



**Qonto**

# The profitability Challenge

FinTech strategy deep-dive and benchmarking collection by



**C-INNOVATION**  
EMPOWERING STRATEGY

# FinTech Strategy deep-dive and benchmarking collection

- C-Innovation offers you access to high quality, actionable, business-oriented reports.
- Over the next few months, our teams will be compiling research on a number of successful FinTechs, taking deep dives into their company history, culture, success, competition and outlook.
- By placing FinTechs under the magnifying glass, we offer a better understanding of the factors that enabled them to become challengers in the financial services industry, as a guide for actors seeking to reach similar exponential growth.
- These reports aim at providing actionable insights and benchmarking to those interested in the financial technology industry, and more specifically, to businesses and entrepreneurs seeking to improve their strategies and increase their competitiveness.

Stay tuned for more!

Deep-dive # 7:

# Qonto

*by*



[Take a look at previous reports](#)

To get full Corporate Access of our Reports [contact us](#)

**Disclaimer:** This report and the data it contains are for the exclusive use of the person who acquired the report. It may not be used for commercial purposes, distributed or sold in whole or in part to other third parties without the express written permission or license granted directly by C-Innovation or mind Research.

This is not a commissioned report and all data used for the analysis is taken from Qonto's financial statements and other publicly available sources. The information presented here is intended for informational purposes only. The opinions expressed here are those of their authors and do not constitute an offer to sell, or a recommendation to buy any investment product or service.

*“We could become a credit institution if we wanted to, but that is not our goal. It takes capital and time”.*

**Alexandre Prot**  
CEO & Co-Founder at Qonto



# Executive Summary

01

**Formerly known as Finpal and with an international focus from the start**, Qonto was launched in France in 2017. Two years later, it extended to three new markets and in its fifth anniversary acquired German competitor Penta.

02

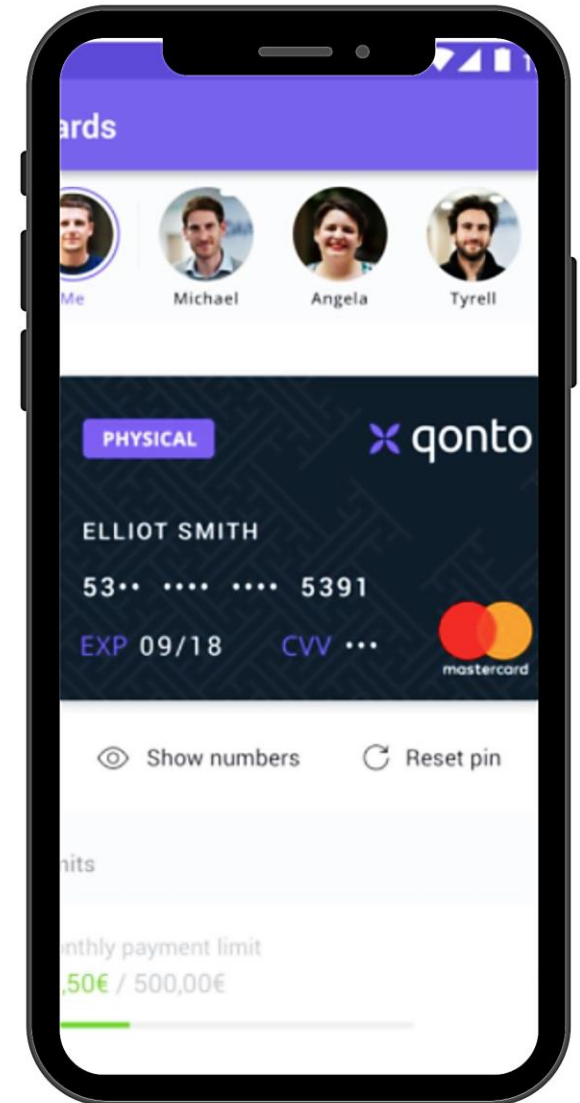
**Using Treezor's e-money license, Qonto was able to launch their product avoiding a time-consuming process of a banking license** application. It had more time to focus on how to rapidly scale and increase customer awareness before expanding their offering.

03

To be relevant in the market **Qonto shifted its core offer from a business account towards Business Finance Management**, building all-in-one finance solution for SMEs.

04

Going forward, **Qonto will keep rolling out new features, via partnerships, that could allow it to open new revenue streams** and lure bigger business customers. It will also be strengthening its position in its current markets with an **end focus on profitability**.



# Company Overview

Qonto offers a range of banking services to small businesses and freelancers available via mobile app and web-browser.



**2017**

Founded



**\$709M**

Total Funding Raised



**\$4,7B**

Valuation post



**300 000+**

Customers



**900+**

Employees



**4** Countries



**18**

Currencies supported

## Products offered (Business) :



Business Account



Savings, Investments, loans, physical and virtual cards



Bookkeeping, team expenses and personalized service.

# Qonto

Main tools and features for business and freelancers.

## Business Banking

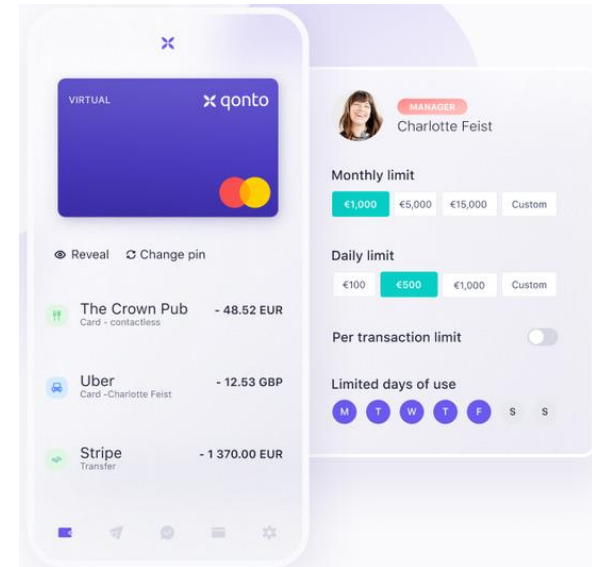
- Three subscription plans for freelancers, SMEs and Start-ups.
  - Pack to new business founders
  - IBAN depending on the market : FR, IT, ES, DE.
- Only neo-bank to offer metal cards for professionals.
  - Cash checks
  - Customer service 7/7
  - Online business banking comparator

## International possibilities

- Transfers via SEPA across Europe
  - Globally via SWIFT
- 18 Currencies supported
- Payments abroad are at exchange rate without any exchange commission (Metal card)
- Free withdrawals (Metal card)

## Cards in-app

- Customize PIN code
- Lock and unlock card



## Financial Products

- Saving accounts
- Term Deposits through My Money Bank and Cashbee
- Securities Account
- Classic loan or State guaranteed loan of up to €30,000

## Extra Features (Depending on plan)

- Bulk transfers
- Bookkeeping Pack
- Role management
- Team expenses Pack
- Spending categories
- Automate tasks (Soon)
- Personalized service and support
- Access to collection of Business APIs
- Conciergerie
- Access to airport lounges
- deposit your share capital online

## Payment methods

- Up to 15 business Mastercard's (Premium)
- Physical and Virtual cards
- Apple pay and Google pay
- Check deposits
- Prepaid cards for one-off expenses

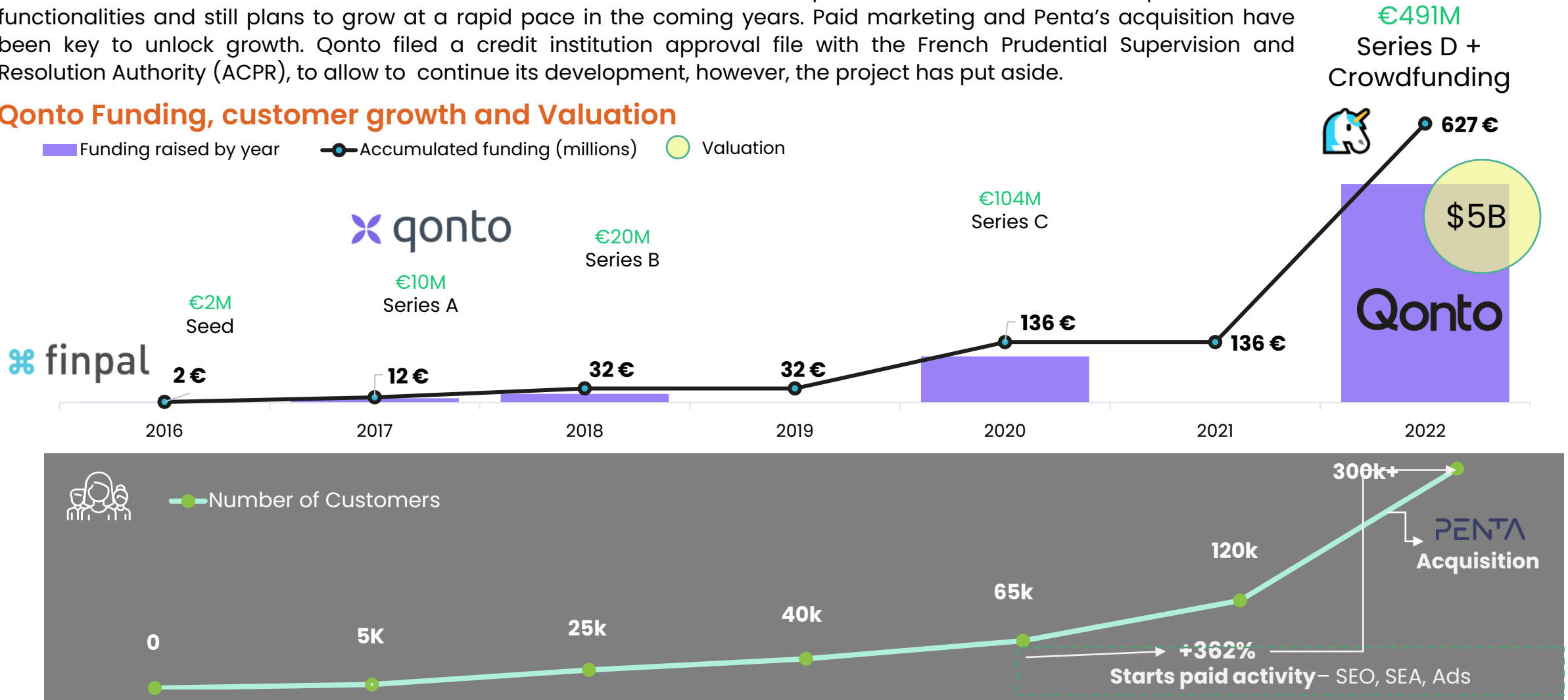


**C-INNOVATION**  
EMPOWERING STRATEGY

Qonto biggest push started in 2020, triggered by the injection of €104 million to penetrate further its current markets, expand operations and add functionalities to its platform.

With 65k customers in 2020, it added almost 5X more customers to September 2022. It added new products and functionalities and still plans to grow at a rapid pace in the coming years. Paid marketing and Penta's acquisition have been key to unlock growth. Qonto filed a credit institution approval file with the French Prudential Supervision and Resolution Authority (ACPR), to allow to continue its development, however, the project has put aside.

### Qonto Funding, customer growth and Valuation



# Qonto at a Glance (Annual Report 2020)



**300k+**

Active customers as  
October 2022



**€ 1.6bn**

Total deposit



**€27m**

Of Losses



**€37m**

Total revenue



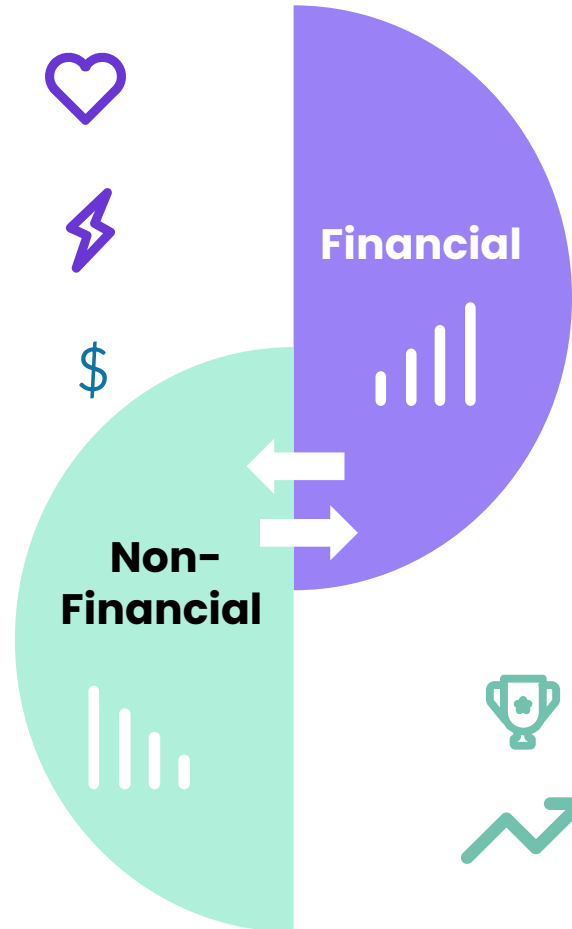
**99%**

of income is generated  
from commissions

Qonto's steers business and strategy following financial and non-financial performance indicators with some level of granularity. Focus is given to user's transactions, revenue and growth. However, profitability isn't one of their core metrics.

## Qonto's Key Performance Indicators

- Transactions
- Deposits
- Revenue
- Average Revenue Per User (ARPU)
- BI Revenues



*"The question is how we keep on growing fast and making sure we remain number one with an even larger market share or position".*

**Alexandre Prot**  
Co-founder and CEO Qonto

- User Growth by country and by price plan
- Onboarding funnel conversion
- Churn rate
- Clients' upgrades/downgrades



The business banking competition is hitting up with traditional and digital only brands servicing businesses across Europe.

### United Kingdom

STARLING BANK **tide**  
**monzo** **ANNA**  
**Revolut** **Coconut.**  
**wise** **sumup**  
**Airwallex**  
**mettle.** **soldo**  
**cashplus bank** **card one money**  
**Counting up** **OakNorth**

### Holland

**FINOM** **bunq** **knab**

### Norway

**Aprila Bank**

### Finland

**HOLVI**

### Denmark

**LUNAR**  
**AGERAS GROUP**  
**PCEO**

### France

**Qonto** **anytime**  
**Boursorama** **Blank**  
**Shine** **Hello bank!**  
**NICKEL** **SOGEXIA**  
**Memo Bank** **Sapheer**  
**monabanq** **paykrom**  
**manager.one**

### Switzerland

**YAPEAL** **Klarpay**

### Germany

**N26** **Kontist**  
**pliant** **Airbank**  
**PENTA**

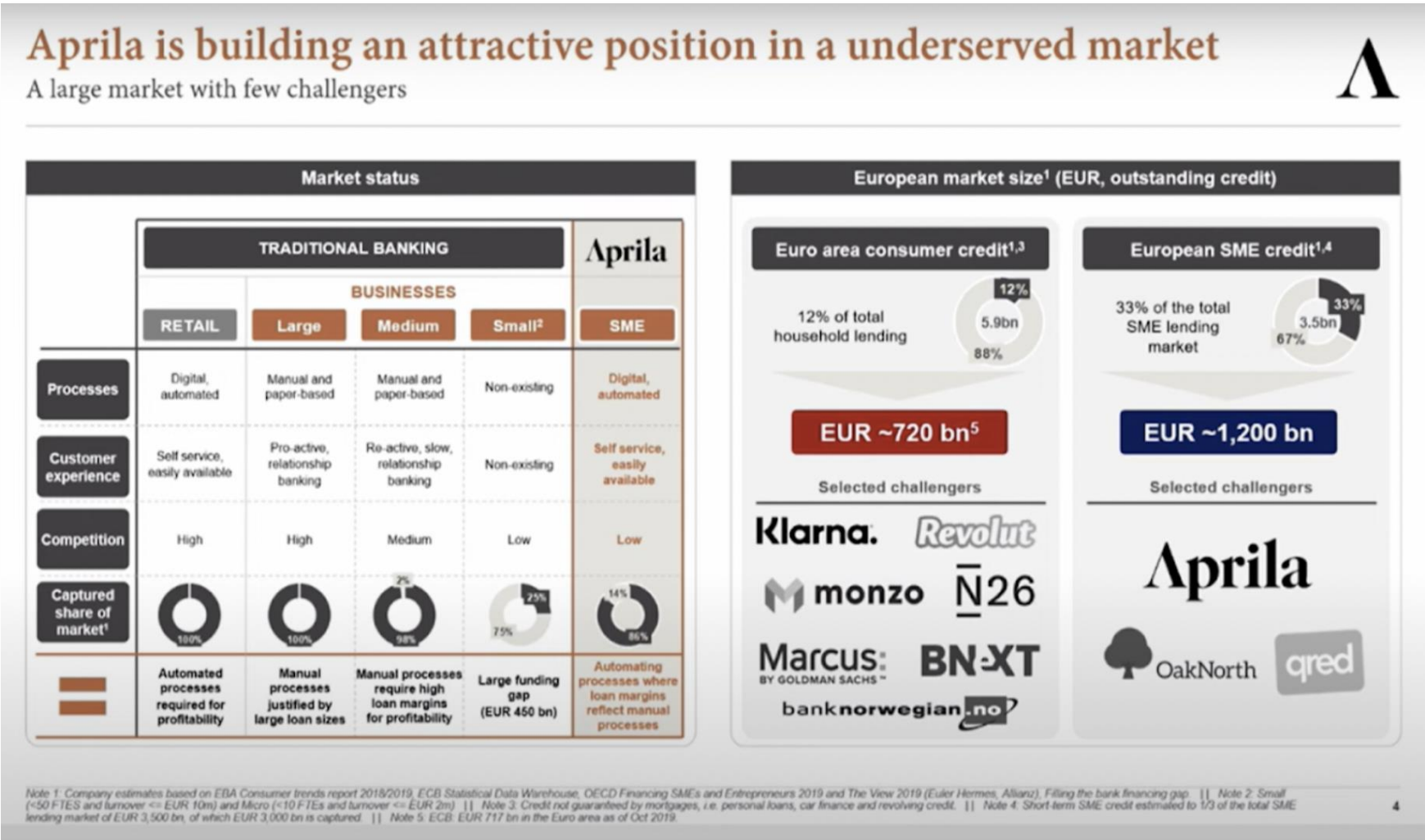
### Spain

**wono** **fintonic** **crealsa**

### Italy

**Banca Sella** **UBank**  
**HYPE** **tinaba**

Aprila Bank, launched in 2017, is serving 5K+ business clients in Norway and has already reached profitability. Differently to Qonto the bank's focus is lending, still it puts lot of pressure on Qonto's business model that hold more than 300k users and still is not profitable.



# Aprila Bank

*“Now that we are profitable, other banks and institutions, including Neo-banks, are going to look at us and think ‘Wow, there’s a lot of profit to be made in this segment”*

**Halvor Lande**  
CEO Aprila Bank

# Contents

# Qonto

## 1. Background

- Company Overview
- Qonto's Timeline
- Qonto's Approach to Banking
- Qonto's Unique Selling Proposition
- Leadership Team
- Investors and Funding
- Qonto's Ledger

## 2. Growth Strategy

- Qonto's Market Entry Strategy
- Treezor's Partnership
- Qonto's Core Banking System
- Customer Growth Strategy
- Growth and Marketing Approach
- Product Stack (French Market)
- Partnerships & affiliated program
- Core Offering shift
- New and Improved Branding
- Customer Service
- International Approach
- Funding, customer growth and Valuation

## 3. Business Model

- Value Proposition Overview
- Revenue Model

## 4. Financial Metrics

- Annual Report at a Glance (2020)
- Key Performance Indicators
- Main Sources of Income
- Evolution of Customer Deposits
- Qonto Unit Economics (£)

## 5. Competition

- The Competitive Landscape
- Valuation Benchmark
- App Score comparison
- Banking M&A
- Penta Acquisition
- Lunar, Bunq, Qonto Case Study
- Penta Company Overview
- Ageras Group – Case Study
- Aprila Bank – Case Study
- European SME Banking Landscape
- Qonto Offering Vs Traditional Banks
- Qonto Offering Vs Digital Banks

## 6. Future Perspectives

- Digital Banking is the Future
- Profitability becomes critical
- Strengthening leadership in Europe

## 7. Key Take-Aways

# The research team



## Research Analyst

**in Isabel Richardson**

Isabel has graduated with a degree in Economics and French from the University of Queensland, Australia. She has split her studies between Australia and France, where she also attended Sciences Po in Paris. She has a personal interest in sustainable investment as well as regulations in the finance industry.



## Design Support

**in Tessa Ponce de Leon**

Tessa is in her third year of an undergraduate degree, which she studies in France. Her degree links Business Administration, Economics, International Relations and Brand Management. She is currently in Vienna where she is completing an exchange program, further highlighting her international background.



## Leading Consultant

**in Javier Guevara Torres**

Javier is co-founder and CEO of C-Innovation. Having worked with both technology companies and corporates such as HSBC and Santander, he has a unique view of the challenges from both sides of the table.

Stay tuned for more!



**C-INNOVATION**  
EMPOWERING STRATEGY



This study was carried out by C-Innovation. Do not hesitate to follow us via social media to keep you informed of the latest FinTech developments.

