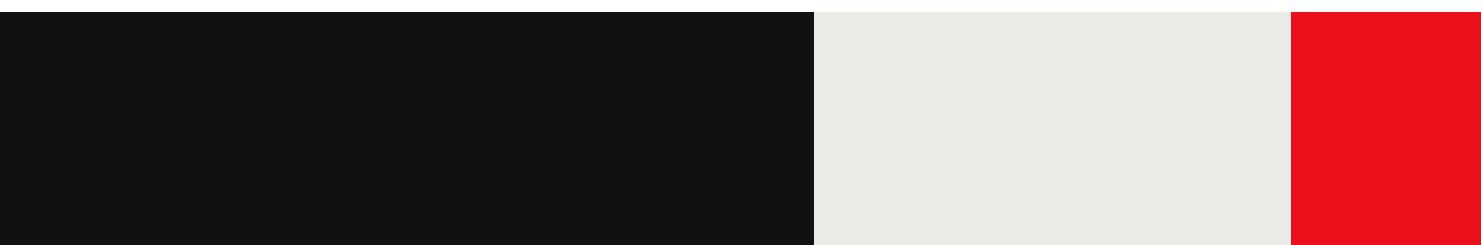


Majority, immigrant-focused US neobank, raises \$19M

Article



The news: Houston- and Stockholm-based Majority has raised \$19 million in its seed funding round led by Valar Ventures with participation from Avid Ventures, Heartcore Capital, and several Nordic fintech founders, TechCrunch [reports](#). The neobank plans to use the fresh infusion of cash to grow its product offerings and expand its team—with a particular focus on

hiring talent from the immigrant communities Majority serves, Majority CEO Magnus Larsson said, per TechCrunch.

Majority offers a subscription-based mobile banking service in which it charges \$5 per month to clients in exchange for an FDIC-insured bank account, debit card, fee-free early direct deposit, mobile credit, and at-cost international phone calls. It also provides a community on its app that helps individuals who have moved to the US learn about their environment and connect with familiar people.

More on this: The digital bank joins a slew of neobanks aiming to carve out space for themselves in the crowded US banking sector by targeting specific demographics. This has taken many forms, including services tailored to:

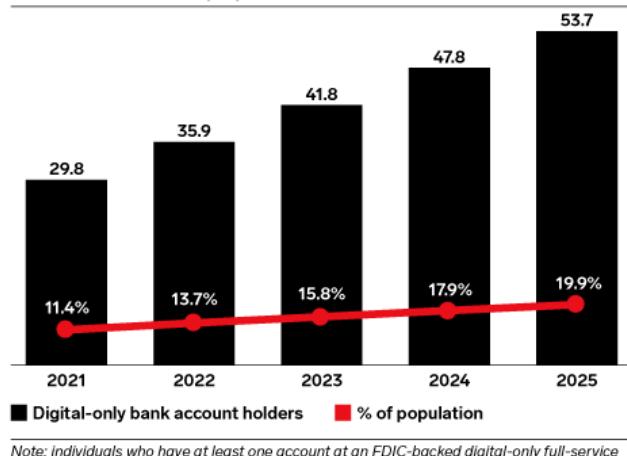
- Younger consumers (for example, [Step](#) and [Greenlight](#))
- Specific racial and ethnic demographics (such as [Fortú](#) targeting Latino consumers and First Boulevard targeting Black consumers)
- Customers with specific occupations (as KeyBank does with its digital bank for medical workers)

This specialization gives neobanks a chance to get off the ground without having to compete directly with more established neobanks in the space.

Why this could succeed: By targeting migrant communities broadly, Majority could make fast inroads with unbanked and underbanked consumers. New migrants to the US may need a bank account to join the US banking environment. Offering accounts with extra [services](#) tailored to recent migrants—such as good rates on international phone calls and money transfers, as well as advice in their native languages—could position Majority as a natural and easy choice for migrants of many races and ethnicities.

US Digital-Only Bank Account Holders and Penetration, 2021-2025

millions and % of population



Note: individuals who have at least one account at an FDIC-backed digital-only full-service bank open to all consumers that includes transactional and savings options but does not operate physical branches, and where all account management is carried out via web browsers, mobile apps or over the phone
Source: eMarketer, May 2021

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