growing rapidly. A card control feature unique to Bank Zero enables customers to manage those sometimes-nasty subscriptions by turning them on/off as required. (Those merchants that keep incorrectly debiting your card can now be stopped!)

The special Bank Zero card patent has already proven its value by stopping potentially fraudulent transactions. Bank Zero cards are actively being used locally as well as internationally. Bank Zero's R0 fee per international card transaction and its low forex mark-up (0% if posted in ZAR, 1% if posted in foreign currency) is clearly a hit.

The purchasing of prepaid items is increasing at a fast pace, exceeding all Bank Zero forecasts.

Another popular feature amongst customers is Bank Zero's ability to inform customers about a new debit order that has been loaded against their account, and which they can then reject. And customers are informed when a regular debit order is about to run and if they have (in)sufficient funds.

Michael also announced today that, "after an incredibly smooth start, Bank Zero is now fully open for business. Our launch is no longer constrained, and we invite all businesses and consumers to experience powerful banking at zero fees." Bank Zero was the first bank in the world to be launched by a fully WFH team. Public access was initially limited to waitlisted individuals while monitoring the effectiveness of the digital customer support processes created during the pandemic to match a new WFH world.

Customer feedback has been positive:

- "Just collected my card. Have to say the process of signing up, FICA'ing and getting my card was absolutely, amazingly smooth. And keeping me informed every step of the way via SMS and email – brilliant. Best of all, all done online."
- "Wow on Friday I opened an account. Within 5 minutes all done, documents accepted and done. Awesome service."

- “You guys are leading with innovation in outstanding ways. What more marketing do you need... personal & business accounts working superb @ zero cost.”
- “Just collected my @BankZeroSA card from a Clicks branch, activated it on my phone, and about to try using it to pay for a meal. So far, the end-to-end experience has required zero bank visits, and has happened entirely on my schedule. I reckon they're on to something.”

The Bank Zero App is as from today freely available in the App Store and in the Google Play Store. Yatin says: “What is new for customers from now onwards is the adding of relationships (like friends, business associates and authorisers) where they can then immediately download the App, register and be part of that specific community – be it a business, sport club, project or a savings club. This brings digital financial connectedness to all.”

The final words belong to Bank Zero’s customers: “Have been using @BankZeroSA for 2 months. The best part is when you look at the bank fees at the end of the month.... ZERO”; and “Really dope offering and they are only just getting started.”

Although Bank Zero only needs 100,000 customers to break even, their expectation is that they will end up bringing relief to millions.

Notes:

- Bank Zero is an App-only bank for all consumers and a wide range of businesses.
- Currently Bank Zero caters for businesses that are a (PTY) LTD, CC or a sole proprietor. The on-boarding of trusts and partnerships will be enabled later.
- Currently only the Android App can be used to on-board a business at Bank Zero. Adding a business on iOS is coming early next year. (But businesses can already do their business banking on both iOS and Android, once on-boarded via Android.)