

Inter: The one-stop-shop conquering the fintech world

How the Brazilian super app is combining
financial services with retail — and winning.



A rollercoaster transformation

Inter, previously known as Banco Inter, was founded in 1994 in Brazil. Originally, it was a bank like any other, handling everything from mortgages to personal banking. Nowadays, however, after undergoing a profound digital transformation, it can be characterized as a super app that provides financial and non-financial solutions, heavily relying on technology to offer the best services and experiences to its customers.

First, around 2015, it digitalized all its banking, credit, insurance and investment services, thus becoming the first completely digital and charge-free bank in Brazil and democratizing access to the digital economy. More recently, since 2019, it has been enhancing its value proposition by bringing to the table more than just financial services, all in a single app. Shopping, food delivery, trips, education courses — you name it, Inter now has it.

“As we are a digital bank that is free of charge, we need to bring new ways of monetization. We always ask ourselves: how can we be profitable and engage this database of clients within a single app?”



Rodrigo Gouveia,
CEO of Inter Shop

The vision behind this initiative is becoming a so-called super app, a one-stop-shop where Inter can meet all customers' needs in a centralized manner, therefore simplifying their lives. That is why, to emphasize this grand commitment, the company even dropped the 'Banco' (i.e. Bank) element from its name at the end of 2020.

Inter's revolutionary dream is rapidly turning to reality. Official September 2021 figures show it now serves 14 million Brazilians and is growing at an astonishing rate, aided behind the scenes by VTEX, which has been powering an important section of its super app since 2019: the Inter Shop, the company's own marketplace where consumers can buy almost everything.

Results

Flexible and agile technology

Inter Shop has been seamlessly built into an existing app with the help of VTEX's native headless commerce and marketplace capabilities.

Fast time-to-market

Three-month implementation of the headless marketplace, right in time for the holiday shopping season.

Successful and scalable business model

The one-stop-shop offers over hundreds of thousands of products from more than 300 sellers to over 2.4 million active shoppers.

Ease of use

Just the shopping journeys of 73 sellers fully-integrated inside the app represent more than 279.000 available SKUs.

Phenomenal growth

Inter Shop's GMV and revenue saw YoY growth rates of 151% and 227%, respectively, between Q3 of 2021 and of 2020.

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The dream of a headless marketplace

Taking cues from the established super apps of China, Inter envisioned retail as a vital part of its value proposition, one where cross-sell and up-sell opportunities would be abundant and plenty of customer insights would be garnered.

“No other institution knows more about their clients than banks do. We know who they are, what they spend, how they consume — everything. So, the next logical step for us was to leverage our audience as a marketplace. In our view, companies that can provide people with broader and more transparent access to credit and financial services — all while understanding the entire consumer lifecycle — will be the biggest winners of ecommerce.”

Rodrigo Gouveia, CEO of Inter Shop

For that purpose, the fintech powerhouse looked for a digital commerce platform that had **native headless and marketplace capabilities** in addition to a **microservice-based** architecture that would deliver flexibility and agility to the marketplace operation. In other words, Inter needed a solution where the back-end of the ecommerce platform could be easily decoupled from the front-end, allowing for customization and unique use cases such as an in-app integration.



VTEX more than met all these requirements. With VTEX, Inter was able to build its shopping section on top of a pre-existing app by making use of VTEX’s Commerce APIs. These back-end modules are loosely-coupled services that can cover essential commerce elements such as Catalog, Orders, Checkout, Pricing and Logistics, among **others**. They can be used separately or in conjunction with one another according to specific needs and be easily attached to the front-end of one’s choosing — in this case, the app.

Moreover, VTEX’s marketplace capabilities, as well as its Marketplace API, essentially allow Inter to easily onboard third-party sellers and integrate their inventory into Inter Shop, while equipping them with the tools needed to manage the new sales channel.

VTEX’s solution would also take care of customer communications (e.g. order invoice and order tracking), therefore providing Inter’s dedicated customer service team with all information needed to assist shoppers despite not being involved in the actual order fulfillment process.

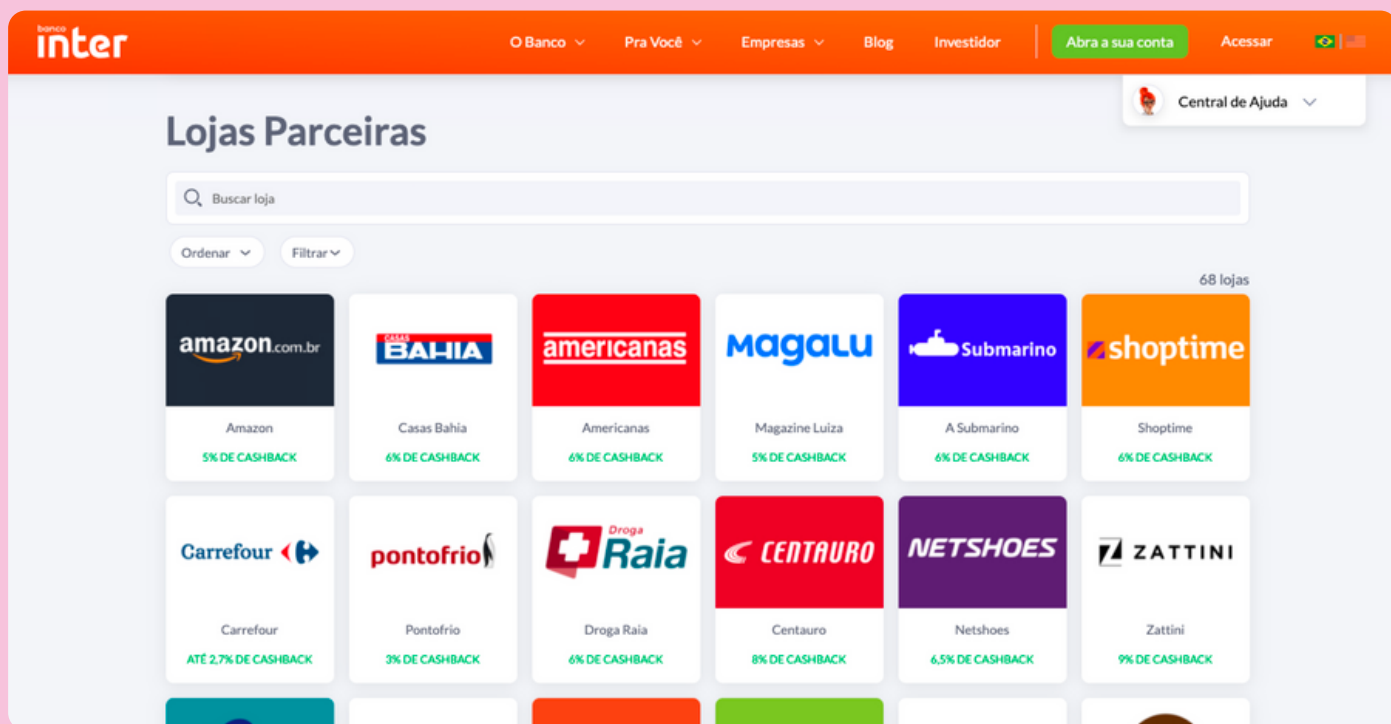
From idea to reality

After just a three-month implementation, Inter Shop went live in December 2019. The timing was crucial, as the company wanted to capture all the opportunities of the upcoming holiday shopping season. VTEX’s cloud-native architecture hosted by Amazon Web Services (AWS) helped set up the marketplace smoothly and quickly.

Nowadays, more than 300 third-party sellers are present on Inter Shop. Brand names include ViaVarejo,

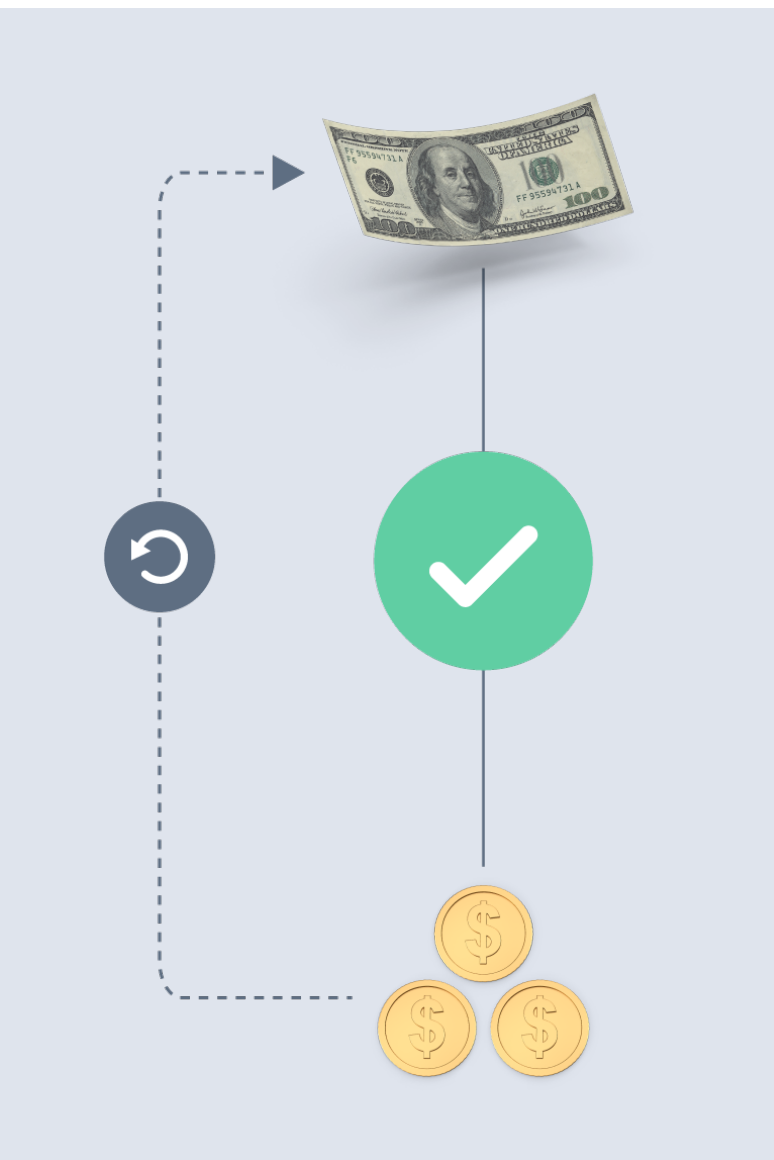
Electrolux, and other great VTEX customers like [Carrefour](#), [Samsung](#) and Época Cosméticos.

To make matters even more interesting, 73 of these sellers are fully-integrated inside the shopping journey, meaning the user does not need to leave the app to complete a purchase. Altogether, more than 250,000 SKUs are available through these end-to-end partnerships, a testament to Inter’s innovative DNA.



The power of cashback

The beauty of providing and managing a customer's bank account while also enabling their transactional activities via different product offerings lies in the fact that seamless back-and-forth connections can be made between the two realms.



On the one hand, customers can [easily pay their orders on Inter Shop directly from their Inter bank account](#), without even inputting their card details, a painstaking step of online shopping. On the other hand, Inter can incentivize the user to perform certain actions through cashback, a strategy that rewards loyalty, boosts recurrent orders and implicitly increases customer lifetime value (CLV). It is definitely a win-win scenario for both Inter and end-customers.

The Inter Shop makes full use of this virtuous cycle. Buyers can receive cashback on all orders when buying on the marketplace. The wonderful aspect here is that, unlike other businesses, Inter does not camouflage cashback under the guise of loyalty points or discounts that must be used on a future order. While customers do retain that option as well, they can also simply withdraw from their Inter account or make use of the money without any strings attached.

“The democratization of the digital economy and transparency are key to us, and we want to reward our customers for their loyalty. If clients see that a company is on their side, they will be more inclined to do business with them.”

Rodrigo Gouveia, CEO of Inter Shop

To make it even better, Inter has also recently announced an upcoming Inter Pass service. Essentially a subscription, users that pay a negligent monthly fee have access to many different perks such as 100% cashback on Inter Shop shipping. Now this is what happy shopping looks like!

The image shows the Inter Day logo, which consists of the word "inter" in white lowercase letters and "day" in black lowercase letters on a yellow rectangular background. To the right of the logo is a white icon of a stylized orange flower or leaf. Below the logo are two icons: a black square with a white infinity symbol and a yellow rounded rectangle.

interday

Big retail events: Inter Day and Black Orange Friday

To encourage users to explore the marketplace and shop more on it, Inter devised in 2020 a special retail event, the so-called Inter Day, inspired by similar occasions such as Alibaba's Singles' Day and Amazon's Prime Day.

Held in July, the annual one-day event presents special credit conditions, numerous promotions and higher-than-usual cashback amounts. The first edition was set up in just 10 days from planning to execution, an achievement made possible thanks to VTEX's flexibility, stability and scalability.

“We polished all the details of the event with less than a week to go. If we didn't have a very flexible partner, it would be impossible to cope with the increase in traffic on the site and we would offer a very bad user experience. With VTEX, we were sure that there would be no infrastructure problem, because the platform is very stable, highly scalable and, at the same time, flexible enough to deal with customized actions for each seller in a very simple way.”

Rodrigo Gouveia, CEO of Inter Shop

In 2020, Inter Day had a GMV of \$24M BRL (≈\$4.3M USD), whereas in 2021 it reached \$96M BRL (≈\$17.21M USD), equivalent to a 300% YoY increase. Inter implemented live shopping capabilities and held streaming events several times throughout the day and even got creative by offering a complimentary Orange

Box for orders over a certain threshold, therefore rewarding customer loyalty.

Inter Day 2021 also marked the release of the app for non-account holders: customers could make purchases with a simple registration, using cards from other banks and indicating an account to receive cashback, thus significantly boosting sales.

“The experience at Inter Day reinforces our partnership with sellers and shows that VTEX is a first-rate technological partner that helps us deliver even more convenience to consumers. It is an event that is definitely on the Brazilian retail calendar.”

Rodrigo Gouveia, CEO of Inter Shop

But Inter Day also served as the perfect testing grounds for November’s Black Friday, arguably the most important event in the retail industry. Never settling for the ordinary, Inter took ‘Orange Is the New Black’ to a whole other level and rebranded Black Friday into Orange Friday, having its characteristic brand essence front and center. As expected, promotions, cashback and free shipping played once again a huge role.

It comes as no surprise then that, in both of the event’s editions, there were spectacular sales. In 2020, the 24-hour event measured a GMV of \$104M BRL (≈\$18.6M USD), an outcome already worthy of a standing ovation. But in 2021, Orange Friday truly knocked it out of the park, with a GMV of \$208M BRL (≈\$37.29M USD), registering a 100% YoY growth rate.

There was a 100% uptime, despite an exponential increase in accesses in a very short period of time – to be precise, 5,000 hits per minute and more than 7 million hits throughout the day. This massive shopping spree was also further ignited by the fact that around 800,000 customers had their credit limit vastly increased by Inter, a strategy that enabled shoppers to snatch the greatest discounts on the spot and pay the full amount afterwards through six monthly installments.

All in all, Gouveia considers the events’ results “excellent” and, judging by the numbers above, no one can say otherwise.

The check, please!

The check, please!

After two years since the first days of the marketplace, one can draw robust and healthy conclusions about the Inter Shop operation from reported results and figures.

A clear sign of success is the solution's popularity. Currently, Inter Shop has **2.4M active shoppers**, account holders and non-account holders alike.

And those shoppers are not afraid to spend. Actually, thanks to the symbiotic relationships Inter has created within its universe, users love shopping on the marketplace and **GMV** figures prove that wholeheartedly. For example, across all of 2020, the total GMV of Inter Shop's operation totaled \$1170.5M BRL (≈\$210M USD), marking a YoY increase of 1535% when compared to 2019.

Moreover, if we analyze the year of 2021, without yet knowing Q4 results, we can notice that \$2,4B BRL (≈\$430M USD) were transacted through the app's shopping section, indicating at least a doubling of 2020's overall performance. Indeed, to give us a glimpse at the full picture, Inter has already announced that it passed the \$3B BRL (≈\$540M USD) threshold for the year in progress.

The aforementioned GMV means that the third-party sellers are winning big from being present on Inter Shop. In an age where retailers need to be *everywhere* the customers are, this sales channel is proving particularly lucrative, whilst also validating the promise of the overarching marketplace business model.

Yet the entire scenario is win-win-win: the customer wins, the brands win and Inter wins. From Inter's perspective, the headless



marketplace brings in direct **revenue**. As any other marketplace operation, it charges a basic commission on all sales in exchange for the technological infrastructure and access to a wide audience, both of which heavily facilitate conversions.

This is another KPI at which Inter Shop excels, displaying great results and overall growth. For example, in the first three quarters of 2021, the marketplace produced \$159.3M BRL (≈\$29M USD) from these fees alone, with astonishing and consistent YoY increases: 3612% for Q1, 969% for Q2 and 227% for Q3, respectively.

On a grander scale, all these figures confirm the viability of Inter's visionary business model, as well as the innovative combination of banking and retail.

Starting a fintech revolution

The success of Inter's one-stop-shop is bound to be on an upward trend with constant investment and growth. The digitalization of consumer habits during the coronavirus pandemic will also accelerate the further development of Inter Shop, enabling the company to learn more about preferences, habits and desires of the public. To top it all off, Inter is looking to expand globally and is already putting new avenues in motion, like its Go Inter cashback platform in the US, Spain and Portugal.



“We were lucky, but my definition of luck is when preparation meets opportunity. If we hadn't been prepared with a 100% remote app, we wouldn't have met the same level of success.”

Rodrigo Gouveia, CEO of Inter Shop

Mixing financial services with shopping might be a relatively new affair, but other fintech players are taking note of Inter's triumphs and trying to replicate its marketplace efforts. It seems like a revolution has started, with Inter leading the change, and VTEX is proud to have had a vital role in the next age of retail.

NYSE-Listed

VTEX (NYSE: VTEX) provides a software-as-a-service digital commerce platform for enterprise brands and retailers. Our platform enables our customers to execute their commerce strategy, including building online stores, integrating and managing orders across channels, and creating marketplaces to sell products from third-party vendors. Founded in Brazil, we have been a leader in accelerating the digital commerce transformation in Latin America and are expanding globally. Our platform is engineered to enterprise-level standards and features. We are trusted by more than 2,000 customers with over 2,500 active online stores across 32 countries, who rely on VTEX to connect with their consumers in a meaningful way*.

*Figures as of FY ended on Dec. 31st, 2020



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