

Wagepay enables employees to gain financial control through **instant wage advances** with Monoova

Key results

330,000
payments

Reliably disburses more than 330,000 payments in two years

60
seconds

Completes nearly all of payments in 60 seconds

3X
annual growth

Supports planned 3X annual growth

PayTo
launch

Collaborates on launch of PayTo and other products

Summary

With Monoova, Wagepay modernises payroll processes by automating wage advances to customers at scale and executes an ambitious organic growth strategy.

About Wagepay

Headquartered in Brisbane and founded in November 2020, the fledgling fintech company also has a presence in Melbourne and risk analysis teams in Singapore. Wagepay has moved quickly to profitability and Tony puts its success down to its machine learning algorithms and risk modelling capabilities.

"Data-driven analytics are key and we aim to focus on these to continue to drive growth," he says. "Our total addressable market will soon be anyone who earns a wage, with fee structures determining the proportion of the market likely to embrace our services. For example, a 5% fee delivers a comparatively small proportion of the market, while 0.5% effectively delivers close to the total population."

Security is a given.
For portal access, Monoova had two factor authentication from day one and those are the types and level of security policies you like to see from a payments provider.

Tony Chan

Founder and Chief Executive Officer
Wagepay



An addressable market of every wage earner

Access to transaction data enabled Wagepay to undertake the risk management that determined how quickly it could scale. The business launched risk-based pricing one year after its foundation and Tony believes that within five to 10 years, every wage earner will use a service that enables them to receive their wages daily. "Earned wage advances are a global play and applicable to everyone," he says.

Wagepay's number one priority is to ensure that when a customer requests and is approved for a wage advance, it provides that advance as quickly as possible. The business selected Monoova for all New Payments Platform (NPP) disbursements to customer accounts after evaluating the product against a competitor.

"We cannot tolerate any system or platform issue that impacts delivery, so stability is business-critical for us," says Tony. "Ninety-nine percent of our processes, including customer applications, assessments, draw-down disbursements, contract underwriting and collections are automated, so integrating seamlessly with Monoova through its API is integral to our service delivery."

The business also uses the Monoova portal daily for high-level tracking of disbursements via different channels, as well as obtaining more detailed insights into wait times, error codes and other business-critical information.

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Nearly all of customers receive funds in 60 seconds

With Monoova, Wagepay ensures nearly all of its customers receive their funds in less than 60 seconds, using NPP to pay out via PayID or bank details. "We've managed to fulfill more than 330,000 wage advances via NPP over a two year period," says Tony. "So this demonstrates the scale Monoova helps us achieve."

Furthermore, Monoova's pricing structure enables Wagepay to keep its cost of sales in line with those of its competitors, allowing the business to differentiate itself through quality of service.

Monoova also secures any personally identifiable information that transits or resides within its products, and has achieved compliance with the industry-leading SOC 2 framework that specifies how organisations should protect customer data. "Security is a given," says Tony. "For portal access, Monoova had two factor authentication from day one and those are the types and level of security policies you like to see from a payments provider."



On-call support when needed

Monoova also fulfills the organisation's straightforward but demanding customer service and support requirements. "If there's any deviation from sending funds into customer accounts in near real-time, I can reach the Monoova team as required to address the issue," says Tony. **"For example, one Christmas Eve we had a record number of disbursements and reached our daily payment limit, so the platform began rejecting payouts. I called Monoova after 10pm and the team raised the limit to allow us to continue making disbursements."**

I don't believe I would have received this level of service from any of Monoova's competitors." Wagepay plans to continue working with Monoova to execute an organic growth strategy, based on growing at a comparatively moderate two to three times a year, to maintain profit margins. "Regardless of how quickly we grow—and we had twice as many transactions in November 2022 compared to just five months earlier—I expect Monoova to scale alongside that, delivering uptime 24 hours a day, seven days a week, 365 days a year," says Tony.



Launching a PayTo product

With Monoova's assistance, Wagepay has switched on PayTo, the new digital method of initiating payment from bank accounts that supersedes traditional direct debit services. Within the first few weeks of replacing traditional debits as the primary option we received 3,000 signed PayTo mandates.

Direct debit accounts for about three quarters of all repayments that come back to us and we typically have to wait 24 to 48 hours for those," explains Tony. "We also experience a number of cases of dishonour reporting from banks after a payment has actually settled. PayTo addresses this and we hope it takes over at least 80% of all payments within the next two years."

Wagepay now anticipates working closely with Monoova to launch new offerings, including products that involve receiving money from customers. "Monoova embeds automated, real-time payments into my entire process and supports paying out and getting money back," says Tony. "These are my top two areas of focus and as long as Monoova continues doing that we're excited to continue working with them."

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Wagepay's aim is simple: enable Australians to access in real-time the wages they've earned, enabling them to improve their financial wellbeing. To date, users have set up 220,000+ accounts, at a maximum of \$2,000 per transaction. "We aim to transform the traditional approach to payroll that typically requires employees to wait about a month to be paid," explains Tony Chan, Founder and Chief Executive Officer, Wagepay.

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