

# CONNECTING TECHNOLOGY AND VALUE GENERATION: FINTECHS AND THEIR CLIENTS IN THE CITY OF SÃO PAULO, BRAZIL

NELSON ROBERTO FURQUIM (nelson.furquim@mackenzie.br)

Filiação:

UNIVERSIDADE PRESBITERIANA MACKENZIE

Rua da Consolação, 930 – Consolação

São Paulo, SP – CEP: 01302-907

**Abstract:** Fintechs have been playing a significant role in the Brazilian economy, competing with traditional financial institutions and providing agile services to most Brazilians. These impacts have been generated through technologies aimed at facilitating and speeding up processes, making financial services available to millions of people. This study aims to analyze how Fintech users perceive value in the services provided by them, seeking to understand the advantages perceived in Fintechs compared to traditional institutions, leading to migration from one company to another. Field research with a qualitative approach was conducted, involving individuals belonging to Generation Y, born between 1980 and the mid-1990s, who are users of Fintech services. The Interpretative Text Analysis technique was employed for processing the data obtained from interviews. It was concluded that technology democratizes financial services, bringing benefits and convenience, ease of access, process agility, leading users to seek technology-driven financial companies.

**Key-words:** fintech, technology, clients, value generation

## INTRODUCTION

According to the theoretical framework of Santos et al. (2011), since the beginning of the current century, much has been discussed about technological evolution within companies and how it has been used as a value generation strategy, all to keep up with the agility with which new demands for completely new services emerge. As a result, new financial business models have emerged as an alternative to conventional banks, giving rise to the so-called Fintechs.

Through the application of technology to evolve financial activities, Fintechs are considered new companies in the market (Scheffel, 2017; p.45). As highlighted by Hartrampf (2021), there has been a migration from traditional financial services to more innovative and technological ones, as users nowadays seek not only basic services but also personalized support for their desires and objectives at low cost.

The development of Fintechs aligns with the Brazilian innovation ecosystem, with the first significant surge in startup growth in this sector occurring between 2014 and 2018 (a growth of 24.4%). However, it is worth mentioning that 63.0% of Fintechs were created between 2016 and 2022, indicating that most key players are quite recent in the Brazilian market. Nevertheless, it is important to highlight that since 2021, that amount of Fintechs has been decreasing due to the current complexity of this specific market (Distrito Fintechs Report, 2022).

According to the FintechsLab Radar report (2020), from June 2019 to the first quarter of 2022, there was an increase from 604 to 1289 startups created for the financial market, mostly focusing on credit (17.5%), payment methods (14.4%), and backoffice services (14.2%), and most of them based in the Southeast region (72.9%), demonstrating the prominent growth of this type of initiative, according to the latest report from Distrito Fintechs.

In Brazil, startups focused on the financial market are divided into several segments. Among the most established ones are companies with a recognized name in the market competing with traditional banks, while other banking corporations create markets and focus on assisting users at all stages of their financial needs. The fintech sector presents diversity and branching, with room for continuous growth and business expansion among users (Jorge et al., 2018).

In the financial sector, fintechs are competitors of traditional banks and banking institutions, offering users services like banks, with exclusively digital businesses and improved customer experience. Brazilian fintechs offer solutions to other companies (business to business), to end consumers (business to consumer), and other hybrid services, such as facilitated sales by companies, among others. The first two models represent 66.0% of the segment in Brazil (Distrito Fintechs Report, 2022).

The creation of fintechs is aligned with the evolution of technology and society 4.0, centered on the internet, information, and technology. Market segments, areas of operation, and sectors have been adjusting themselves to the new business guidelines (Freitas, 2019). The factors with the greatest influence on user preferences are the quality and prices of the services offered. Younger individuals tend to prefer fintechs to traditional banking institutions, and competition is structured around offering the best services, reaching more people, and reducing costs (Leite, 2019).

A study conducted by PricewaterhouseCoopers (PWC) and the Brazilian Fintech Association (ABFintechs), indicates that in 2020, 38.0% of the companies participating in the study did not generate revenue, and in 2021, that percentage decreased to 14.0% (Ruivo, 2022). That author also points out that in 2021, among those surveyed, 41.0% received some kind of investment or funding, compared to 26.0% in 2020 and 36.0% in 2019, further increasing optimism for upcoming years.

Fintechs in Brazil also hold relevance in the country's economic landscape, as they provide subsidies for development and innovation in the financial market, along with the credit movement, generating more resources for the sector. Consequently, significant changes are observed in the operational structures of banks, an increase in the concentration of capital in financial institutions, and economic-financial advancement in Brazil (Onzi et al., 2017).

Considering the previously described context, the following research problem arises: how can Fintechs generate value for their customers in the city of São Paulo, Brazil? To address this question, to understand how Fintechs can generate value for their clients in the city of São Paulo, Brazil was established as the main objective of the study. The specific objectives of this study were to identify how Fintechs meet the needs of their clients; to understand how users choose their Fintechs and to relate what users perceive as relevant in the services offered by Fintechs.

## **1 THEORETICAL BACKGROUND**

### **1.1 Startups and Fintechs**

Startups are companies that focus on innovating a product or service and constantly face external risks until they develop a business model in which they can thrive. These companies are of utmost importance to the local economy as they foster investment in the areas they operate, understanding that the entrepreneurship involved in creating startups is significant for their respective economies (Torres, 2016).

Fintechs are recognized as a new financial industry that applies technology to optimize financial activities. This is the definition presented by Schuffel (2017). Furthermore, the author concludes that Fintechs are considered as "new, emerging, and innovative" businesses. They

have come to fill a void in the relationship between consumers and companies left by traditional banks, which is the main reason why financial startups manage to outperform banks. The customer relationship interface of Fintechs creates a financial market infrastructure that is guided by the consumer and not by the institution (Puschmann, 2012).

According to Schumpeter (1961), the economy tends to be linear until new market opportunities are found to take advantage of gaps left by other competitors. This search for new opportunities encompasses the development of market innovations to fill the gaps left by other players.

For Kirzner (1960), entrepreneurship was strongly linked to the perception of new opportunities, which he distinguished as "being alert," opposing Schumpeter. Kirzner pointed out that new opportunities did not come from innovation but rather from this state of alertness to new opportunities. The market is in constant disequilibrium, and it is the entrepreneur's challenge to be alert to these new opportunities.

The gaps left by financial institutions are strongly linked to the lack of agility, lack of services, and convenience in customer service, eroding the relationship between clients and banks, leading these consumers to move their accounts to Fintechs which are present in the market (Diniz, 2019). They democratized the access to financial services, bringing consumers closer to various services that were already available in traditional banks but, due to the lack of ease on the part of those institutions in offering their services, they gained advantages over traditional banks (Crouhy; Galai; Wiener, 2021).

In Brazil, the change in the behavior of consumers that adopted electronic financial services through Fintechs has been very beneficial for the financial sector. Older banking institutions used to spend an awful lot of money on marketing investment to attract new customers to use their services, but slow and cumbersome bureaucratic processes have always been a failure. For those reasons, Fintechs have been finding a favorable environment in Brazil (Diniz, 2019).

## **1.2 Consumer Behavior**

Consumer behavior is defined as the physical and mental activities performed by customers of consumer and industrial goods that result in decisions and actions, such as buying and using products and services, as well as paying for them (Sheth et al., 2006).

From the perspective of Fintechs, it can be observed that a big part of these consumers' choices occurs to fulfill everyday needs such as convenience and speed in processes, which also turns towards security needs. Such choices often rely on the influence of close individuals and social networks (Ferreira, 2021).

That might explain the sharp growth of Fintechs, given the digital channels in which they are present and what may be generated as from the digital influence. The amount of time people spend browsing social networks nowadays favors users' aptitude to follow similar behavior to their influencers (Abbade et al., 2012). It can be observed today that access to the internet has become much easier for people, and companies with expertise in using this tool have shown much faster and cheaper growth, as it is an important strategy in the relationship between organizations and customers (Ferreira, 2021). Furthermore, according that author, consumer behavior is influenced by four main types of factors: cultural, social, personal, and psychological.

When studying consumer motivation to choose a product or service, there are several stimuli, each playing a different yet equally important role during this process. The roles in this motivation process are: initiator (recognizes the need), influencer (seeks data to satisfy the need), decider (makes the final verdict), and finally buyer, consumer, and evaluator (Pineiro et al., 2011).

That author also mentions that the main elements that impact consumer behavior are the influence of social class and culture. When studying consumer behavior, situational factors at the time of purchase should be highlighted, such as the smell of the physical store, the appearance of the offered product, and even the psychological moment experienced by the consumer at the exact time of purchase.

Regarding consumer lifestyle, there are three categories of factors: activities, personal values, and opinions. Activities consist of everything the human being does, such as work, leisure, exposure to different media, and consumption habits, among others. Personal values refer to the value system and personality attributes that motivate interaction between the individual and the surrounding environment. Opinions are the personal points of view that individuals have of their social environment in general, based upon their own experiences, knowledge, values personal judgement (Coutinho et al., 2017, p. 96).

The rise of the internet, apps, and computers has brought about various changes in social dynamics, as companies (especially startups) began to use technology to increase the effectiveness and efficiency of their projects. Data indicates that the convenience offered by digital banks, whether through the web or via apps, in addition to autonomy and lower fees, are the main premises that attract customers to the digital banking system (Sigoli et al., 2020).

### **1.3 Value Generation**

Consumer value generation is measured based on the perception of benefits and a relationship with the service provider (Sabol et al., 2002). It is of paramount importance for corporations to understand the functioning of the customer perception chain.

By identifying the values that users seek, corporations can offer the benefits of the value structure to the customer (Paiva, 2004). According to that author, the construction of values perceived by customers includes communication, brand, reliability, cost-effectiveness, convenience, responsiveness, functional posture, benevolence, personalization, and physical facilities, amongst others.

According to Vitorazzi (2019), in today highly competitive market, companies that do not continuously seek to generate value for their customers tend to have less overall efficiency, as consumers nowadays do not have as much brand "loyalty" as before, meaning they are more likely to switch if the perceived value is low.

Providing a good experience for customers, retaining them, and generating value not only is a good practice but also implies lower costs and consequently greater organizational effectiveness, as retaining customers is often more important and cheaper than attracting new ones. Data indicates that acquiring new users can cost up to five times more than retaining existing ones (Vittorazzi, 2019).

With continuous technological updates, the digital (online) environment has opened the possibility for companies to offer higher-quality services, offer a greater variety of products and services, with more accessibility and very few restrictions, both in terms of time and space, resulting in greater customer loyalty and satisfaction (Yu, 2016).

From the moment it is assumed that companies exist to meet the needs of consumers, and this is only possible as the organization understands who consumes the product or service it is selling, it may be observed that trust, value, and loyalty in bank customers must be precise due to understanding the target audience and shaping strategies based on it, providing a personalized experience (Vittorazzi, 2019).

Considering what a Startup user identifies as value, quality of the offered digital products and services becomes very significant. In that sense, customers become more conscious about the following aspects: understanding the company; operation of the website or

application; marketing; desired attributes (such as ease, speed, security, and welcoming); purchase/reward, when choosing a specific Fintech (Cardoso, 2018).

Fintechs have exerted considerable pressure on traditional companies in the financial sector by creating value-generating positions for users. According to Price Waterhouse Coopers (2016), Fintechs have changed the ways organizations add value to consumers, in a model from outside to inside, making it necessary to develop policies for the general uses of the services they offer (Davis, 2016). They stand out with millennials as they offer services with less bureaucracy and without the need for frequent interactions. Thus, through innovation in the provision of regular services, with ease and agility, and through the digital environment, those startups can increasingly add value to their customers (Rodrigues; Oliveira; Souza, 2013).

## 2. METHODOLOGY

This study adopts a qualitative approach, with exploratory research, which does not rely neither on enumerating or measuring events, nor does it use statistical methods to analyze data. Instead, data is obtained through direct and interactive contact between researchers and the key respondents (Maanen, 1979). That author also mentions that researchers seek to understand the phenomena from the perspective of the participants in the studied scenario and to clarify it.

Qualitative research, as a method of data comprehension, seeks to understand the experiences of each subject in detail, in relation to the research object (Bauer; Gaskell, 2013). In contrast to the sampling and representativeness of quantitative methods, the qualitative approach seeks to open more space for the individual to answer questions based on their own experiences (Flick, 2009).

The qualitative methods are understood as different applications of interpretative techniques that aim to decode and describe elements with complex meanings in a system. They use closer and more refined observation mechanisms, in addition to aligning the construction methods with the characteristics of the project and the context and particularities in which it is introduced. It considers the opportunity to study epistemologies and methodologies (Cardano, 2017).

According to Maanen (1979), for the qualitative methods, statistical or numerical data are not used, but rather, the understanding of the events mentioned by the interviewees, and from there, researchers seek to understand the situations presented by the participants.

Generation Y represents the target audience of Fintechs, both globally and in Brazil (Forbes, 2020), and young Brazilians aged 18 to 29 are more receptive to innovation and technology, being that 17.0% of them have accounts only in virtual banks (Montini, 2021).

In Brazil, approximately 64 million people belong to the so-called Generation Y. In terms of gender, 48.4% of them are male and 51.6% are female. Concerning their age, the biggest share is related to individuals between 18 and 24 years old, representing 43.7%. As far as socioeconomic classes are concerned, Class A has the largest share (54.7%), followed by Class B1, which represents 18.4% of users (Azeka et al., 2021).

For this study, the field research involved a sample of individuals from Generation Y, also known as Millennials, composed of Fintech users born between early 1980s and mid-1990s, of all genders and social classes, with at least complete high school education, in the city of São Paulo, Brazil. The respondents were identified among students in a private university in the city of São Paulo, attending evening courses. They were recruited and chosen by the researchers, considering their availability of time and interest in being part of the study, constituting a non-probabilistic, convenience sample. The interviews were carried out

according to the best practices for conducting interviews pointed out by Solarino and Aguinis (2021).

Considering that this study aimed at understanding the interaction between the user and the Fintech and how this user benefits from using the platform, the qualitative research brought benefits to the data analysis, so that it was possible to have a broader view of the individuals' perceptions of their experiences.

The field research was carried out in February and March 2023. The interviews were conducted electronically by the researchers using a semi-structured questionnaire, with open-ended questions, thus, the interviewees were free to elaborate their answers (Triviños, 1987). The considered questions emerged organically from discussions carried out among the researchers, aligned with the theoretical background.

The interviews were conducted using the Microsoft Teams platform; and in agreement with the interviewees, they were recorded for later full transcription and analysis.

The obtained responses were analyzed using the method of interpretative text analysis, which is a qualitative research approach that seeks to understand the meaning of a text through the interpretation of the senses and discursive constructions present in it (Flick, 2013). That approach involves careful and detailed analysis of the text, exploring its various layers of meaning, subjectivity, and social and cultural contexts (Flick, 2009). That type of analysis also seeks to understand, individually, the experience of each participant in relation to the object of study, giving more space to the interviewee to report their experiences (Flick, 2009). Moreover, through interpretative text analysis, it is possible to get a wider range of responses regarding Fintechs, considering that each user has a unique perspective.

The field research was carried out for academic purposes only.

### 3. PRESENTATION AND ANALYSIS OF RESULTS

The objective of this section is to analyze and discuss the responses obtained from the eleven interviewees during the field research conducted by the researchers.

Table 1 presents the profiles of the interviewees.

Table 1 - Profile of respondents in the field research, February/March 2023.

Education Level	Gender	Age	Job
Incomplete postgraduation	Female	31	Interior Designer
Complete postgraduation	Male	38	Pedagogue
Complete postgraduation	Female	34	Mechanical Engineer
Complete postgraduation	Female	36	Hotelier
Complete graduation	Male	33	Financier
Complete postgraduation	Female	29	Biologist
Complete graduation	Male	32	Lawyer
Complete postgraduation	Female	30	Hotelier
Incomplete postgraduation	Male	25	Bank Clerk
Complete graduation	Male	28	Financial Analyst
Complete graduation	Male	29	Bank Clerk

Source: the author

Each one of the questions proposed during the interviews will be analyzed separately.

#### 3.1 What do you expect from a Fintech to feel well served?

Based on the responses collected in the interviews, it is observed that customers expect Fintechs to offer convenience, agility, ease of app usage, good returns, security, and clear communication. Additionally, it is important that the Fintech can solve problems quickly and efficiently, ensuring the protection of user data and demonstrating knowledge in asset management. It is identified in the responses given by some of the interviewees that Fintechs seek to fill the gaps left by traditional financial institutions, and those gaps refer to a lack of agility, services, and convenience at the time of service, as it is mentioned by Diniz (2019),

"[...]From Fintechs, I expect good returns, I expect cashback, and I expect agility, both in the App and to solve things[...]"

"[...]To feel well served, I expect from a Fintech the convenience regarding communication, having the possibility of various service channels. The 'User Experience' of the app is also very important, so an app that is easy to use and intuitive and agility in service[...]"

From some answers it may be observed that to meet those requirements set by customers, it is necessary for Fintechs to invest in technology, continuous improvement in user experience, and qualified support to meet expectations and ensure customer satisfaction.

As pointed out by Puschmann (2012), the interface created by financial startups seeks to build a relationship between the two parties which is guided by the customer and not by the financial institution. In addition, Schumpeter (1961) emphasizes that there is a great search among companies for market innovations that seek to fill the gaps left by their competitors in relation to customer expectations. The obtained responses are in line with the study conducted by Schuffel (2017), which highlighted a new financial industry called Fintech, that uses technology to improve financial activities. Also, according to the responses, such technologies brought great agility, convenience, and security to the offered services. It is worth mentioning that the respondents' feedback on this subject is aligned with Diniz's (2019) view, which stated that large traditional institutions left gaps related to a lack of agility and convenience in the provided services. Further to that Fintechs ended up becoming more attractive to clients.

### **3.2 Why did you choose the Fintech you currently use?**

Analyzing the responses obtained, it is possible to notice that most of the interviewees chose the Fintechs based on three main criteria: security, profitability, and ease of use. As pointed out by Vitorazzi (2019), companies exist to satisfy the needs of customers, and from the moment companies understand these needs and comprehend their target clients, a relationship of trust, value, and loyalty is created between the company and them.

Various interviewees mentioned that they chose their Fintechs because they are well known and recommended by friends, which may indicate the importance of the company's reputation and credibility for the consumer, as it may be observed in the following responses:

"[...]Well, I currently use Nubank and at the time I started using it, I chose it more because of the name itself. Because it was the most well-known and the one that would bring me the most advantages as well. In the market, for security reasons, since it was the most well-known, I thought it would be the ideal choice[...]"

"[...]At the time, it was one of the first Fintechs I had contact with, and it charged basically no fee for the services, nothing was paid. Very low-cost service[...]"

The interviewees also mentioned that profitability is considered a decisive factor in choosing the Fintech, indicating that consumers are increasingly concerned with maximizing the financial return on their investments. Finally, ease of use was also an important criterion, with many interviewees mentioning the lack of bureaucracy and the convenience offered by the Fintech as decisive factors in their choice.

"[...]I think the traditional banks, by their features, end up being more bureaucratic, so they have more cumbersome processes. The service is not customized, making it difficult for specific needs. In addition, the issue of having to go to the branches is a point that, for me, is negative. Digital banks are more convenient, you can do everything from your home, using your smartphone. So, these are the main differences. [...]"

"[...]I chose to use Nubank because it brings interesting credibility. Since many people use it, I feel more secure. It offers a good 'User Experience', the app is easy to use and intuitive, and it offers easy access to credit. They increase the credit limit and the benefits of the credit card, so I chose Nubank. [...]"

These responses are related with what Ferreira (2021) who points out that a large part of consumers' choices occur to meet the need for convenience and speed, which also turns into security needs. Also, according to Yu (2016), with the constant technological updates, the digital environment has provided companies with the opportunity to improve the quality of their services, as well as an increase the diversity of products and services offered, such as the profitability mentioned by the interviewees.

### **3.3 What differences do you observe between digital and traditional banks?**

Based on the responses obtained during the interviews, the main advantage of digital banks over traditional banks is the convenience and speed of service, in addition to the reduction of bureaucracy. Digital banks offer a more customer-centric experience, with more intuitive and objective apps, cheaper and more accessible services, without the customer having to go a physical branch.

"[...] Agility of the digital bank, ease, better apps, and transparency. The feeling we have is that they act more objectively than physical banks [...]"

Furthermore, Fintechs have also made more effort to attract new customers by offering exclusive benefits and higher profitability.

Those answers are in line with Crouhy; Galai; Wiener (2021) who observed that through the democratization of access to financial services, Fintechs brought consumers closer to various services regularly offered by traditional banks. However, due to the lack of ease in the traditional banks in providing such services, Fintechs were able to gain a competitive advantage over them.

Another aspect to be highlighted from the answers is that Fintechs have stood out among millennials for offering less bureaucratic services and requiring fewer interactions with their clients. With innovation in the offered services, objectiveness and agility, as well as the digital



environment, those startups may add value to their customers, as mentioned by Rodrigues; Oliveira; Souza (2013).

### **3.4 What negative aspects do you observe in the services provided by Fintechs?**

The respondents mention that Fintechs have advantages and disadvantages over traditional banks. On one hand, the technology used by Fintechs provides convenience to the customers, other than offering differentiated rates and services.

"[...] When you have a problem, the only answer you get is in a chatbox, and the chatbox does not always help much. Sometimes the robot does not understand your question and cannot help you, it would be much better to speak to someone when you call and have the problem solved [...]"

On the other hand, some answers point out that other disadvantages, such as the lack of personalized service, vulnerability to fraud, the absence of a physical space where to have support for emergency problems, and the difficulty in solving problems through chatbots. Fintechs need to work on improving the security and usability of their applications, as well as offering more varied and customized channels of assistance to ensure customer satisfaction and trust.

As highlighted by Paiva (2004), upon identifying the values that users seek, companies can offer the benefits of their value structure to meet customer demands, and this is what Fintechs have been striving for, especially in balancing human and technological aspects. According to that author, the construction of values perceived by customers includes communication, brand, reliability, cost-effectiveness, convenience, responsiveness, functional posture, benevolence, and personalization.

### **3.5 What could Fintechs do to improve customer services?**

Around 60.0 % of the respondents suggest that Fintechs could enhance their customer service through offering contact with individuals, either by establishing personalized service spots or providing a personal contact phone number. It was also mentioned that some Fintechs rely too much on robots and Interactive Voice Response (IVR), which can make the offered service slower and less efficient. Additionally, the issue of customer security and vulnerability was cited as a significant concern. This can be observed through some statements from the interviewees:

"[...] I would say two things: The first is this issue of vulnerability, having some security mechanisms to prevent the situation that I experienced. And the other is the contact with humans, because sometimes, when a problem occurs, you spend a lot of time interacting to a chatbot and FAQs; if there were human contact, it would help with efficiency [...]"

"[...] I think because they invest a lot in technology and reduce the number of people, most of the time, before you talk to the attendant or someone who specifically responds to your situation, you have to go through those chatbots and sometimes you spend like thirty minutes answering a bunch of questions until you get to the option to talk to someone. I don't know if this is to discourage

speaking to a human attendant or if they really think they could solve everything through technology, but interacting with a chatbot is a very negative aspect [...]"

Another suggestion of improvement that came up with the answers is that Fintechs should make better use of the data they have about their customers to develop specialized platforms, both in terms of usability and sales channels. There are indications that more human and personalized services, the availability of service physical spots and better use of customer data, are the main suggestions for Fintechs to improve their customer services.

That aligns with Sabol (2002) who highlights that the generation of value for the consumer is measured based on the perception of benefits and the relationship established with the service provider. It is crucial for companies to understand the functioning of the customer perception chain to succeed. On that context, there has been a movement among Fintechs to try to match the services offered by traditional financial institutions, so that the offered services do not become too dehumanized with the excessive use of Chat, IVR, and other technologies.

The rise of the internet, apps, and computers brought about various changes in social dynamics, as companies, especially startups, began using technology to increase the effectiveness and efficiency of their projects. One of these changes in social dynamics is the increased use of technology in customer services. For some persons that is considered as an advantage over traditional services, but for others, it can be considered as an aspect which demands continuous improvement (Sigoli, 2020).

## **CONCLUSION**

From the respondents' answers, it was possible to conclude that Fintechs meet the needs of their customers through innovative technology, accessibility, low costs, specialized and rather personalized services. Those features have allowed Fintechs to gain space in the financial market, offering competitive alternatives to traditional financial institutions.

The clients choose their Fintechs based upon various factors, considering their specific needs and whether the company offers the sought-after financial services. Ease of use is an important considered aspect, with clients preferring intuitive interfaces and easy-to-navigate platforms.

Additionally, security is a crucial concern, and users look for Fintechs that implement robust measures for data and financial transaction protection. The reputation and reliability of the Fintech are also considered, with customers seeking well perceived companies.

Transparency in policies and fees is also valued, as users seek clear information about the services offered. Fees and costs involved are evaluated in relation to the benefits offered. Additional features and technological innovations can be also a differential in choosing a Fintech.

Recommendations and feedback from other users play a significant role in the final decision to become a client of a Fintech. Users choose them based on their financial needs, ease of use, security, reputation, transparency, costs, features, and recommendations from other users.

Based on the analysis of the responses obtained from the field research, it may be concluded that Fintechs offer benefits to users in São Paulo by providing easy access to financial services, competitive rates, easy solutions for people without access to traditional banks, convenience, and the use of innovative technologies. Those features may bring benefits to users by making their transactions simpler, more accessible, economical, and efficient. On the other hand, some critical aspects were identified concerning Fintechs, such as the

complexity of the financial services available, lack of detailed information, diversity of business models, and rapid changes in the sector.

This study brings contributions to the advancement of technology, especially in the financial area, as it presents an analysis of how users perceive value in the services provided by Fintechs, and identifies the specific benefits they offer, as well as pointing out how they are structured to create value for customers in the digital financial segment.

The results obtained in the study point out how fintechs contribute to value generation by elucidating the symbiotic relationship between technology and client needs. By analyzing the dynamic interactions between fintech firms and their clients, the study reveals strategies that enhance financial inclusion, efficiency, and customer satisfaction. It underscores the role of fintechs in democratizing financial services, making them more accessible to underserved populations, and fostering economic growth. Additionally, the research highlights the importance of technological adaptability in meeting evolving market demands. Overall, this study provides critical insights for policymakers, financial institutions, and tech developers aiming to leverage fintech innovations for broader socio-economic benefits.

The study also brings managerial insights by pointing out how fintech innovations can drive competitive advantage and operational efficiency. Managers can leverage the findings to implement customer-centric technological solutions, enhancing service delivery and client engagement. The study provides evidence-based strategies for optimizing resource allocation, risk management, and regulatory compliance. It also highlights the importance of fostering a culture of continuous innovation and adaptability within companies. Ultimately, this research equips managers with actionable knowledge to navigate the evolving fintech landscape, ensuring sustained growth and value creation.

To complement this study, it is suggested involving a bigger sample of clients, as well as to increase the geographical research area, which would bring additional information regarding the customers perception about Fintechs, making it possible to identify other elements that may generate value for customers.

Building on the initial research, future studies could delve deeper into unexplored themes. One avenue is investigating the impact of fintechs on financial inclusion, particularly for unbanked or underbanked communities in São Paulo. Additionally, research could explore how user data security and privacy are addressed within the client-fintech relationship. Furthermore, examining how regulations are evolving to keep pace with the fintech landscape in Brazil would be valuable. Finally, exploring the potential environmental benefits of fintech adoption, such as reduced reliance on physical branches, could offer a new perspective.

## REFERENCES

- ALT, Rainer; PUSCHMANN, Thomas. The rise of customer-oriented banking - electronic markets are paving the way for change in the financial industry. **Electron Markets**, v. 22, 203–215, 2012. Available at: <https://doi.org/10.1007/s12525-012-0106-2>. Access: 19/09/2022.
- ALVES, Ana. **Por que os consumidores estão preferindo os bancos digitais: um estudo sobre atributos de valor que influenciam o comportamento do consumidor**. Trabalho de Conclusão de Curso (Bacharelado em Administração) —Universidade de Brasília, Brasília, 2018. Available at: [https://www.oasisbr.ibict.br/vufind/Record/UNB-2\\_ced3f37efce436dee8c2990aab81ee9c](https://www.oasisbr.ibict.br/vufind/Record/UNB-2_ced3f37efce436dee8c2990aab81ee9c). Access: 05/05/2023.
- ASSIS, Fernanda. **Comportamento do consumidor**. UNIFIL – Centro universitário Filadélfia de Londrina MBA – gestão e estratégia empresarial, Londrina, p. 1-74, 2011. Available at: <https://web.unifil.br/pergamum/vinculos/000004/0000043D.pdf>. Access: 08/11/2022.
- ATKINSON, Paul; BAUER, Martin; GASKELL, George. **Qualitative Research with Text, Image and Sound: A Practical Manual**, 11 ed., Petrópolis (RJ): Vozes, 2013.

AZEKA, Daniel; VIANNA, Fernanda. **O Perfil Dos Clientes Das *Fintechs***, 2017. XI Simpósio de Iniciação Científica, Didática e de Ações Sociais da FEI - Faculdade de Engenharia de Produção, FEI, São Bernardo do Campo, 2021. Available at: [https://fei.edu.br/sites/artigos\\_sicfei\\_2021/SICFEI2021\\_ARTIGO\\_21.pdf](https://fei.edu.br/sites/artigos_sicfei_2021/SICFEI2021_ARTIGO_21.pdf). Access: 08/11/2022.

CARDANO, Mario. **Manual de pesquisa qualitativa: A contribuição da teoria da argumentação**. Petrópolis: Editora Vozes, 2017. Available at: [https://www.academia.edu/34472883/CARDANO\\_Manual\\_de\\_pesquisa\\_qualitativa\\_A\\_contribu%C3%A7%C3%A3o\\_da\\_teor%C3%A7a\\_da\\_argumenta%C3%A7%C3%A3o\\_EXCERTO\\_pdf](https://www.academia.edu/34472883/CARDANO_Manual_de_pesquisa_qualitativa_A_contribu%C3%A7%C3%A3o_da_teor%C3%A7a_da_argumenta%C3%A7%C3%A3o_EXCERTO_pdf). Access: 08/11/2022

CARDOSO, Fábio. **Qualidade no ecossistema das *Fintechs*: a percepção dos clientes brasileiros de contas digitais**. 2018. 35 f. Monografia (Graduação) - Faculdade de Tecnologia e Ciências Sociais Aplicadas, Centro Universitário de Brasília, Brasília, 2018. Available at: <https://repositorio.uniceub.br/jspui/bitstream/235/12738/1/21496924.pdf>. Access: 08/11/2022

CROUHY, Michael; GALAI, Dan; WIENER, Zvi. The Impact of *Fintechs* on Financial Intermediation: A Functional Approach. **The Journal of FinTech**, v.1, n. 1, 2021. Disponível: <https://www.worldscientific.com/doi/abs/10.1142/S270510992031001X>. Access: 06/11/2022.

DINIZ, Bruno. **O Fenômeno *Fintechs*: Tudo sobre o movimento que está transformando o mercado financeiro no Brasil e no mundo**. 1ª. Ed., Rio de Janeiro: Alta Books, 2019. Available at: <https://books.google.com.br/books?hl=pt-BR&lr=&id=HgnMDwAAQBAJ&oi=fnd&pg=PT5&dq=Fintechs+no+brasil&ots=B9Wsm1RiHp&sig=tbrTZD7JsTWu2dTLZRC0G84HBGU#v=onepage&q=Fintechs%20no%20brasil&f=false>. Access: 20/10/2022

FERNANDES, Kaue. **Fatores determinantes que influenciam o consumidor brasileiro a usar *Fintechs***. 2021. [97 f.]. Dissertação (Programa de Mestrado Profissional em Comportamento do Consumidor) - Escola Superior de Propaganda e Marketing, [São Paulo]. Available at: <https://tede2.espm.br/handle/tede/612>. Access: 08/11/2022.

FLICK, Uwe. **Introdução a Metodologia de Pesquisa: Um Guia para Iniciantes**. 3ª Edição. São Paulo: Artmed Editora S.A., 2009.

FLICK, Uwe. **Introdução a Metodologia de Pesquisa: Um Guia para Iniciantes**. São Paulo: Penso, 2013. Available at: [https://books.google.com.br/books?hl=pt-BR&lr=&id=QGqzBQAAQBAJ&oi=fnd&pg=PA1&dq=uwe+flick+&ots=FP4wTugt5t&sig=3y\\_GccqLdLwzueLXbLFz0LZvFmI#v=onepage&q=uwe%20flick&f=false](https://books.google.com.br/books?hl=pt-BR&lr=&id=QGqzBQAAQBAJ&oi=fnd&pg=PA1&dq=uwe+flick+&ots=FP4wTugt5t&sig=3y_GccqLdLwzueLXbLFz0LZvFmI#v=onepage&q=uwe%20flick&f=false). Access: 08/11/2022

FREITAS, Danielle de Oliveira. **Fintechs e bancos: o impacto do revolucionário sobre o tradicional**. Monografia. Faculdade de Administração e Ciências Contábeis da Universidade Federal Fluminense Niterói, 2019. Available at: <https://app.uff.br/riuff/bitstream/handle/1/11116/TCC%20Danielle%20Freitas.pdf?sequence=1&isAllowed=y>. Access: 08/11/2022.

HARTRAMPF, Cristiano. **Bancos digitais: Um estudo sobre os atributos dos clientes que migraram de bancos tradicionais**. Dissertação de mestrado em Economia, Universidade Federal do Paraná, 2021. Available at: <https://www.acervodigital.ufpr.br/bitstream/handle/1884/73226/R%20-%20D%20-%20CRISTIANO%20GILBERTO%20HARTRAMPF.pdf?sequence=1&isAllowed=y>. Access: 22/09/2022

JORGE, Ricardo; URICH, Lucas; JUNGER, Alex; DE ANDRADE, Alexandre; FACÓ, Júlio. O ecossistema de fintechs no Brasil. **Revista de Casos e Consultoria**, v. 9, n. 3, 2018. Available at: <https://periodicos.ufrn.br/casoseconsultoria/article/view/22842>. Access: 21/09/2022.

KIRZNER, M. Israel. **The Economic Point of View**, Ed. 2. Missouri, Kansas City: Sheed and Ward, Inc, 1976. ISBN 0-8362-0656-8 Available at: <https://mises.at/static/literatur/Buch/kirzner-the-economic-point-of-view.pdf>. Access: 08/11/2022.

KPMG. **THE PULSE OF FINTECHS**, 2018. Available at: <https://home.kpmg/xx/en/home/insights/2019/01/pulse-of-Fintechs-h2-2018.html>. Access: 08/11/2022.

LEITE, Arthur Henrique Geraldi. **A preferência do consumidor entre instituições financeiras tradicionais e Fintechs**, Monografia de graduação, INSPER, 2019. Available at: [https://repositorio.insper.edu.br/bitstream/11224/2556/4/ARTHUR%20HENRIQUE%20GERALDI%20LEITE\\_trabalho.pdf](https://repositorio.insper.edu.br/bitstream/11224/2556/4/ARTHUR%20HENRIQUE%20GERALDI%20LEITE_trabalho.pdf). Access: 08/11/2022.

MAANEN, John. Reclaiming qualitative methods for organizational research: a preface. **Administrative Science Quarterly**, v. 24, n. 4, December 1979, p. 520-526. Available at: [https://www.jstor.org/stable/2392358?origin=crossref&seq=1#metadata\\_info\\_tab\\_contents](https://www.jstor.org/stable/2392358?origin=crossref&seq=1#metadata_info_tab_contents). Access: 08/11/2022.

MARQUES, Felipe. **Nubank: o mercado de Fintechs no Brasil**. Trabalho de Conclusão de Curso (Bacharelado em Administração) - Faculdade de Administração e Ciências Contábeis, Universidade Federal Fluminense, Niterói, 2018. Available at: <https://app.uff.br/riuff/bitstream/handle/1/8807/TCC%20FELIPE%20FERREIRA%20MARQUES.pdf?sequence=1&isAllowed=y>. Access: 08/11/2022.

MONTINI, Alessandra. **Tecnologia a favor dos usuários correntistas: o que esperar para 2022?** Febraban Tech, 2021. Available at: <https://noomis.febraban.org.br/especialista/alessandra-montini/tecnologia-a-favor-dos-usuarios-correntistas-o-que-esperar-para-2022>. Acesso em: 8 nov. 2022.

NETZER, Alisson. **How Millennials and Gen Z Could Reinvent the Banking Industry**, FORBES, 2020. Available at: <https://www.forbes.com/sites/forbescommunicationscouncil/2021/02/03/how-millennials-and-gen-z-could-reinvent-the-banking-industry/?sh=70bb39974e14>. Access: 08/11/2022.

OLIVER, Richard. A cognitive model of the antecedents and consequences of satisfaction decisions. **Journal of Marketing Research**, v. 17, n. 4, p. 460-469, 1980. Available at: [https://www.jstor.org/stable/3150499?seq=10#metadata\\_info\\_tab\\_contents](https://www.jstor.org/stable/3150499?seq=10#metadata_info_tab_contents). Access: 08/11/2022.

OLIVER, Richard. **Whence Consumer Loyalty? The Journal of Marketing**, v. 63, p. 33-44, 1999. Available at: [https://www.jstor.org/stable/1252099#metadata\\_info\\_tab\\_contents](https://www.jstor.org/stable/1252099#metadata_info_tab_contents). Access: 08/11/2022.

ONZI, Vanessa; NESELLO, Priscila; CHAIS, Cassiane; GANZER, Paula Patricia; RADAELLI, Adrieli; OLEA, Pelayo Munhoz. Startups *Fintechs*: uma análise a partir do radar da inovação. **Revista E-Tech, Tecnologias para Competitividade Industrial**, v. 10, n. 1, p. 3-21, 2017. Available at: [https://www.researchgate.net/publication/323199144\\_STARTUPS\\_FINTECHS\\_UMA\\_ANALISE\\_A\\_PARTIR\\_DO\\_RADAR\\_DA\\_INOVACAO](https://www.researchgate.net/publication/323199144_STARTUPS_FINTECHS_UMA_ANALISE_A_PARTIR_DO_RADAR_DA_INOVACAO). Access: 08/11/2022.

PINHEIRO, Roberto. **Comportamento do consumidor**. 1ª Edição. Rio de Janeiro: Editora FGV, 2011. Available at: <https://books.google.com.br/books?hl=pt-BR&lr=&id=hyHCgAAQBAJ&oi=fnd&pg=PT4&dq=roberto+pinheiro&ots=6qH4aDF8wK&sig=EA9FC49nDbAI6-4RbwIEUeucKRU#v=onepage&q=roberto%20pinheiro&f=false>. Access: 26/10/2022

VIANNA, Fernando; BARROS, Letícia. *Fintechs* e bancos tradicionais: parceria ou competição? **Revista Gestão e Conhecimento**, v. 12, n. 1, 2018. Available at: <https://revistagc.com.br/ojs/index.php/rgc/article/view/116/121>. Access: 08/11/2022.

SANTOS, Adriana; FAZION, Cíntia; MEROE, Giuliano. Inovação: um estudo sobre a evolução do conceito de Schumpeter. *Cadernos de Administração*, v. 5, n. 1. 2011. Available at: <https://revistas.pucsp.br/index.php/caadm/article/view/9014>. Access: 20/09/2022.

SCHUEFFEL, Patrick. Taming the Beast: A Scientific Definition of *Fintechs*. **SSRN Electronic Journal**, v. 4, n. 4, p. 32-54, 2016. Available at: [https://www.researchgate.net/publication/314437464\\_Taming\\_the\\_Beast\\_A\\_Scientific\\_Definition\\_of\\_Fintechs](https://www.researchgate.net/publication/314437464_Taming_the_Beast_A_Scientific_Definition_of_Fintechs). Access: 08/11/2022.

SIGOLI, Lucas; HOFMANN, Ruth. Bancos Digitais e o Comportamento do Consumidor: Uma Revisão de Literatura, **ConBRepro**, Paraná, 2020. Available at: [https://aprepro.org.br/conbrepro/2020/anais/arquivos/09252020\\_160906\\_5f6e4c0aa1884.pdf](https://aprepro.org.br/conbrepro/2020/anais/arquivos/09252020_160906_5f6e4c0aa1884.pdf). Access: 08/11/2022.

TORRES, Nágila Natália de Jesus; DE SOUZA, Cleidson, **Uma Revisão da Literatura sobre Ecossistemas de Startups de Tecnologia**. In: SIMPÓSIO BRASILEIRO DE SISTEMAS DE INFORMAÇÃO (SBSI), 2016, Florianópolis. **Anais [...]**. Porto Alegre: Sociedade Brasileira de Computação, 2016, p. 385-392. Available at: <https://doi.org/10.5753/sbsi.2016.5986>. Access: 25/10/2022.

SOLARINO, Angelo; AGUINIS, Herman. Challenges and Best Practice Recommendations for Planning and Conducting Elite Informant Interviews, **Journal of Management Studies**, v. 58, n. 3, p. 649-672, 2021.

TRIVIÑOS, Augusto. **Introdução à pesquisa em ciências sociais: a pesquisa qualitativa em educação**. São Paulo: Atlas, 1987.

VITTORAZZI, Kasiana. Gestão de relacionamento: uma análise sobre percepção de confiança, valor percebido e lealdade em consumidores de serviços bancários. **Revista Destaques Acadêmicos**, Lajeado, v. 11, n. 1, 2019. ISSN 2176-3070 Available at: <http://dx.doi.org/10.22410/issn.2176-3070.v11i1a2019.2138>