

Investors bet on Majority's immigrant-focused offer with \$9.75M funding extension

Article

The news: Immigrant-focused digital bank **Majority** secured a \$9.75 million extension to the [\\$37.5 million Series B funding](#) it received last September, [per](#) Finextra.

Feature recap: Founded in 2019, Majority is open to US residents in all states, but it also offers specialized products for Nigerians, Cubans, Mexicans, Cameroonians, Colombians, Ethiopians, Ghanaians, and Kenyans.

- For a \$5.99 monthly membership fee, members get a bank account, a debit card, free international money transfers, discounted international calls, and other discounts. They also can access financial advisors who are also immigrants and are familiar with the financial struggles many face when starting fresh in the US.
- There are no overdraft fees or minimum initial deposit or balance requirements.
- Users don't need a Social Security number or any other US documentation to open an account. All that is needed is any internationally issued ID and proof of US residence.

Majority also has physical locations throughout Florida and Texas.

Future plans: This is Majority's [fourth funding round](#) in just two years.

- Majority will use some of the funding to establish a new community center in Laredo, Texas, a major inland port that welcomes roughly 1,000 immigrants each day. This strategic location will allow Majority to provide one of the first opportunities for immigrants to establish their financial roots in the US.
- Majority will also establish additional locations along the US-Mexico border.
- The bank plans to publish a "Financial Handbook for Mexicans" later this year. This is a more customized version of its current "Migrant Handbook" which covers the ins and outs of starting a new life in the US.

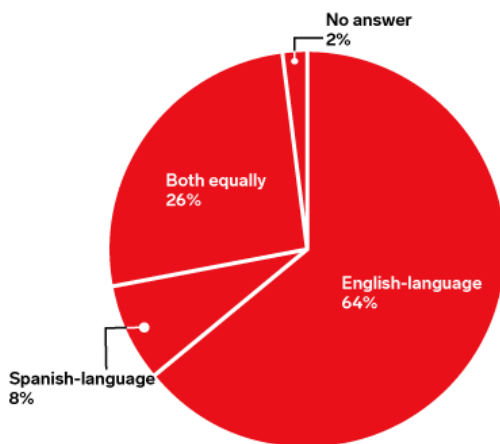
Why it can succeed:

- The US is experiencing an influx of immigrants and refugees as a result of the Biden administration's increase to the [resettlement cap](#) in the US. These consumers are restarting nearly every aspect of their lives, and a healthy financial life is vital to their success.
- In addition to offering banking services, Majority is creating a community for migrants to share their struggles and tips for success. It aids in making a major life change easier, and helps immigrants feel supported.
- Investors clearly see the value Majority is providing—they continue to fund its growth and addition of more support.

But it faces some challenges:

- Despite its solid footing in the US, Majority still faces competition from other digital-first banks that support immigrants. New York-based **Comun** and digital bank **Seis** both offer Spanish-language banking services to Spanish-speaking immigrants.
- Its focus on the US-Mexico border also has some drawbacks. Many US immigrants aren't settling directly across the border. They're being transported to other major metropolitan areas in New York and California. Majority must find a way to connect with those locations to make the biggest impact.

US Hispanics' Language Preference for Financial/Business News Coverage, March 2023
% of respondents



Source: CNBC and Momentive, "Your Money Financial Confidence Survey," April 11, 2023
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