

OPEN FINANCE

BRAZIL MATURITY INDEX | 2023



SUPPORT:
aws 

BRAZILIAN OPEN FINANCE IS A SEA OF GREAT OPPORTUNITIES!

Surrounded by an archipelago
of challenges...





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EXECUTIVE SUMMARY

We have been with the Brazilian Open Finance (OpF) for 30 months... It seems like a lot, it seems like little. When is it possible to say that a project is mature? At what point do we start demanding ROI generation from it? When should we expect users to fall in love with it or at least start to see benefits **We wanted to understand the Brazilian case, assessed by Brazilians themselves.**

We went into the field with an idea in mind: **who is benefiting from Open Finance?** What can we learn from them? Most of the answers were expected, some surprised us a lot. Amid discussions about the exemption from mandatory participants¹, the Central Bank of Brazil's (BC) planning to form a platform with other projects², competition with new technologies and new challenges imposed on institutions by the BC³, we spoke with several representatives of the Ecosystem, such as **Incumbent Banks, Neobanks, Fintechs, Insurance Companies, Technology Providers, Influencers, Academia (and even some challengers, such as Retailers)** to understand the maturity of the companies involved in this context.

Among the interviewees, 60% of companies already have some activity carried out in Open Finance, 70% of them have areas or people dedicated to the topic and more than half already see results from Open Finance.

There is still room for growth, when there are more products and services in the profitability phase, more companies measuring their financial results and the topic becomes a priority for companies. We understand that this will happen in the next phases, after the heavy burden of regulatory compliance, identified by everyone as the biggest challenge to be overcome, for now.

We talk, OF COURSE, with the consumer. Does he see an advantage? **Does the end customer really want to "be Open"?** Then, yes, many surprises came to light! **The terms Open Finance and Open Banking are already known by 76% of the population.** What's curious?! **Around 37% say they have already authorized their bank/wallet to access information or make payments from other players** and, on average, 30% say they use Open Finance services. Our first reaction was to discard the data, as if the public had not understood the question, no matter how clear it had been asked. Studying some external variables in more depth, however, we were able to conclude that there is great expectation from the population, they are reacting and really embracing Open Finance, but they are not able to continue the journey to the end!

Hyperpersonalization and Principality are the main goals of the participants. When we look at the impacts on customer management, **37% of the companies interviewed are already using open data to manage their databases** and, of these, 72% say they are able to do this activity better because of Open Finance. But, the reality is that the business areas are still far from the OpF. In **less than 30% of companies, the Marketing, CX and Commercial areas are involved with the topic.**

Internal and external challenges tend to be different between B2B and B2C companies. However, in common, they have the priority of improving information security, as they realize that the perception of a lack of data security on the part of the end customer is the biggest barrier to adoption, for now.

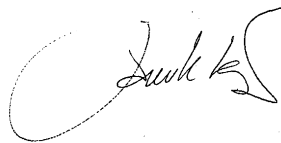
There are many opportunities and, equally, countless challenges, but some are already beginning to have a very good idea of results and this has excited the market and we hope that it will attract even more participants to this great ecosystem of contextualized experiences!

Good reading!



David Cortada

*Vice President of the
Financial Services CoE
at Capgemini Brasil*



Jamile Leão

*Head of Open Finance
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*The survey "Open Finance Maturity Index in Brazil"
was carried out with AWS support.*



OPEN FINANCE IS EXPERIENCE, NOT REGULATION

THE WORLD OF OPEN BANKING DIRECTIONS ADOPTED BY EACH COUNTRY

The World of OPEN BANKING

Find out more at www.konsentus.com

Data as at end of February 2023

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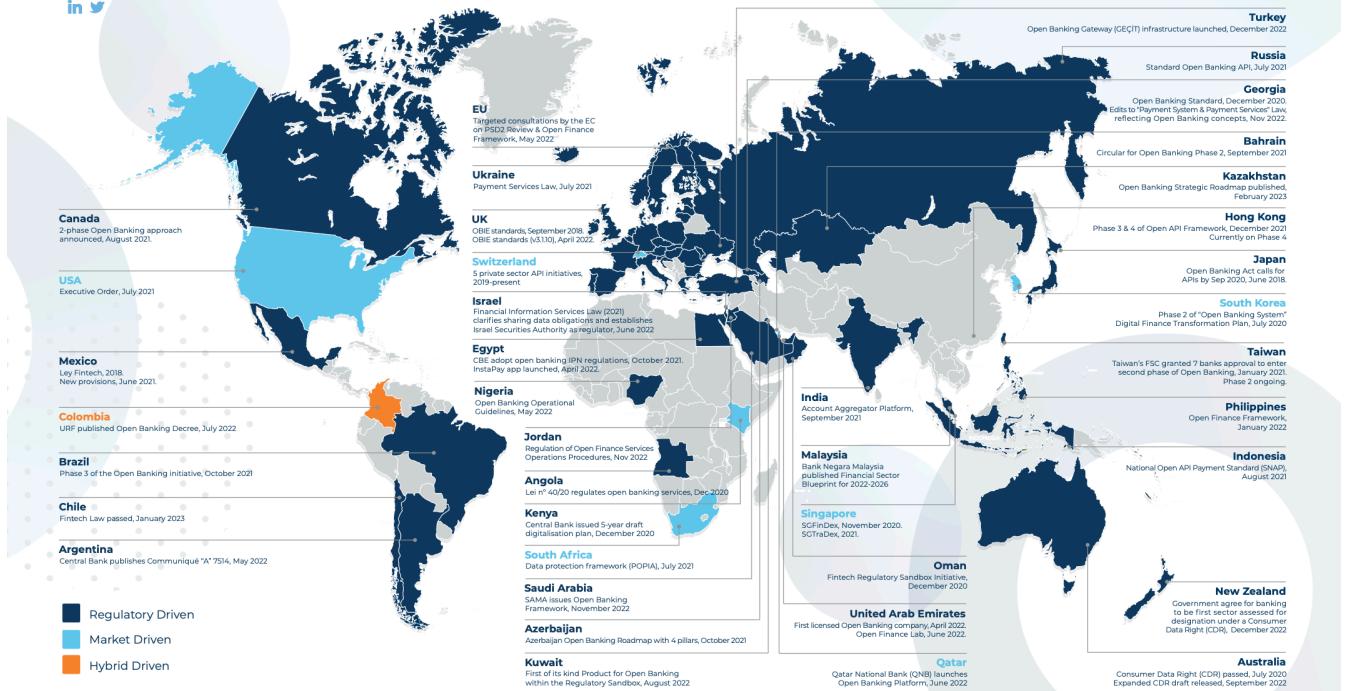


Figure 01: Open Experiences and their different approaches in April 2023. Operational in practically all over Europe and 13 other countries and in development over other 16 ones.

Open Finance is an **Embedded Finance discipline**, in that companies outside the financial sec or begin to distribute financial solution contextualized in your customer and user journeys. We notice a search for innovative ways of collaborating in ecosystems, be they incumbent banks, neobanks, fin echs, retailers or any other industries, in order to **unlock new revenue models and o er products and contextualized services** to customers and efficiently comply with regulations.⁴ There are, in fact, several experiences around the world completely shaped by the market⁵ and ⁶, without any regulatory influence

In other words, the regulatory phases, established by Bacen, Susep and whose concepts will be adopted by Anbima are just the beginning of a much larger, unpredictable and expected journey, with great expectations, as an agent with atomic potential for transforming market frontiers and what financial experiences will be like from now on. This cooperation between different players, in an ecosystem model, is what we call Open X7. The goal is to provide experiences that extract the greatest value that each person has to offer: on the one hand, **the credibility and security of incumbents**, on the other, **the agility and contexts of Fintechs and other markets**⁸



1

BRAZIL,

the case that coined
the term Open Finance

1.1. BRAZIL, A STEP AHEAD ON THE ROAD TO EMBEDDED FINANCE

FACTORS THAT MAKE THE BRAZILIAN CASE SPECIAL:



Engagement
of various
industries



Available
Data Volume



Volume of
Participants



Security
Level



Volume of
Segment of
the customers
served



Schedule



Market
Self-Regulation



Highest
standardization



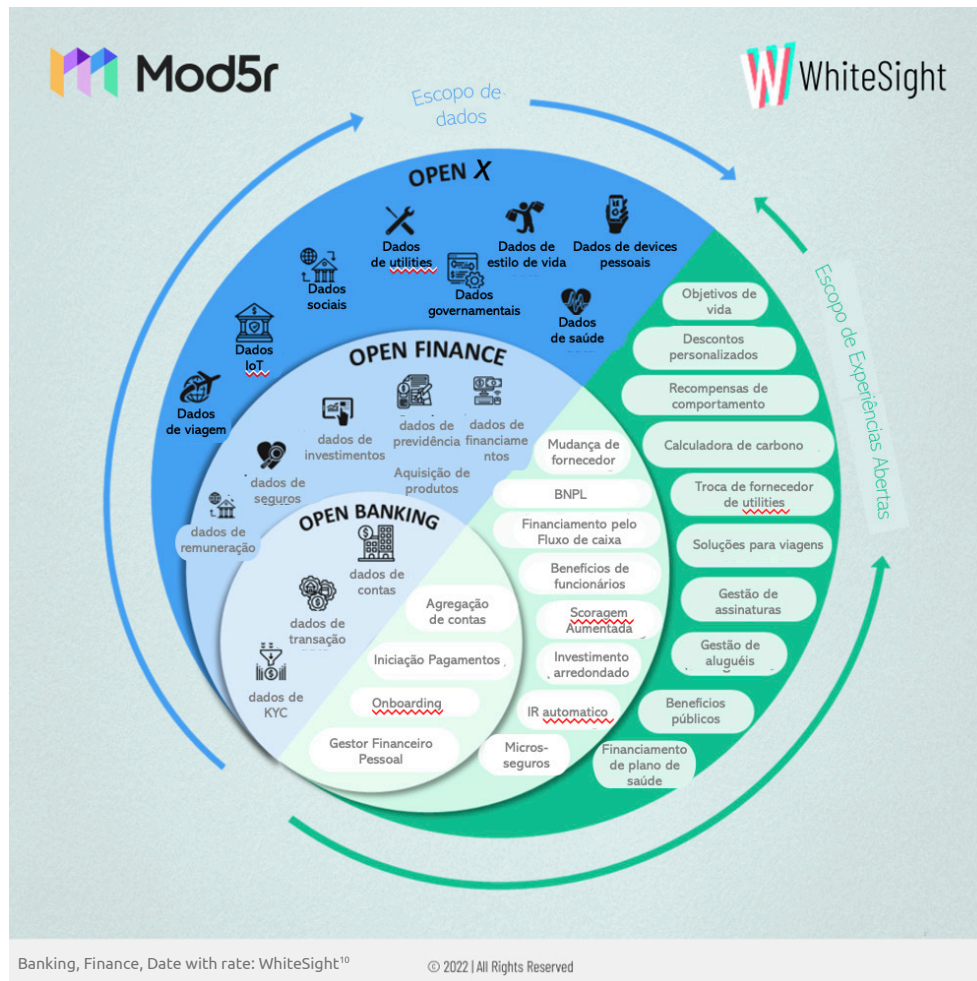
Reciprocity



Volume of
Services
available

There is no consensus on the size of the global market. Available survey makes reference to Open Banking – to the detriment of Open Finance – and point to a CAGR of 22.3% 27.2%, with a total market value between 123.7 and 135.1 billion dollars. But the fact is: alone, the Brazilian case has the potential to inject BRL 760 billion (USD 157 billion) into the concession of credit, with BRL 460.7 billion for individuals – considering the total potential for consumers to join the modality.⁹

PROGRESSION OF OPEN APPROACHES TOWARDS A COMPLETELY BUILT-IN EXPERIENCE



The characteristics of the Brazilian case expand the possibilities of creating experiences for the consumer. The new markets included (exchange, investments, insurance and social security) bring together the main elements of the consumer's financial life, bringing much more potential for experiences in context. Not surprisingly, three months after its launch, the Brazilian case won the international Central Banking Awards, for its potential to transform the financial system, bringing more competitiveness, efficiency and inclusion.¹¹

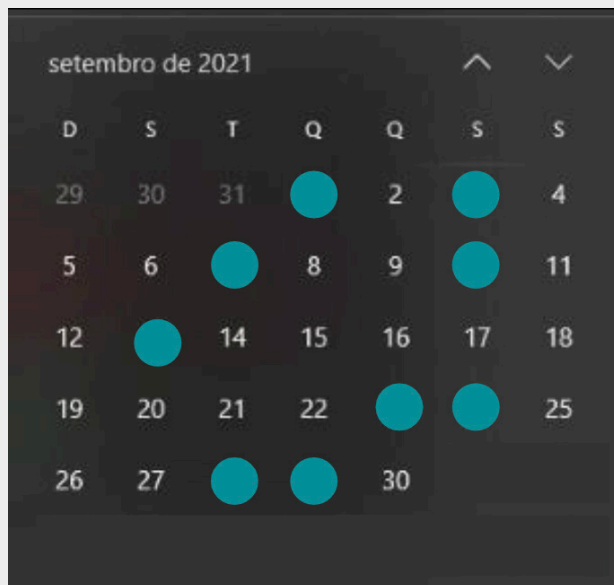
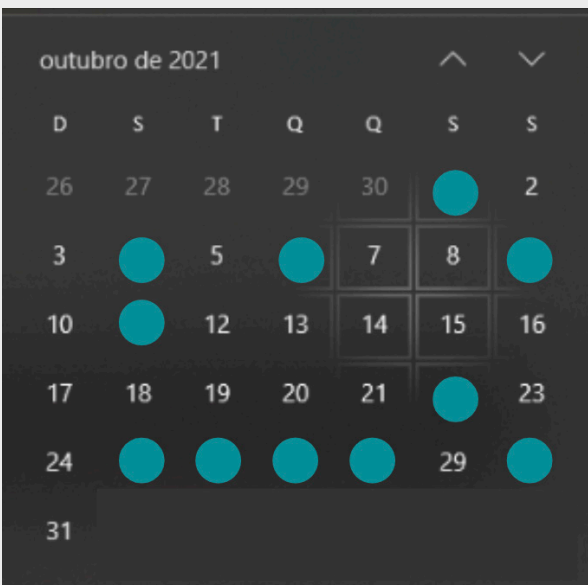


Brazil took advantage of lessons from the United Kingdom and other markets to deliver quickly, fill some gaps and fix some of the mistakes we made the first time. Brazil has the chance to learn, take stock and implement quickly, handpicking the best in the world.”¹²

Ralph Bragg
Founder and CTO, Raidiam

Reciprocity and Regulatory Action are highlighted, but the challenging schedule, greater volume of data, many products involved and equal levels of access and segments place the Brazilian case as a global reference and impose extra difficult

Many uncertainties and last-minute changes shape the day-to-day lives of institutions involved in regulatory compliance, generating a lot of rework and extra costs for development.



Pre-Launch Phase 3 Regulatory Changes

“ The Open Finance movement is happening because of the regulator, not because of the market (...) Agenda will be driven by pain (regulation), not by love (business opportunities).”

Retail Interviewee

1.2. REGULATORY FORCE: THE GOOD, THE BAD AND THE VILLAIN

At the same time that the regulatory force is cited as the most relevant patron of Brazilian Open Finance, it is also seen as the biggest challenge by those involved. When asked “what would increase the creation of new products and services?” The answer comes automatically: a reduction in the pace of the regulatory agenda. Data quality, cheaper technology and end-customer acceptance are also among the answers.

IN YOUR OPINION, WHAT WOULD FACILITATE AN INCREASE IN THE PRODUCTION OF NEW PRODUCTS AND SERVICES?

- **Reduce regulatory demands (most cited)**
- Stability in integration and data quality
- Cheaper technology suppliers
- Customer adherence (more interest, more data)
- Include OpF in the customer journey
- Maturity of solutions (more solutions, more adherence, more quality in products, in experience)

“REGULATORY WEIGHT” AND ITS REFLEXES ON THE MARKET:

- Many regulatory demands that are still undergoing modifications **Rework is a big challenge**, both from the point of view of time, investments and resilience of the teams involved.
- The need to focus on regulation directly reflects the vision of those involved, causing **a clear dissociation between Open Finance Regulatory and Open Finance Business**. When asked, most institutions only refer to regulatory pieces such as Open Finance, leaving aside other solutions, such as BaaS, for example (banking as a service).
- The majority “stuck” on the heavy volume of data to be shared, slowing down the pace of entry into non-mandatory phases. Some simply stopped doing it until they were more clear about what was going to happen.
- The regulatory burden and entry barriers for Fintechs have been considered a major limitation on the creation and adoption of new players. The birth of new businesses (fintechs) focused exclusively on Open Finance is also scarce due to this characteristic.
- Full potential lies in the future. **There is a vicious cycle caused by this regulatory burden**: the full potential of the project can only be achieved when all phases are 100% live, but putting the phases live has drained the energy available to generate new business and experiences.

2

**An ecosystem
in constant
motion**



2.1. OPEN FINANCE RADAR

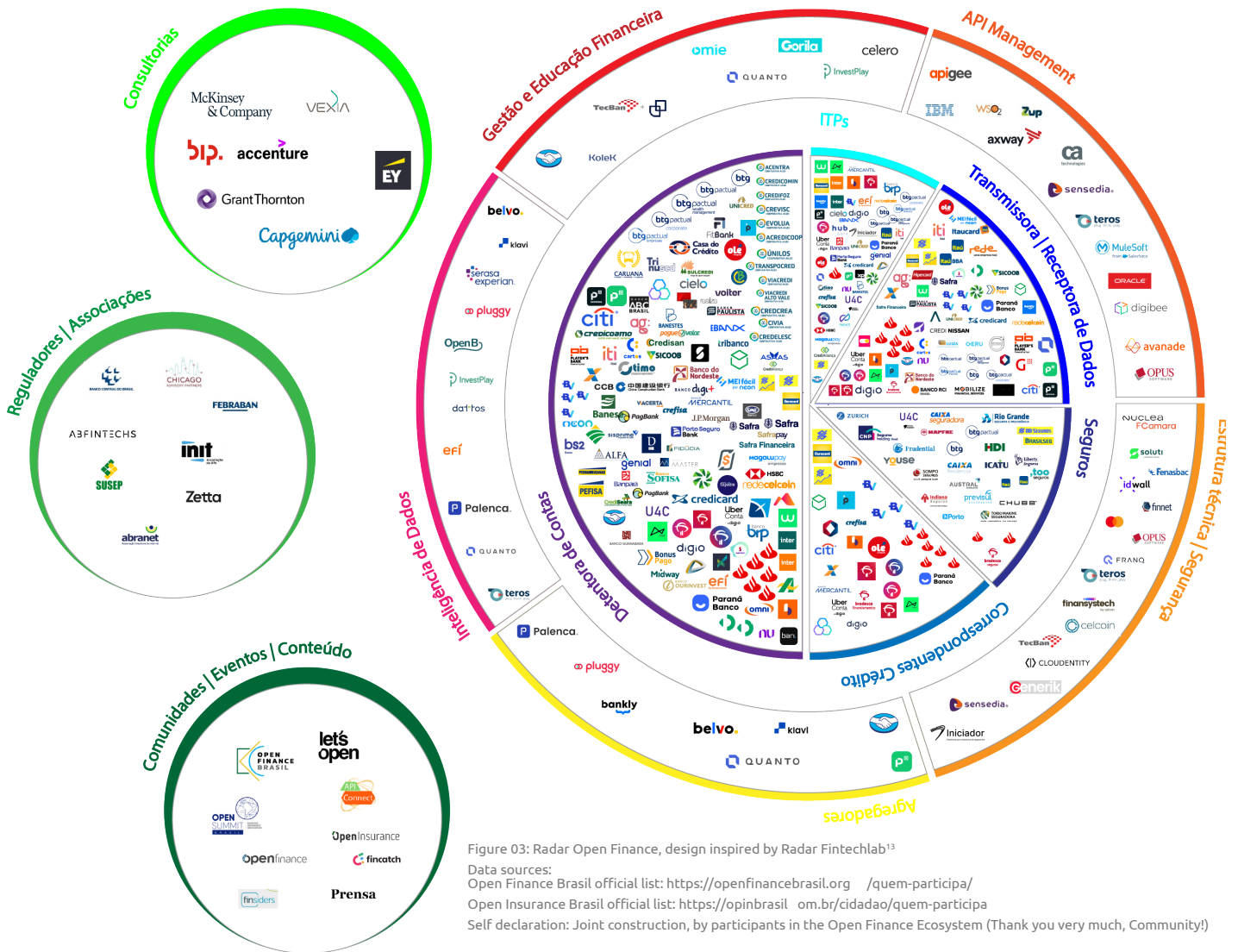


Figure 03: Radar Open Finance, design inspired by Radar Fintechlab¹³
 Data sources:
 Open Finance Brasil official list: [https://openfinancebrasil.org /quem-participa/](https://openfinancebrasil.org/quem-participa/)
 Open Insurance Brasil official list: <https://opinbrasil.com.br/cidadao/quem-participa>
 Self declaration: Joint construction, by participants in the Open Finance Ecosystem (Thank you very much, Community!)
 Rate: missing logos were not inserted on the official pages, even though the name of the institution was described

When we look at the players in the Brazilian Open Finance Ecosystem, we can assume that it is still very restricted to the financial market itself, with the exception of technology providers and some Fintechs for Payment Initiation, Data Processing and Personal Finance Managers (PFMs). The entry barrier is still very high

and the end customer is still very selective. Another challenge has been the macro economic scenario, with a retraction in Venture Capital, bringing a shortage of financing and severely impacting Fintechs, at the end of 2022 and beginning of 2023, which has directly reflected on Open Finance Players.^{14 and 15}

“AWS is closely following the development of Open Finance in the country, as the cloud plays a fundamental role in the architecture that financial institutions need to operate in new digital models, in addition to guaranteeing infrastructure and applications, including storage and data sharing with great flexibility, security and scalability.”

Tatiana Orofino, business development manager for the AWS financial market in Brazil.

2.2. STRATEGIES ADOPTED FOR OPEN FINANCE

When we asked about their main strategies and objectives in relation to Open Finance, we noticed very different approaches between those involved. Among incumbents, defense and attack were the most cited strategies, in the search for competitiveness and maintaining the customer's Principality. Neobanks and digital wallets seek new customers and products. Retail recognizes its ability to distribute already developed solutions, in context. Fintechs and technology providers are focused on data management.

Incumbents cite defense and attack strategy: have services to shield the base and others to initiate competitive movements.

Incumbents Competitiveness		
	<ul style="list-style-type: none"> • Improve existing services; • Optimize business lines; • Payment as a new source of income (own or third party); • Principality in the relationship, via PFM; • Personalization, as it will be common in the market; • Data aggregation to benefit from customer data; • BaaS. 	
Neobanks New products, new clients	Fintechs and IT Suppliers Make the work of banks easier	Retail Monetize B2B and B2C solutions
<ul style="list-style-type: none"> • Data aggregation; • Credit profiling • New credit, insurance and investment products for new and current customers. 	<ul style="list-style-type: none"> • Data capture; • Data behavior (standardize, sanitize, organize); • Infrastructure and software as a service. 	<ul style="list-style-type: none"> • Create and distribute "white label" products; • Gain competitiveness with Payment; • Transaction Initiators (ITPs).



It has two fronts of action in the negotiation axis: tactical (defense and attack) and transversal services (...). Payment initiator will have internal development, financial manager will have outsourced development."

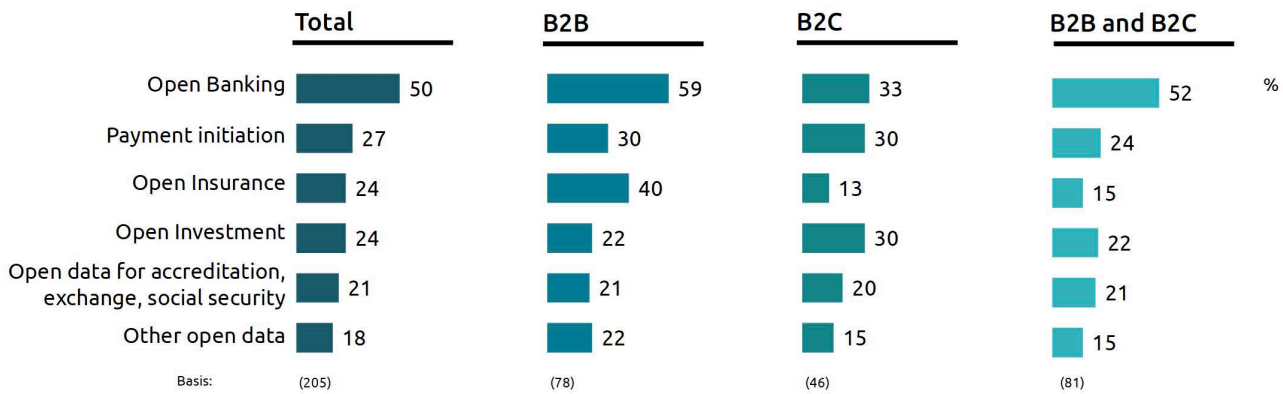
Interviewee
Incumbent

FOCUS OF ACTIVITIES DEVELOPED, UNDER DEVELOPMENT OR ON THE AGENDA

We are still in the middle of the regulatory delivery schedule, foreseen by Bacen and Susep¹⁶. In that regard, the focus of companies' activities on regulatory requirements is clear.

Open Finance discussions still do not permeate all business areas. The teams involved are still consuming energy in convincing the business areas.

The focus of the institutions follows the regulatory maturity pattern of each of the fronts. Banking still concentrates the largest volume of energy. In B2B companies, however, we noticed greater interest in working with Open Insurance (Opin). B2C companies have a greater diversity of fronts.



Does the company you work for currently have activities under development on the topics below, or do you have any of them on the agenda? [SINGLE ANSWER]

DEDICATED TEAMS

Specific area or dedicated people



26% No

4% I don't know

Basis: Total Sample [205]

Specific area or people dedicated to training



39% No

14% I don't know

Basis: Total Sample [205]

Is there a specific area or people dedicated to Open _____ in your company? ? [SINGLE ANSWER]

Is there an area or people dedicated to TRAINING people about activities and impacts related to Open in your company? [SINGLE ANSWER]

A current difficulty for companies is making Open Finance permeate other areas and, in them, finding people who understand the topic and how to leverage it. From the 48% that dedicate people or areas to training on the OpF, we see that this need is already being addressed among the interviewees.

2.3. IS ANYONE MAKING MONEY, AFTER ALL?

Clear and direct answer? Not yet!

But it STILL needs to be highlighted loud and clear! We find institutions that are at breakeven or very close to him, while others struggle to first establish a strategy that will lead them to the long-awaited result!

Most institutions, however, are starting to identify metrics that indicate their results and here we have, probably, the biggest challenge of Open Finance. For now, most only measure the big indicators (volume of consent, rates of membership, volume of API calls), however this does

not necessarily indicate financial returns. Companies are still not clear on how to dissociate Open results from Open results BAU*, for pre-existing products.

The recommendation is to follow a conversion approach! How much can Open experiences captivate or retain your customers better? When an information layer personalizes the offer o the point of increasing offer conversion, reducing defaults, improving risk reassessment, etc.

* Business as usual: normal conduct of business and its operations, regardless of the circumstances or events that represent a potential impact.



EXPECTED FINANCIAL RESULTS

There are still few solutions available on the market!

There is no official count in Brazil that indicates exactly the number of products and services generated from “Open Parts” (each regulatory or non-regulatory API that makes data, products or services open to be consumed by third parties).

Febraban highlights around 45 products and services developed by its members. There are several others on the product and service menus of technology providers and fin echs. However, the consensus among the interviewees is that there are still few solutions available on the market! However, players group the results of these solutions in two ways: return of products and services created specifically for the OpF and impacts of using data to leverage existing products and services.

DIRECT RESULTS

Some companies cite million-dollar figures in results, as well as campaigns with hundreds of times better personalization through the application of “Open pieces”. Banco do Brasil was the first institution to publicly report the results of Open Finance, with an impressive BRL 700 million increase in credit sales¹⁷.

INDIRECT RESULTS

The vast majority are unable to specify values (BRL), but claim that they are achieving results. Mainly in the acceptance rates of offers for existing products and services. Respondents cite a significant improvement (from 4x to 8x) in acquiring credit, compared to control groups.

HOW TO MEASURE RESULTS??

For now, most measure the big indicators (consent rate, conversion rate, number of API calls), however this does not necessarily indicate financial returns. While companies have not yet defined an appropriate model for measuring results, the recommendation is to apply comparative tests (AB testing) to measure conversion and acceptance of “Open” products and services.

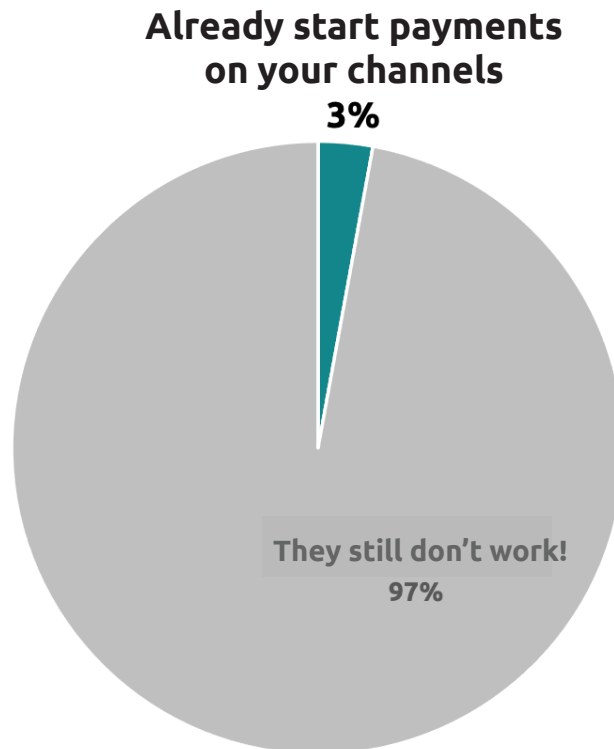


It is very difficult to measure [financial results] because OpF is permeating every business. It's important, but difficult to understand the feedback. It hasn't been paid for yet, the project is very expensive (...)

Interviewee
Fintech

THE CURIOUS CASE OF [NON] INITIATION OF PAYMENTS

Mandatory using Payments initiation, in Open Finance



A market behavior that caught our attention was the fact that the Payment Initiation was ignored by the players, as well as the 1st Phase Data.

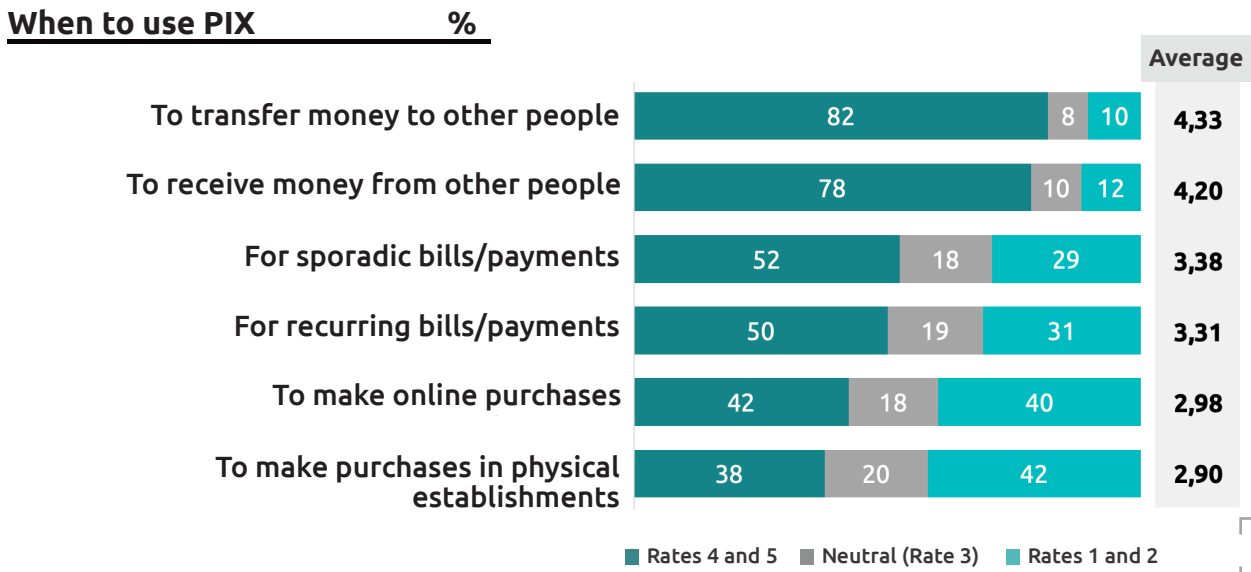
The exposure of Payment Initiation services accounts for the overwhelming majority of mandatory players, who, through reciprocity, could be initiating payments on their channels, operating third-party accounts... But cases are still scarce. There are only 16 Payment Initiators in operation, out of a universe of 541 account holders!

It is noteworthy that it does not act in this role, due to the volume of journey opportunities made possible by initiating payments with third-party funds on its own channel. When delving deeper into the topic with the market, usability is still inconsistent and the demand for investments to develop solutions are identified as the main factors for non-action. PIX and its simple journey is also highlighted as a challenging factor.¹⁸

Interestingly, those who are working with payments are the most successful, in terms of business results!

THERE WAS A PIX IN THE MIDDLE OF THE WAY..

PIX is the most used means of 'carrying out transactions between people' (whether to transfer or receive money). On the other hand, of the activities listed, it is least used to "make purchases" (whether online or in physical stores).



Basis: Total sample (882)

Thinking about the situations below, how much do you usually use PIX on a scale of 1 to 5, where 1 is rarely and 5 is always

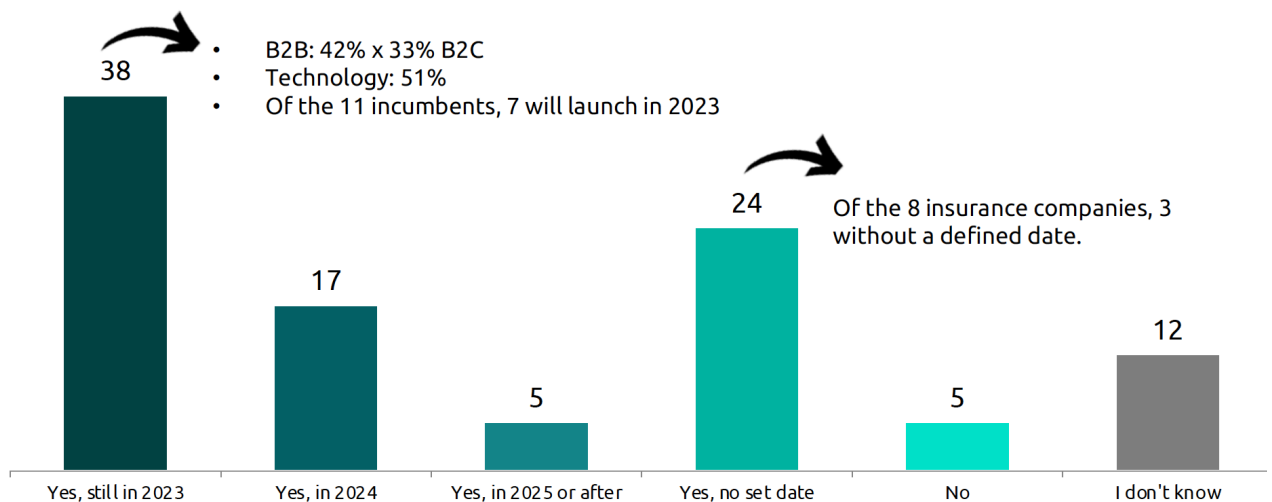


SCHEDULE FOR LAUNCHING SOLUTIONS

38% of companies intend to launch Open Finance solutions in 2023, mainly B2B and Technology companies and practically 1 in 4 cannot set a date.

Among the institutions interviewed, despite the regulatory burden, the majority intend to launch products and services in the short term. The opportunities developed must follow the evolution of regulatory prices and data quality.

It intends to launch Open Finance solutions %



Basis [205]

Does your company plan to launch solutions, offers or services linked to Open? [SINGLE ANSWER]

HYPERPERSONALIZATION & PRINCIPALITY

THE HOLY GRAIL OF OPEN FINANCE

Discussions on this topic with interviewees showed that hyperpersonalization is still a distant dream. The most common solutions involve the use of data to gain greater knowledge about third-party behavior and attract new customers to offer existing services.

Price/customized solutions

Incumbents show more focus on customizing price.

Fintechs seek to customize solutions that banks have mass interests in.

Retail sees opportunities in personalizing even sales channels and forms of contact.

Contextualization “contextual bank”

Obviously they know about this possibility of interconnecting with IoT, for example, or even the use of Generative AI for offers.

However, they look at this possibility as something far ahead, “as far as Open Finance can go”, and there is no strategy to act in this way now.

While financial services have always made room for hyper-personalization, **the big opportunity that OpF brought was having technology that allows you to personalize and scale at the same time.**

Another consensus was hyperpersonalization as a way of differentiating oneself and **guarantee principality**, but in a short time it will become an obligation.

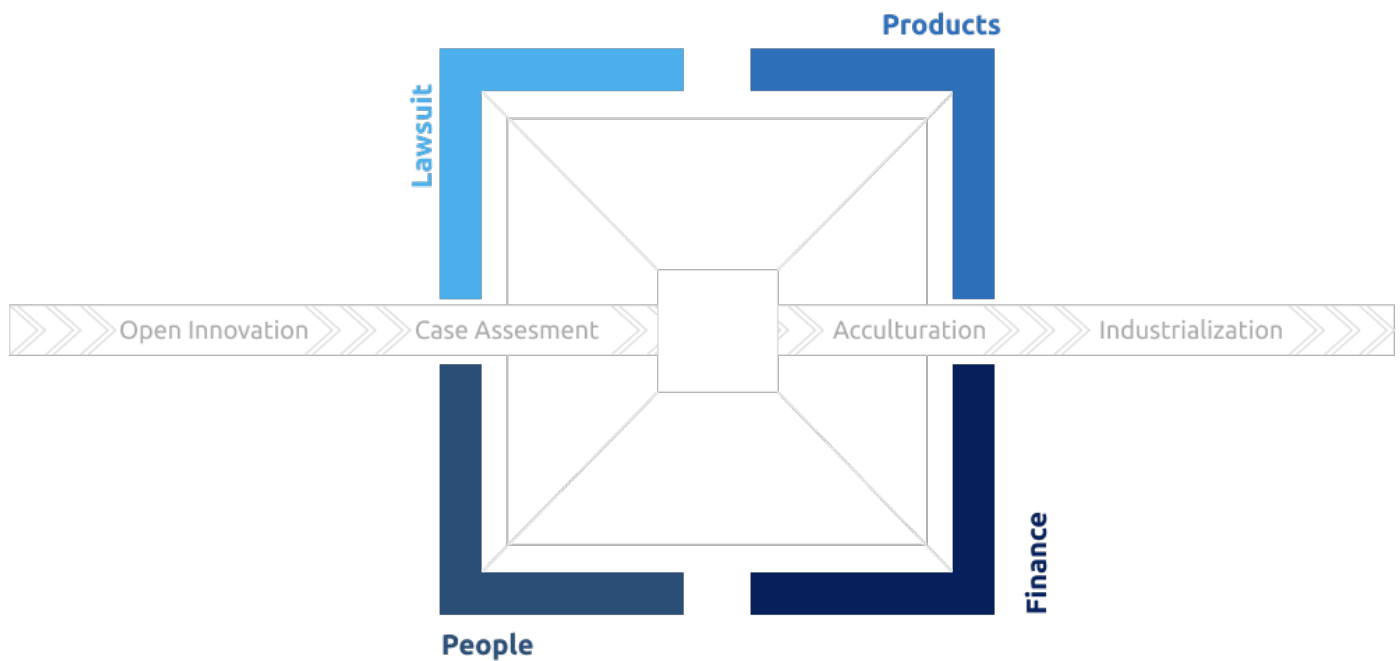


Personalized pricing of offers. It is about adjusting the product parameters and offering them to the customer at the right time.”

Group of Incumbents

OPEN FINANCE BY DESIGN

A multi-dimensional approach to working with Embedded Finance



2.4. THE RESULT AND ITS RELATION TO THE CORRECT STRATEGIC APPROACH:

Some institutions are applying **Open Finance By Design**, a model in which the use of Open Finance has already overcome cultural barriers. For these players, experiences, products and services already consider the use of “Open Finance parts” from the first moment of conception, in addition, existing products, services and processes begin to be “remodeled” with the Open Finance mentality. These are the ones that has been more successful in the national context.

OPEN FINANCE PARTS

PEOPLE

- Culture Innovation
- Collaboration
- Intrapreneurship Team
- Tech + Bizz
- Leadership
- Experience

PROCESSES/TECH

- Anticipation
- Adoption of new technologies
- Standardization
- Integration
- Ability
- Robustness
- Scalability
- Security
- Standardization

FINANCES

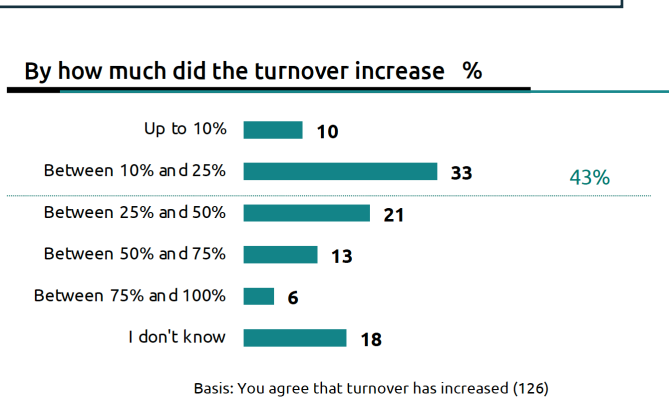
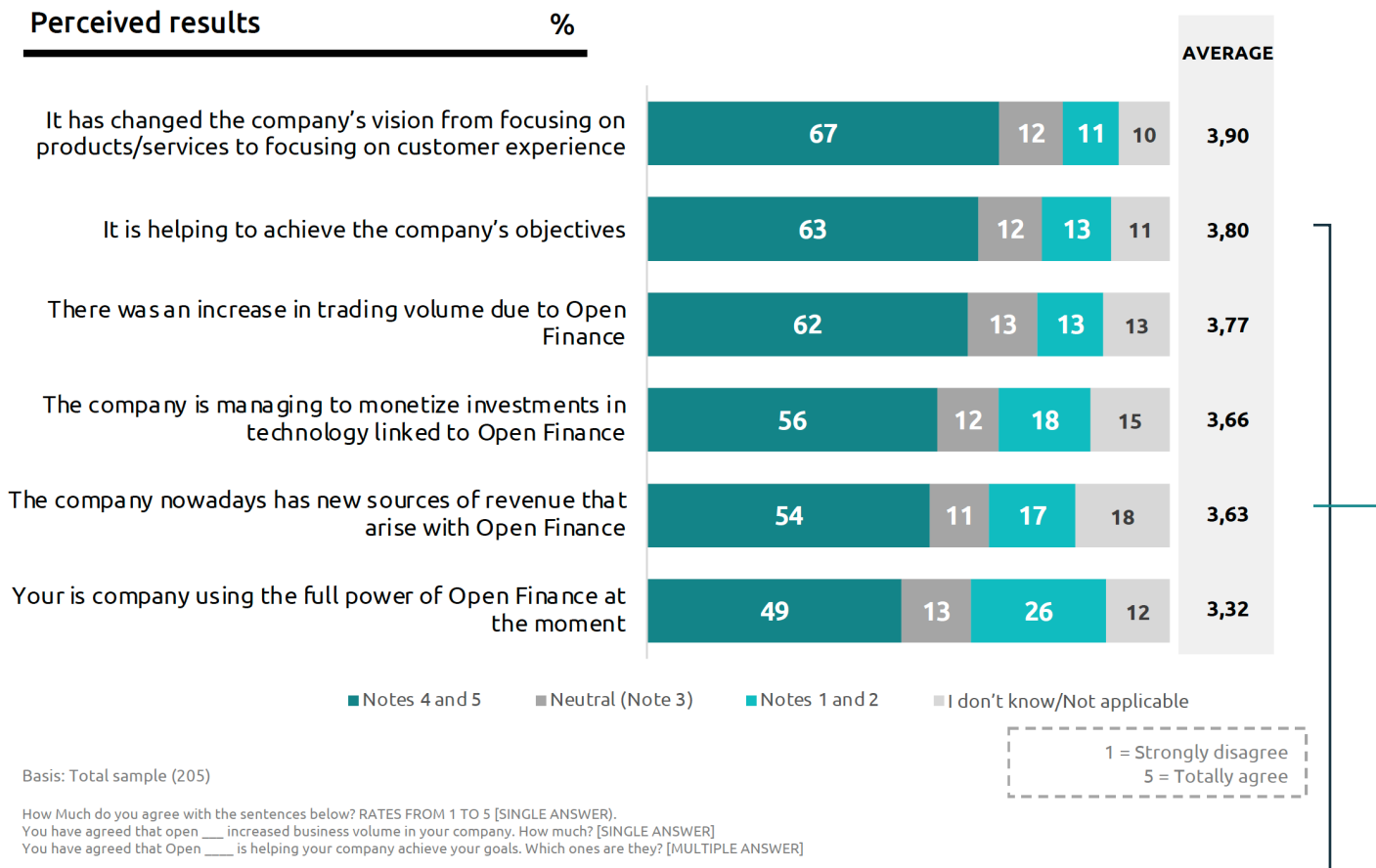
- Fund Allocation
- Dedicated Funds
- Sponsorship/ Investments
- ROI
- Financial KPIs
- Expected returns

PRODUCTS

- Partnerships
- Channels connection with the market
- Onboarding
- Mentoring
- Methodology
- Agility
- Monetization First
- Fail Fast

RESULTS

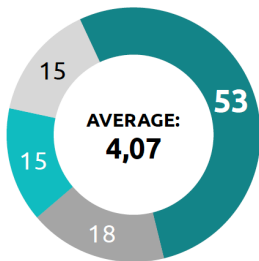
OpF has helped to achieve the objectives of growing and retaining the base (B2B and B2C profile), while opening new sources of revenue is more focused on B2B. Of those who increased their turnover, 43% claim it was an increase of up to 25%.



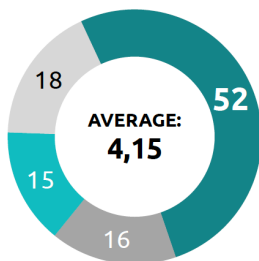
Basis: You agree that you helped achieve the company's goals (130)

OPEN FINANCE EARNINGS

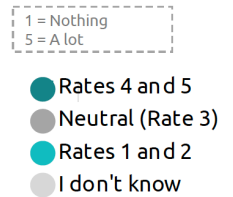
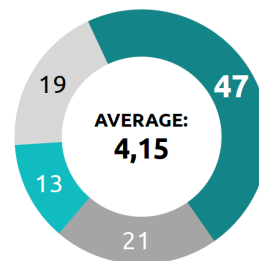
Measuring and acting on the customer experience has become more important in the company



Your company's customers have greater payment fluidity in transactions



% End/potential customer can compare financial offers more easily

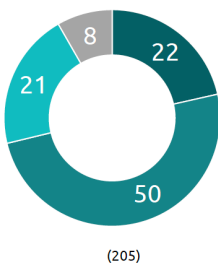


Basis: Total sample (205)

HOW COMPANIES SEE THEMSELVES VS. OTHER COMPANIES IN THE SAME INDUSTRY

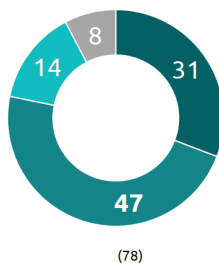
The majority see themselves as close to the others when it comes to Open Finance, especially among B2C companies (67%). B2B companies are those that reach the highest percentage of "ahead of the others"

Total



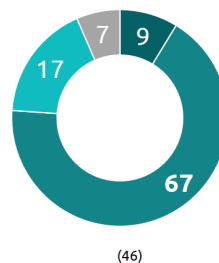
(205)

B2B



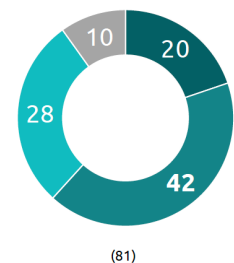
(78)

B2C



(46)

B2B and B2C



(81)

■ Ahead of the others ■ Close to the others ■ Behind the others ■ I don't know

Basis: Total sample
Comparing with other companies in the same sector, how far do you believe your company is when it comes to Open? [SINGLE ANSWER]

3

CHALLENGES

many and
diverse

3.1. FROM AN OLD NEWSPAPER TO COMPLETE EVOLUTION - THE CHALLENGE OF TECHNICALLY LEVELING THE MARKET!

Although Open Finance only applies technologies already known by the market, the ability to work with the group of demands imposed by the project varied greatly among the interviewees.

One of the biggest benefits cited was the learning of financial institutions in establishing **market interoperability**, creating a structure that establishes **no longer from 1 to N, but from N to N, based on the use of standardized APIs**. Only then, the challenge is already considered Herculean by the interviewees,

not only due to the use of technology, but due to the need to test connectivity with all participants involved.

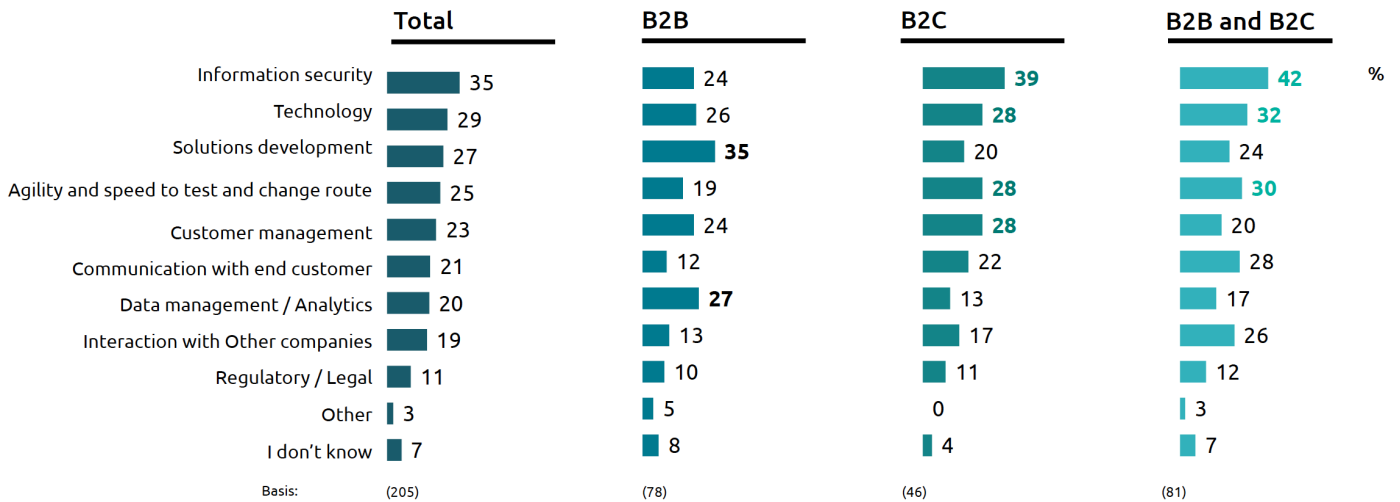
Information Security issues and cloud operations are also cited as **important challenges**.

Data is the main current challenge. Cleaning, normalizing, treating, understanding data and transforming this into business has been the main desire and pain of the participants.



INTERNAL CHALLENGES TO EXTRACT MORE VALUE FROM OPEN FINANCE

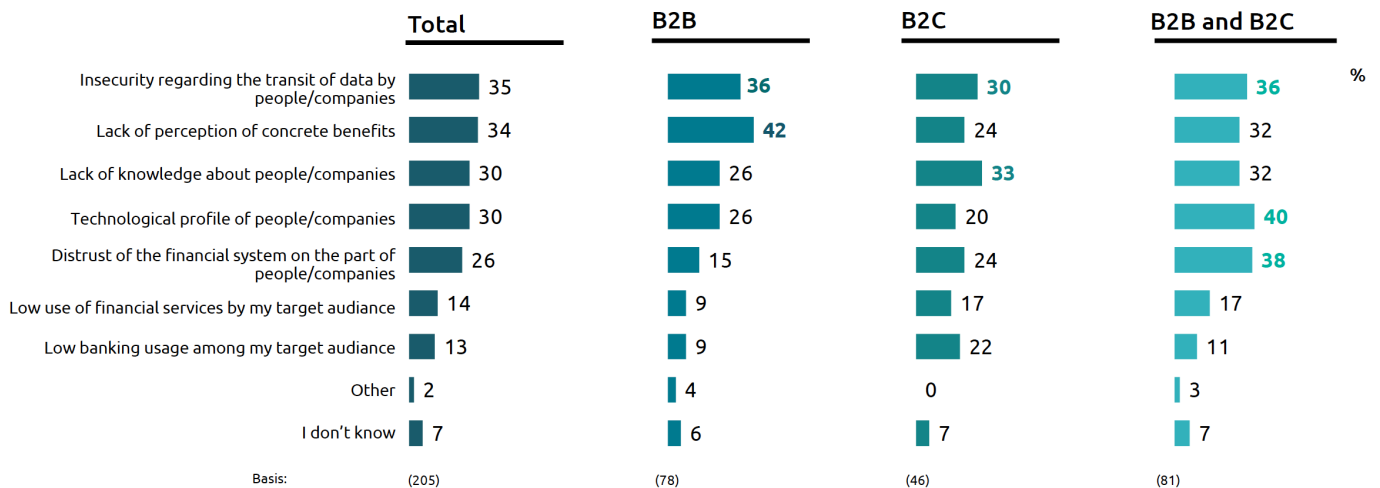
Information security was cited as a challenge by 35% of the sample (emphasis on B2C and Both* companies). B2B companies struggle with solution development and data management. B2C companies with technology, agility to change routes and customer management.



In your opinion, what are the biggest INTERNAL challenges that Open will have to overcome to reach maximum potential in your company? [MULTIPLE ANSWER - MAX OF 3 OPTIONS]
 *Companies that provide both B2B and B2C services.

EXTERNAL CHALLENGES TO EXTRACT VALUE FROM OPEN FINANCE

Despite differences between profiles, insecurity about data transit by people and companies is a common challenge for everyone.

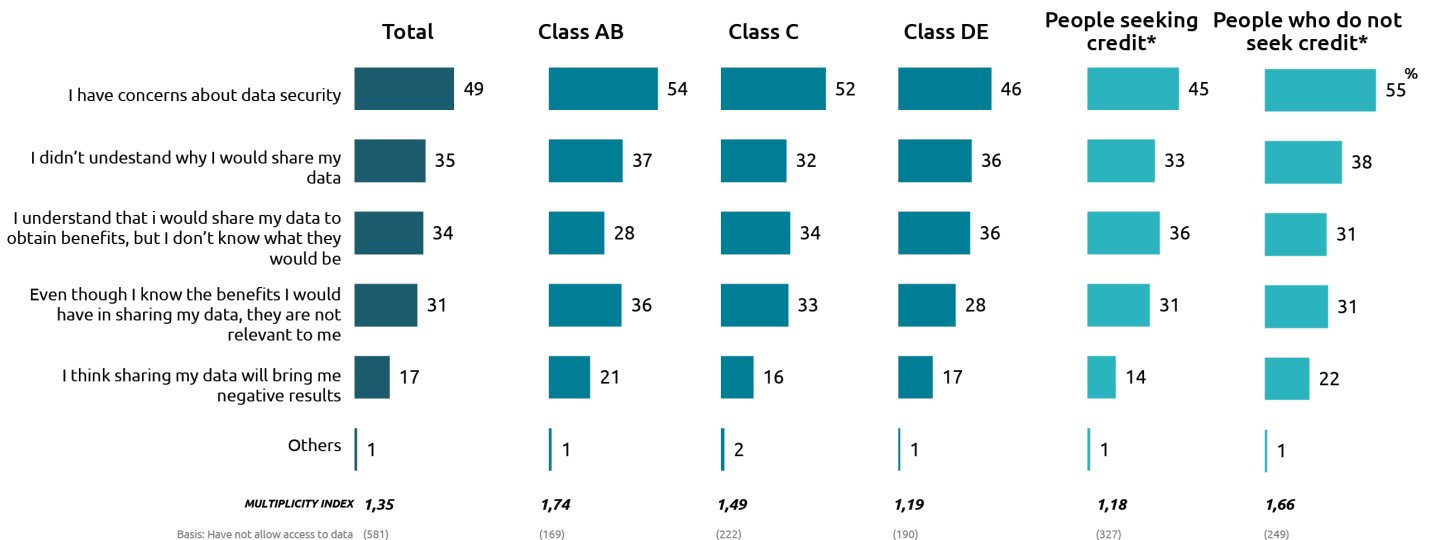


In your opinion, what are the biggest EXTERNAL challenges that Open will have to overcome to reach maximum potential in your company? [MULTIPLE ANSWER - MAX OF 3 OPTIONS]
 *Companies that provide both B2B and B2C services.



REASON FOR NOT AUTHORIZING ACCESS TO INFORMATION

What most discourages authorizing access to data is the concern with 'data security', mainly for classes A, B and C. A point of attention is the lack of understanding of sharing, whether due to not knowing the reason or for not knowing what benefits there could be in sharing.



3.2. HEADHUNTING IN OPEN FINANCE

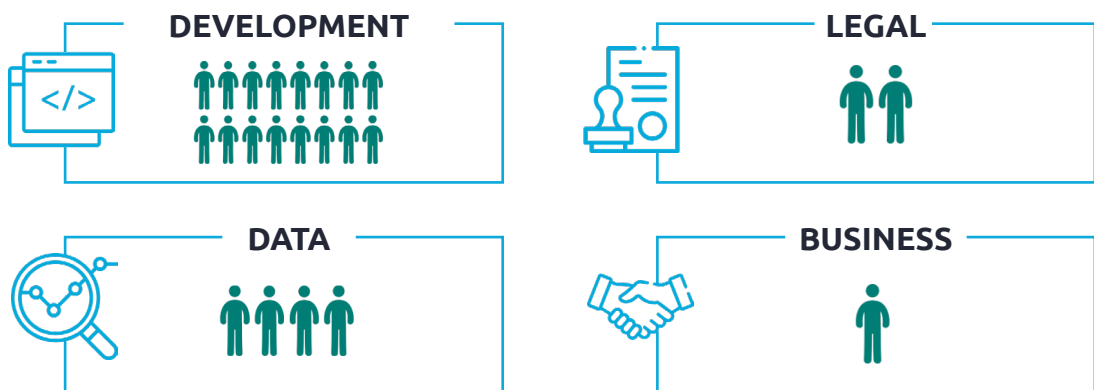
Finding qualified professionals was and still is one of the main pain points highlighted by institutions. Many opted for “tailor made” training, training internal teams or training new professionals.

The general perception that it is necessary to train people, as the topic demands seniority, experience with financial data and understanding of financial business. There is competition for talents that are already “ready”.

Although the main challenges highlighted by the market are the generation of new business, the configuration of teams is still heavily based on technical knowledge.

The job description to work with Open Finance		
SOFT SKILLS	<ul style="list-style-type: none"> • Dealing with insecurity (working on something that is under construction) • Resilience to do and redo several times • Feel the customer's pain • Treat complex problems in a simple way • Ability to form partnerships 	<p>“It is interesting to note that incumbents, possibly due to their size, do not experience difficulties in finding people with business vision, or even assembling technical teams for the OpF. They state that the greatest difficulty is in escalating the issue to other areas that are not directly linked to the topic.”</p>
TECHNICAL SKILLS	<ul style="list-style-type: none"> • Understanding Customer Journeys (CX) • Sophisticated knowledge in Information Security • Knowledge in Data Analysis • Creation and management of APIs and Microservices • Technical skill with strategic vision 	
EXPERIENCE IN THE FINANCIAL INDUSTRY AND OPF	<ul style="list-style-type: none"> • Developers with experience in the banking segment • Experience in financial data (relationship between personal life/ behavior and financial data) • Credit Experience • OpF technical/regulatory knowledge 	

PROFILE OF THE OPEN FINANCE TEAMS, TODAY



When we asked interviewees about “what is the profile of the teams involved in Open Finance in your company?”, the relationship between technical

and business teams is completely disproportionate. This could be one of the main reasons why we don't see as many products and services available.

3.3. DATA IS A PRIORITY AND BIGGEST CHALLENGE FOR RESPONDENTS

When we asked interviewees about their **companies' priorities and principais main challenges**, data management was cited by the vast majority, regardless of the segment. We also note some quotes about the challenges of business vision, understanding the end customer and how to apply the current structure to their needs.

PRIORITIES

- **Analytics**
- **Data management**
- **Generate value from data**
- **Technology (APIs and Data intelligence)**
- **Data strategy**
- APIs to evaluate CX and direct offer
- Cloud to gain scale
- Product offerin
- Investment monetization

CHALLENGES

- **Extract value from data**
- **Data management (assemble capable teams)**
- **Hyperpersonalization (turning data into value, in time)**
- **Data culture based on new sources**
- Technology (coupling new features into existing ecosystems)
- People (change in thinking going hand in hand with change in technology)
- CX (incumbent)
- Business strategy, who the end customer is and what problems need to be solved (Technology Provider)
- Combining technology with CX

DATA QUALITY IS A PROBLEM THAT WILL LAST, BUT THERE ARE OPPORTUNITIES IN THE VIEW OF SOME OF THEM

Companies that have legacy systems and multiple bases (mainly incumbents) are identified as those with the worst data quality.

Even in other segments, there is a lot of dissatisfaction with the quality of the data. Criticism of regulations that do not standardize data formatting.

View of **Perennial Problems**:

- “There will always be problems”
- It’s better than before, but it’s not perfect (“exponential improvement in the last 6 months” – incumbent)
- It’s reality and we have to understand
- It tends to get worse with the arrival of other Opens

Among the interviewees, the bets are that there will be the emergence of new companies with solutions for data processing.

They assess that, historically, despite the difficulties, other companies have already been able to extract value from less quality data (Serasa and TecBan, for example).



Data quality has a lot to improve, but it is necessary to learn how to read the data, much more than improving (...) It is necessary to learn how to deal with data to resolve problems promptly.”

Interviewee
Technology Supplier

AFTER ALL, WHAT IS DATA MATURITY IN THE OPF?

Since the data considered in the OpF already existed and is the same for all companies that share information, we could imagine that maturity would be in the way companies work with this data to obtain unique insights.

But not. At the current stage of OpF, data maturity, according to the interviewees, is being able to follow its “chain” to the end: obtain, guarantee quality and use.

1

Obtain quality in the data that will be used

2

Actually use the data obtained (after cleaning, categorizing and grouping)

3

Be able to combine with existing data and data from other industries.

Use generative AI to get the most value from data
Be able to translate your expertise to the end client



Data maturity means receiving and being able to work with data. This is robustness.

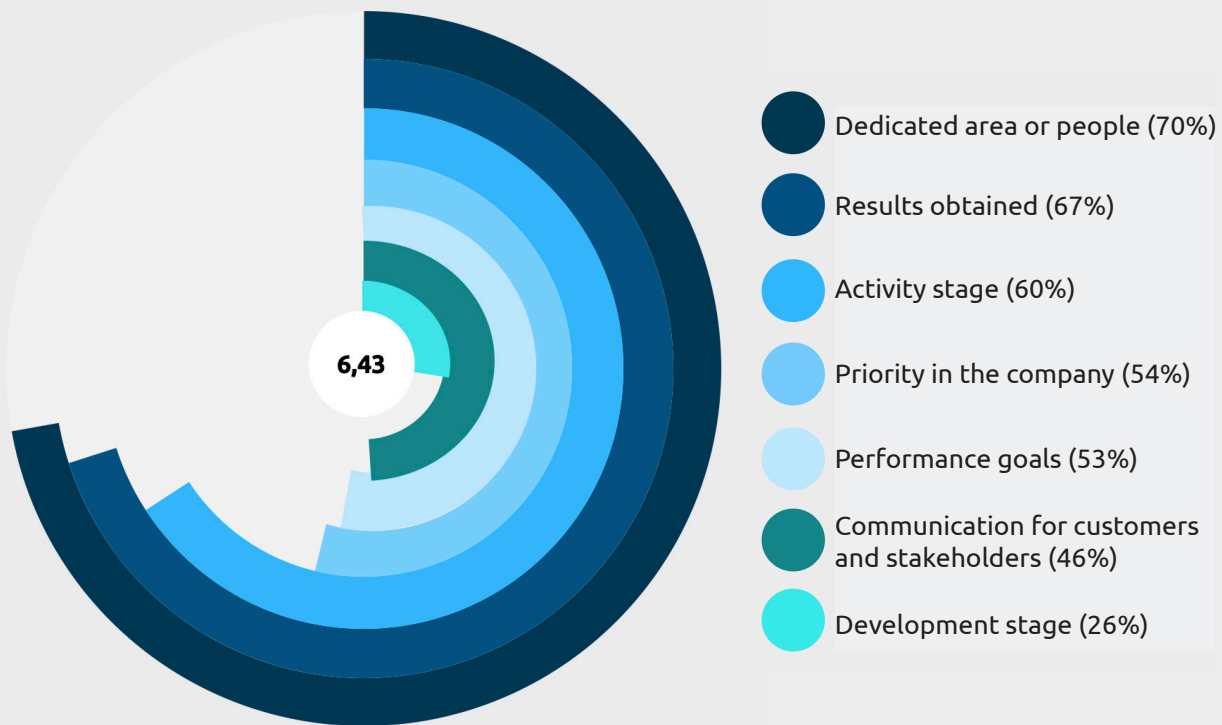
4

Company Maturity Index



INFLUENCE ON THE INDEX

COMPANY



between 0 and 10

6.43

is the maturity index of companies operating in Open Finance in Brazil, based on the questions chosen and the weights assigned to them.

The company maturity index is a situational portrait of the companies involved. It shows the ability to connect in an ecosystem and generate business, through the use of “Open Parts”, moving towards a future of products and services completely interconnected to the customer’s contextualized journeys.

It is not yet possible (probably never will be) to show the entirety of this number, since evolution will be continuous and unpredictable in the paths that Open Finance may take.

INDEX CONSTRUCTION

QUESTIONS THAT WERE USED TO COMPETE THE INDEX

Questions related to the topic ‘company maturity’.
 Questions that could be answered by the entire interviewee base.
 Questions that do not involve value judgments.

7 QUESTIONS

CHOSEN TO COMPARE THE INDEX

Weights assigned to each of them, defined by the Executive Committee of the Report (see Methodology for more details).



OPEN FINANCE MATURITY VISION

Given the Open Finance schedule, it is understandable to see more efforts dedicated to regulatory and technical compliance. On the other hand, business vision and its ability to revolutionize the financial segment is receiving little attention in most of the mandatory players. **Apparently, the link between technical and business is Data.** For now, its regulatory vision (lack of standardization, quality, treatment, availability for use) has occupied the agendas. **It is necessary to quickly aggregate business and revenue opportunities**, including to ensure that the technical structure delivers what will be necessary.

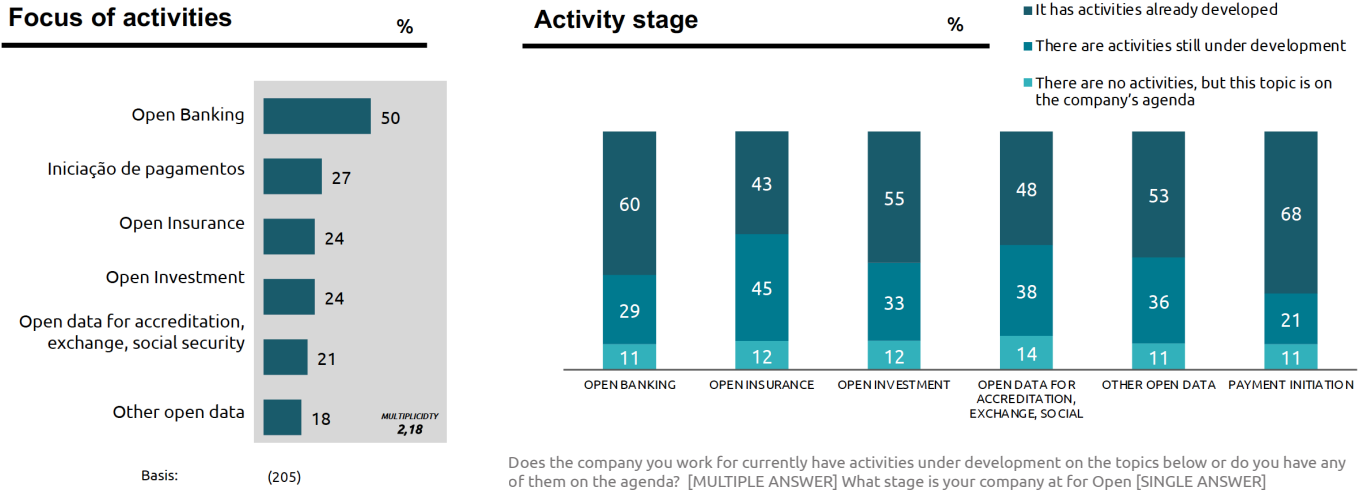
This vision of applying the OpF is not new (there are a Working Group, among the 30 existing, dedicated exclusively to UX), but it was clear in the interviews that this issue will be addressed later.

If we think that the maturity of the OpF is linked to the business vision, we come to the conclusion that it is still low in Brazil. Time, regulatory stability and review of some regulatory points can accelerate this journey and place Brazil as a precursor to the gains generated by the OpF.

	CHALLENGES	OPPORTUNITIES	MATURITY
HUMAN CAPABILITIES	<ul style="list-style-type: none"> Empower technical and business teams Applicability of OpF to other areas; Retain talent. 	<ul style="list-style-type: none"> Assemble multidisciplinary teams; Monetize knowledge. 	Teams with a more balanced weight between technicians and vision of business
TECHNOLOGY	<ul style="list-style-type: none"> Investments in security requirements; Enable the entire Data chain; Evolution in CX and Digital Processes; Bring unregistered fintechs to topics of lesser interest among the mandatory ones. 	<ul style="list-style-type: none"> Attracting investments in Credit, due to its scope and easy application of existing services; Financial interest in Investment and Payments fronts. 	Those that already envision/prepare for interconnection with other markets.
DATA	<ul style="list-style-type: none"> Data quality; Data processing; I use data to effectively generate value. 	<ul style="list-style-type: none"> Understand and work with current quality; Solutions that help other companies in the processing and use of data. 	Ability to act on data quality to generate information that adds value to CX and Products/Services.
SOLUTIONS	<ul style="list-style-type: none"> Focus, given the space occupied by regulatory; Have visibility of action; Find ways to measure direct and indirect impacts and create a culture of measuring results. 	<ul style="list-style-type: none"> Reach new customers more assertively; Track and analyze opportunities that "are on the table" (e.g.: Phase); Prevent personalization from being trivialized, with the creation of "similar" products and services between players. 	Those who have already defined some metrics for Open Finance initiatives.

STAGE OF ACTIVITIES DEVELOPED, UNDER DEVELOPMENT OR ON THE AGENDA

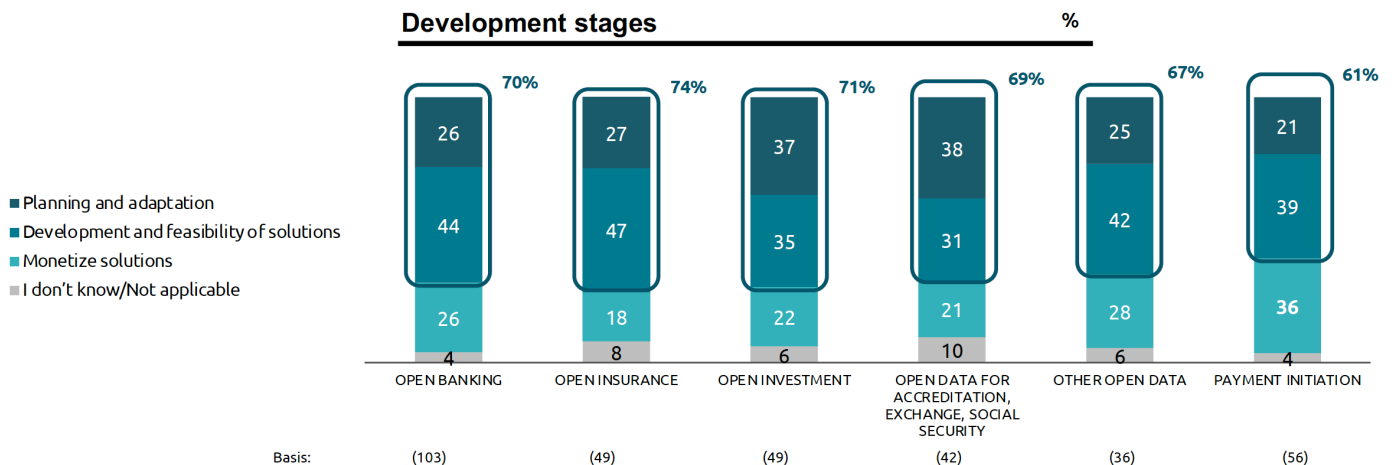
Open Banking is the front where the majority operates. When we analyze the stage of each front, we see that most companies have activities already developed (highlighting ITP with 68% of activities already developed).



DEVELOPMENT STAGES

Approximately 70% of the fronts are in the pre-launch phase of solutions.

Open Investment and Open Data activities for Accreditation, Credit and Social Security are the fronts most concentrated in planning and adaptation. The others are in the development and feasibility stages of solutions. Comparatively, ITP is the front with the highest % of profitability of solutions (36% vs. 26% from Open Banking, for example)

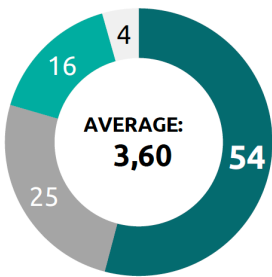


PRIORITY AND QUOTE IN INTERNAL COMMUNICATIONS AND FOR THE MARKET

Practically half of the sample gave grades 4 and 5 (5 being the highest grade) for the priority of the topic in the company and for the frequency with which Open Finance is mentioned in internal communications and to the market. It shows that there is indeed attention to the topic, but there are others that are more relevant.

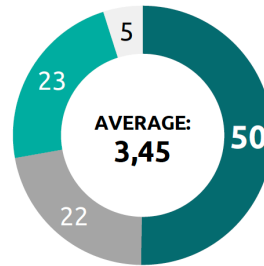
Of the 23 incumbent respondents, 17 gave ratings 4 or 5 for priority, possibly due to regulatory obligation
As a comparison, **9 out of 20 retail respondents gave it a 4 or 5.**

How much of a priority is your company currently



- Rates 4 and 5
- Neutral (Rate 3)
- Rates 1 and 2
- I don't know

How much is cited by leadership in internal communications and for the market

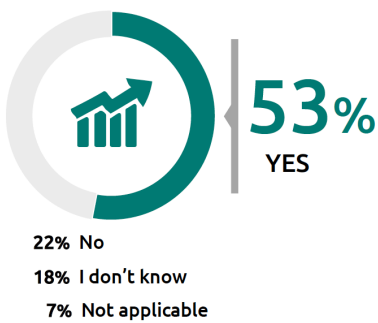


Basis: Total sample (205)
On a scale of 1 to 5, where 1 is nothing and 5 is a lot: [SINGLE ANSWER]

PERFORMANCE GOALS

53% of the base claims to have performance goals focused on the impacts of Open Finance (this number grows to 69% among the interviewees who work directly on the topic, pointing out that some goals should still be restricted to work teams), with emphasis on the retail in which, of the 20 respondents, 14 stated they had goals.

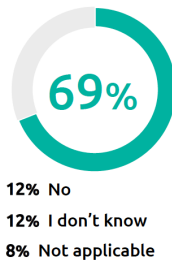
There are performance targets for impacts of Open Finance



Basis: Total sample (205)



Among those who work directly with the topic



Basis: (52)

Of the 23 incumbents, **11**
Of the 53 technology respondents, **30**
Of the 20 retail respondents, **14**
Of the 50 respondents who work with observation (advisory, consultancy, education), **26**

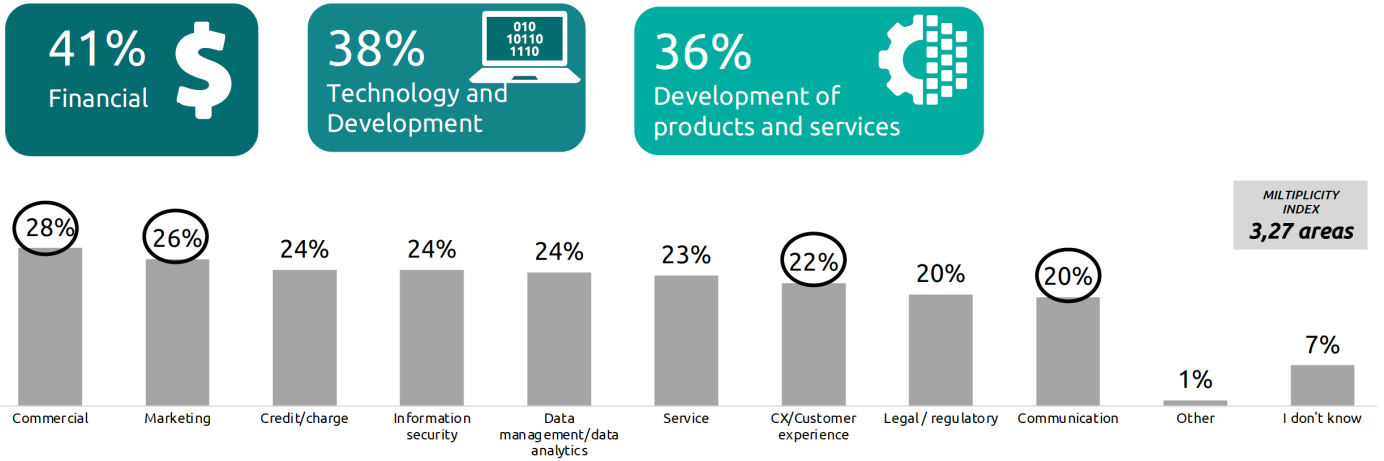
THEY HAVE GOALS AIMED AT THE IMPACTS OF OPEN FINANCE..

Of the companies that operate in Open Banking, 38% have initiatives in preparing, developing and enabling solutions, but stated that they do not have defined goals

AREAS WHERE OPEN FINANCE FRONTS ALREADY EXIST

Open Finance more present in technical areas. Business areas with a presence below 30%.

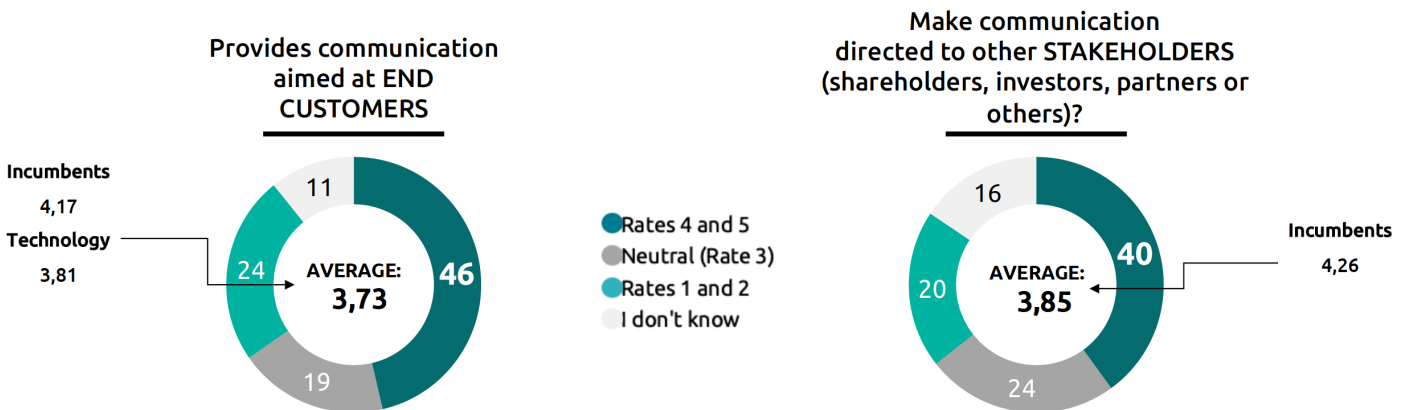
Areas in which there are Open Finance fronts in Companies



Basis: Total sample (205)
In which areas do your company already have ____ fronts or projects? [MULTIPLE ANSWER]

COMMUNICATION ABOUT OPEN FINANCE TO CUSTOMERS AND OTHER STAKEHOLDERS

Less than half of companies communicate their OpF initiatives to customers and other stakeholders. It makes sense when we remember that approximately 70% of OpF fronts are still in pre-launch stages. Greater communication between incumbents is highlighted, as many already have solutions on the street.



Basis: Total sample (205)
On a scale of 1 to 5, where 1 is not at all and 5 is high, would you say that your company: [SINGLE ANSWER]



37%

USE DATA made available by Open Finance for **CUSTOMER MANAGEMENT**.

50% don't use it and 13% don't know.

Basis: Total sample (205)

Does your company use data provided by Open for customer management (prospecting actions, loyalty, sales of products and services, others)? [SINGLE ANSWER]

5

Perception of end consumer (PF)



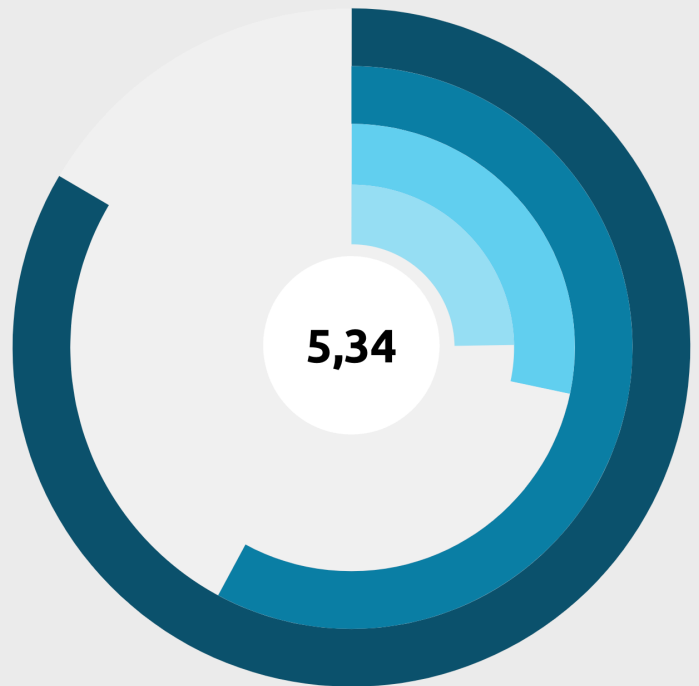
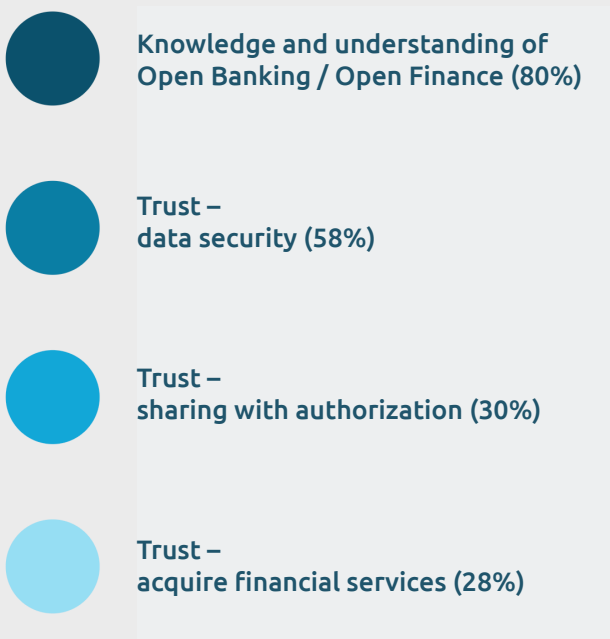
INFLUENCE ON THE INDEX

INDIVIDUALS

We decided not to name this investigation front “PF Maturity Index”, due to the immaturity of consumers regarding the topic, yet. Just like the PJ front, it tends to grow in maturity.

In the case of end consumers, we believe that “knowing technically”

how Open Finance works does not represent maturity, however, we understand that your distrust regarding security and fear of adopting new experiences have the potential to “implode” Open Finance initiatives, if not managed, due to the lack of adoption of Open Finance solutions.



between 0 and 10

5.34

is the current maturity index of the banking population (banks and/or digital wallets), based on the questions chosen and the weights assigned to them.

INDEX CONSTRUCTION

There was a high number of positive answers for authorizations (consents) and for the use of Open Finance services, incompatible with the real number of consents. It indicates that people confused Open Finance terms and activities with other actions, which prevents us from using these results. Therefore, we disregard authorization questions and use of the maturity index.

Maturity Index – considers knowledge of people on the topic and trust in institutions. With the evolution of Open Finance and more widespread knowledge about consent and services, we will include these variables in the index.

**4 QUESTIONS
CHOSEN TO
COMPOSE THE INDEX**
with weights assigned to each of them

1

Knowledge and understanding of Open Finance.

WEIGHT 1

2

Trust that financial institutions hold personal data and financial security (banks and digital wallets).

WEIGHT 2

3

Trust that institutions will only share personal and financial data with companies that the user gives permission to.

WEIGHT 1

4

Confidence in purchasing financial services from different institutions (potential participants in the Open Finance ecosystem).

WEIGHT 1

5

Authorization for a bank/digital wallet to access information from other banks/digital wallets in which the user has an account.

WEIGHT 2

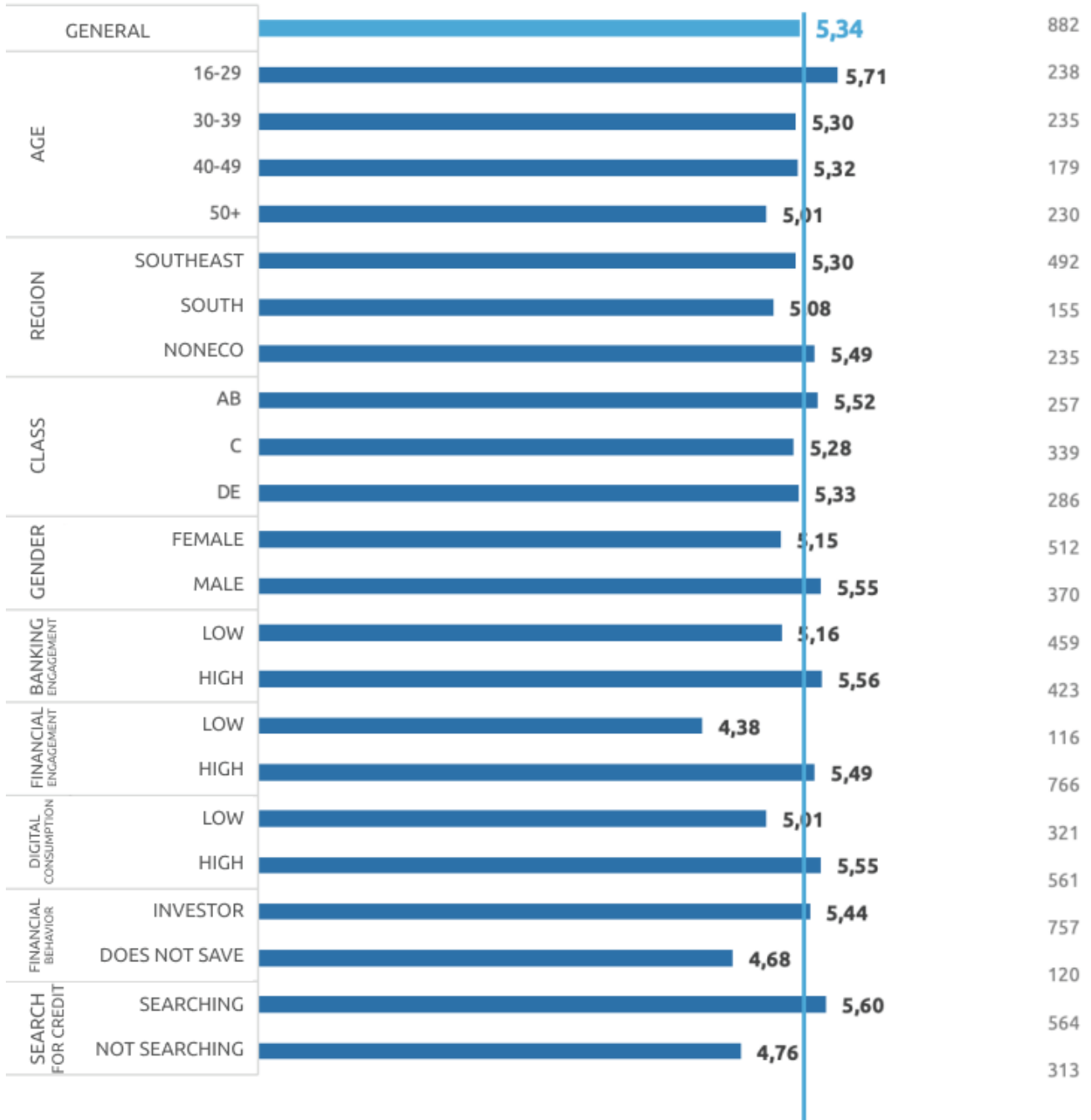
6

Services related to Open Finance that the user remembers being offered and which ones they use.

WEIGHT 3

BRAZIL MATURITY INDEX PER PROFILE

Base:



Among the profiles, we see that the youngest and those interviewees from classes AB have the highest maturity rates.

Furthermore, interviewees with more banking, financial and digital engagement also have higher rates.

Another important point: those who sought/seek credit have higher rates compared to those who do not seek credit.

6

**What do
Brazilians
want?**

6.1. THE BRAZILIAN PROVED THAT HE IS OPEN! NOW, HE EXPECTS SOMETHING IN RETURN!



Regarding account usage behavior, we see that 58% declare that they tend to use all accounts (equally). However, 42% prefer to concentrate their use on one main one.

Credit Card and Checking Account are the main financial services that interviewees have or have had.

58%

I have more than one bank/digital wallet and I tend to use them all

42%

Despite having more than one bank/digital wallet, I focus my use on a main one



Credit card



Checking account



Savings/
Savings account



Basis: He has more than one bank/digital wallet (814)

Which of the phrases below do you most identify with? [SINGLE ANSWER]
Which of the financial services below do you have or have you had in the last 12 months? [MULTIPLE ANSWER]

THE PROFILE OF THE 'BANKED' BRAZILIAN

52% have low banking engagement, that is, they are customers of a single bank and/or digital wallet or use less than two financial services to publicize them have had an effect.



As for the way they access their accounts (bank and/or digital wallet) and how they consume, we note that it is predominantly digital, which is a positive point for Open Finance.



Searching for credit is a reality for 64% of interviewees



HAVE YOU HEARD ABOUT...

67% of interviewees have heard about the term Open Banking and 65% of interviewees have heard about the term Open Finance **suggesting that institutions' efforts to publicize them have had an effect.**

67%
OPEN BANKING

65%
OPEN FINANCE

24%
HAVE NOT HEARD
OF ANY

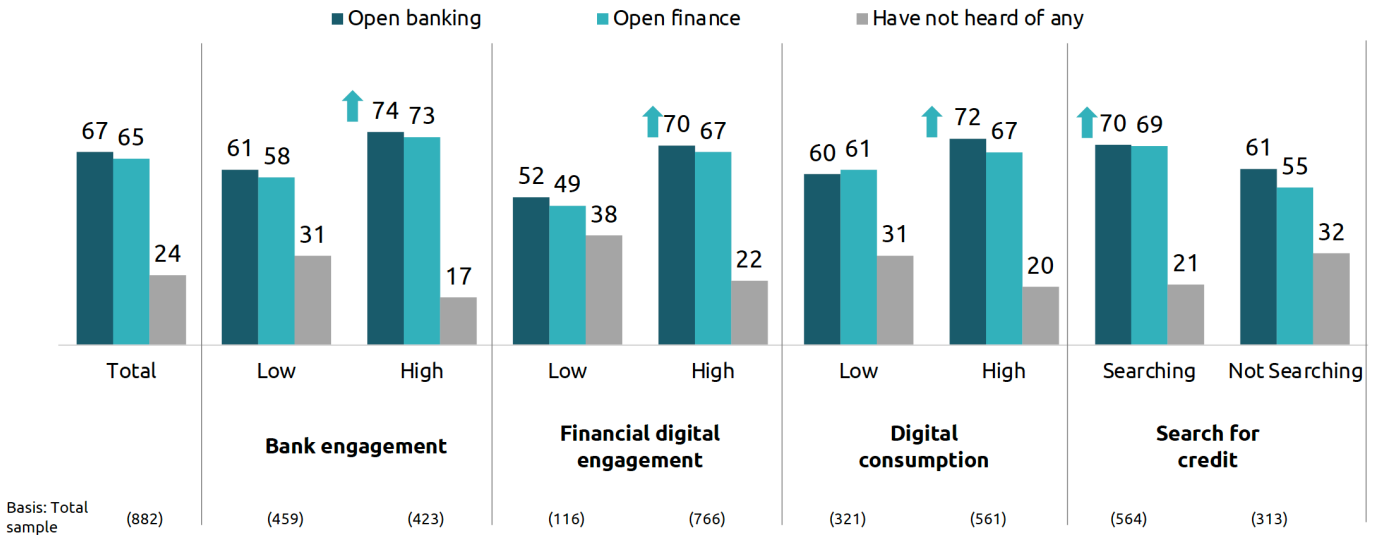
Basis: Total sample (882)

6. Have you heard about the terms: [SINGLE ANSWER]

AWARENESS OF TERMS PER PROFILE

Profiles with low banking, financial, digital engagement and who do not search credit tend to be more unfamiliar with the terms “Open Banking” and “Open Finance”, indicating that the recall possibly comes from several players and online approaches.

Awareness of terms per profile %



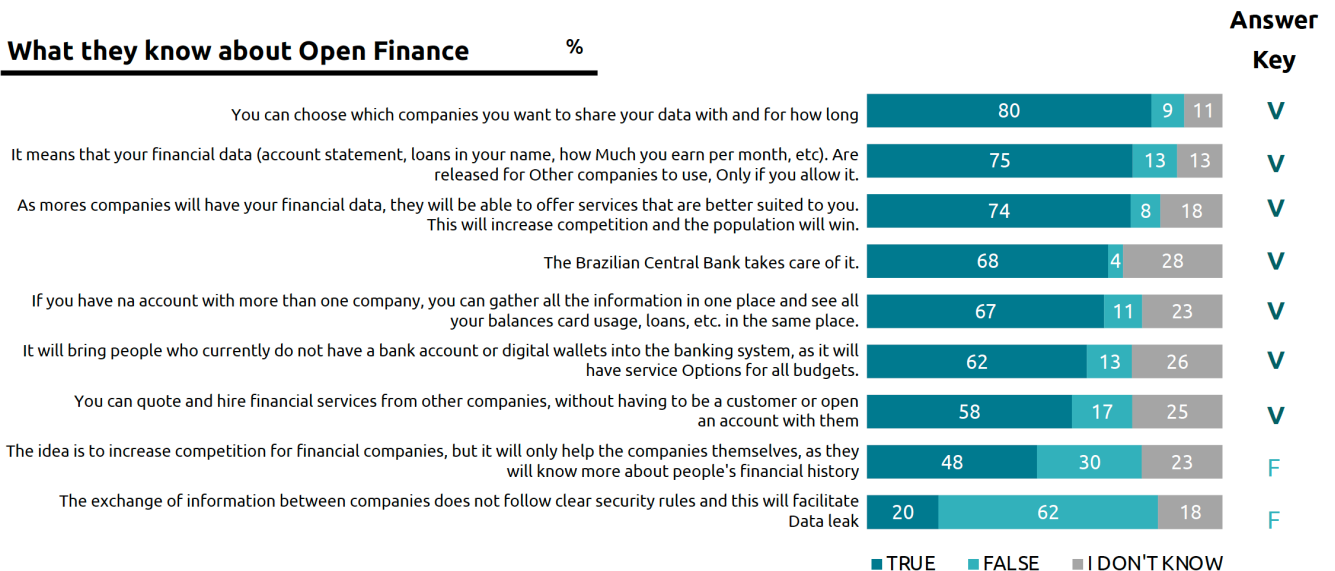
Have you heard about the terms: [SINGLE ANSWER PER OPTION POSTED]

DEGREE OF KNOWLEDGE AND UNDERSTANDING OF THE TERMS

Of those who heard about it, 80% know that they will be able to 'choose which companies to share data with' and 75% that 'data is shared only after permission'.

Attention point: 48% think that knowing people’s financial history only helps companies and 38% think there is none or they don’t know if there are clear safety rules.

What they know about Open Finance %



Thinking about _____, indicate your opinion on the sentences below [SINGLE ANSWER]

AUTHORIZATION AND USE

Possibly, due to the high exposure to the terms Open Finance and Open Banking and the confusing communication that some players are adopting, an expectation is generated that services are being offered, especially those related to payments. Despite having a negative impact on survey, it is positive to see that Open Finance services will possibly have opt-ins above 25% (obviously, this will depend on the consent experience).

37%

Declared that they have already authorized* some bank/digital wallet ACCESS INFORMATION from other banks/digital wallets with which you have an account.

(*): at some point, it does not consider what is actually active.

This number is much higher than the single consents cited by Bacen in official presentations about Open Finance (15MM) and the approximately 16% of consents (31MM registered by Portal do Cidadão on 05/2023). Likewise, we see high percentages of service use, which do not correspond to

the number of consents. We understand that because it is a new subject, people confused it with other authorizations requested or simply clicking on a button of interest. Services such as PIX and the institution's data aggregation services must also favor the mistake.

Do you remember being offered or used (%)



Basis: Total sample (882)

Have you ever authorized any bank/digital wallet to access information from other banks/digital wallets with which you have an account, even if it was not requested? [SINGLE ANSWER]
Thinking about your bank/digital wallet websites/apps, which of the services below do you remember being offered and which have you used? [SINGLE ANSWER]

6.2. THE CUSTOMER AT THE CENTER AND THE UNDENIABLE RESULTS OF THIS TRAJECTORY

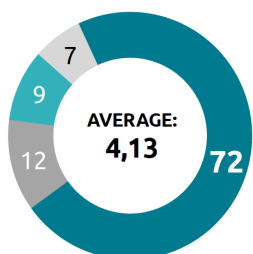
Hyperpersonalization is TOP of MIND for the market.

Open Finance has been considered a powerful engagement tool. The results are not yet financially measurable, but it is possible to identify the results when data is used for personalization, clearly resulting in higher conversion rates.

EARNINGS FROM USING OPEN FINANCE DATA

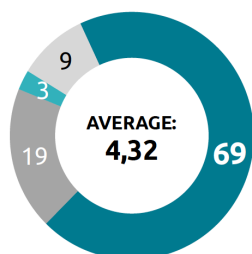
Among the 37% that use open data, we have high percentages of agreement for an improvement in customer management, in the ability to target offers, in having a more complete view of profiles and in the intensification of loyalty efforts (mainly among incumbents)

Can manage the end customer better (risk, pricing, personalization)



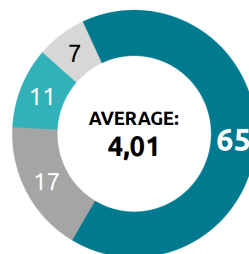
Average Incumbents: 4,45 (11 answers)

Increased ability to target and personalize offers, products or services



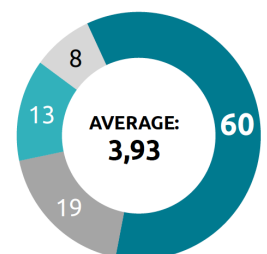
Average incumbents: 4,82 (11 answers)

Get a more complete view of the end customer's profiles and needs



Average incumbents: 4,64 (11 answers)

Intensified customer loyalty efforts in anticipation of or suffering attacks from competitors



Average incumbents: 4,45 (11 answers)

● Rates 4 and 5
 ● Neutral (Rate 3)
 ● Rates 1 and 2
 ● I don't know

1 = Nothing
 5 = A lot

DO YOU USUALLY CONTROL YOUR FINANCES?

79% declare that they usually control their finances, but they do so offline (46%), whether on paper or an excel spreadsheet (i.e., not necessarily real-time control).

33% control on websites/apps and would be closer to joining Open Finance's PFM solutions.



37%

YES, OFFLINE

(e.g. on paper, in spreadsheets)



33%

YES, WITH THE USE OF APPS AND WEBSITES

X

21%

NO

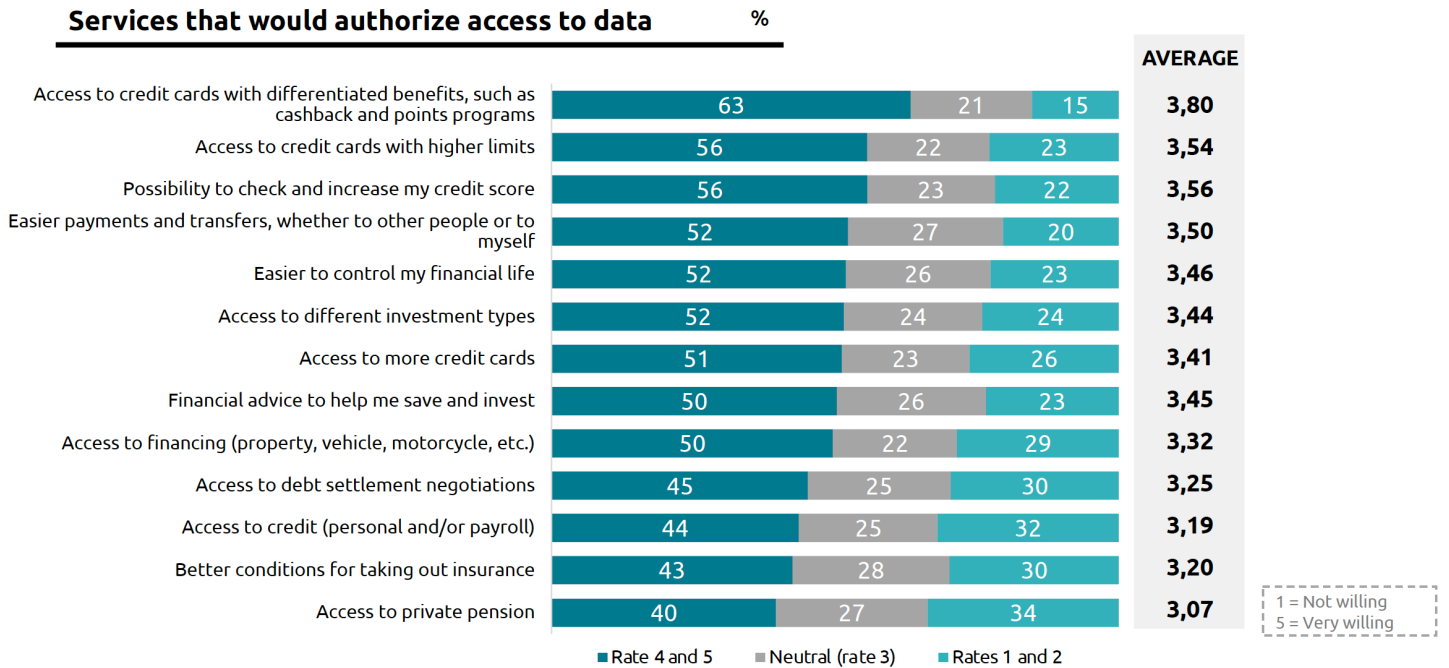


Basis: Total sample (882)

Do you usually control your finances (for example: how much money you receive, how much you spend, how much you need to save, how much you want to invest)? [SINGLE ANSWER]

SERVICES THAT WOULD MAKE PEOPLE AUTHORIZE ACCESS

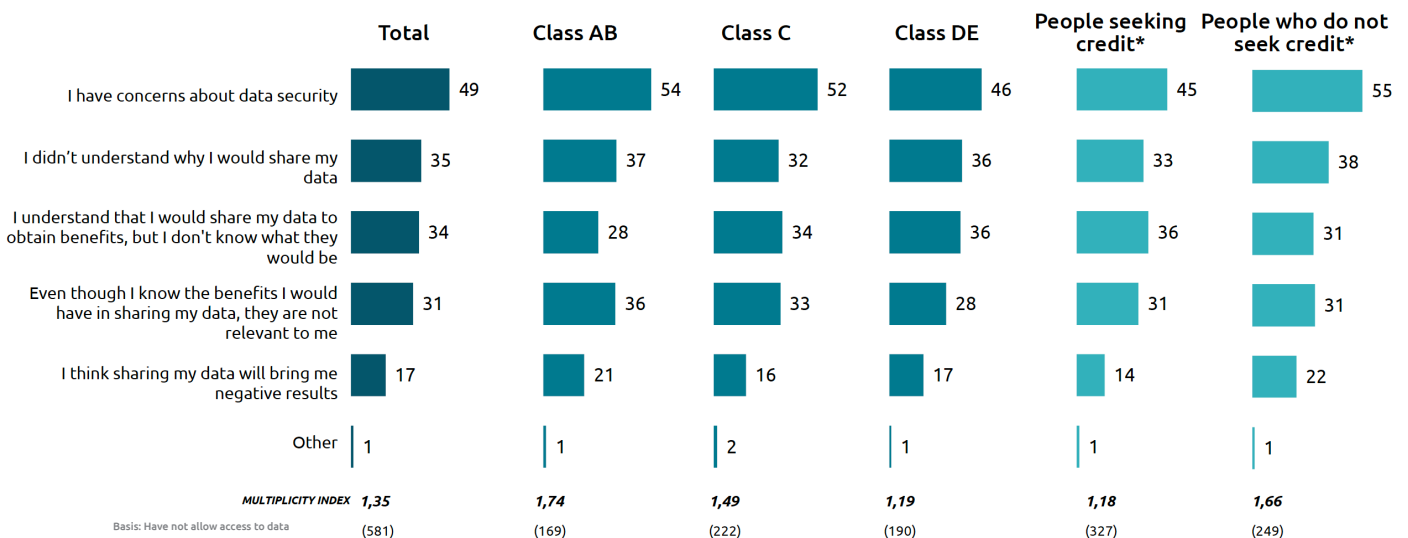
Services that are most in demand and that would motivate them to authorize the sharing of data are those related to credit, the main ones being: **having access to credit cards with different benefits and higher limits. Increasing the score is the 3rd item appealing for membership.**



Basis: Total sample (882)
 What would make you authorize a bank/digital wallet to access information from other banks/digital wallets with which you have an account?
 {MULTIPLE ANSWER – MAX 03}

REASON FOR NOT AUTHORIZING ACCESS TO INFORMATION

What most **discourages authorizing access to data is the concern with 'data security'**, mainly for **classes A, B and C**. A point of attention is the **lack of understanding of sharing**, whether due to not knowing the reason or for not knowing what benefits there could be in sharing.



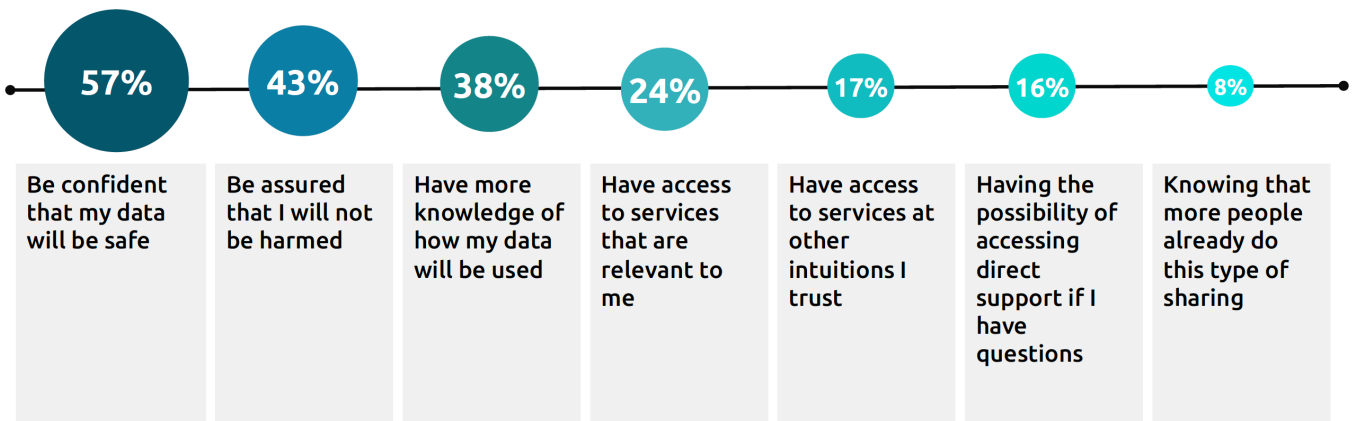
(*) People who searched credit in the last 12 months or plan to search credit in the next 12 months Why did you never allow access to your banking information/ [MULTIPLE ANSWER]

Based on the current scope of products and services available, this breakdown looks like this... With the evolution of regulations and the arrival of new phases, these characteristics should suffer a tremendous impact!

Incumbent

WHAT WOULD MAKE YOU AUTHORIZE

Since the **lack of motivation to authorize is associated with 'concern about data security'** was expected that what would lead to authorization is having **'security that the data is safe' and that 'there is a guarantee that it will not be harmed'** Just as we saw that there is a **'lack of understanding of sharing'** (both because we don't know the reason and because we don't know what benefits there could be in sharing), the 3rd point to authorize sharing is **'knowing what the data will be used for'**.



MULTIPLICITY INDEX

1,59

Basis: Does not authorize (532)

What would make you authorize a bank/digital wallet to access information from other banks/digital wallets with which you have an account?

{MULTIPLE ANSWER – MAX 03}



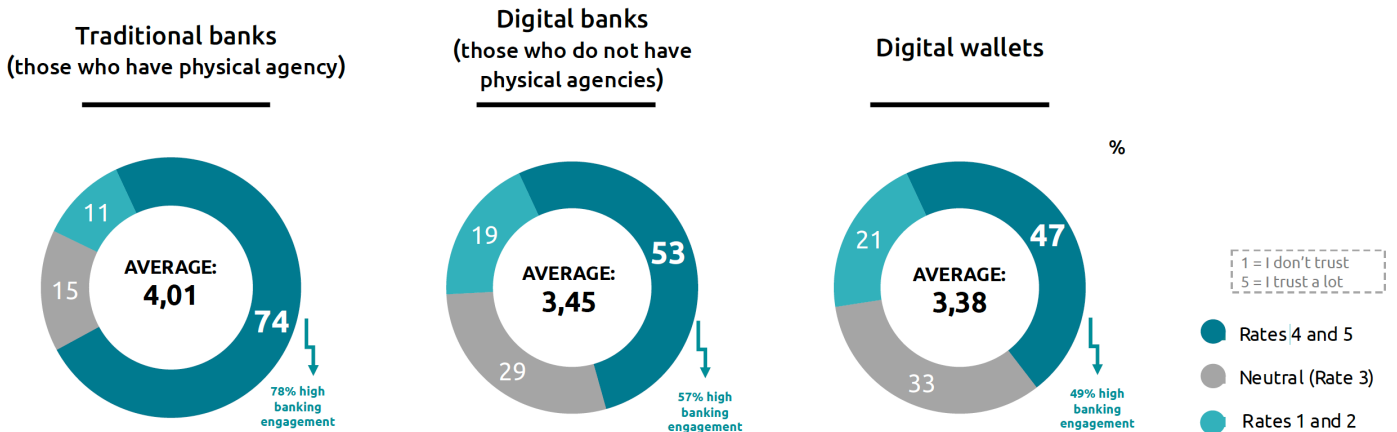
6.3. TRUST STILL RESIDES IN BIG BRANDS

The end customer is very open to Open Finance! Your liberality in sharing data clearly shows this. But, when considering the agent that will receive this data, things change a little. **Not all market players enjoy the same credibility, in the consumer's view.**

This changes the picture a little among the younger audience.

TRUST IN FINANCIAL INSTITUTIONS

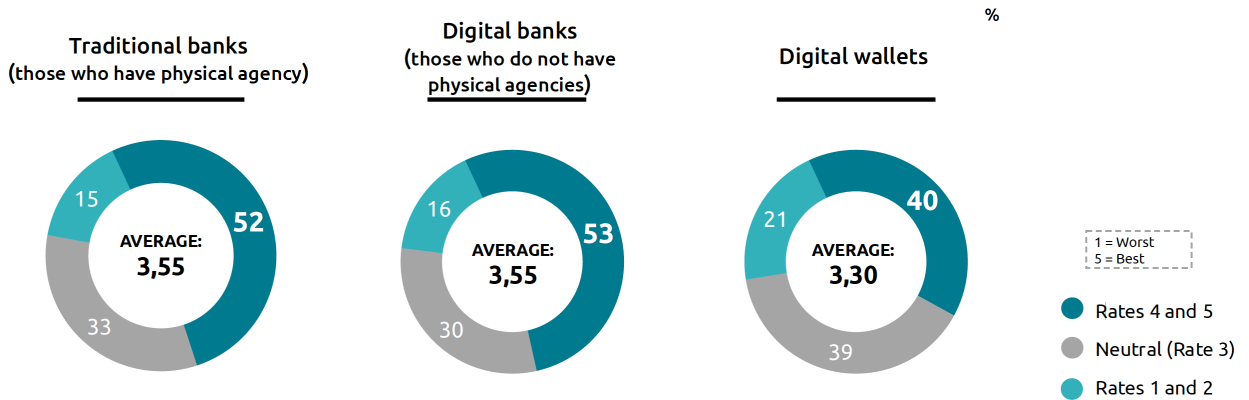
When asked about the **confidence that institutions keep your personal and financial data secure, we see that traditional banks lead the way with 74% of responses 'I trust and I trust a lot'**. In banks and digital wallets, trust is lower and the percentages drop to 53% and 47%, respectively. Few differences between those with greater banking experience, indicating a general perception.



Basis: Total sample (882)
Thinking about the institutions below, how much do you trust them to keep your personal and financial data safe? Think on a scale of 1 to 5, where 1 is I don't trust it and 5 is I trust it a lot. [SINGLE ANSWER]

INSTITUTIONS OFFER THE BEST FINANCIAL SERVICES

When asked about offering the **best financial service options, digital banks are on par with traditional banks and digital wallets are only 10% below.** In other words, trust is not related to a good experience, but possibly to aspects linked to the brands' tradition and reputation.



Basis: Total sample (882)
Thinking about the offer of financial services (current account, credit card, investment options, insurance, etc.), and their purchasing experience, how much do you agree that these companies offer the best alternatives, with 1 being the one with the worst options? and 5 the best? [SINGLE ANSWER PER LINE]

TRUST IN MANDATORY AND NON-MANDATORY INSTITUTIONS

There is an environment of **distrust in which institutions share data, even without the user's authorization**, and it becomes even more critical when evaluating **WhatsApp, connected devices and Social Networks**.

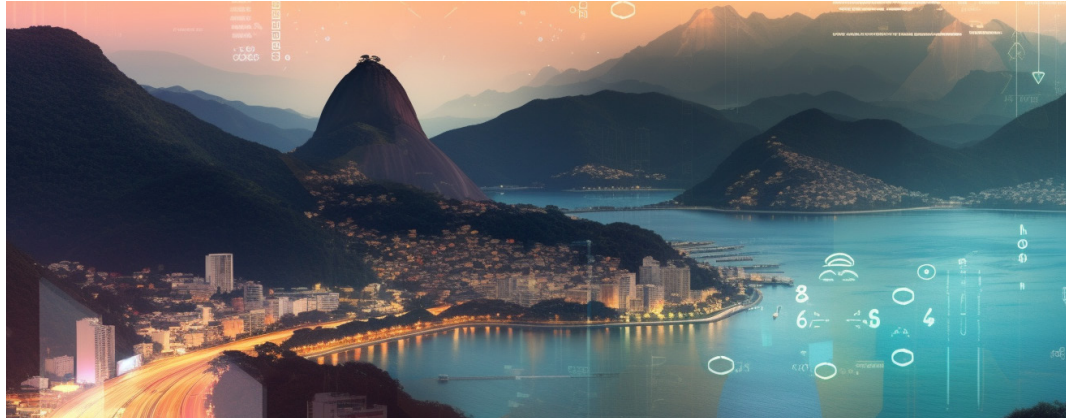
When asked which institutions would buy financial services, we see that the biggest appetite comes from **large stores and airlines** (companies that already offer financial services). Next, **streaming companies, colleges and brokers** appear.

Institution	Confidence that they would only share data with other companies that allowed			AVERAGE	I would acquire financial services			AVERAGE
	%		%		%		%	
Traditional banks	57	23	20	3,53	-	-	-	
Digital banks	39	31	31	3,07	-	-	-	
Schools, Colleges and other educational...	38	29	33	3,02	30	27	43	2,81
Digital wallet	36	31	33	3,02	-	-	-	
Airlines and tourism companies	35	31	34	2,98	39	31	30	3,17
Big stores	34	29	37	2,93	41	27	33	3,12
Utility services	29	32	39	2,83	25	29	47	2,67
Streaming companies	29	31	40	2,79	32	29	40	3,00
Brokers	29	31	41	2,78	30	30	40	2,83
Telephony	25	27	48	2,58	26	26	47	2,65
Local or neighborhood stores	25	27	48	2,59	27	25	49	2,65
Car dealerships	23	33	44	2,69	28	23	49	2,69
Devices that access the internet	22	25	54	2,43	21	20	59	2,37
1 = I don't trust	21	29	51	2,49	-	-	-	-
Social networks	17	21	62	2,21	20	19	61	2,31

Basis: Total sample (882)
Imagining that you gave permission for the company below to share your personal (name, age, CPF, etc.) and financial data (bank statement, card bill, loans, etc.) with another company, how much do you trust it will share your data ONLY with the companies you have allowed and not with other companies?
Think on a scale of 1 to 5, where 1 is I don't trust it and 5 is I completely trust it. [SINGLE ANSWER PER LINE]
20. Thinking that financial services (checking account, credit card, investment options, insurance, etc.) could be offered by companies other than banks and digital wallets, which companies would you buy them from?

7

What
comes
next?



7.1 FULL POTENTIAL STILL LIES IN THE FUTURE

There is a vicious cycle pointed out by institutions, when it comes to regulation... The full potential of Open Finance can only be achieved when all phases are 100% live, but putting the phases live has drained the energy available to generate new business and experiences.

Some institutions, especially Fintechs, simply do not have an integration roadmap with other Open experiences, as it does not make sense for their business objectives.



Open Finance was the creation of the Internet in the 1980s.”

Jamile Leão

Head of Open Finance, Capgemini

Interoperability was Open Finance’s greatest achievement, but it is far from complete. In other words, waiting for this **connection with other markets** still seems like a very distant dream! **Bets vary between 2025 and never...**

ROADMAPS AND OTHER “OPENS”

They exist, but their evolution is still low in most companies, signaling that efforts are on other fronts

THERE ARE ROADMAPS IN COMPANIES

- They are “alive”, constantly adapting to technology, data management capabilities and the behavior of the end customer in terms of how they see benefits.
- They understand that it is difficult to estimate a complete roadmap, as the solutions also affect other areas, which open up new opportunities. Therefore, we see very different percentages of R&D development, even within the same segment:
- Incumbents: 20% of the roadmap (25% to 30% another source), 40% already delivered, 100% delivered by 2024, 80% delivered by the end of 2023, tests still internal.
- Neobanks and IT Providers: 30%
- Even more so at the start of deliveries: forecast of 10% between fintechs and retailers gained agility as soon as the learning curve was reached. Some cited that the 1st solution took approx. 1 year, now it takes between 60 and 90 days, reaching 15 days on Neobanks

DESPITE SOME SOLUTIONS ARE ON THE STREET, THERE IS A LOT OF DIFFICULTY IN ACCOUNTING THEM

- The companies that count cite between 3 and 7 solutions launched interviewees evaluating this market do not reach a consensus. Some say between 20 and 25 and others say approximately 40 solutions.

3 YEARS

was pointed out as the time necessary for us to see a relevant number of solutions available on different fronts and from a reasonable number of players.

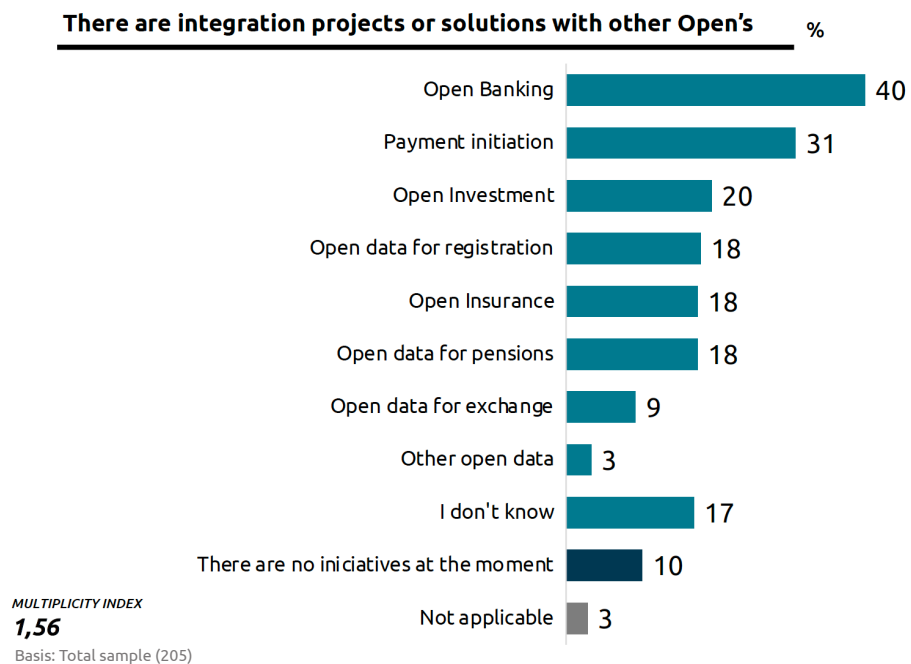


It's a marathon. It doesn't mean that whoever started first will win or whoever started later will come last."

Media

PROJECTS / INTEGRATION SOLUTIONS WITH OTHER OPEN'S

Since the **lack of motivation to authorize is associated with 'concern about data security'** was expected that what would lead to authorization is having **'security that the data is safe' and that 'there is a guarantee that it will not be harmed'** Just as we saw that there is a **'lack of understanding of sharing'** (both because we don't know the reason and because we don't know what benefits there could be in sharing), the The 3rd point to authorize sharing is **'knowing what the data will be used for'**.



DO ALL OPEN FINANCE FRONTS HAVE POTENTIAL?

Uncertainties about the success of the OpF's coverage

YES BUT...

Perhaps not all of them will be fully adopted by the population, especially activities that today are already seen as having high perceived value, such as the success of PIX vs ITPs.

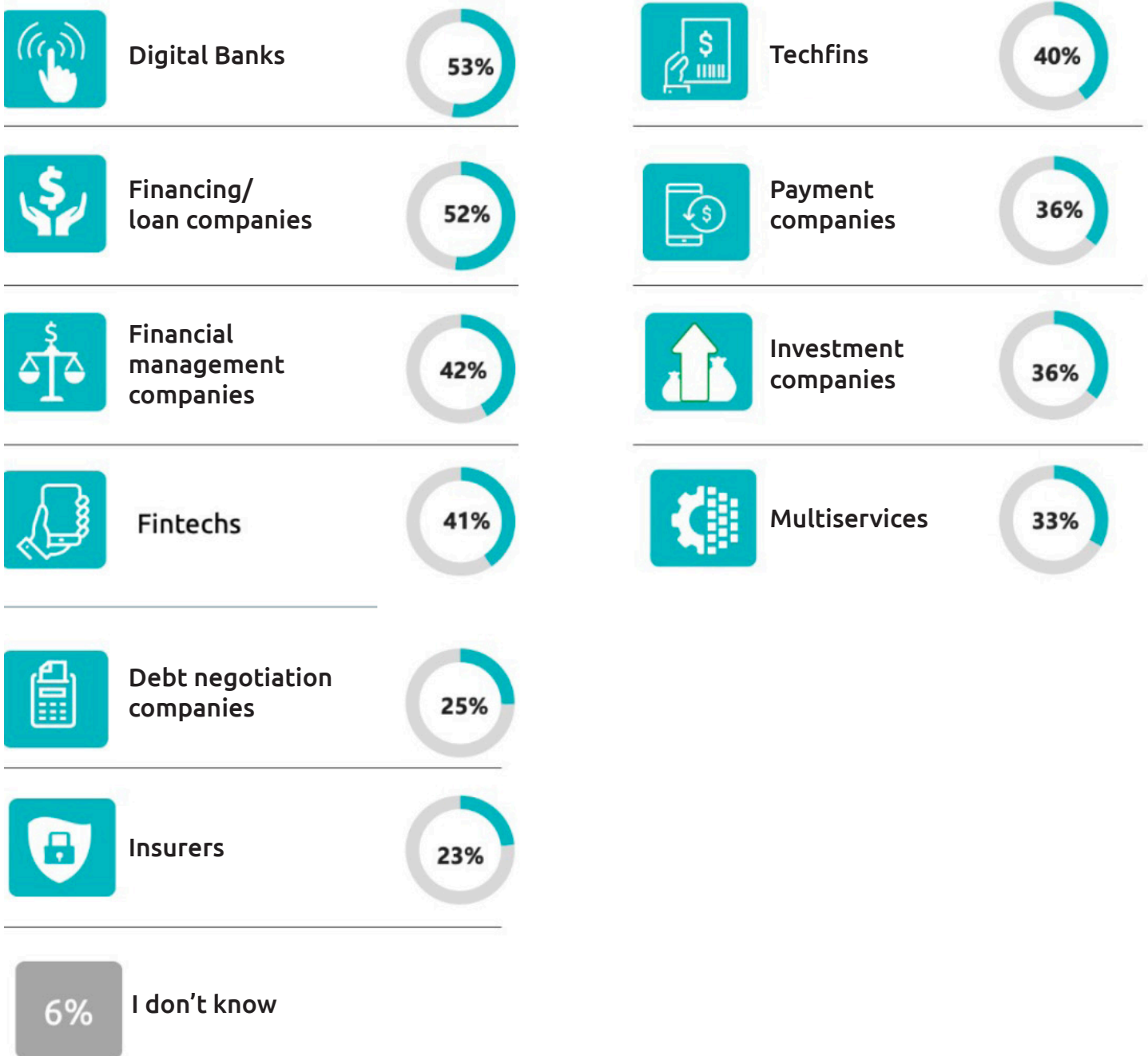
There is a need to improve the data sharing journey. If it continues to be difficult or costly, little effort will be made to make it work with fronts that will add little to the result (e.g.: Opin).

One of the interviewees pointed out that the biggest indicator of potential is the entry, from the last quarter of 2022, of non-mandatory companies. If they are entering the ecosystem it is because they see opportunities to monetize OpF.

Vision that Brazil can follow the same path as Europe that started with Data (mandatory) and moved on to payments (especially with the entry of e-commerce, retailers, healthcare).

PERCEPTION OF INCREASE IN THE NUMBER OF COMPANIES IN THE NEXT YEARS

In line with the qualitative stage, credit companies will gain greater prominence in the coming years. Fintechs and Techfins received approx. 40% of the votes, possibly as a reflection of the perception that current regulations do not favor its development in the OpF.



7.2. HOW THEY SEE ACHIEVING THE BC# GOALS

OpF will help the BC# agenda move forward, but many initiatives that caused major impacts are previous ones (PIX and fin echs). OpF should have a greater impact on competitiveness and financial education



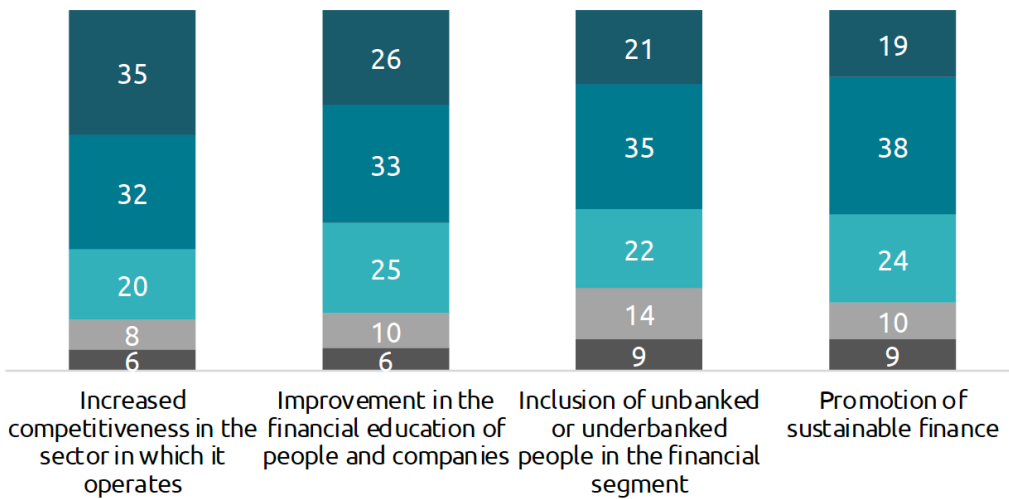
Agenda is super positive and has brought significant changes, with PIX and Real Digital, which will promote the tokenization of the economy (...). The Open Finance model brought Brazilian governance, with major bureaucratization and large banks paying a large part of the bill. Necessary adjustments in governance and process.”

Incumbents

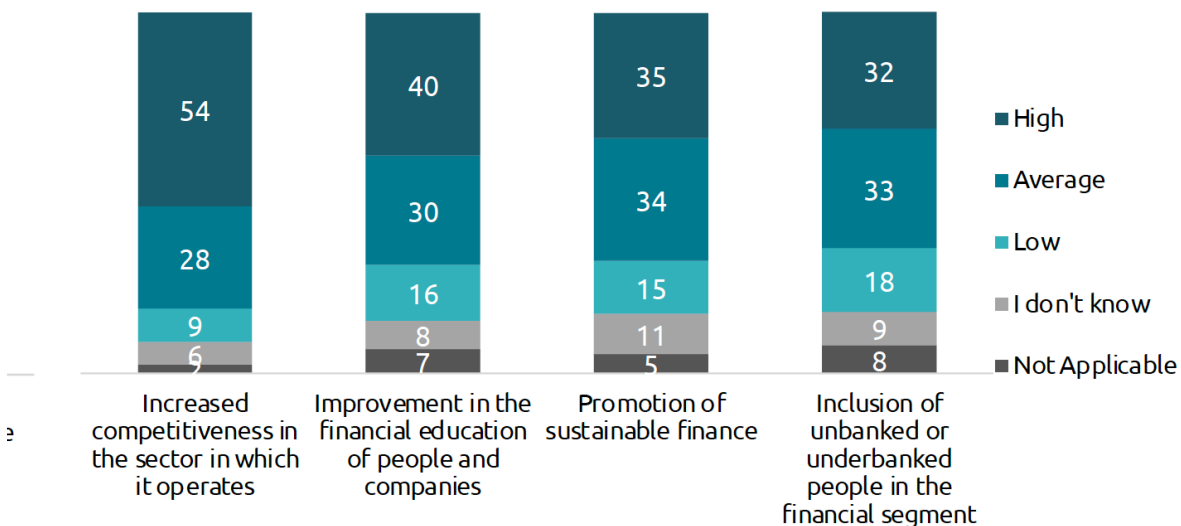
IMPACTS OF OPEN FINANCE ON BC#'S GOALS TODAY AND WHEN IT REACHES ITS FULL POTENTIAL

Increasing competitiveness is the objective of the BC# that has the greatest influence today and when the OpF reaches its full potential in the company. They realize that the influence on financial education, inclusion and sustainability tends to be greater when the OpF is at 100%.

At the moment %



When the full potential of Open Finance is realized %



Basis: Total sample (205)

Based on the activities in force in your company, what is the INFLUENCE RATE of Open CURRENTLY in: [SINGLE ANSWER]
 Once the full potential of Open is reached in your company, what will be the IMPACT on: [SINGLE ANSWER]

8

Methodology and **why we did it**

METHODOLOGY

We carried out this study in partnership with the survey institute Teor Marketing, which sought representatives of the Ecosystem, such as **Incumbent Banks, Neobanks, Fintechs, Insurance Companies, Technology Providers, Influencers, Academia (and even some challengers, such as, Retailers)** to understand the

maturity of the companies involved in this context.

Furthermore, we spoke to the end customer, the one most impacted by Open Finance. This time, the focus was exclusively on individuals, as they currently represent more than 90% of the consents given in the country.

METHODOLOGY DETAILS

The report included a committee of market executives, composed of 12 professionals who represented the different “voices” that make up the Brazilian ecosystem today. We had representatives from incumbents, neobanks, fintechs, insurance companies, new markets, representative entities and companies of technology. They were responsible for criticizing the line of survey, reorganizing routes and giving their opinion on the criteria for assessment of the Maturity Index.

We carried out in-depth interviews with 24 executives who work directly in Open Finance areas in several companies. We seek variety in profiles to have different views on the subjects covered in this report.

We carried out 205 interviews with companies that have activities related to Open Finance already developed, under development or the subject is on the company’s agenda. Institutions that have no contact with Open Finance were excluded from the survey. The study’s margin of error is 6.7%, with a Confidence Index of 95%

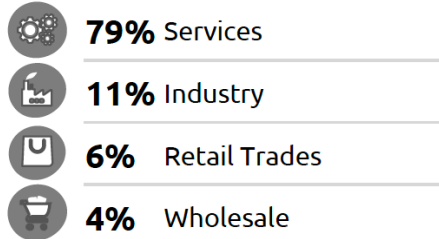
In the 882 interviews with end customers, we interviewed people throughout Brazil, from all social classes (according to the average family income criterion), who had a bank account and/or digital wallet. The sample was weighted by social class, age and region to reflect more precisely the Brazilian universe. The margin of error for this sample is 3.3%, with a Confidence Index of 95%

Interviews with companies were collected via an online panel of respondents and via sending survey link to the Capgemini customer base. The survey with end consumers relied exclusively on online panel interviewees. In both cases, we used structured questionnaires and collection took place between 05/17/2023 and 05/30/2023.

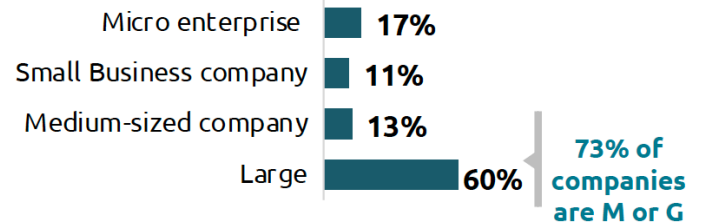
For these studies, bases smaller than 30 responses must be interpreted qualitatively, as statistical security is low. In other words, it is possible to notice its movements, but the margin of error is high.

SAMPLE PROFILE COMPANIES

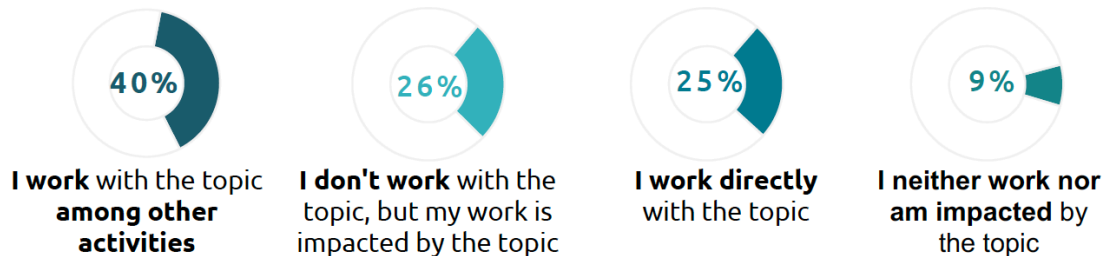
Company Segment



Company Size

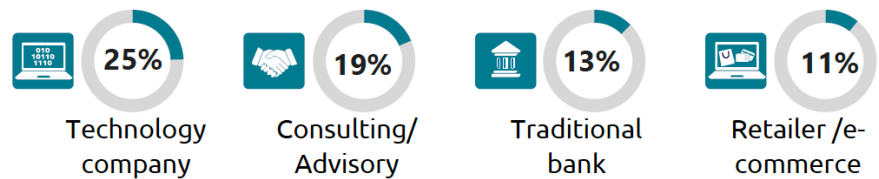


Proximity to the Open Finance topic



91% of the sample works in open finance activities or is impacted by them.

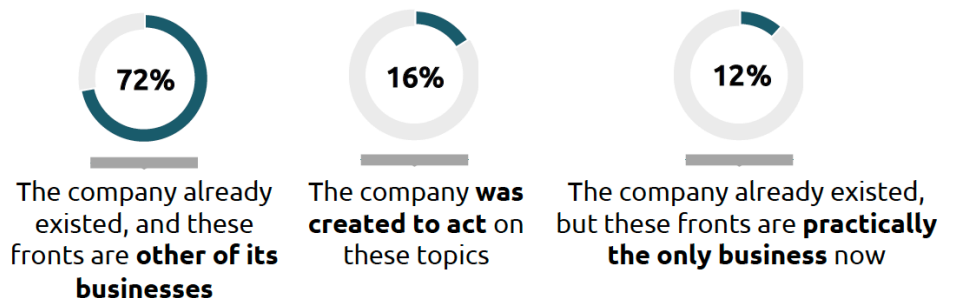
Technology, consulting/advisory companies, traditional banks and retailers represent 67% of the sample.



57% work with B2B

Basis: service/commerce companies (183)

In 72% of the companies interviewed, Open Finance is another business front



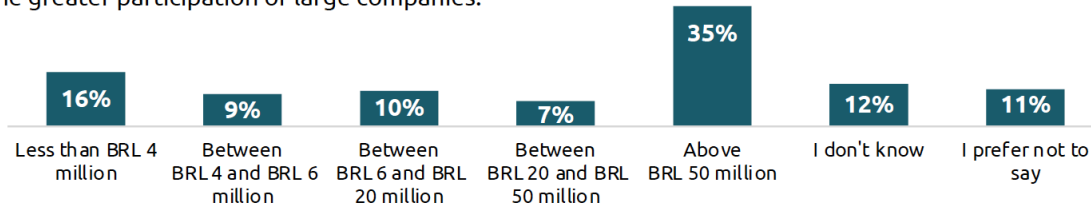
Basis: Total sample (205)

Which segment does the company you work for belong to? [SINGLE ANSWER] | How many employees does the company you work for have, considering all branches? [SEBRAE SIZE] [SINGLE ANSWER].
[SEBRAE SIZE] Micro-enterprise: up to 9 employees (Service and Commerce) and up to 19 employees (Industry) | Small Size: 10 to 49 (Service and Commerce) and 20 to 99 (Industry) | Midsize: 50 to 99 (Service and Commerce) and 100 to 499 (Industry) | Large: more than 100 (Services and Commerce) and more than 500 (Industry). | How close are you to the Open topic(s)? [SINGLE ANSWER] | Does the company you work for belong to any of these sectors? [SINGLE ANSWER] | Which of the phrases below best defines your company's journey when we talk about Open? [SINGLE ANSWER]

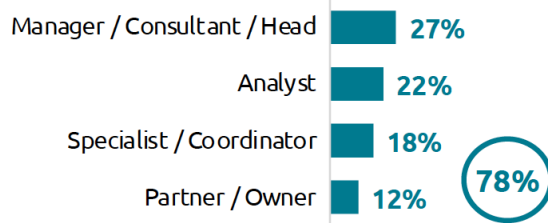
SAMPLE PROFILE COMPANIES

Average annual revenue of the company

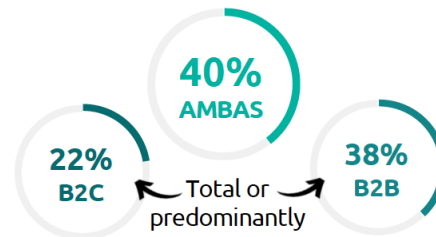
Greater frequency of companies with average annual revenue above BRL 50MM, reflecting the greater participation of large companies.



Company position

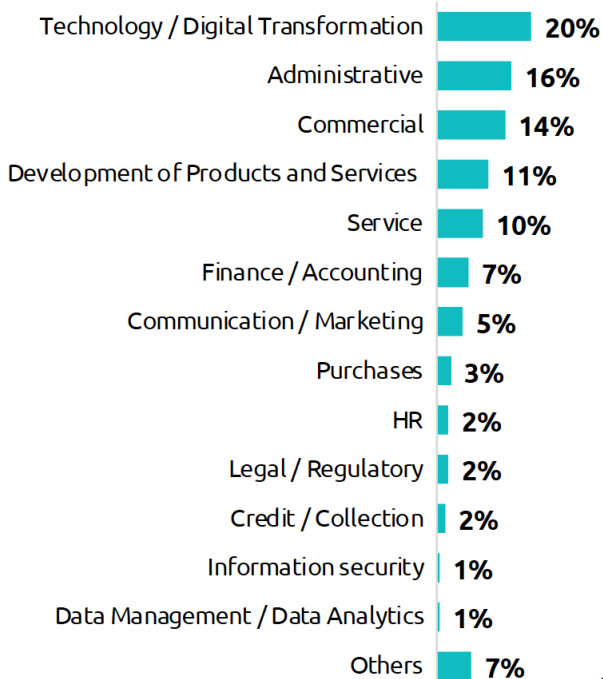


End customers



78% of interviewees hold decision-making positions (with teams and 40% of the sample work in B2B AND B2C companies)

Area in which you currently work



Basis: (167)

Basis: Total sample (205)

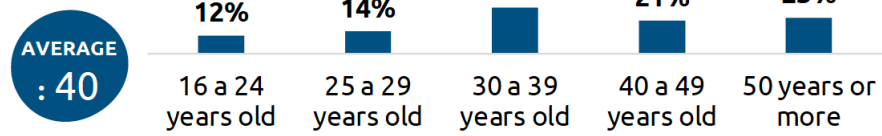
What is your company's average annual or 2022 revenue? [SINGLE ANSWER] | [IF NOT PRESIDENCY/OWNERS POSITIONS] In which area do you work? [SINGLE ANSWER] | What position do you currently hold? [SINGLE ANSWER] | Your company is... [SINGLE ANSWER]

SAMPLE PROFILE INDIVIDUALS

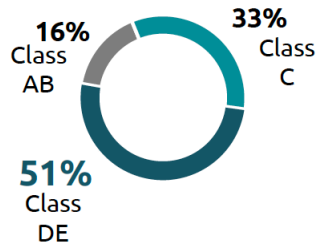
SEX



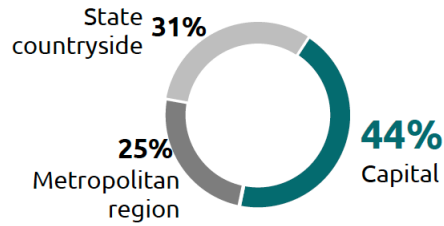
AGE



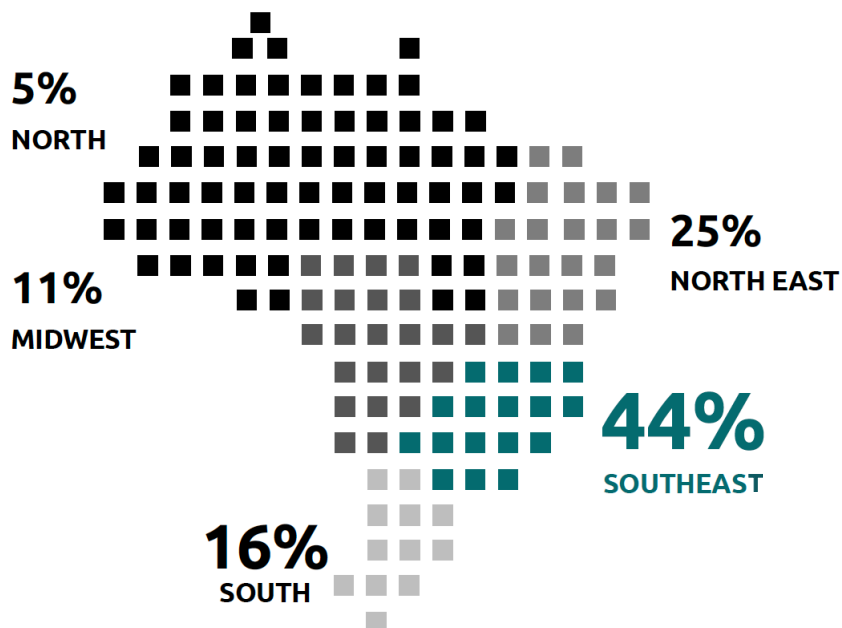
CLASS



PLACE



METROPOLITAN REGION



AUTHORS



Daniela Dutra

Solutions Leader for Banks at Capgemini Brasil

Professional with over 20 years of experience in the financial services sector, working in banks and global companies such as Credicard, Citibank, Itaú, FIS and now Capgemini. She has experience in projects development of new financial products, project management and creation of business models and processes. Throughout her career she has added knowledge in the area of payment technology, Banking and Commercial Management. She currently works as Head of Solutions for banking supporting Capgemini clients in the use of technology to enable the improvement of the customer experience, growth in competitiveness and productivity and in the understanding of the financial ecosystem in constant development. She is graduated in Administration and postgraduate from FGV-SP in Information Systems Administration and MBA from FIA USP in Retail.



David Cortada Gras

Vice President of the Financial Services CoE at Capgemini Brasil

David joined the company in November 2007. During almost 15 years at Deutsche Bank, he held various positions in the Technology and Services Division, the Competence Center for International Systems and the Group of Corporate Architecture. He has participated in several architectural transformation projects for Retail Banks, as well as for Investment Bank Divisions.

He, then, joined the GFT Group, where he was appointed Head of the company's Core Banking Group, creating a Product Delivery Line, in addition to participating as a main consultant in several projects for multinational banks. In 2003 he opened the company's Brazilian subsidiary. After a long period of intense collaboration on various projects and consultancy activities, in 2007 he joined Capgemini to lead one of the largest Core banking transformation projects for one of the largest Private Banks in the country. Later on, he led the Business unit of another of the largest Public Banks in Brasília.

His main role in recent years was leading the Center of Excellence in Financial Services at Capgemini Brasil.

David was born in Barcelona (Spain). He has a Master's Degree in Information Technology Management from the "La Salle" engineering school, a B.S. in Computer Science from Instituto Cibernos (Universidade de Deusto). He also holds an AMP from IESE Business School.



Fulvio Xavier

Solutions Leader for Banks at Capgemini Brasil

Professional with over 25 years of experience in the digital technologies industry. Specialist in decentralized technologies (Blockchain/DLT) and Digital Assets, he worked in companies such as IBM, B3, EY, Mercado Bitcoin. She is specialized in building Blockchain/DLT solutions such as Tokenization, Infrastructure, Digital Wallets, Digital Custody, CBDC and cryptoassets in institutions of several sizes, financial or otherwise, in addition to supporting innovation projects and business areas in translating challenges and systemic architecture both on public networks, such as permissioned ones. She has coordinated the DvP project in Public Networks in the Central Bank's LIFT Challenge, actively participating in discussions on the topic with the ecosystem. Speaker and MBA Professor at several institutions, working hard on education and demystifying the application of technology in Latin America. She is currently one of the members of the Center of Excellence for Core Banking at Capgemini.



Gustavo Leança

Solutions Leader for Insurance at Capgemini Brasil

He is graduated in Economics from USP, with an MBA in Technology Management from FGV, Gustavo Leança has worked in the Insurance Market for almost 20 years. With in-depth knowledge of the sector – from the operational, regulatory and strategic vision of an insurance company, to processes, products, technologies and trends – Leança today plays an important role as a trusted advisor for the insurance industry and in the journey of Open Insurance (OPIN) in the Brazil, including being one of the mentors of the reference study "Open Insurance Market Analysis" and having appeared as an expert spokesperson on OPIN in several important vehicles such as the newspapers Valor Econômico, O Globo and O Estado de São Paulo. Gustavo was also highlighted as a speaker on the development of the sector at various events throughout Latin America, mainly in Brazil.



Jamile Leão

Head of Open Finance at Capgemini Brasil

Professional with over 20 years of experience in Information Technology, R&D, Innovation and Service Design, with a focus on the financial market. She has a long list of innovative themes, such as Itaú's first Agile cell, the first Blockchain experience, the installation of Cubo and, more recently, the Open Finance Business Architecture. She has also led Tecban's Open Finance platform, representing the voice of the customer throughout the product development cycle. She currently works as Head of Open Finance, at Capgemini's COE of Financial Services, in strategic planning, development of new products and services and establishment of processes and operational excellence for players in the financial market. She is an Executive awarded at the Open Summit Award 2022, Female Leadership category, and List of women to be watched at Open Finance, 2023. She is graduated in Literature Universidade de São Paulo and MBA from FGV-SP.

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Roberta Guedes, Open Finance and Privacy professional
Rogério Melfi, TecBan
Tatiana Orofino, AWS

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The images that illustrate this report were generated with the help of Generative Artificial Intelligence, taking as a reference icons that represent Brazilian culture.

How many could you guess?

Capa | Paraty, RJ
 Page 01 | Fernando de Noronha, PE
 Page 06 | Carnaval
 Page 17 | Amazônia
 Page 20 | Olodum
 Page 28 | Escadaria Selarón
 Page 30 | Catedral de Brasília
 Page 42 | Museu do Amanhã
 Page 48 | Operários Tarsila do Amaral
 Page 53 | Ayrton Senna
 Page 55 | Futebol
 Page 59 | Baía da Guanabara, RJ

ABOUT CAPGEMINI

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It is a responsible and diversified organization, with a team of 370 thousand people in more than 50 countries. With its strong 55-year heritage and deep industry knowledge, Capgemini is trusted by clients to meet the full breadth of their business needs, from strategy and design to operations, driven by the world's innovative and rapidly evolving cloud, data, AI, connectivity, software, digital engineering and platforms.

Capgemini Group reported global revenue of €18 billion in 2021.
The Capgemini Group reported global revenue of €18 billion in 2021.

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