

# Use of AI in fintechs brings operational efficiency and customized delivery, according to a Celcoin study

WASHINGTON, DC, USA, January 3, 2024 /EINPresswire.com/ -- [Celcoin](#), a Brazilian fintech that provides financial and banking infrastructure and services, conducted market research on Banking as a Service in Latin America and the United States, which assesses challenges and opportunities in the financial services sector in the region. According to the report, digital transformation based on data analytics tools, machine learning, automation of compliance checks and transaction monitoring is driving cost-effectiveness in the banking sector.

“Data analysis and artificial intelligence allow for a better understanding of consumer behavior and financial markets, resulting in the personalization of BaaS products in a scalable way and designed to meet the specific needs of various types of customers - Individuals, Companies of all sizes and sectors -, with ease and agility. However, it is important that all this evolution goes hand in hand with regulatory compliance”, highlights Marcelo França, CEO of Celcoin.

The Consumer Financial Protection Bureau (CFPB) will launch an open banking framework. It may eventually go into effect in 2024. The main goal of open banking is to promote financial services and lower costs to customers.

APIs marked the beginning of a revolution in banking and financial services, especially in the United States and Latin America. These powerful tools allow the fluid transfer of data and functionality between different systems, acting as digital bridges between them. In the banking context, APIs have played a key role in developing the concept of Banking as a Service (BaaS), enabling a wide range of next-generation financial products and services.

A notable example of this impact is the transformation of peer-to-peer payment services, which are now an integral part of our everyday lives. In the past, banking operations were limited to physical locations and even digital banks operated in isolation within the domains of individual institutions. However, the introduction of peer-to-peer payment apps such as Venmo, Cash App, Mercado Pago, and PicPay has been facilitated by removing barriers through the use of APIs. These apps utilize APIs to offer users the ability to Split bills, transfer funds and make payments easily.

One of the biggest benefits provided by APIs is simplified access to banking data. Traditional banks provide APIs that developers can securely integrate to access user account information in real time. This means people can now check their account balance, view their transaction history,

or initiate a funds transfer without the need to manually enter their account details and wait days for the transaction to be confirmed. Thanks to APIs, financial transactions are now faster, more reliable, and more convenient.

Furthermore, APIs play a crucial role in improving the security of financial transactions. They are designed with robust security features as cybersecurity is of utmost importance nowadays. These features include encryption methods to protect data in transit and authentication mechanisms that ensure only authorized individuals have access to critical financial information. These built-in security safeguards are beneficial to both traditional banks and fintech companies, allowing them to entrust the security of certain operations to trusted API providers. This reduces the workload of financial institutions and increases consumers' trust in online financial services.

#### About Celcoin

Celcoin, founded in 2016, is a financial infrastructure to boost businesses. Provider of complete and pioneering technology infrastructure for companies in the most diverse segments, Celcoin offers solutions for banking, credit, cash management, Open Banking, retail and onboarding. Around 400 fintechs and digital banks, 5,500 medium and large companies and 40,000 retail outlets are connected to the Celcoin platform, which processes U\$ 2 billion monthly. This is Celcoin: the best service for growth.

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