

Meet Novus, the super impact neobank for conscious consumers

As part of our quick fire questions series – or QFQs – we spoke to Shruti Rai, cofounder and chief growth officer at Novus, about the power of people to transform the world, growing a remote team and building a super app for the conscious consumer.

We launched Novus as the UK's first ever “impact neobank” because we have a deep, unshakeable belief in the power of people to transform the world into something new. (Novus is actually one of the oldest words for ‘new’.)

We believe we all want to be good. But doing good every day can feel like an impossible task. So we wanted to make having a real, positive impact on the world as simple as possible. Something you could do every day, with something as simple as your everyday spending.

Tell me about the business – what it is, what it aims to achieve, who you work with, how you reach customers and so

on?

Novus offers our customers four important features:

Impact banking – Novus makes it easy to look after your money and the planet. Using the Novus card, every time you make a purchase, Novus pays a portion of its revenue from that transaction automatically to the cause of your choice. Novus members know they generate positive impact with every payment they make and feel good about their money not being used to fund dirty industries, as many banks still do.

Ten different impact partners – Novus shares its revenue from each transaction you make with your choice from its 10 different NGOs, each working to solve some of the world's biggest challenges across the UN's Sustainable Development Goals.

Track and offset your carbon footprint – Novus automatically calculates and shows you the impact of each of your transactions right there on your phone, and gives you the opportunity to offset this impact easily by investing in one of its range of carbon neutralising projects.

130 ethical brand partners – Novus provides an ethical brand marketplace of more than 130 partners (such as Hello Fresh, Just Eat, Brewdog, Ocean Bottle, Allbirds etc) offering cashback rewards for your ethical spending choices. Whether you are looking for clothes, homeware, gifts, utilities or anything in between, you'll be rewarded when making sustainable swaps for your everyday spending.

Novus's aim is to become 'the super app for the conscious consumer' and we will be adding more features in the coming months to continue this journey. Novus has partnered with Visa as a card partner and we work with other fintech companies like Railsr and Marqeta in the UK.

How has the business evolved since its launch? When was this?

We were able to build a waitlist of over 30,000 people across the UK before going live on the App Store/Play Store in early 2022. Since going live – only a few months ago – we have already onboarded 30,000 users.

We've also managed to grow a team from 5 founders to 43 driven, talented people across all areas of the business, spanning across several different countries.

Novus has received a lot of recognition already in the fintech/startup space. We were so proud to receive the 'Most Sustainable Consumer Digital Banking Firm 2022' from the Worldwide Finance Awards, 'Boldest Fintech of the Year' from the Bold Awards, and 'Most Innovative Sustainable Banking App 2022' from the Ethical Finance Awards. We've also been shortlisted for the National Start Up Awards and the Paytech Awards and await news of the results of shortly.

We are also proud of the fact that we've managed to achieve all of this with a 'remote first' working environment.

How are you funded?

We have an experienced team of angel investors from tier 1 VC scout programmes like Accel as well as backing from two venture capital companies. We also did a successful crowdfunding campaign with Seedrs in early 2022.

What has been your biggest challenge so far and how have you overcome this?

Hiring has been the main challenge given the competitive UK fintech market. Ideally we would have wanted to scale the team quicker but we are glad we managed to find the right talent eventually.

How does Novus answer an unmet need?

We were the first neobank to gain the B Corp certification, and remain the only impact neobank making it possible to support the full range of the public's impact concerns, whether they be environmental, governance or social.

The Novus app is built for anyone who wants to make a positive impact but doesn't know where to start - or finds it too unrewarding and challenging to do so. By simply switching everyday banking to Novus, members can feel empowered to make positive change by doing something as simple as making payments using their Novus card.

By rolling banking, impact, carbon and lifestyle features into one place, we take a holistic and integrated approach to sustainable change - we use our existing banking apps everyday, so it serves as the perfect place to create impact in a simple and consistent manner.

The time is right for a 'super app' for conscious consumers – the pandemic has put sustainable action top of mind in the general public and we expect this segment to continue to grow with rising awareness of issues like climate change. 9 out of 10 young adults are willing to switch to brands with an associated cause according to a recent JP Morgan report.

What's in store for the future?

Novus intends to be much more than an impact Neobank, with plans to become the world's leading impact super-app, acting as a single, central hub for the growing number of people who want to make the world a better, safer, fairer and more sustainable place.

We want to share impact banking with the world, so one of our longer term goals will be planning our expansion into our first international market. We're incredibly excited to take Novus international and have already started talking to a few different partners in different countries, with the US market being a large contender as our first.

We always want to make sure we are continuously innovating at Novus to reflect the dynamic nature of the external fintech/sustainability space. It is for this reason that, aside from what is already offered on the Novus app (digital banking features, impact, carbon tracking and offsetting, and a sustainable marketplace), we also want to offer green investment.

We believe this move will reflect the growing prevalence of ESG and impact investment in the external market. Once an individual is supporting NGOs, understanding and offsetting their carbon footprint, and shopping with sustainable brands, the next logical step is to ensure their investments are also green.

We always want to make sure the Novus app experience reflects the needs of those using it, that's why we're prioritising adding user-friendly features such as direct debits.

What one piece of advice would you give other founders or future founders?

Our advice would be to remain open-minded, hire the right people and enjoy the process of building something from scratch. There is a lot of ambiguity in the start-up journey so being open-minded and having the right team in place helps in coming up with solutions that can help optimise the course of the business.

Shruti Rai, cofounder and chief growth officer at Novus.

Article by SHRUTI RAI