

Bettr.App, a new culture of money in Africa



By [Evan-Lee Courie](#)

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Bettr.App is set to merge the worlds of gaming, content creation and banking. Banking challenger, Bettr.App, opened its waitlist and launched its vision of #ANewCultureOfMoney in September 2020 with the original song #WeDeserveBettr - an anthem for the young, creative and entrepreneurial - written and performed by rising hip-hop stars, Costa Titch and Dee Koala. The digital banking app will offer South Africans smarter, easier, self-managed tools to keep spending in check and grow savings faster for zero monthly fees.



Grant Hinds, head of gaming and co-founder at Bettr.App (centre)

We find out more from Tobie van Zyl, CEO and founder, and Grant Hinds, head of gaming and co-founder at Bettr.App

■ **Can you tell us a bit about Bettr.App?**

Bettr is a challenger fintech building new banking experiences for modern people in the creator economy, namely Gen Z and millennials. We call them the Bettr MoneyMakers and we have 25,000 of them (and growing) on our app waitlist. Our goal is to be the only account you start your financial journey with, and the only account to graduate through life.

■ **When, how and why did you get started with the idea?**

In 2017, Bettr was founded by a collective of entrepreneurs in the fintech space who realised that South Africa's youth has a financial services problem: they're not being given the access they need to the financial products they deserve to break out of generational debt traps and limited, dead-end opportunities. It was time that someone stepped in and championed change.

We're rethinking money, and we've called it Bettr.

Together with our community, we're co-creating a new culture of money in Africa. We're building a product that coaches people, grows a conscious community, and equips individuals with the confidence and currency to arrive at their aspirations.

We're founder-funded, venture-backed, future-facing and here to prove that #wedeservebettr.

▣ ***What is the core function of Bettr.App?***

With zero monthly fees, competitive interest rates on savings with built-in money tools, the Bettr app is designed to keep your spending in check so you can get to your goals faster – in essence, helping the youth build a balance sheet from the first swipe.

As we get closer to the launch, we'll be announcing more features, but for now, these are the features we're able to share:

- Digital KYC onboarding (zero physical face-to-face or carrying around of your ID): KYC, or know-your-customer, is the process of securely verifying a customer's personal identity, and is typically very admin-intensive. With Bettr however, it'll be seamless and fun.
- Digital bank account and digital card (physical on demand): We're branch-less and always on-call, which means Bettr travels with you.
- Tokenized cards that will work with Apple Pay, Samsung Pay and Masterpass QR codes: With the latest payment technologies, there's multiple ways to pay or receive payments if you're a business owner.
- Person-to-person payments, bill splits, electronic bank transfers: Payments structured around how your life is structured.

Sneak peeks of the unique features (including a few firsts in banking in SA) will be revealed on our social media channels really soon.

▣ ***What are some of the obstacles you've had to overcome since starting out?***

Bettr has a global vision and wants to ensure that we have the right regulatory and technical strategy to be global by default from day one. This means we had to design and build compliance deep into our operations, product and value proposition to be readily scalable when entering other markets (primarily across Africa).

So firstly, to achieve the long-term vision, we opted for a sponsorship model, partnering with a leading bank with a footprint across the continent and other markets. (We'll reveal more shortly, as we're currently in the final stages of regulatory approval). The same is true of our card scheme. We had to ensure we partner with a scheme with the largest acceptance footprint. This part of our journey was a two-year process.

Secondly, to achieve a sponsor bank and card scheme partnership, we had to demonstrate commercial viability. The commercial business case was initially hard to demonstrate, the natural assumption is that the youth does not have any

money. Since 2017, we've been in-sync with our community and the market, and have demonstrated an increase in disposable income overtime as most graduates enter the workforce.

Thirdly, to ensure scalability, we had to demonstrate how individuals with small incomes are big business with mass adoption. We had to secure adequate distribution to ensure that these targets are met and that we can deliver on profitability over time. This part of our journey is ongoing, but without showing commercial viability, you simply don't have a business case for a sponsor bank, nor the regulator, distribution partners or investors.



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Lastly, even being technical founders ourselves, the local payment ecosystem and banking environment is very sophisticated. Core banking, payment processing, security infrastructure built 100% in the cloud, was not a walk in the park. It's capital intensive, requires the best skills and a clear understanding of the regulatory elements around know-your-customer (FICA), taking deposits, processing payments and keeping customers' money safe. We've learned that whatever our assumptions were from a cost and time perspective, we'll likely have to triple our budget, headcount and runway in the future.

📊 **What advice would you give to other aspiring entrepreneurs?**

That no dream that serves a true purpose is impossible to reach. If you truly believe that what you're building is powerful enough to change the world, you're probably right and no amount of pain will prevent you from achieving that as long as you stay committed and work hard to make it a reality. So back yourself, believe in your vision, team and stakeholders, and soon, even competitors will believe too.

📊 **What has been your proudest achievement thus far?**

There are many, but here's our (current) top three:

1. Being selected as runner-up – from thousands of entrants across the continent – at TechCrunch Disrupt Africa 2018: The winner was M-Scan, a company which developed a low cost mobile phone-based ultrasound system for mothers in rural Africa to monitor their pregnancies. To be recognised alongside a company that is quite literally saving (800) mothers and babies lives daily, was a massive achievement.
2. Making a music video in lockdown with the brightest and bravest artists, entrepreneurs and stars: We took huge risks financially. The impact of COVID-19 left us practically broke, with a half-built business and no investors to fund our runway. We had to demonstrate traction fast and in the loudest way possible. Our video has been watched over 100,000 times, and we've even had our community make 300 variations of it which resulted in word of mouth growth to date.

3. Landing our sponsor bank: At the time of application in Feb 2019, our specific partner had received over 70 applications from telcos, insurers and lenders serving millions of customers with billions in balance sheet. Bettr is one of only two approvals in four years, which is equal to the time it took to showcase that we have the right leadership, skills, technology and distribution strategy to achieve a super scalable and highly competitive business model.

▣ ***What does the future of entrepreneurship look like to you?***

We see entrepreneurship being sparked in each and every young person as they gain the tools and confidence to address the problems and opportunities around them. In a world that has pushed us down traditional paths in the name of “convention” and “safety” (but really in the name of outdated business models), we see entrepreneurship as a mindset for self-development and financial freedom.

Our entrepreneurial driving force is “own your worth”, and there are two key trends in this regard that get us excited.

The Hustle Economy is on the rise: With high unemployment rates, decreased access to education and funding for education with lower guarantees of employment post-graduation, the youth will be forced to leverage their creativity and the power of the Internet to create their own employment.

The “**assetization**” of personal goods is also on the rise: Anyone can now (technically) be an entrepreneur, by selling personal goods and assets through open marketplaces. They don’t need a budget to purchase inventory because they have the inventory in their closets; they don’t need logistics because the buyer pays for that; and they don’t need stock because their bedroom has it all. That’s how powerful reselling of personal goods can be – especially in a time when we’re truly beginning to push back on the consumption of fast-fashion and environmentally unsustainable production.

In our community, we have students that cleaned their dorm rooms during lockdown, earning R10,000 once-off, and then going on to build a single-person reseller business that turns over R100,000 monthly a mere year later.



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▣ ***What do you think is the importance of startup accelerator/incubator programmes?***

The market is flooded with accelerators, which strongly signals that entrepreneurship is our future, especially on the African continent. They serve a fantastic purpose but are a far cry from reaching actual success. Very much like a university degree, they don’t guarantee a favourable outcome. They give context, but each entrepreneur has to configure their own path and chip away at their vision through a lot of trial and error.

So, in our view, rather than employment, they are the next universities for the future of entrepreneurship. How they differentiate themselves will be measured through the success of the startups or entrepreneurs they mentor, and that is always determined by the entrepreneur and the market problems they are trying to solve. Your degree works if you do the work. And entrepreneurship is a “no vacation, 24/7, work for as long and as much as it takes” kind of mindset.

▣ ***What would you like to see changed in the South African startup landscape?***

There are too many corporations preying on startups' ideas, making the startup irrelevant through absorption strategies and "in-house innovation", whilst the corporates horribly fail at executing said ideas. The future cannot be retrofitted into legacy business models. So, corporates should start investing in startups rather than trying to absorb, claim the prize and stroke their egos at the cost of entrepreneurs.

IP protection is critical, we need access to lower cost IP legal advice and representation. We're dying to fund an I.P. protection service, so law firms, please get in touch!

We like the idea of South Africa creating its own Startup Act, which will hopefully encourage relaxation of exchange controls faster. Africa is rising, as foreign investors seek a safe, secure, lower taxable jurisdiction but also the next growth market. So, if anything, the regulators can save the economy by meeting entrepreneurs and investors in the middle.

We are the employers of tomorrow's workforce so who are we not to push for change?

▣ ***What do you believe are the traits an entrepreneur needs in order to succeed?***

- **Self-belief:** This is the entrepreneur's religion. When your self-belief is strong, no failure or obstruction can stop you from moving towards your goals.
- **Purpose:** Find your why. It's the beating heart of what you've built. It will not only guide your decisions, but also get you through even the toughest times.
- **Focus:** One single solution to solve one million (or more) people's shared problem.
- **Commitment:** Being an entrepreneur means walking a lonely road, and the sacrifice required is high, but at the end of it all, you might have the personal victory of creating real value that had never existed before, and that is a kind of victory that is hard to replicate in any other environment.
- **Luck:** Only happens when you stick at all the above and never give up. As the saying goes, success happens when preparation meets opportunity.

▣ ***Tell us about your biggest struggles as an entrepreneur, as well as some major highlights.***

There are more than we will ever remember (or even care to). The reality is building your dream when you have many negative forces against you is unbelievably challenging. Ultimately, it's your perspective that determines your success. It's important to remember that you need a current to stick at your dream, you need the friction to create energy – let the negativity become your biggest driving force.

▣ ***Why would you encourage someone to become an entrepreneur?***

There is nothing more rewarding than serving a purpose to help others. Whatever you aim to create, ensure it's to serve a higher purpose.

▣ ***Where would you like to see Bettr.App in the next 5 years?***

In twelve markets, across three continents and gearing up for the IPO in year six.

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