

A Work Project, presented as part of the requirements for the Award of a Master's degree in
Finance from the Nova School of Business and Economics.

DEVELOPING A 'DIGITAL NOMAD' ECOSYSTEM FOR BPI: ANALYSING THE
FINANCIAL VIABILITY

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23/01/2025

Abstract

This academic thesis explores how BPI can adapt its offerings to meet the needs of Portugal's growing digital nomad community. By analyzing the banking landscape and mapping the customer journey based on empirical data, key financial and non-financial needs and pain points were identified, shaping the proposal for a tailored digital ecosystem. However, financial analysis revealed that exclusively targeting digital nomads is not a viable strategy for incumbent banks. Instead, enhancing offerings for foreign clients to address shared needs presents a more practical and sustainable approach, balancing feasibility with value delivery.

Keywords: Banking, PESTEL Analysis, Digital Nomads, Customer Journey, Millennials, Digital Bank, Minimum Viable Product, Personas, Product Development, User-Centered Design, D8 Visa, Bureaucracy, Housing

This work used infrastructure and resources funded by Fundação para a Ciência e a Tecnologia (UID/ECO/00124/2013, UID/ECO/00124/2019 and Social Sciences DataLab, Project 22209), POR Lisboa (LISBOA-01-0145-FEDER-007722 and Social Sciences DataLab, Project 22209) and POR Norte (Social Sciences DataLab, Project 22209).

Acknowledgments

We extend our sincere appreciation to BPI and the individuals we had the pleasure of collaborating with, namely Dra. Teresa Sousa, Dr. Duarte Gonçalves, and Dra. Rita Santana. Their steadfast guidance and valuable feedback during steering meetings were critical to the success of the project. Their insights and continuous support enabled us to explore challenges in depth and reach more substantial conclusions. This thesis reflects the continuous effort and availability of our client advisor, Dr. Duarte Gonçalves, who provided exceptional monitoring and schedule management, as well as a challenging mindset that helped us deliver the best solution. We are also grateful to all members of BPI's Department of Innovation (DIN) and the Citizen Marketing Team, who welcomed us warmly from the outset and actively contributed to enriching our discussions and brainstorming sessions.

Special thanks to our advisor, Prof. Carla Rebelo, for ensuring alignment with the client and integrating valuable industry insights. We also appreciate the guidance of all professionals, professors, and teaching assistants at Nova School of Business and Economics, whose support was key to our learning journey.

Finally, we wish to express our gratitude to our families and friends, whose support during these months of intensive work was crucial to our success.

List of Abbreviations

AIMA – Agência para a Integração Migrações e Asilo

APP – Mobile Application

BPI – Banco Português de Investimento

BCG – Boston Consulting Group

CAGR – Compounded Annual Growth Rate

CTA – Call to Action

DIN – BPI's Department of Innovation

EEA – European Economic Area

EU – European Union

IBAN – International Bank Account Number

IRR – Internal Rate of Return

MVP – Minimum Viable Product

NIF – Tax Identification Number

NISS – Social Security Identification Number

NPV – Net Present Value

OOH – Out-of-Home

POS – Point of Sale

SEF – Serviço de Estrangeiros e Fronteiras

U.S. – United States

WP - Work Project

Glossary

Blue Ocean – A market space with little competition, offering untapped opportunities for growth and innovation. It enables businesses to create new value by addressing unmet customer needs in an unexplored or uncontested area.

Citizen Client – A BPI client that has a Citizen account.

Citizen Profile – Refers to individuals of legal age, Sole Proprietors (ENIs), and Freelancers (PLs) with a personal-use account, of foreign nationality, whether residents or non-residents in Portugal

Citizen Segment – BPI clients who possess a Citizen Profile, regardless of whether they hold a Citizen account.

Conversion Rate – The proportion of clients who have purchased the product or service.

Digital Bank – Financial institution that primarily delivers banking services through digital channels rather than through physical branches. While some digital banks are divisions or subsidiaries of traditional banks, others are standalone entities that have been built from the ground up with a digital-first approach.

Digital Ecosystem – A strategic collaboration between two or more entities that work together to create a digital offering that is more valuable for customers than a single company's product or service.

Incumbent Bank – An incumbent bank is a traditional, well-established financial institution with a long history of operation in the banking sector. These banks typically maintain extensive physical branch networks, provide a broad spectrum of financial services, and boast a loyal and sizeable customer base.

Need - Refers to the fundamental requirements or essential conditions that drive consumer behavior and purchasing decisions.

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Neobank – Type of financial technology (fintech) company that offers banking services exclusively through digital platforms, without any physical branch network.

Penetration Rate – The proportion of clients who are actively using the product.

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1. Executive Summary

Banco Português de Investimento (BPI) is one of Portugal's leading banks. It is recognized for its strong presence in commercial banking, ranking as the fourth-largest institution in terms of business volume, encompassing customer resources, loans, and guarantees. The bank focuses on offering a comprehensive range of financial products and services through an integrated distribution network, addressing the needs of various segments, from individual clients to large corporations.

To strengthen its market positioning, BPI introduced the **Citizen** brand, explicitly targeting individuals of foreign nationality – residents and non-residents in Portugal – seeking personal-use accounts. Nevertheless, despite this strategic approach, BPI's engagement with the digital nomad segment remains limited, as it lacks tailored products or services to meet the distinct needs of this rapidly growing demographic.

In recent years, Portugal has emerged as a prominent global destination for digital nomads. Between 2021 and 2023, the number of digital nomads in Lisbon grew by 75% (SIC Notícias, 2024), reflecting the country's increasing appeal to remote workers from across the globe. In 2023, Lisbon stood out as the second most sought-after destination globally. (Vida Económica, 2024).

This project explores whether BPI should consider expanding into the digital nomad market and, if so, what types of products or services it should offer – whether exclusively financial or a mix of financial and non-financial solutions. Using a Field Lab educational approach, the study focused on mapping out the complete customer journey of digital nomads in Portugal, both in financial and non-financial contexts. Over four months, the Nova SBE team collaborated closely with BPI, particularly its DIN.

The project was divided into three key phases: **Diagnostic**, **Product Suggestion**, and **Implementation Plan**. In the **Diagnostic Phase**, the team conducted an in-depth industry and

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competitive analysis to uncover customer pain points and market opportunities. In the **Product Suggestion Phase**, data was gathered through a survey, the research question was formulated, and potential product solutions were conceptualized. This process culminated in the definition of a final product recommendation. The **Implementation Plan Phase** then outlined a strategic roadmap, detailing key product features, developing a comprehensive marketing strategy, and concluding with assessing the product's financial viability.

To conclude the project, a final recommendation was presented to BPI, outlining how the bank could approach the digital nomad segment and offer a foundation for future strategic considerations.

2. Project Overview

2.1. Project Context and Project Governance

This Work Project was elaborated under the format of a team-based Field Lab, enabling students to address a high-impact corporate challenge that integrates diverse areas of expertise. It balances collaborative teamwork with individual contributions, as members work together on the central research while also producing individual reports that deepen the analysis and showcase insights on specific aspects of the corporate challenge.

As the sponsor of our project, BPI played a central role in supporting and guiding the development of this work. Our group collaborated closely with the client's advisor from the DIN, who not only provided valuable guidance but also acted as a key link between our team and other BPI departments. These interactions enabled us to gather valuable insights and validate ideas that were essential for the project's progress. Furthermore, at the end of each phase, we presented our findings and advancements to a steering committee composed of BPI professionals. This process ensured that our work remained aligned with the bank's vision and strategic objectives.

2.2. Project Challenge

DIN tasked the group with designing tailored solutions to address the needs of Portugal's growing digital nomad community. This initiative involved developing a new offering, which could either take the form of an entirely new product or build upon BPI's existing offerings in conjunction with potential business partnerships with other non-financial service providers to enhance the digital nomad ecosystem and convert this segment into loyal clients.

To effectively assess the most strategic areas for intervention and determine the best methods to match their needs, the BPI team proposed the following guiding questions:

- How are other banks addressing this segment?
- What are the needs and wants of digital nomads when they move to Portugal? How can BPI play a role there?
- Who are the potential partners for BPI in this project? How can BPI benefit from these partnerships?

2.3. Project Scope and Goals

The main purpose of the WP was to support BPI in expanding its service offerings to cater to the needs of the emerging digital nomad community in Portugal. Although small, this segment's unique characteristics and the lack of tailored solutions make it an attractive opportunity for BPI, which is already targeting the foreign market.

To guide the project, five additional objectives were defined:

1. Conduct a comprehensive analysis of BPI's product & service offerings to understand their value propositions and adapt to meet the needs.
2. Benchmark the existing offerings of BPI's competitors within the digital nomad segment

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3. Design a detailed customer journey for digital nomads in Portugal to align their needs with appropriate offerings and create a comprehensive “digital nomad ecosystem”.
4. Explore potential strategic business partnerships to enhance BPI’s service offerings and strengthen its position within the digital nomad ecosystem.
5. Map out an effective marketing strategy to engage with the digital nomad community and convert them into clients.

3. Methodology

3.1. Project Calendar and General Methodology

To address the challenge presented by BPI to develop a product tailored for digital nomads moving to Portugal, our project was structured into three distinct phases.

3.1.1. Phase One: Diagnostic

The first phase includes a detailed introduction to the challenge and reviews BPI's current offerings, particularly those designed for international clients. The objective of the project's first phase was to conduct an **in-depth market assessment** to understand better the concept, potential, opportunities, and challenges that digital nomads may present as potential clients.

The initial weeks of the project were dedicated to defining the target customer segment by identifying their primary **pain points**, assessing their **needs**, and outlining the **profile** of digital nomads to enable more accurate mapping of their **customer journey**. Research methods included collecting data from credible online sources, such as websites, news articles, documentaries, and industry reports, and conducting a survey designed for this study. The customer journey was subsequently mapped using the “**The 5 Key Steps: Customer Journey Mapping**” methodology, enriched by insights from the survey findings.

As part of a **Situation Analysis**, we evaluated the bank's internal and external environments. Internally, we reviewed BPI's range of financial and non-financial offerings,

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explicitly focusing on products aimed at foreign clients. This analysis revealed that BPI's existing solutions are primarily tailored to expatriates, highlighting a gap in offerings specifically designed for digital nomads. Externally, we analyzed the banking sector in Portugal using the **PESTEL framework** and conducted a competitive analysis to identify industry trends and opportunities to align BPI's products with the needs of digital nomads. A **SWOT analysis** further synthesized internal and external findings, highlighting BPI's strengths, weaknesses, opportunities, and threats in addressing this emerging segment.

The **Diagnostic Phase** served as the project's foundation. During this stage, the team collaborated closely with the DIN and project advisor through weekly video calls and in-person meetings. These regular interactions facilitated effective data collection, strategic planning, and feedback incorporation, ensuring alignment with the project's objectives and preparing for the subsequent phases.

3.1.2. Phase Two: Product Suggestion

The project's second phase focused on developing a product to address the initial challenge. This involved conducting quantitative and qualitative analyzes to comprehensively understand the digital nomad segment's needs, preferences, and motivations.

The **quantitative analysis** centered on interpreting survey results, which provided measurable insights into the segment's behavior, priorities, and expectations. These findings served as a basis for identifying key trends and opportunities for product development. To complement this, we conducted a **qualitative analysis** to explore the segment's perceptions and challenges in greater depth. Through direct engagement with digital nomads via social networks, such as Facebook, brief conversations highlighted their most pressing needs, particularly in handling bureaucratic processes in Portugal. Additionally, open-ended survey responses offered further insights into their experiences and preferences.

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Building on these findings and feedback from BPI, we refined the project's scope and defined the guiding research question: “**Is developing a new digital ecosystem for the digital nomad segment a viable opportunity for BPI?**”. This question became the project's central focus, shaping subsequent steps aimed at validating or refuting its premise.

With this direction established, a brainstorming session with the team and BPI's advisor resulted in five potential product solutions: a travel platform, a digital account, a community platform, a housing platform, and a streamlined bureaucracy platform. To determine which solutions should be included in the final product recommendation, we developed an **Implementation Roadmap** guided by five criteria: (1) ease of deployment, (2) low implementation costs, (3) alignment with BPI's strategic goals, (4) cross-selling opportunities, and (5) low competition.

Following this evaluation, we concluded that the final product should integrate three of the five proposed solutions. Ultimately, we prioritized the creation of a **digital account** that incorporates **bureaucratic services** and **housing services** at a later stage, establishing a tailored digital ecosystem to support digital nomads in Portugal.

3.1.3. Phase Three: Implementation Plan

In the final stage of the project, we laid out a comprehensive roadmap for bringing the proposed product to market. This included defining the **Minimum Viable Product (MVP)**, detailing its core features, and subsequent phases for future product development, and formulating a detailed **implementation strategy** to ensure a successful market entry and sustained growth.

For the MVP definition, each feature of the final product was assessed using the **Value vs Effort Framework**, considering both its relevance for the MVP and the speed of implementation. Features were then prioritized using the **MoSCoW Prioritization Method**, ensuring their allocation to the appropriate product development phase.

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Furthermore, to ensure feasibility, we defined the **required team** for the project, established a structured **timeline for implementation**, and developed a **targeted marketing and communication strategy** to reach the intended audience effectively.

Finally, we constructed a detailed business case, incorporating cost and revenue projections to evaluate the product's **financial viability**. This financial assessment was a critical step in answering our research question, allowing us to determine whether the proposed solution could meet both market demands and BPI's strategic objectives.

3.2. Literature Review

[Build-Measure-Learn loop] The Build-Measure-Learn loop is a central framework in the lean startup methodology. This iterative process involves quickly building a product or feature (Build), measuring its performance in the market (Measure), and using that data to learn and make informed decisions about future development (Learn). This cycle is repeated continuously, allowing companies to adapt and pivot their strategies based on real-world feedback and data (Ries, 2011).

[Customer Journey] The Customer Journey represents the sequence of touchpoints and interactions that a consumer experiences with a brand, from initial awareness through to post-purchase support. By analyzing the customer journey, businesses can gain insights into the customer's experience from their point of view, helping organizations to enhance customer satisfaction and loyalty (Følstad and Kvale, 2018). An effective customer journey mapping process involves five key high-level steps:

Aspiration and Allies focuses on establishing a cross-disciplinary team and defining the project's scope and objectives to ensure alignment and clarity.

Internal Investigation involves gathering and reviewing all available internal data, such as customer feedback and behavioral data, to understand the current journey structure.

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Assumption Formulation, a hypothesis is developed based on the gathered data, identifying potential pain points and areas for improvement, while planning for any additional research. External Research follows, involving direct customer research to validate or refine the assumptions about the journey.

Narrative Visualization synthesizes all insights into a visual representation that effectively maps the customer journey, combining both quantitative and qualitative data to create a compelling and actionable narrative (Kaplan, 2017).

[Innovation] Innovation in the context of product development refers to the process of creating new value for customers through the introduction of novel products, services, or processes. Christensen (1997) distinguishes between sustaining innovations, which improve existing products along dimensions historically valued by customers, and disruptive innovations, which create new markets or value networks.

[Lean Startup Methodology] The lean startup methodology, introduced by Eric Ries, is an adaptation of lean thinking principles to the context of entrepreneurship and innovation. This approach advocates for rapid iteration and customer feedback in the product development process. It emphasizes the importance of learning and adapting quickly based on real-world data, rather than relying on elaborate planning. (Ries, 2011). A key concept within the lean startup methodology is the Minimum Viable Product (MVP). An **[MVP]** is the simplest version of a product that can be released to customers to gather meaningful feedback and validate key assumptions about the business model. The goal of an MVP is to maximize learning about customer needs and preferences while minimizing development time and resources (Ries, 2011).

[Lean Thinking] Lean thinking is a management philosophy and methodology that aims to maximize customer value while minimizing waste (Womack and Jones, 2003). It is characterized by a focus on continuous improvement, efficiency, and the elimination of non-value-adding

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activities. Originating from the Toyota Production System, lean thinking has since been adapted and applied across various industries and sectors (Liker, 2004). The core principles of lean thinking include identifying value from the customer's perspective, mapping the value stream, creating flow, establishing pull, and pursuing perfection (Womack and Jones, 2003).

[Market Size] Market size refers to the total number of potential buyers for a product or service within a given market. It is typically measured in terms of volume (number of customers) or value (total revenue potential). Understanding market size is crucial for assessing business opportunities and making strategic decisions. Blank and Dorf (2012) emphasize the importance of market size analysis in the customer development process, particularly for startups seeking to validate their business models.

[MoSCoW Prioritization Method] The MoSCoW method is a prioritization technique used in product development and project management. It categorizes features or requirements into four groups: Must-have, Should-have, Could-have, and Won't-have (Clegg and Barker, 1994). This framework helps teams focus on essential features and manage stakeholder expectations by clearly delineating between necessary and desirable elements of a project or product.

[Need] Need is defined as the discrepancy between an individual's current state and their desired state (Hoyer, MacInnis, & Pieters, 2018). Needs are typically classified into two categories: utilitarian and hedonic. Utilitarian needs are practical and functional, focusing on products or services that fulfill a specific, practical purpose. In contrast, hedonic needs are associated with pleasure, luxury, and emotional satisfaction. (Hoyer, MacInnis, & Pieters, 2018).

[Personas] Personas are semi-fictional representations of ideal customers based on real data and market research. They encapsulate key characteristics, behaviors, motivations, and pain points of specific customer segments. These detailed profiles help businesses understand and

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empathize with their target audience, enabling more effective marketing strategies and product development. (Hagan, 2024)

[SWOT Analysis] SWOT analysis is a strategic planning technique used to help organizations identify their internal Strengths and Weaknesses, as well as external Opportunities and Threats. This framework, developed by Albert Humphrey in the 1960s, provides a structured approach for evaluating an organization's competitive position and developing strategic plans. It serves as a valuable tool for synthesizing information about a company's internal capabilities and its external competitive environment. (Aslan, Çinar, and Kumpikaitė 2012)

[Value vs. Effort Framework] The Value vs. Effort framework is a decision-making tool used to evaluate and prioritize features or initiatives. It plots potential features on a two-dimensional matrix, with one axis representing the value to the customer or business, and the other representing the effort or cost required to implement (Cagan, 2017). This visual representation helps teams identify high-value, low-effort opportunities and make informed decisions about resource allocation.

4. Digital Nomadism

4.1. Global Perspective on Digital Nomadism

Digital nomads are individuals who leverage digital technologies to work remotely while maintaining the freedom to travel and choose their location autonomously. The rise of digital nomadism is rooted in the evolution of technology, shifting work culture, and the mainstreaming of remote work, particularly post-COVID-19. (Cook, 2023)

Key characteristics include autonomy, mobility, and the integration of work-life balance or work-life integration depending on individual philosophies. From its origins as a niche lifestyle in the 2010s, primarily associated with freelancers and entrepreneurs, digital nomadism has become more diverse, encompassing salaried employees and experimental workers. Digital nomads often

operate from coworking spaces, which facilitate productivity and community building. They thrive on flexibility and self-determination, often traveling to multiple destinations yearly (Cook, 2023). (Appendix 1)

4.2. European Trends in Digital Nomadism

Europe has emerged as a hub for digital nomads due to its diverse culture, interconnected infrastructure, and supportive visa policies. Countries like Estonia and Croatia have introduced digital nomad visas to attract remote workers. The digital transformation across Europe has seen digital nomadism extend beyond traditional freelancers to salaried employees who integrate travel and work. Coworking spaces in Europe cater specifically to digital nomads, offering hybrid environments that blend leisure and work. Cities such as Berlin, Barcelona, and Lisbon are known hotspots for their balance of affordability, infrastructure, and cultural offerings. (Cook, 2023)

4.3. The Digital Nomad Ecosystem in Portugal

Portugal has emerged as a top destination for digital nomads, attracting remote workers with its favorable climate, affordable cost of living, and high quality of life. In 2023, Portugal was ranked first on Time Out's list of the best countries for digital nomads and secured the sixth spot in CNBC's 2024 global ranking (Time Out, 2023; CNBC, 2024). Lisbon, which became a hub for digital nomads around 2015, has since been joined by other popular cities such as Porto, Ericeira, Portimão, and Lagos, each contributing to Portugal's growing reputation as a prime location for remote work (Sousa Vanessa & Ferreira Tania, 2023).

Cities like Lisbon and Madeira have particularly attracted remote workers, with the Madeira Digital Nomads project creating coworking and coliving spaces tailored to this demographic. The introduction of Portugal's digital nomad visa has made it easier for remote workers to establish residency, enhancing the country's appeal to a diverse, skilled international workforce. This visa

has contributed significantly to Portugal's position as a sought-after destination, reinforcing the country's proactive approach to supporting digital nomads.

While the influx of digital nomads offers considerable economic opportunities, especially in sectors like tourism, hospitality, and real estate, it also presents challenges. One notable concern is the rising cost of housing, which can lead to gentrification and tensions with local communities. As digital nomad populations continue to grow, balancing the benefits of attracting remote workers with the potential socioeconomic impacts on local residents is crucial for ensuring sustainable development in these regions

5. Customers

5.1. Survey

The purpose of the survey was to understand the motivations, experiences, and challenges faced by digital nomads who have chosen to move to Portugal. The survey was divided into four sections: "Profile," "Making the Decision to Become a Digital Nomad," "Moving to Portugal," "Daily Life," and "Opening a Bank Account in Portugal."

The "Profile" section aimed to gather demographic data on the digital nomads that come to Portugal. The second section, "Making the Decision to Become a Digital Nomad," sought to understand the reasons and convictions from our segment to become digital nomads and to choose Portugal as a destination. The third section, "Moving to Portugal," focused on understanding the ease or difficulty of the experience with various factors when relocating to Portugal. The "Daily Life" section aimed to identify the main pain points digital nomads face in their daily life in Portugal, as well as their behavior and preferences regarding housing, transportation, entertainment, working life, and finance. Lastly, the objective of the final section, "Opening a Bank Account in Portugal," was to understand the financial dimension within our target group, including their use of banking products, whether they opened a bank account in Portugal, and the main pain

points and benefits they experienced while banking in Portugal. Further detail of questions in Appendix 2.

5.1.1. Profile

Demographically, the two largest age groups were 26-35 years old, comprising 61% of the respondents, and 36-45 years old, comprising 20%. The remaining respondents were distributed across other age groups.

The gender distribution was 58% male and 42% female. Regarding their country or region of origin, 48% of respondents came from Western Europe, 17% from Latin America, 15% from Eastern Europe, 10% from North America, and the rest from Southeast Asia, the Middle East and North Africa, and Sub-Saharan Africa. Additionally, 56.1% of respondents came from a country within the European Economic Area (EEA), while 43.9% did not. The countries with the highest frequency of surveyed digital nomads were Germany, the USA, and Argentina.

In terms of family composition, 44% of respondents came alone, 41% came with their family but no children, 5% came with their family including children, and the rest came with friends.

Regarding their employment status, 45% reported themselves as freelancers, 38% as employed, 8% as founders, and the rest as others.

In terms of their location of living in Portugal, 56% lived in Lisbon, 17% in Madeira, 15% in Ericeira, and the rest of the surveyed nomads stayed in Lagos and Portimão.

Regarding their targeted length of stay in Portugal, 24% declared planning to stay less than 6 months, 5% from 6 months to 1 year, 7% from 1 year to 2 years, and 63% for more than 2 years.

5.1.2. Making the decision

Regarding the motivations and key factors of importance for becoming digital nomads, we found the following insights.

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First, concerning their main motivations to become digital nomads, 63% of respondents cited flexibility and freedom as their primary reason. This was followed by a desire to travel, mentioned by 56% of respondents. Additionally, 41% wanted to escape from traditional work environments, 24% sought professional growth and opportunities, and 15% were looking for a lower cost of living. Among other motivations mentioned in lower proportions was the desire to avoid bad weather.

Regarding the main factors for choosing Portugal as a destination, 71% of respondents mentioned the climate as a key factor. Community and social life were important for 46% of respondents, while 41% chose Portugal for its low cost of living. Safety was a significant factor for 29% of respondents, 17% appreciated the easy visa and legal requirements, and 15% favored the favorable time zone. Other factors were mentioned by the remaining respondents in lower proportions.

5.1.3. Moving to Portugal

Regarding the experience of moving to Portugal, respondents were asked to provide insights on various factors, rating their experiences on a scale from 1 to 5, where 1 represents a terrible experience and 5 represents an excellent experience.

Health insurance and medical preparations received an average rating of 3.5, indicating a generally positive experience. Securing accommodation was rated with an average score of 3.1, suggesting a moderately satisfactory experience. The process of handling visa and legal paperwork received an average rating of 2.9, reflecting some challenges in this area. Understanding local tax regulations was rated with an average score of 2.5, indicating that this was one of the more difficult aspects of the relocation process.

Group Part

Additionally, open-ended responses highlighted several main issues. A recurring theme was the difficulty in obtaining and renewing residency cards, with many respondents describing the process as cumbersome and time-consuming.

5.1.4. Daily life

We started by asking digital nomads how challenging it was to deal with various aspects of living in Portugal. Respondents rated their experiences on a scale from 1 to 5, where 1 represents an easy experience and 5 represents a hard experience.

Bureaucracy received an average rating of 3.46, indicating that it was one of the more challenging aspects for digital nomads. The cost of living was rated with an average score of 2.37, suggesting a moderately challenging experience. Healthcare services received an average rating of 2.66, reflecting some difficulties in this area. The language barrier was rated with an average score of 2.20, indicating that it was a relatively manageable challenge. Social life received an average rating of 1.77, suggesting that respondents found it relatively easy to integrate socially. Work-related conditions were rated with an average score of 1.54, indicating a generally positive experience. Safety received the lowest average rating of 1.17, suggesting that respondents felt very safe living in Portugal.

Additionally, in the qualitative room for suggestions, participants highlighted several common issues. Among the most frequently mentioned problems were the challenges associated with navigating bureaucracy and obtaining necessary documentation.

Regarding their **living arrangements**, 59% of respondents reported living by renting an apartment, 17% owned a house, and another 17% lived in a shared house or flat. The remaining respondents lived in other types of accommodation.

Regarding their **modes of transportation**, 37% of respondents reported using their own personal car. Public transportation was used by 32% of respondents, while 7% relied on rental cars.

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Additionally, 12% of respondents used rented electric scooters and bicycles. Ride-hailing services were utilized by 37% of respondents, and another 37% reported getting around primarily by walking.

Regarding their work environments, 85% of respondents reported working in their own homes. Coworking spaces were used by 31% of respondents, while 20% worked in coffee shops. Additionally, 5% of respondents worked in public spaces such as parks and libraries.

Among the factors that digital nomads value most in the places they work, 73% highlighted the importance of a fast and secure internet connection. Cost was a significant factor for 56% of respondents, while 46% valued the location of their work environment. Community and networking opportunities were important for 39% of respondents.

Regarding the ways digital nomads entertain themselves, 68% of respondents reported dining at restaurants and cafes. An equal percentage, 68%, engaged in outdoor activities such as hiking and biking. Taking day trips and weekend getaways was a popular choice for 49% of respondents. Additionally, 24% of respondents attended workshops or networking events as a form of entertainment.

5.1.5. Banking

Regarding their income, respondents reported the following monthly net earnings in Euros: 10% earned less than 1500€, 27% earned between 1500€ and 3000€, 37% earned between 3001€ and 4500€, 10% earned between 4501€ and 6000€, and 16% earned more than 6000€. On average, respondents reported spending 2,098€ per month.

In terms of financial services currently used, 71% of respondents reported using a credit card, 56% had a current account, 44% used insurance services, 39% had investments, 15% had a mortgage, and 7% had loans.

Group Part

Among the types of insurance hired for their stay in Portugal, 71% of respondents had health insurance, 41% had car insurance, 29% had travel insurance, and 21% had house insurance.

Opening a bank account in Portugal

When asked if they opened a new bank account after moving to Portugal, 56.5% of respondents said yes, while 43.5% said no. Among the main reasons for opening a bank account were access to local services such as paying utilities and monthly bills (51%), day-to-day payments (49%), visa requirements (20%), and access to credit (10%).

Regarding the choice of bank, 30% of respondents chose ActivoBank, another 30% chose Millennium BCP, 15% chose Novo Banco, 11% chose Banco Santander Totta, 7% chose Banco BPI, and another 7% chose Revolut.

The most valued features of their chosen banks included online and mobile banking features (70%), digital onboarding (online account opening) (41%), accessibility (33%), a user-friendly app (33%), and low international transaction fees and commissions (33%).

When asked what could be improved in their current bank to better serve their needs, 37% of respondents mentioned better customer service, 33% suggested lower fees, 26% wanted easier account opening processes, 22% desired more partnerships and discounts, and another 22% wanted more online features.

On average, respondents reported depositing 62.5% of their monthly income into their Portuguese bank accounts.

Regarding non-financial services valued from their banks, 25% of respondents appreciated loyalty programs, 21% valued travel benefits, 18% valued shopping discounts, and 46% did not use non-financial services.

Nomads not opening a bank account

Group Part

For respondents who did not open a bank account in Portugal, several challenges related to banking while living in the country were identified. The biggest challenges included high transaction fees, reported by 23% of respondents, and poor customer service, also reported by 23%. Additionally, 15% of respondents faced issues with currency exchange, and another 15% experienced difficulties with access to credit. For further detail on answers in Appendix 3.

6. The Banking Sector and the Digital Nomads Segment

6.1. SWOT Analysis

BPI stands at a transformative moment as it explores opportunities within the rapidly expanding digital nomad market. Defined by global mobility and a heavy reliance on technology, this emerging demographic has distinct financial, and lifestyle needs, presenting a significant opportunity for innovative financial solutions. To assess the potential for success in this domain, a thorough SWOT analysis is conducted, examining the internal strengths and weaknesses alongside external opportunities and threats that shape BPI's strategic positioning and its ability to serve the unique demands of digital nomads effectively.

Strengths

BPI's established reputation as one of Portugal's leading financial institutions is a vital strength, underpinned by its extensive portfolio of financial products and services tailored to various customer segments. Recognized as the "Best Bank in Portugal" and "Best Digital Bank" by Euromoney, the institution enjoys a prominent position in the national market, providing a strong platform for expansion into niche segments such as digital nomads. Its affiliation with the CaixaBank Group enhances its operational capacity by granting access to advanced technologies, international expertise, and a solid financial infrastructure, which can be leveraged to create innovative solutions for this mobile and technologically sophisticated demographic.

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The Citizen Account exemplifies BPI's ability to serve foreign residents with tailored solutions, offering features such as multilingual support, seamless online banking, and cashback benefits. These attributes align with the specific preferences of digital nomads, who value efficiency, digital accessibility, and global functionality in their financial services. Moreover, BPI has strategically integrated non-financial services into its offerings, such as relocation assistance, home services, and wellness programs, which enhance its value proposition and position the bank as more than just a provider of financial transactions.

BPI's digital transformation strategy further strengthens its appeal, reflecting a commitment to technological innovation that addresses the needs of a tech-savvy audience. Sophisticated mobile and online banking platforms, alongside features like remote account setup through facial recognition, demonstrate its readiness to solve logistical challenges faced by digital nomads. The bank's advanced digital infrastructure positions it as a credible contender in this niche, ensuring it remains competitive in a rapidly evolving market.

In addition to technological capabilities, BPI's commitment to ethical practices and sustainability enhances its appeal to socially conscious millennials and Generation Z, who form a significant portion of the digital nomad demographic. Participation in initiatives like the Net Zero Banking Alliance reflects its dedication to environmental responsibility, further aligning the bank with the values of its target customers.

Internally, BPI benefits from a strong organizational culture centered on rigorous management, flexibility, and client-focused service, enabling it to adapt effectively to the unique demands of the digital nomad market. Its engagement with the DIN ensures a dynamic and proactive approach to market exploration. This internal framework not only facilitates the development of relevant products but also supports the bank in maintaining its reputation for

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reliability and transparency. Through these combined strengths, BPI demonstrates its capability to innovate and excel in addressing the specific needs of the digital nomad segment.

Weaknesses

Despite its strengths, BPI faces several internal challenges that could limit its success in capturing the digital nomad market. While BPI's portfolio caters to foreign residents, its current offerings lack the specificity needed for digital nomads' unique requirements. Competitors like Bunq and N26 have set themselves apart by offering fully integrated solutions, such as free international transfers, zero currency conversion fees, and seamless multi-currency management. The Citizen Account, while a good start, falls short of meeting the specialized needs of digital nomads. These individuals require financial products that go beyond traditional banking services to include lifestyle solutions. Neobanks have successfully catered to this market by bundling services into comprehensive subscription plans. The absence of an integrated ecosystem that combines financial and non-financial services limits BPI's ability to differentiate itself.

Marketing strategies and customer acquisition efforts also present critical weaknesses in BPI's approach. Unlike its competitors, which leverage aggressive, digital-first marketing strategies to establish a strong presence among digital nomads, BPI's visibility within this niche remains minimal. Digital nomads, characterized by their high reliance on online communities and platforms for decision-making, require highly targeted and innovative outreach efforts.

Finally, BPI's approach to the digital nomad market demonstrates a broader challenge in adapting to rapidly evolving customer expectations. While the bank has invested in digital transformation and innovation, these efforts have predominantly served general banking needs rather than the specialized requirements of niche demographics. To remain competitive, BPI must address these internal gaps by developing tailored products, adopting a forward-thinking marketing strategy, and fostering partnerships that enhance its value proposition for digital nomads. Without

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these adjustments, the bank risks falling further behind competitors that are already capitalizing on this high-growth segment.

Opportunities

Portugal's growing status as a digital nomad hub, supported by favorable policies like the Digital Nomad Visa, an attractive cost of living, temperate climate, and well-established coworking infrastructure, presents a compelling opportunity for BPI to align its strategic initiatives with this expanding demographic. The rise of digital nomadism, accelerated by the normalization of remote work post-COVID-19, underscores sustained global growth in this market. Portugal has become a prime destination, with a 75% increase in digital nomads in Lisbon alone between 2021 and 2023. This positions Portugal as one of the most attractive global hubs, with cities like Lisbon and Madeira standing out as focal points for this demographic.

The economic profile of digital nomads further amplifies their appeal as a target segment for premium banking services. Earning on average double the income of local professionals, digital nomads possess significant financial assets and exhibit a demand for tailored financial solutions. This affluence translates into opportunities for cross-selling high-value banking products, such as investment accounts, credit lines, and premium cards, which can cater to their sophisticated financial needs. The Digital Nomad Visa offers additional stability by creating a structured framework for professionals planning extended stays in Portugal, ensuring a consistent influx of this economically attractive demographic.

Technological advancements and changing consumer preferences also favor BPI's entry into this market. With 67% of Portuguese internet users engaging in mobile banking, the banking industry is witnessing rapid digital adoption, which aligns closely with the expectations of digital nomads. By leveraging its existing digital infrastructure and integrating cutting-edge technologies like artificial intelligence and blockchain, BPI has the opportunity to enhance the customer

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experience. AI-driven tools for personalized financial management, blockchain-enabled cross-border transactions, and multi-currency account services are particularly relevant for addressing the complexities of digital nomads' financial behaviors.

Threats

However, the competitive landscape and macroeconomic environment present significant challenges for BPI as it seeks to enter the digital nomad market. The rise of neobanks such as Revolut, N26, and Wise, which already cater effectively to the needs of digital nomads, creates a high-barrier entry point for BPI. These players offer innovative features like zero-fee currency conversion and subscription models that BPI does not currently provide.

A key obstacle lies in the transient nature of digital nomads. As a demographic defined by its mobility, digital nomads frequently relocate across borders and shift between financial institutions, making it difficult for banks to establish and sustain long-term customer relationships. Retention strategies that cater to their specific needs, such as seamless international banking and loyalty-driven incentives, will be critical to mitigate this challenge.

Economic and geopolitical uncertainties, including fluctuating exchange rates and inflation, can influence digital nomads' financial behaviors. While Portugal's Digital Nomad Visa enhances market potential, changes to its regulatory framework could reduce the inflow of this demographic, limiting growth opportunities. Socioeconomic tensions, such as housing shortages and gentrification in nomad hotspots, may trigger societal backlash, influencing public sentiment and policy decisions that could indirectly affect BPI's positioning. Finally, stringent Eurozone regulatory requirements, though essential for stability, may delay the deployment of tailored solutions for digital nomads.

In conclusion, BPI is at a pivotal juncture, with a clear opportunity to position itself as a leading financial institution for the rapidly expanding digital nomad segment. This demographic's

global mobility, technological reliance, and high-income profile represent an untapped market with substantial growth potential. The SWOT analysis reveals that while BPI boasts significant strengths, such as its established reputation, advanced digital infrastructure, and innovative services like the Citizen Account, these advantages must be strategically aligned with the specific needs of digital nomads.

7. Concept Ideation

Although the purpose of this project is to develop a tailored solution for the growing digital nomad community in Portugal, as requested by the DIN, it is important to evaluate, for starters, if targeting this segment aligns with BPI's strategic priorities. Therefore, in this section, we will assess whether BPI should pursue the digital nomad market and, if so, identify the types of products or services to offer. These offerings could range from exclusively financial solutions to a combination of financial and non-financial services.

From a financial perspective, this is a highly valuable segment. As of March 2024, 79% of digital nomads reported annual earnings above \$50,000, with 35% earning between \$100,000 and \$250,000 per year (Statista, 2024).

Despite its potential, this is still an underexplored segment within Portugal's traditional banking sector. The analysis conducted revealed that no financial provider in Portugal – whether incumbent or neobanks – currently offers a comprehensive solution that fully addresses the key banking needs of digital nomads. Nevertheless, this market remains primarily dominated by international neobanks, as local incumbent banks have yet to develop fully digital solutions. Therefore, this market can still be considered a “blue ocean”, as it remains largely untapped with significant opportunities for growth and innovation that BPI could capitalize on.

Moreover, this market is far from stagnation or becoming redundant. Current estimates indicate that there are approximately 40 million digital nomads worldwide (Pumble, 2024). As this

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global trend continues to grow, the number of digital nomads is expected to reach around 60 million by 2030, a 50% increase from current figures (WYSE Travel Confederation, 2023).

By developing products tailored for digital nomads, BPI showcases its commitment to innovation and flexibility, addressing the evolving needs of modern lifestyles and emerging market demands. Embracing this venture reinforces BPI's reputation as an innovative brand, aligning with its vision to be a "leading and innovative financial group, with the best customer service and a benchmark in Socially Responsible Banking" (Banco BPI, 2024).

However, it is important to note that this is a niche segment, and since BPI aims to target long-term digital nomads, the size of this demographic is further reduced. Additionally, the loyalty of these customers to BPI is inherently limited due to the temporary nature of their stay in Portugal. Nevertheless, all things considered, we still believe that BPI should indeed target the growing digital nomad community in Portugal, provided the bank creates a unique and tailored product that effectively meets the specific needs of this group. If successfully developed and promoted, this offering would enable BPI to differentiate itself from other players in the market and establish a reputation as a trusted partner for digital nomads.

Following the decision to enter the digital nomad market, it is time to decide the type of products or services BPI should offer. These could range from purely financial solutions to a comprehensive mix of financial and non-financial services, depending on what aligns best with market demand and the bank's strategic objectives.

Firstly, by creating a comprehensive "one-stop-shop" that addresses both the financial and non-financial needs of digital nomads, BPI can position itself as an essential partner in supporting their unique lifestyle. This solution, designed to be convenient, practical, and flexible, aligns perfectly with digital nomads' lifestyle, further enhancing customer satisfaction.

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Moreover, recent studies underscore the critical role of adopting digital ecosystems¹ for the long-term sustainability of financial institutions: “The next few years could be a make-or-break period for some banks. They will join the digital financial ecosystem movement – or be consumed by it” (Boston Consulting Group, 2023).

This ecosystem innovation is amplifying the market power of bigtech and fintech firms, creating significant challenges for traditional banks. In 2020, incumbent banks controlled 80% of the U.S. banking revenue pool. However, BCG projects that fintechs, neobanks, and non-bank entities will capture over 40% of banking-related revenues in the U.S. by 2027. Recognizing this threat, several established banks are transitioning their focus from internal platforms to comprehensive ecosystems, which, as noted by China Merchants Bank, represent “the new growth curve for banks”.

Additionally, these platform-based ecosystems allow banks to diversify their revenue streams by offering integrated products and services through cross-industry partnerships. This approach provides powerful advantages, enabling companies to enter new markets, enrich their portfolio, and acquire new customers faster and more affordably compared to traditional strategies. By 2030, digital ecosystems are expected to account for a significant portion of the banking revenue pool, highlighting their transformative potential for the industry and underscoring the urgency for banks to embrace this model to secure long-term growth and competitiveness (BCG, 2023).

Despite its undeniable potential, delivering a successful ecosystem is not an easy task and can bring a lot of challenges for BPI if not carefully managed. To navigate the complexities of partner-based initiatives, banks must develop a clear and cohesive ecosystem strategy. This

¹ *Digital Ecosystem* – A strategic collaboration between two or more entities that work together to create a digital offering that is more valuable for customers than a single company’s product or service.

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approach will ensure they can harness the benefits of ecosystems without undermining their core business or diluting the value of their existing capabilities.

Of the four strategic ecosystem plays outlined by BCG to help incumbent banks gain marketplace advantage, we believe the “*Go deep into specific verticals and markets*” is the most suited archetype for BPI to address digital nomads (Appendix 4). Through this strategy, financial institutions create ecosystems tailored to specific market sectors or niches, integrating their core offerings with additional products and services to enhance value for customers. In most cases, banks collaborate with major players within an industry to reach scale quickly, generating mutual benefits for all parties involved. This approach enables BPI to position itself as a leading financial partner within the digital nomad community in Portugal, leveraging this ecosystem to sustain a competitive advantage that competitors will struggle to challenge.

7.1. Brainstorming

Having determined that BPI will offer both financial and non-financial services to digital nomads in Portugal, the next step is to evaluate which specific aspects of digital nomads' lives this ecosystem should prioritize to maximize value creation.

Taking into account the pain points, needs, and desires expressed by digital nomads in our survey, a brainstorming session was held to generate product ideas. These suggestions were subsequently organized into nine categories. Seven of these correspond to critical areas of digital nomads' lives, while the remaining two broader categories – Features and Benefits & Discounts – serve to organize additional related ideas. The seven identified areas were: Finance, Work & Productivity, Legal & Bureaucracy, Social Life & Community, Traveling & Mobility, Health & Wellness, and Housing. A detailed overview of this brainstorming session can be found in Appendix 5.

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The phase following the brainstorming session is the idealization of product proposals that could potentially be integrated into BPI's final offering. Although each of the outlined categories has valuable ideas, it is essential to prioritize the most relevant ones to, based on those, formulate specific and tailored products suggestions. Accordingly, a brief assessment was made to determine which areas of a digital nomad's life BPI should focus on.

Finance: As the cornerstone of BPI's business and, consequently, this project, the decision to offer solutions to help digital nomads manage their financial journey in Portugal was established from the very beginning. Insights from our survey further support this decision. Around 70% of respondents reported opening a new bank account after moving to Portugal, revealing a significant opportunity for BPI to capture market share within this growing segment.

Work & Productivity: As defined in Chapter 4, digital nomads are individuals who leverage digital technologies to work remotely. Since work plays a crucial role in their lives, we believe this segment would greatly value products designed to simplify or enhance work-related activities. In terms of potential workplace-related offerings, quantitative research indicates that 85% of digital nomads work primarily from home, reducing the attractiveness of these solutions. Moreover, regarding work-related conditions, 95% reported not facing challenges in this area. While various approaches could be explored to generate value for digital nomads, we chose to prioritize other categories where we identified greater potential for impact.

Legal & Bureaucracy: Survey results clearly showed that bureaucracy is the most significant pain point for digital nomads in Portugal, with understanding local tax regulations as the main challenge, followed by visa and legal paperwork. Many respondents expressed frustration with public services responsible for these areas, particularly AIMA. These findings reveal both an urgent need for a support solution and a compelling opportunity for BPI to lead in this space. With

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no major competitors focused on this issue and given the high demand, we conclude that investing in this initiative offers clear strategic value for BPI.

Social Life & Community: When asked about their reasons for choosing Portugal, 51% of participants cited community and social life, ranking it as the second most significant factor. Several studies indicate a correlation between a remote lifestyle and feelings of loneliness. Dery and Hafermalz (2016) found that remote workers often struggle to maintain “informal” connections with coworkers, which are typically associated with a sense of belonging. Additionally, other studies indicate that loneliness is a prevalent issue among digital nomads, although highly contextual (University of Hawai'i at Mānoa, 2023). Given the importance of community and social life for digital nomads, along with the challenges tied to the remote lifestyle, addressing these aspects could offer BPI a promising avenue to position itself as a key player in the digital nomad ecosystem.

Traveling & Mobility: Travel is a fundamental aspect of the digital nomad lifestyle. According to survey data, 68% of participants cited the desire for travel and adventure as a key motivation for becoming digital nomads. Recognizing this strong connection between mobility and the nomad way of life, BPI has the potential to establish a significant presence in this area by offering tailored solutions designed to revolutionize their travel experiences.

Housing: As the name suggests, digital nomads do not commit to a single location and tend to relocate frequently. Consequently, they must regularly search for accommodation, which can be quite challenging, particularly in popular destinations or European capitals. This issue is evident in some Portuguese cities, especially Lisbon, where there is a housing crisis. Our survey revealed that more than half of digital nomads live around Lisbon, and that securing accommodation is one of their primary pain points, highlighting the scarcity of available options. Given the high demand

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and the absence of similar offerings from other financial institutions, BPI has an opportunity to differentiate itself by assisting digital nomads with their housing-related issues.

Health & Wellness: Adapting to new environments and lifestyles is a common concern for digital nomads, and health and wellness naturally play a role in this process. However, healthcare services in Portugal do not seem to pose a significant challenge for this group. Survey data revealed that nearly 80% of respondents found navigating the country's healthcare system relatively straightforward. As a result, the demand for health-related services specifically designed for digital nomads appears to be low, making this area a lower priority for inclusion in our offerings.

Considering the points discussed, we have decided to develop products to address the Finance, Legal & Bureaucracy, Social Life & Community, Traveling & Mobility, and Housing areas of digital nomads' daily lives.

8. Ideation of the Product

To address the evolving needs of digital nomads and position BPI as a leading innovator in this niche market, the product ideation phase focuses on five distinct solutions. These products - Travel Platform, Digital Account, Community Platform, Housing Platform, and Seamless Bureaucracy - are carefully crafted to integrate seamlessly with the lifestyle and professional requirements of digital nomads while aligning with BPI's strategic objectives. Each product consolidates insights from prior analyzes and validated hypotheses, ensuring a comprehensive response to the challenges and opportunities in this market segment.

The **Travel Platform** is designed as an all-in-one digital hub that simplifies travel planning for digital nomads. It provides a reliable information hub for visa and vaccine requirements, safety alerts, and a local events calendar, ensuring users can make informed decisions effortlessly. Comprehensive travel insurance options with flexible plans and 24/7 emergency assistance address common concerns about security during travel. By incorporating transportation partnerships, the

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platform offers rentals, real-time public transport schedules, and airport transfers, making mobility seamless. Personalized trip planning through interactive, AI-driven itineraries further enhances the user experience, while real-time hotel and flight pricing, exclusive discounts, and loyalty rewards provide significant cost savings. Additional travel benefits, such as luggage services and lounge access, position the platform as a one-stop solution. For digital nomads, the platform delivers unmatched convenience, a reliable source of information, and access to exclusive offers and discounts. For BPI, the Travel Platform generates enhanced engagement through daily customer interaction, opening cross-selling opportunities for related financial products. It establishes new revenue streams from partnerships with service providers and attracts younger, travel-oriented clients, differentiating BPI as a lifestyle partner rather than a traditional financial institution. Competitors in this space include platforms such as Trip, Hopper, Booking Holdings, Expedia Group, and Global Business Travel.

The **Digital Account** offers a borderless, digital-first banking experience tailored for global professionals. It features free international transactions and currency exchange, enabling users to manage their finances seamlessly across borders. An easy online setup streamlines account activation, while personalized financial insights and savings goals support proactive money management. Additionally, partnerships with non-financial brands provide cashback opportunities and access to exclusive discounts, enhancing the account's value proposition. For digital nomads, the Digital Account ensures global financial flexibility, convenient account activation for both short-term and extended stays, and integration with local experiences and discounts. From BPI's perspective, the Digital Account enhances international visibility, fosters cross-sector partnerships, and expands revenue opportunities beyond traditional banking. It also provides data insights into global financial habits, enabling BPI to refine its offerings and better serve its customers.

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Competitors like Revolut, Bunq, and N26 underscore the need for a robust product that can stand out in a competitive landscape.

The **Community Platform** is a social and professional networking solution that fosters meaningful connections among digital nomads. It begins with an initial questionnaire that offers personalized group suggestions, ensuring relevance for users. The platform supports both open and closed mini-communities, AI-approved group creation for quality control, and tools for organizing sponsored and personal events. Features like the “Are You Going?” RSVP function and post-event feedback loops enhance engagement and user satisfaction. This platform addresses the social isolation often experienced by digital nomads, providing a safe and high-quality environment for event participation and networking. For BPI, the Community Platform attracts a growing demographic of digital nomads and foreign residents, bolstering the bank’s reputation for innovation and social responsibility. It facilitates cross-selling and upselling opportunities through personalized service recommendations, while partnerships and sponsorships within the platform create additional revenue streams. Competitors in this space include Slack, Facebook, and Couchsurfing.

The **Housing platform** offers hybrid spaces that seamlessly integrate living and working environments. This product features flexible term leases in fully furnished rooms, coworking spaces optimized for collaboration, and all-inclusive bills that cover utilities, high-speed internet, and cleaning services. A built-in community aspect provides access to recommendations, events, workshops, and networking opportunities, creating a vibrant ecosystem for digital nomads. For users, it offers seamless integration of work and living spaces, fostering a community-centric experience that emphasizes flexibility and convenience. For BPI, this solution diversifies the bank’s portfolio into real estate and hospitality, leveraging unused real estate assets to minimize initial investment costs. It also serves as a lead generator for cross-selling banking services while

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enhancing international brand reach. Competitors like Coliving.com and Yon Living highlight the potential and demand for such integrated living solutions.

The **Seamless Bureaucracy platform** simplifies the complex bureaucratic processes often faced by digital nomads. It offers comprehensive guides for navigating local administrative requirements, real-time translation services for documents and conversations, and secure document storage and sharing capabilities. Personalized assistance is available through chatbots and live support, while seamless booking for bureaucratic appointments (such as NIF, Embassy, and AIMA registrations) ensures a stress-free experience. This product enables digital nomads to save time and money while enhancing productivity by providing easy access to necessary services. For BPI, the platform builds customer loyalty by addressing a major pain point in the relocation journey, increases brand awareness early in the customer lifecycle, and creates synergies with the Citizen Banking segment. The integration of tailored financial products further strengthens BPI's customer relationships and revenue streams. Competitors include Anchorless, Lexidy, E-Residence, and Belion Partners.

By integrating these five products into its offerings, BPI can create a cohesive ecosystem that addresses the unique needs of digital nomads while advancing its strategic goals. Each product not only enhances customer engagement and loyalty but also diversifies revenue streams and solidifies BPI's position as a forward-thinking, customer-centric institution in the global market.

9. BPI Flex

Once the product suggestions are defined, the next step is to select which ones to include in the Minimum Viable Product (MVP) and how to combine them into a single, cohesive offering. Before making such an important decision, it is essential to identify the key factors that contribute to a product's success and evaluate their potential impact. This process involves assessing the solution's feasibility and implementation complexity, and ensuring alignment with the company's

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vision, mission, and strategic objectives. Additionally, it is crucial to analyze the competitive landscape and the extent to which the product effectively addresses the core needs of its target audience.

The product suggestions were developed to tackle key pain points identified through quantitative research, ensuring their relevance to digital nomads. To narrow down the options for the MVP, each product was assessed using five criteria: ease of deployment, implementation costs, fit with the company, cross-selling opportunities, and the level of competition.

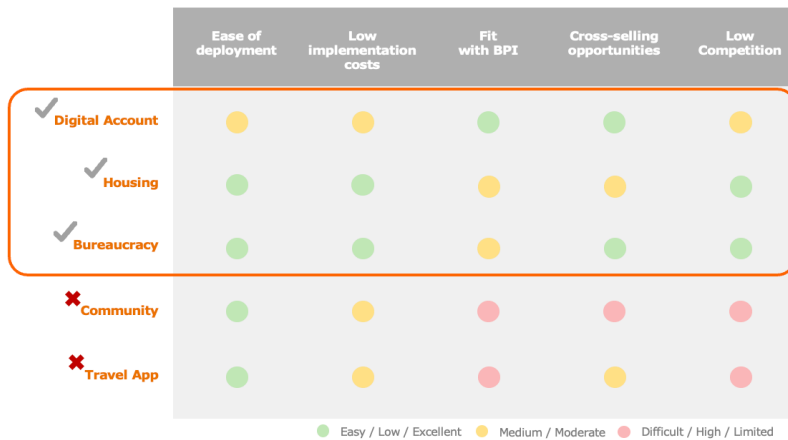


Figure 1 – Evaluation of Product Ideas for MVP Development

This evaluation revealed that the Digital Account, Housing, and Bureaucracy products are the most viable options for inclusion in the MVP, based on their alignment with these key factors.

9.1. Business Model

Given that the target audience is extremely technological, and their needs are best addressed by the innovative and tailored solutions typically offered by neo-banks, unlike the more traditional offerings of incumbent banks, we began by conducting a competitive analysis of several neo-banks.

For this analysis, we focused on three key players in the market: Bunq, N26, and Revolut. These banks were chosen due to their strong presence in the fintech industry and their diverse range of features designed to satisfy customer segments such as digital nomads.

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When it comes to pricing and plan structures, the three neo-banks analyzed, Bunq, N26, and Revolut, offer a combination of free and premium plans with monthly fees.

Bunq provides five distinct options, including two free accounts with different purposes and three paid plans priced at €3.99, €9.99, and €18.99 per month (Bunq, 2024). N26, on the other hand, has four options: one free account and three paid plans priced at €4.90, €9.90, and €16.90 per month (N26, 2024). Revolut offers five plans, including one free account, three mid-range plans priced at €3.99, €8.99, and €15.99, and a highly comprehensive premium plan at €45 per month, (Revolut, 2024) significantly higher than the competitors' offerings (Appendix 6).

In terms of physical and virtual cards, Bunq charges €9.99 for a physical card with its free accounts, includes one card with the €3.99 plan, and provides three cards with each of its most complete plans (Bunq, 2024). For virtual cards, Bunq offers one for each free account and the €3.99 plan, and up to 26 virtual cards for the other two plans (Bunq, 2024). N26 does not provide a physical card with its free account, although all other plans include one. Virtual cards are available across all plans, including the free one. Additional physical cards can be requested for €10 for paid plans, while this option is not available for the free account (N26, 2024). Revolut, in contrast, includes one free physical card for its free plan and two for each of its paid plans. Virtual cards are included in all plans (Revolut, 2024).

Regarding ATM withdrawals, Bunq offers free withdrawals only for the €9.99 and €18.99 plans, with a maximum limit of six withdrawals per month. Withdrawals exceeding these limits, or any withdrawals on the free and €3.99 plans, incur a fee of €2.99 each. The same fee applies to withdrawals beyond the fifth per month for the most complete plans (Bunq, 2024).

N26 offers between 2 to 8 free ATM withdrawals within the Eurozone, depending on the selected plan. Withdrawals exceeding these limits incur a fee of €2 per transaction across all plans.

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Outside the Eurozone, the two basic plans do not include free ATM withdrawals, whereas the more advanced plans do (N26, 2024).

Revolut's free plan allows up to €200 in ATM withdrawals or five withdrawals per month without fees. For the most complete plans, the limits increase significantly, reaching up to €2,000 per month in the Ultra plan. Withdrawals beyond the set limits incur a 2% fee across all plans (Revolut, 2024).

In terms of additional financial services, Bunq provides worldwide travel insurance exclusively for its most complete plan and multi-currency accounts for its two most advanced plans (Bunq, 2024). N26 offers travel insurance in its two most comprehensive plans, aligning its offerings with the needs of more frequent travelers or clients who need more protection (N26, 2024).

Revolut stands out as the most comprehensive of the three banks, offering health insurance, travel insurance (including coverage for delayed flights and lost or damaged luggage), and car hire excess insurance in its two most complete plans. It also provides currency exchange services with a €1,000 monthly limit for the two basic accounts, while most complete accounts have unlimited currency exchanges. Additionally, Revolut offers investment opportunities in cryptocurrencies and stocks, differentiating themselves even more from competitors (Revolut, 2024).

When it comes to partnerships and benefits, Bunq includes cashback only in its most premium plan and loyalty cards for its two most complete plans (Bunq, 2024). N26, on the other hand, offers Premium Partner Offers (exclusive deals and discounts) across all its paid accounts, excluding the free plan (N26, 2024). Revolut features a loyalty program for all plans, with points earned per amount spent depending on the account type, as well as Partner Subscriptions included as benefits in all its paid plans (Revolut, 2024). (Appendix 6).

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All three banks provide priority support primarily in their paid accounts. This support varies from in-app chat to requested call-backs.

After analyzing the competition and identifying the needs of digital nomadas, we designed three distinct account options, tailored to meet different customer profiles and ensure a comprehensive solution aligned with their priorities and expectations.

The **Digital Free Account** is designed to provide essential services for digital nomads who prioritize simplicity and low costs. It includes a virtual debit card and the option to obtain a physical debit card for €9.99 per year. Customers can withdraw cash from ATMs for free in Portugal, while international withdrawals incur a fee of €2.99 per transaction. Additionally, users benefit from up to €800 in currency exchanges without extra fees each month, with the ability to manage accounts in three different currencies. SEPA+ transfers (national and European non-instant payments) can be executed through mobile (BPI App), online (BPI Net), or by phone without operator assistance. Beyond financial services, the account also offers chatbot and in-app chat support, a Portuguese IBAN, online onboarding, and access to bureaucracy services and a housing platform (Appendix 7).

The **Digital Plus Account**, priced at €5.99 per month, is intended for digital nomads seeking enhanced transaction flexibility and additional support. This account includes a physical debit card and a virtual debit card, with an option to purchase a physical credit card for €20 per year or an additional physical debit card for €19.99. It offers free ATM withdrawals in Portugal and up to five free withdrawals (or a limit of €400) internationally per month. Beyond this limit, the first five extra withdrawals are charged at €1.99 each, and subsequent withdrawals are charged at €2.99 per transaction. The account allows up to €1,500 in monthly currency exchanges without additional fees and supports accounts in up to 10 different currencies. In terms of payments, it includes SEPA+ transfers as well as international SWIFT transfers with a 10% discount on fees.

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In addition to its financial offerings, this account improves the user experience by offering several non-financial benefits. These include cashback on purchases, unique offers and discounts from partner brands, and priority support, ensuring that users receive assistance quickly when they need it.

The account also includes chatbot and in-app chat functionalities, facilitating communication and prompt question answering. Users benefit from a Portuguese IBAN, facilitating local transfers. Moreover, it allows online onboarding, making it easier for new clients to create accounts. Additionally, this account offers access to bureaucracy services at a 10% discount on the base price, making administrative tasks easier. Finally, they have access to the housing platform, which is intended to help users locate and efficiently manage housing (Appendix 7).

The **Digital Premium Account**, priced at €11.99 per month, is a comprehensive offering designed to provide convenience, security, and flexibility for digital nomads who require tailored and extensive banking services. This account includes two physical debit cards, one virtual card, and two gold credit cards, with the option to purchase an additional physical debit card for €19.99.

Customers benefit from free ATM withdrawals in Portugal and up to eight free withdrawals (or €800) per month internationally. Beyond this limit, the first five extra withdrawals are charged at €0.99 each, with subsequent withdrawals incurring a fee of €2.99 per transaction. The account supports unlimited currency exchanges and offers the ability to manage unlimited accounts in multiple currencies.

In terms of transfers, it includes SEPA+ (national and European non-instant payments) via mobile (BPI App), online (BPI Net), or phone without operator assistance, along with international SWIFT transfers at a 30% discount on fees.

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Additionally, this account includes travel insurance, cashback on purchases, and offers and discount on partners. It also features priority support, chatbot and in-app chat, a Portuguese IBAN, and seamless online onboarding. Users have access to bureaucracy services with a 15% discount on base prices, as well as the housing platform. Unique to this account are exclusive priority benefits and access to the Living Solutions services tailored for BPI's citizen segment, which include Home Assistance Support and Online Medical and Veterinary Advice, creating a financial solution that is truly comprehensive (Appendix 7).

9.2. Services

9.2.1. Bureaucracy Services

After conducting a thorough analysis of the challenges digital nomads face during their customer journey, we concluded that one of their main difficulties is obtaining the necessary documents to be officially recognized as digital nomads in Portugal and to access the associated benefits. To address this, the digital nomad accounts include access to bureaucratic solutions designed to help clients quickly and efficiently acquire the required documentation. Additionally, this services provide support in preparing and submitting tax declarations to the government or relevant tax authorities, as well as expert advice on managing their tax obligations.

In this context, the services we considered essential to meet the needs of our target audience include NIF Application, NISS Application, VISA Application, and Tax Assistance, which covers both Tax Filing and Tax Consultation.

The **NIF**, Portugal's tax identification number, is a particularly crucial document for digital nomads. It is required for a range of activities, such as opening bank accounts, issuing invoices for freelance work, paying taxes, and renting property (Portuguese Gov,n.d). Obtaining a NIF is often the first step toward formalizing a presence in the country. The process requires a valid passport or, for EU citizens, a national ID card, as well as proof of address outside Portugal.

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The **NISS** is the Social Security Identification Number in Portugal, which grants access to the country's social security system (Susana Pedro, 2022). For digital nomads, it is particularly useful if they plan to work in Portugal and wish to integrate into the Portuguese social security framework. This ensures access to various benefits, such as healthcare, sick leave subsidies, and retirement pensions.

To obtain a NISS, applicants must present a valid passport or EU National ID, proof of their employment status in a company legally registered in Portugal, and proof of application for residence regularization.

A **visa** is an official authorization that allows an individual to enter and stay in a country for a specific period and purpose. For digital nomads, this authorization is essential to legally reside in Portugal while working remotely. In Portugal, digital nomads can apply for the D8 visa, which is available in two forms: a temporary visa, valid for up to one year, or a residency visa, valid for two years (Digital Nomad Tax, n.d.)

This visa requires applicants to fulfill several conditions. They must be citizens from non-EU or non-EEA countries and demonstrate a monthly income of at least €3,280, equivalent to four times the Portuguese minimum wage. Applicants must also provide documents proving their remote work status, such as employment contracts or agreements with freelance clients. Additionally, they must show proof of prearranged accommodation in Portugal for a minimum of one year and demonstrate sufficient savings of €9,840, equal to twelve times the Portuguese minimum wage. Other essential requirements include a motivation letter explaining the purpose of the stay, valid health insurance (unless there is a bilateral healthcare agreement between Portugal and the applicant's native country), a clean criminal record certificate, proof of tax residency in their country of origin, and a valid passport. For those including family members, authenticated

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marriage and birth certificates must also be submitted from the applicant's country of origin (Digital Nomad Tax, n.d.).

As part of Tax Assistance, **Tax Filing**, a procedure that is equally important for digital nomads, involves preparing and submitting income tax declarations to the Portuguese tax authorities. This process ensures compliance with local tax regulations and typically includes the reporting of remote income, the application of Non-Habitual Resident (NHR) tax benefits when eligible, and the declaration of foreign bank accounts. This service makes this procedure easier by providing a complete tax filing solution, which includes preparation and submission for either single or joint filings, support for partial tax year declarations, and assistance through email for any related questions.

The first package is the Lite package, designed to cover income sources such as pensions, social security, and interest. The second option is the Standard package, which includes all the income types from the Lite package (pension, social security, and interest) and expands coverage to additional income sources, including dividends, withdrawals from retirement savings accounts (e.g., IRA, 401k), rental income, and capital gains from real estate.

Lastly, the most comprehensive option, the Premium package, includes all the income types covered in the Standard package (pension, social security, interest, dividends, retirement account withdrawals, rental income, and real estate capital gains) and further extends to employment income, self-employment income, capital gains from securities, capital gains from cryptocurrency, and royalties.

In Tax Assistance, it also includes **Tax consultation** that is a tailored advisory service that provides guidance on critical topics such as tax obligations, tax optimization, and strategies to minimize costs. For digital nomads who often earn income across multiple countries, this service

is essential for understanding Portugal's tax laws, avoiding double taxation, and ensuring compliance with local fiscal regimes.

These services are tailored to meet the unique requirements of digital nomads, assisting them in navigating the challenges of working and living in Portugal. By assisting with the necessary paperwork, we ensure that clients can focus on their work while staying compliant with local regulations.

Through simplified processes and expert guidance, BPI empower digital nomads to seamlessly integrate into Portugal's legal and tax systems, making sure their journey toward remote work is easy, effective, and fulfilling.

9.2.2. Housing Services

In addition to the challenges digital nomads face in obtaining the necessary documentation to live and work in Portugal, another major issue identified through survey results and customer journey analysis is the difficulty in finding suitable rental housing. Since having a place to live is a critical step in the relocation process, we determined that including housing services in digital nomad accounts offering would be both relevant and essential.

Housing services address this need by providing comprehensive support in three key areas. The first, **Find Accommodation** focuses on providing digital nomads with housing options tailored to their specific preferences, such as location, size, price, and furniture availability. This service goes beyond simply offering rental options by prioritizing housing spaces that integrate coworking facilities. Since the survey revealed that many digital nomads work from home, access to coworking spaces within their living environment offers a dual benefit: it allows them to maintain productivity while fostering a sense of community and collaboration. This approach ensures that their living arrangements not only meet their housing needs but also support their professional lifestyle, making their experience more fulfilling.

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Additionally, the **Manage My Bookings feature** provides a simplified method for clients to customize, track, and manage their reservations. This feature is designed to make the entire reservation process for both short-term and long-term stays easier, whether within or outside of Portugal, making it faster and more convenient for digital nomads to organize their housing arrangements.

Finally, clients with a Digital Premium Account, have access to **Home Services**, an exclusive feature adapted from the existing BPI Citizen segment. This service provides technical assistance for household needs and support in sourcing household staff (Banco BPI, n.d). Recognizing that digital nomads face similar challenges, we extended this service to meet their specific requirements, ensuring a smoother transition and improved quality of life in Portugal.

By including these housing services in BPI's portfolio, we aim to address a critical pain point for digital nomads, providing them with the resources and assistance they require to move and establish successfully, making Portugal a more attractive destination for this highly traveling audience.

9.3. Partnerships

9.3.1. Seamless Bureaucracy Partnership

As a financial institution, BPI is restricted from generating revenue through non-financial services. Therefore, we identified that the most efficient approach for BPI to offer bureaucracy-related services would be through a strategic partnership with a specialized company already established in the market. To this end, we analyzed several companies that provide the services we wish to include in digital nomad accounts.

The selection process was based on four criteria: whether the company is based in Portugal, the breadth of services it offers in line with our objectives, its independence from partnerships with other Portuguese incumbent banks, and the competitiveness of its pricing.

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The companies analyzed were Bordr, Anchorless, and E-Residence. All three are Portugal-based and provide a variety of services that align closely with our goals. However, only Bordr and Anchorless offered competitive pricing, as E-Residence's pricing was significantly higher, making it less suited to clients' needs. Additionally, Anchorless and E-Residence already maintain partnerships with Millennium and Novo Banco, respectively, leaving Bordr as the most suitable partner based on our criteria. (Appendix 8)

Bordr specializes in simplifying bureaucratic processes for expats and digital nomads by offering efficient, affordable solutions for obtaining NIFs, fiscal representation, and other essential administrative services for non-residents (Bordr, 2022). Based on their existing service offerings, we only considered the ones useful for foreigners: NIF, NISS, Tax Assistance (lite, standard, and pro), and Tax Consultation.

Our proposal for a partnership with Bordr would create mutual benefits: Bordr would gain new clients through BPI, while BPI would receive a 10% commission for each bureaucracy service purchased by its clients. Additionally, we intend for Bordr to offer exclusive discounts for BPI Flex clients, 10% off all services for Digital Plus Account clients and 15% off for Digital Premium Account clients. This discounts could help increase the volume of business for Bordr, benefiting both parties by driving more engagement and revenue.

To simplify the customer experience, these services would be fully integrated into the BPI Flex app. Using an API that connects BPI Flex's system to Bordr's data base, clients would have direct access to Bordr's services without leaving the app. This seamless integration would ensure an enhanced user experience and eliminate unnecessary obstacles when accessing bureaucratic assistance.

9.3.2. Housing Partnership

To address the challenges digital nomads face in securing suitable housing while managing work and travel, we determined that the best approach would be to partner with a specialized company offering coliving and coworking solutions. After a detailed analysis, we evaluated three companies: Yon Living, Outside, and Coliving.

Our evaluation focused on four main criteria: whether the company is based in Portugal, its international presence (important for our target segment of global digital nomads), the integration of a community component, and its potential to collaborate on additional services beyond housing.

Among these, Yon stands out as the only Portugal-based company. In terms of offering an integrated community, all three companies meet this criterion. Regarding international operations, only Yon currently does not operate outside of Portugal. However, the company has already defined expansion plans for key locations such as Porto, Barcelona, Athens, and Bangkok, aligning with destinations favored by digital nomads. Moreover, Yon is the only provider among the three to offer an additional service, digital nomad visa applications, making it uniquely positioned to meet the broader needs of our target audience. (Appendix 9)

Yon specializes in coworking and coliving spaces for digital nomads, providing flexible accommodations equipped with integrated coworking facilities, fostering productivity, and supporting community building (Yon, 2022) . This partnership would allow BPI to address the needs identified in the customer journey research, particularly for those working remotely and seeking efficient living solutions.

To ensure a seamless experience for clients, an API would connect BPI Flex's system to Yon's data base. This integration would enable users to access and manage their housing-related needs directly within the BPI Flex app, streamlining the process while maintaining consistency across our service offerings. Importantly, any bookings made with Yon would automatically

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synchronize with the Manage My Bookings feature in the app, ensuring clients can effortlessly track, customize, or modify their reservations. For other housing service providers, clients would need to manually input their bookings into the app.

Additionally, clients with premium accounts would enjoy priority placement on waiting lists for high-demand rentals, enhancing their access to exclusive housing opportunities.

Finally, this partnership would create mutual financial benefits. BPI would receive a 5% commission for every rental booked by clients with digital accounts, while Yon would benefit from increased exposure and customer acquisition through BPI's digital ecosystem. This collaboration solidifies BPI commitment to offering comprehensive solutions tailored to the unique needs of digital nomads.

10. Schedule and Implementation

10.1. Timeline

The BPI Flex project is structured around a seven-month implementation timeline, segmented into distinct phases to ensure seamless development, testing, and launch of the product. This roadmap incorporates strategic market research, iterative development cycles, and parallel marketing and maintenance efforts, with built-in buffer periods to mitigate potential delays and risks.

10.1.1. Phase 1: Market Research and Focus Group

The first phase spans 40 workdays (approximately two months) and focuses on market research and conducting focus groups to establish a strong foundation for the project. This step is critical for understanding the unique needs of the digital nomad segment and validating the product concept. BPI's teams will collaborate with stakeholders to gather qualitative insights and refine the app's core features.

To enhance the effectiveness of this research, digital prototypes created in Figma and presented to the DIN team can be leveraged. These prototypes simulate the app's user experience and functionalities, offering focus groups a realistic interaction model. This approach ensures that the insights gathered are grounded in practical feedback, enabling a smooth transition to the subsequent development phase.

10.1.2. Phase 2: MVP Development, Testing, and API Integration

Phase 2 begins after the initial two months, with the development and testing of the Minimum Viable Product (MVP) lasting 58 workdays (approximately 1.9 months). This phase prioritizes the must-have features, ensuring a streamlined app that addresses the immediate needs of digital nomads.

During this stage, API development and integration with Bordr, a key partner specialized in bureaucracy management, will be initiated. This integration ensures that essential non-financial services, such as document verification and administrative assistance, are seamlessly incorporated into the app.

Following this milestone, market testing of the MVP will take place from month 4 to month 5, enabling early user feedback to guide refinements and validate the product's value. A more detailed discussion of the market testing process is provided in the next chapter.

10.1.3. Phase 3: Iterative Development of New Features

Simultaneously with market testing, iterative development begins, focusing on enhancing the app with additional functionalities. At month 3.9, the development of "should-have" features, will start and last 33 workdays (approximately 1.7 months). This phase also includes API development and integration with YON, a partner specializing in housing and living solutions, to expand the app's non-financial offerings.

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Following this, at month 5.6, the development of "could-have" features will commence, extending for an estimated 48 workdays (approximately 2.3 months). These incremental updates are essential for maintaining user engagement and ensuring the app's competitive edge.

10.1.4. Phase 4: Marketing, Maintenance, and KPI Monitoring

Starting in month 3.5, marketing campaigns and app maintenance will run parallel to ongoing development cycles. This phase spans 70 workdays (approximately 3.5 months) and focuses on raising awareness, driving user acquisition, and ensuring technical stability. The marketing team will align its efforts with the app's phased launches, while a dedicated team will monitor KPIs to track performance. This synchronization ensures that promotional strategies and technical support bolster the product's successful market entry.

To safeguard against unforeseen delays, the project timeline incorporates a 30% buffer between each phase. This strategic allocation provides flexibility, ensuring that the team can address potential obstacles without compromising the overall project schedule. By adhering to this structured roadmap, the BPI Flex project is set to deliver a high-quality product on time while remaining adaptable to challenges that may arise.

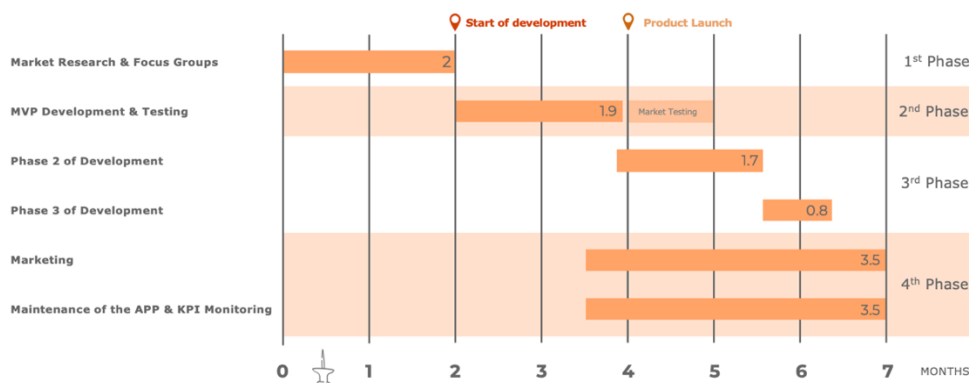


Figure 2 – Project Timeline

10.2. Testing, Feedback, and Iteration

Testing and iteration are foundational processes in product development, ensuring alignment between user needs and the final product as mentioned in the build-measure-learn

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(BML) feedback loop. For BPI Flex, the initial testing phase is set between months 4 and 5 following the MVP deployment, with similar methodologies applied in subsequent phases to sustain iterative refinement throughout the product lifecycle.

The build-measure-learn loop, as defined by Eric Ries (2011) in *The Lean Startup*, highlights the iterative nature of hypothesis testing and adaptation in product development. This methodology reduces risk by grounding decisions in real-world feedback, ensuring that features resonate with the target audience. Similarly, Thomke (2003) in *Experimentation Matters* emphasizes how structured experimentation enables teams to test assumptions, refine solutions, and foster innovation. Both frameworks underscore the critical role of systematic testing in reducing uncertainty and enhancing product relevance.

Testing Methodology and Proposed Approach

The testing process for BPI Flex will employ a combination of qualitative and quantitative methods designed to optimize feature development and user engagement. Key methods include user interviews, A/B testing, and beta testing, selected for their ability to provide actionable insights within the project's constraints.

- User Interviews will offer in-depth qualitative insights into user behavior and preferences, revealing potential usability challenges and unanticipated needs.
- A/B Testing will enable the comparison of two variations of a feature or interface, allowing data-driven decisions to enhance design and functionality.
- Beta Testing will involve deploying the MVP to a small cohort of real users, simulating a live environment to uncover critical issues and validate the overall user experience.

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These methods were chosen for their focus on targeted feedback, which is essential during early product iterations. Broader approaches, such as large-scale surveys, were deemed less effective due to their limited ability to address specific usability concerns.

These methods were selected for their ability to deliver targeted insights and align with the goals of iterative product improvement. Broader techniques, such as large-scale surveys, were deemed less effective for this stage due to their limited depth in addressing specific product challenges.

The primary objectives of testing include validating the relevance of core MVP features, assessing the perceived value of premium functionalities, and evaluating the overall user interface and experience. Key performance indicators (KPIs), such as feature usage rates, funnel completion rates, and session durations, will measure these objectives. Although the detailed discussion of KPIs is reserved for Chapter 11, they will play a pivotal role in determining user engagement, satisfaction, and the product's effectiveness.

This iterative approach will extend beyond the MVP, guiding the development of subsequent phases. During Phase 2, testing will focus on validating "should-have" features, while Phase 3 will emphasize refining the "could-have" features. Each iteration will incorporate lessons learned from earlier phases, ensuring that the product remains dynamic and responsive to user needs.

10.3. KPI

To ensure the success and sustainability of the BPI Flex project, we propose five key performance indicators (KPIs) to monitor each critical dimension of the initiative. This approach provides a holistic evaluation, enabling the project managers and involved teams to track progress, identify areas for improvement, and make data-driven decisions. Both project managers will be actively involved in overseeing these dimensions to ensure alignment with strategic objectives.

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Financial Dimension: Customer Acquisition Cost (CAC). This KPI measures the cost of acquiring a new customer. Monitoring CAC is essential to assess the efficiency of marketing and sales efforts, ensuring that growth remains scalable and cost-effective.

Growth Dimension: User Growth Rate. This KPI reflects the percentage increase in users over a specified period, providing insight into the app's adoption and validation of its product-market fit.

Operational Dimension: Conversion Rate. This KPI tracks the proportion of users completing key actions, such as account creation or upgrades, showcasing the app's ability to engage users and deliver on its intended functionality.

Retention Dimension: User Retention Rate. This KPI measures the percentage of users returning to the app over time, offering a clear indicator of customer satisfaction and the app's ability to minimize churn.

Satisfaction Dimension: Net Promoter Score (NPS). This KPI evaluates user advocacy by asking how likely they are to recommend the app to others, providing valuable insights into customer sentiment and organic growth potential.

By monitoring these KPIs across financial, growth, operational, retention, and satisfaction dimensions, the project managers can ensure that the development and execution of BPI Flex remain aligned with its strategic objectives and deliver meaningful outcomes.

10.4. Team

The development requires a structured approach with clear division of responsibilities. This structure is divided into two primary teams: the App Development Team (outsourced) and the BPI Assistance Team (internal). This division ensures the project benefits from external expertise for technical development while maintaining BPI's internal resources for strategic, regulatory, and customer-facing aspects of the product.

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This approach aligns with industry best practices in project management, as highlighted in reports from (Project Management Institute, 2023), which emphasize the importance of leveraging external specialized skills while retaining internal control for strategic and regulatory functions. By combining these two teams, BPI ensures the development of a high-quality, secure, and user-centric app, while also maintaining alignment with the bank’s overall objectives and values.

Outsourced App Development Team

The outsourced development team will focus on building the app’s core technical infrastructure. These roles are crucial to ensure that the app is developed to high standards of functionality, security, and user experience. Outsourcing these technical tasks allows BPI to tap into specialized expertise without overburdening its internal resources.

Title	Role Description
Backend Developer	Develops and maintains the server-side logic, ensuring the app handles transactions securely and scales effectively.
Frontend Developer	Designs and develops the user interface, ensuring the app is visually appealing and user-friendly.
Cyber Security	Secures the app from potential cyber threats, safeguarding user data and financial transactions.
DevOps Engineer	Manages deployment processes, ensuring that the app runs efficiently and is scalable, maintainable, and stable across different systems and platforms.
QA Engineer	Tests the app to identify and fix bugs, ensuring smooth functionality and adherence to quality standards.
UX/UI Designer	Designs the user experience and interface, ensuring the app’s look and feel align with the brand’s identity and enhance usability.

Table 1 – Outsourced App Development Team Structure

These outsourced roles are integral to ensuring that the BPI Flex app functions optimally from both a technical and security standpoint. According to Entrustech (2023), outsourcing enables access to cutting-edge technology and specialized skills, particularly in areas such as security and app development, where external partners can deliver more efficiently and at a lower cost.

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Moreover, cybersecurity and scalability are paramount to the success of BPI Flex, given the growing demand for secure digital banking experiences.

BPI Internal Team

The BPI Assistance Team will handle the strategic, regulatory, marketing, and infrastructure aspects of the app, both before and after its launch. This internal team will be composed of 13 members and will work closely with the project managers to align with BPI's overall objectives and regulatory requirements.

Title	Number	Role Description
Project Manager (DIN)	1	Oversees the development of the app, ensuring technical specifications are met and managing the outsourced development team during the initial phases.
Project Manager (DMPN)	1	Manages the marketing deployment, overseeing the implementation of marketing strategies to position the app effectively in the market.
Legal & Compliance Specialist	3	Ensures the app complies with all legal regulations, including data privacy laws and financial services regulations.
IT - System Integration Specialist	1	Ensures the app integrates seamlessly with BPI's existing systems and infrastructure.
IT - Security Specialist	1	Ensures that the app's security measures protect sensitive data and transactions from cyber-attacks and breaches.
IT - Infrastructure Specialist	1	Manages the infrastructure for the app's deployment, ensuring the servers, networks, and systems are properly configured and maintained.
IT - Support & Testing Engineers	1	Provides ongoing support and maintenance post-launch, ensuring smooth operation and handling any issues that arise.
Marketing Team	2	Responsible for creating the marketing strategy, planning campaigns, and promoting BPI Flex to the digital nomad market.
Design - Branding & Visual Designer	1	Develops the visual identity of the app to ensure it is aligned with BPI's brand and visually appealing to the target audience.
Design - Marketing & Campaign Designer	1	Designs marketing campaigns and materials to promote BPI Flex, ensuring the message is consistent with the bank's branding and target market.

Table 2 – BPI Team Structure

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The backbone of the BPI Flex project lies in the leadership of two Project Managers, ensuring alignment with BPI's strategic goals across all stages of development and launch. The DIN Project Manager focuses on technical execution, ensuring the app meets architectural, security, and performance standards, particularly during the initial phases. Meanwhile, the DMPN Project Manager leads marketing efforts, ensuring the app is effectively positioned for the digital nomad market. This dual-leadership structure ensures a balanced focus on both technical excellence and market readiness.

The team structure is designed to comprehensively address all critical aspects of the project. Key teams in legal, IT, marketing, and design provide specialized expertise to ensure compliance, technical reliability, and user engagement.

11. Marketing & Communication Campaign

To establish BPI Flex as the go-to financial solution for digital nomads in Portugal, a comprehensive marketing plan has been crafted. By leveraging both online and offline communication channels, BPI aims to engage and connect with its audience across multiple touchpoints. Since BPI is introducing a new offering into an unexplored segment, the primary goal is to build awareness of BPI Flex among the global digital nomad community, more specifically brand recall, while fostering interest in the account. Therefore, beyond reaching a large audience, we aim for BPI Flex to be seen as a tailored product designed to meet the unique needs of digital nomads, aligning perfectly with their dynamic lifestyle.

Regarding the target audience, there is a key factor that divides the segment in two distinct groups: the country of origin. Beyond influencing several aspects, simple as customs or even financial needs, it significantly impacts bureaucracy matters. To legally reside in Portugal while working remotely, non-EU/EEA citizens must apply for a visa. As outlined in Subchapter 9.2.1., this process can be often complex and time-consuming due to the prerequisites and documentation

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requirements. Although all digital nomads have to handle bureaucracy upon arriving in Portugal, their needs differ, as does the importance they attributed to each BPI Flex feature.

To optimize marketing messages and enhance their relevance to the target audience, we have defined two distinct groups: digital nomads from within the EU/EEA versus those from outside these regions. This strategy enables BPI to create targeted campaigns focused on the unique needs and characteristics of each group. Thus, this tailored approach ensures the advertising resonates with each persona in a meaningful and impactful way.

Based on this segmentation, we have crafted a positioning statement for each group:

- *For digital nomads from outside the EU/EEA who are moving to Portugal, BPI Flex is a digital ecosystem that ensures a seamless and convenient settlement process, because of its tailored bureaucracy services that support with visa applications.*
- *For digital nomads from within the EU/EEA who are moving to Portugal, BPI Flex is a digital ecosystem that provides global financial flexibility because of its free international transactions and favorable currency exchange conditions.*

11.1. Online Communication Channels

Digital advertising has become an indispensable marketing tool worldwide. With increasing internet accessibility and the growing demand for online content, global spending on digital advertising is projected to hit a record-breaking \$694 billion in 2024, representing 70% of global advertising revenues (Statista, 2023). These impressive figures highlight the increasing dominance of digital platforms in the advertising landscape.

11.1.1. Social Media Platforms

As of 2023, more than half of digital nomads were between 30 to 39 years old, the same conclusion we have drawn from our survey, meaning that most of them are millennials (Statista,

2023). According to data published by Digital Media Ninja, the most used social media platforms among this demographic are Facebook and YouTube, with almost 90% of millennials using these platforms at least once a week. In third place is Instagram with 71% (Digital Media Ninja, 2021). Although TikTok is referenced in this article, it is not among the 5 top choices. However, it is important to notice that this article was published in 2021 and that in 3 years the market has evolved significantly. In 2023, TikTok had approximately 1.9 billion users worldwide, a 40% increase since 2021, and it is forecasted to reach more than 2 billion users in 2024 (Statista, 2023). Considering the growth trend and potential of this platform, we decided to invest in it. Accordingly, BPI Flex will be actively present on Facebook, YouTube, Instagram, and TikTok.

11.1.1.1. Social Media Ads

Social media ads play a crucial role in promoting brands and products. On Instagram, and similar platforms like Facebook and TikTok, video ads get around 612% more likes and comments than image ads (Broadcast2World, 2024). Therefore, in these platforms, the focus should be on sharing short length, simple and informative videos introducing BPI Flex. These videos will be placed between posts and stories, capitalizing on the platforms' advanced algorithm to maximize audience reach and engagement, featuring direct links to the App Store or Play Store for easy downloads.

On YouTube, BPI should invest in video ads with engaging and relatable content, featuring real customer testimonials and clear examples of how BPI Flex simplifies everyday tasks. An interesting approach could be to highlight the contrast between using BPI Flex – where the process is smooth, fast, and efficient – and the frustration of navigating complicated, traditional methods.

11.1.1.2. Content Creation

In addition to captivating and informative ads, it is important to focus on content creation and maintaining dynamic social media accounts. Beyond showcasing the main features and

benefits of BPI Flex, different types of content should be posted to maximize engagement. This can start by sharing valuable tips, such as “The best places to visit in Lisbon”, and incorporating humor to make the content more relatable and fun. Videos showing real-life scenarios of someone using the account throughout their day could effectively highlight its convenience and how it simplifies everyday tasks. To keep followers informed and engaged, it is crucial to post fresh, regular content while leveraging these platforms to spotlight key partnerships and exclusive discounts. (Appendix 10)

11.1.2. Influencer Marketing

Influencer marketing has become one of the most popular and effective forms of online marketing, with a market value of \$21.1 billion (Statista, 2023). To harness this potential, the bank could collaborate with international travel and digital nomad content creators currently in Portugal to promote BPI Flex. These influencers would create authentic and engaging content, through social media posts, YouTube videos, and podcasts, sharing their personal experience with BPI Flex, while demonstrating how it facilitates their financial journey in Portugal. By leveraging their reach and credibility, BPI can effectively engage a global audience and increase awareness of the account.

11.1.3. Search Engine Advertising

In today's digital landscape, consumers are increasingly relying on search engines to find all kinds of information due to their convenience and accessibility. To ensure BPI Flex captures the attention of its target audience, it is crucial to leverage search engine advertising. This approach aims to position BPI Flex as the top result when users search for specific queries or keywords such as “How to get a NIF in Portugal”, “Best bank for digital nomads in Portugal”, “D8 visa”, and “SEF appointment”. To strengthen this strategy, BPI should develop a comprehensive and intuitive

website filled with valuable content that meets the specific needs of digital nomads, positioning it as their go-to resource for essential information.

11.1.4. Display Advertising

While search ads drive immediate conversions, display ads foster long-term brand recognition. These are visual-based ads tailored to the user's behavior and search history, displayed across various websites. To effectively capture the user's attention, design eye-catching banners with a clear value proposition, positioning BPI Flex as the ultimate solution. In addition, having a strong call-to-action (CTA) such as "Learn More" or "Download Now" is a key element, guiding the user toward the next step. BPI should target travel platforms like eDreams and Booking.com, accommodation sites such as Airbnb and Idealista, as well as news and articles related to digital nomads or Portugal as a destination. These strategic placements will ensure the ads reach individuals from our target, maximizing relevance and engagement. (Appendix 11)

11.1.5. Partnerships

Collaborating with key platforms like Nomad List and popular Slack communities offers BPI Flex a strategic opportunity to establish itself as the go-to financial solution for digital nomads in Portugal. These trusted networks enable access to a highly engaged audience seeking advice, resources, and connections. By partnering with them, BPI Flex can build its reputation as a reliable financial tool tailored to the unique needs of nomads. Moreover, engaging with these platforms can foster organic content creation, as community members share their experiences with the account, further boosting its credibility. This strategy enables BPI Flex to seamlessly integrate into the digital nomad ecosystem, positioning itself as an indispensable resource for newcomers navigating their financial journey in Portugal. This approach ensures both increased exposure and sustained impact within this dynamic and growing segment.

11.2. Offline Communication Channels

Nowadays, there is the common misconception that offline advertising is no longer effective and that all efforts and resources should be allocated to online channels. However, contrary to this belief, offline advertising continues to play a crucial role in modern marketing strategies (The Total Entrepreneurs, 2024). While the traditional static approach remains relevant, offline advertising is also evolving and merging into the digital landscape (Single Grain, 2024).

Effective advertising requires a strategic blend of digital and traditional methods. While some businesses focus primarily on online channels, combining these with offline efforts can result in more comprehensive and impactful campaigns (The Social Rook, 2024). Adopting a multichannel approach ensures a more holistic marketing experience, as companies can effectively engage with their target across different touchpoints. This integration of both online and offline strategies fosters brand awareness, trust, and consumer interaction, particularly when they complement each other.

11.2.1. Events and Sponsorships

Given that BPI Flex's target audience consists of digital nomads, engaging in global events plays a critical role of its communication strategy. These events provide BPI the opportunity to connect with digital nomads who have not yet moved to Portugal, which represent the majority of potential clients.

As tech savvy and innovation driven individuals, hackathons are often frequented by digital nomads. These are collaborative events that bring programmers, developers, and other tech professionals together to build innovative solutions to specific projects and challenges. Supporting international hackathons would allow BPI to directly engage with this audience, positioning BPI Flex as a forward-thinking, innovative financial solution. This approach would also enhance brand visibility, awareness, and reputation within the tech savvy nomad community.

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In addition to hackathons, sponsoring large-scale global events like Web Summit and Nomad World Fest can significantly amplify BPI Flex's reach. These events attract a wide audience that shares a strong interest in technology, innovation, and global mobility, aligning closely with the of BPI Flex's target demographic. By sponsoring such events, BPI increases exposure and strengthens its brand image as a progressive and dynamic financial institution. Setting up booths and offering interactive experiences provides BPI with the chance to directly interact and connect with potential users, introducing them to the account's unique features and benefits. This visibility fosters trust and recognition among a relevant audience, which can, in turn, drive higher adoption rates for BPI Flex.

To further strengthen its offline presence, BPI can organize tailored meetups, networking sessions, and workshops for digital nomads. These events present an excellent opportunity for the bank to directly introduce BPI Flex to potential clients. Additionally, these gatherings can include presentations that demonstrate how BPI Flex simplifies financial management and addresses the unique needs of digital nomads in Portugal, emphasizing the bank's alignment with their dynamic lifestyle.

11.2.2. Out-of-Home Advertising

According to a study conducted by the Out of Home Advertising Association of America (OAAA), Out-of-home (OOH) methods are between 38% and 86% effective at provoking a consumer response. These phenomenal ratings place OOH among the most influential forms of advertising (OAAA, 2023). For a more detailed analysis, BPI Flex OOH advertising plan has been divided into outdoor and indoor initiatives.

11.2.2.1. Outdoor Advertising

Billboards and urban panels will be placed at key locations frequently visited by digital nomads arriving in Portugal. These locations include areas right outside government institutions

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(SEF, AIMA) and major airports (Lisbon, Porto, Faro, and Funchal), which are critical touchpoints for newcomers. This ensures BPI Flex engages its target audience at pivotal moments during their transition to Portugal. This approach follows a hyperlocal advertising strategy, assuring the message reaches the right person at the right moment. It consists in targeting specific audiences in key geographic areas to deliver highly relevant messages tailored to their needs and preferences (Seen Outdoor, 2023).

The goal is to build early awareness of the account in a way that captures digital nomads' attention. To maximize effectiveness, the messaging should be straightforward and engaging, using humor to connect with the audience, positioning BPI Flex as the ultimate solution for their problems. (Appendix 12)

11.2.2.2. Indoor Advertising

Regarding indoor advertising, BPI Flex will be promoted in high-traffic areas frequented by digital nomads. Insights from our quantitative research (Subchapter 5.1.) revealed that, after their home offices, coworking spaces and coffee shops are the most common places where digital nomads work. Leveraging on these insights, BPI will collaborate with popular establishments to promote BPI Flex through details like branded coffee sleeves or customized Wi-Fi login pages.

Airport advertising has been proven to be a highly effective medium for brands to reach a valuable audience of frequent flyers (Clear Channel Outdoor, 2023). With average dwell times of an hour plus, the airport offers unique opportunities to connect consumers with brands. A study conducted by Clear Channel Outdoor, one of the world's largest OOH advertising companies, revealed that over half (56%) of frequent flyers recalled ads after seeing them in the airport, with nearly half (49%) taking action afterward. Actions included visiting a brand's website (47%), downloading an app (36%), and sharing with others (26%) (Clear Channel Outdoor, 2023). As

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frequent travelers, digital nomads align perfectly with the audience mentioned above, placing airports as crucial locations to promote BPI Flex.

In addition to traditional billboards and posters, BPI should incorporate guerrilla marketing strategies. It consists in unconventional, creative, and out-of-the-box tactics designed to generate maximum exposure and impact for a specific offering or brand. It is usually a low-cost strategy that can be highly effective in building brand awareness when executed properly. Within an airport, there are countless ways BPI can implement this strategy. For instance, when passengers face the choice between taking the stairs or the escalator, since most travelers carry luggage, the escalator becomes the more practical option. BPI can take advantage of this situation by presenting BPI Flex as the fast and easy solution, customizing the escalator entrance to resemble the app's login page. In contrast, the stairs could represent the tedious and time-consuming bureaucratic process that digital nomads face upon arriving in Portugal. This comparison would highlight BPI Flex's value in providing hassle-free and efficient solutions tailored to the unique needs of digital nomads.

11.3. Direct Customer Acquisition Strategy

To attract new customers and enhance the awareness of BPI Flex, a direct customer acquisition strategy was defined. It focuses on three core initiatives designed to effectively expand the user base and increase market penetration.

Within specific promotional periods, BPI will offer **welcome bonuses** to new customers as an incentive for creating an account. These bonuses may either be cash, with the bank depositing €30 into the newly opened accounts, or plan upgrades. Here, clients can opt for two months of the Digital Plus Account for free or a 50% discount on the Digital Premium Account for the first two months.

Additionally, BPI will organize **exclusive competitions** for BPI Flex users, offering appealing rewards to incentivize others to sign up and participate. A potential idea could be a Travel

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Photo Contest. In this contest, BPI could encourage users to share their travel experiences in Portugal on social media, tagging BPI Flex. The most creative or engaging post would win a premium prize, such as a paid weekend getaway or a coworking space membership. Beyond attracting new customers, these competitions encourage user-generated content, acting as a powerful organic marketing tool. By leveraging the social networks of participants, it further enhances brand visibility, extending BPI Flex reach across a broader audience. (Appendix 13)

BPI will implement a **referral program** to incentivize existing clients to refer friends and family in exchange for rewards. Active throughout the year will be the Dual Incentive Referral. Users will be able to generate a code or link in BPI Flex app to share with others. When a new account is activated using that code or link, both the referrer and the referred user will receive €25 on their respective accounts. During specific periods, clients will have the opportunity to participate in the Leaderboard Challenge. This is a time-limited campaign designed to reward customers who refer the most users with prizes, such as premium memberships. These strategies not only drive customer acquisition but also foster loyalty and brand advocacy, creating a mutually beneficial cycle of growth and engagement.

12. Business Case

To evaluate BPI Flex's financial viability, revenues and costs for development, implementation, and maintenance must be estimated. This analysis enables using financial metrics such as Payback Period, Net Present Value (NPV), and Internal Rate of Return (IRR) to measure the product's performance and profitability over time.

For this analysis, the initial year was designated as "Year 0", reflecting its status as a partial operational year, given that the MVP will only become available four months after the project's kick-off. Accordingly, revenue projections for this period account for only eight months rather than a full year.

12.1. Account Volume

Our initial approach focused on computing the expected volume of active accounts throughout the analysis period, serving as the foundation for our revenue projections.

To project the evolution of long-term digital nomads arriving in Portugal, we depart from the previously computed figure for long-term digital nomads in Portugal. However, given the lack of official data and variability of available values, the growth rate of U.S. digital nomads was adopted as a proxy for the growth rate of the Portuguese digital nomad community. A constant growth rate of 5.3%, corresponding to the CAGR of U.S. digital nomads between 2021 and 2024, as reported by MBO Partners (2024), was applied to this segment. The resulting figures are presented in Table 9:

Year	0	1	2	3	4	5
Long-Term Digital Nomads arriving to Portugal	5 353	5 637	5 936	6 251	6 582	6 932
Weighted Average of % of Long Term DN opening a bank account in Portugal	75,69%	75,69%	75,69%	75,69%	75,69%	75,69%
Long Term Digital Nomads Opening a Portuguese Bank Account	4 052	4 267	4 493	4 731	4 982	5 247

Table 3 – Long-Term Digital Nomads arriving to Portugal

This approach is supported by the significant representativeness of U.S. digital nomads, who comprise 46% of the global digital nomad population in 2024 (Statista, 2024) and account for the highest number of digital nomad visas granted in Portugal as of 2024 (Immigrant Invest, 2024). Furthermore, the analysis focused on the period from 2021 onwards, as digital nomadism is a relatively recent phenomenon that experienced substantial acceleration in 2020 due to the COVID-19 pandemic (MBO Partners, 2020). This global shift towards remote working further expanded the population of digital nomads, rendering earlier periods less relevant and more likely to yield overestimated projections.

It is further assumed that 45% of digital nomads who open a bank account in Portugal will retain their account for two years. This assumption is based on the observed patterns in digital nomads' behavior regarding the duration of their stays in chosen destinations. According to Statista,

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in 2023, 5.5% of digital nomads stayed in a destination for 8 to 12 months, while 4.5% remained for over a year. These figures allowed us to compute the proportion of long-term digital nomads staying over a year relative to those staying more than eight months, which served as a proxy for this assumption.

Moreover, it was assumed that the average percentage of digital nomads opening a bank account in Portugal, would remain constant over time. BPI Flex was then projected to achieve a customer market share of 20% in its first full operational year. As BPI will become the first incumbent bank to introduce online account opening through video selfie authentication and would offer a product specifically tailored to this segment, we advocate an outlook where it secures a client market share, approximately 7% higher than its current 12.88% share within the Citizen profile². However, a gradual 10% annual decline in customer market share is anticipated until it stabilizes at BPI's natural share since that competitive advantage is likely to be lost over time as other banks catch up, together with the competition of Revolut which is expected to be granted a banking license in Portugal shortly (Expresso, 2023).

Finally, the distribution of account types was determined using survey data and insights from BPI's Citizen segment and adjusted to reflect the unique characteristics of BPI Flex. The share of no-fee accounts was set at 38.25%, consistent with the proportion of individuals opting for no-fee bank account options in Portugal, as indicated by our survey results. This represents the baseline demand for essential banking services. Additionally, the percentage of Citizen clients within the Citizen segment, 18.25%, was initially used as a benchmark for the Premium account share. However, instead of maintaining the rate of approximately one in five customers choosing the

² **Citizen Definitions:** The **Citizen Profile** refers to individuals of legal age, Sole Proprietors (ENIs), and Freelancers (PLs) with a personal-use account of foreign nationality, whether residents or non-residents in Portugal. The **Citizen Segment** includes all BPI clients who possess a Citizen Profile, regardless of whether they hold a Citizen account. A **Citizen Client** refers specifically to a BPI client who has a Citizen account

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Premium over the Plus account, it was assumed that two in five would choose it due to the added benefits of upgrading from the Plus to the Premium account being perceived as significantly more valuable than the differences between a BPI *Valor* account and a Citizen account, capturing the enhanced appeal and value proposition of the Premium tier for digital nomads.

Considering the assumptions and reasoning outlined above, the projected account volume for the analysis period is depicted in Table 10:

Year	0	1	2	3	4	5
Digital Free Account	331	366	347	329	312	295
Digital Plus Account	265	293	277	263	249	236
Digital Premium Account	176	195	185	175	166	157
Total Accounts Opened	772	854	809	767	727	689
Retained Free Accounts	0	149	165	156	148	140
Retained Plus Accounts	0	119	132	125	118	112
Retained Premium Accounts	0	79	88	83	79	75
Total Accounts	772	1003	974	923	875	829

Table 4 – Projected Accounts Volume for BPI Flex

12.2. Revenue Projection

After estimating the account volume, revenue projections were conducted for Digital Account operations, commissions earned through Seamless Bureaucracy services, and commissions derived from long-term rentals facilitated by the Housing platform.

When projecting revenues from the **Digital Account**, it is necessary to consider the differences and similarities across the three account types. **Debit card commissions** were calculated as two-thirds of the monthly credit card commission, reflecting the difference in interchange fees, with debit cards at 0.2% and credit cards at 0.3% per transaction, as outlined by Merchant Savvy (2024). This estimation was based on the average monthly credit card commission within the Citizen segment, €4.97 for Free and Plus accounts. In contrast, for Premium accounts, the credit card commissions of Citizen accounts were used as a reference, €6.73. These values imply a monthly expenditure of €1,657 and €2,243 for the Citizen segment and Citizen clients. Given that these amounts exceed the average cost of living in Portugal (Remote Year, 2022), it was

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assumed that clients using credit cards would disregard debit cards, focusing their transactions exclusively on credit cards. A similar methodology was applied for **life and non-life insurance**, using the average monthly commission values for the Citizen segment (€4.00 and €26.00, respectively) and its 2% and 12% penetration rates. However, these rates were adjusted according to the account type, reduced by 50% for Free accounts and increased by 50% for Premium accounts to reflect expected demand differences. For **investment funds**, a penetration rate of 0% was assumed across all account types, as survey data indicated minimal interest in investment options among digital nomads, with only 1 out of 28 respondents citing it as a key factor in the choice of bank.

For **physical debit card requests** associated with Free accounts, an educated guess was made to set the penetration rate at 30%. This decision was necessary due to the lack of supporting data and reflects the practical challenges of not having a physical card, such as older POS terminals requiring physical payments.

For Plus accounts, clients may opt for a credit card for an annual fee of €20. A penetration rate of 25% was assumed, consistent with the credit card adoption rate observed in the Citizen segment.

In conclusion, the Plus and Premium accounts are associated with three additional income streams. **Maintenance fees** were set at €5.99 monthly for Plus accounts and €11.99 monthly for Premium accounts. The penetration rate for both account types was aligned with the Citizen segment average to project revenues from credit card commissions. For Plus accounts, the average monthly credit card commission matched the Citizen segment average, while Premium accounts corresponded to the Citizen client average. Regarding **extra debit card fees**, this product was excluded from the analysis with a 0% penetration rate, as its perceived value is minimal and its overall impact on profitability is negligible.

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In reference to the revenues arising from **Seamless Bureaucracy**, BPI will charge a 10% commission fee to Bordr and Yon for every service granted via BPI Flex. Furthermore, when estimating revenues, conversion rates were adjusted according to the nature of the service and the type of account. A 0% conversion rate for NISS services was assumed, as these are primarily relevant for individuals seeking to work for or open companies in Portugal, a scenario unlikely for our target. Similarly, a 0% conversion rate was applied to lite and standard tax filing services, as they exclude employment and self-employment income, which is typical among digital nomads. For other services, a base conversion rate of 2.3% was set for Free accounts, reflecting the global average conversion rate for online shoppers using mobile devices in 2023 (Statista, 2023). This rate was increased by 3-p.p. for Plus accounts and 6-p.p. for Premium accounts, accounting for the additional discounts these tiers provide, as explained in Subchapter 9.1..

Lastly, BPI will generate revenue from the **Housing** platform by charging a 5% commission on every long-term rental, defined as leases of at least six months. To estimate the volume of this stream, it was necessary to compute the average monthly price of a YON room for long-term rentals, which was determined to be €1,454.53. Then, two key assumptions were made: first, the average stay for BPI clients was estimated to be one year, directly influencing the second assumption regarding the conversion rate. The conversion rate was set at 1.16%, half the conversion rate of 2.32% observed for Airbnb accommodations targeting remote workers and digital nomads equipped for extended stays with work amenities (Focus Digital, 2024). This reduction accounts for the longer commitment of a one-year stay, which may lead to more thorough research and fewer conversions.

Considering all factors, BPI Flex is projected to generate total revenues of **€964.669,09** over the six-year analysis period (Appendix 14). While the contributions from Seamless Bureaucracy and Housing, accounting for 6.39% and 3.83% of total revenues, respectively, are less

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substantial than those from the Digital Account, these features are integral to the comprehensive digital ecosystem offered by BPI Flex. They enhance the product's overall value proposition, serve as key drivers for attracting new customers, and improve customer satisfaction.

12.3. Cost Estimation

The analysis timeline was divided into two phases to streamline the cost estimation process. The **project phase**, referred to as "Year 0", encompasses app and API development and costs associated with implementation, testing and initial product promotion. This is then followed by the **post-project phase**, beginning in "Year 1", the first fully operational year of BPI Flex. During this phase, the focus shifts to maintaining app functionality, enhancing user experience, and expanding the BPI Flex brand within the target segment. This structured framework (Appendix 15) offers a clear and systematic approach to assessing costs across the product lifecycle.

Costs are categorized into **variable**, **fixed**, and **upfront costs** to facilitate the analysis of expenses over time. **Upfront costs** include all expenses incurred until the product's full implementation, excluding the marketing and communication expenses associated with promotional activities. To ensure the accuracy of all costs – except for labour costs per hour used to calculate personnel expenses – were discussed and validated in collaboration with the client's advisor. Labour costs per hour were determined through a benchmarking analysis of the Portuguese market and subsequently approved by the client's advisor.

For a viable cost estimation, the project timeline was used as the foundation for our projections. Based on the client's advisor's guidance, we allocated a €25,000 expense to conduct thorough **market and focus group research**. Although our group conducted extensive research, BPI will require additional professional research to validate our hypotheses and gather more profound insights into the digital nomad segment. This step ensures reliability and necessary adjustments to optimize the product's success, creating a solid foundation for implementation.

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The **development of the BPI Flex app** entails two primary expenses. The first is the app development, estimated at €102,180.00. This figure was computed considering that BPI would outsource a dedicated team comprising a Back-End Developer, Front-End Developer, UX/UI Designer, QA Engineer, Cybersecurity Specialist, and DevOps Engineer, all working full-time on the project – 8 hours per day, 5 days per week – as outlined in Subchapter 10.4.. The second expense pertains to the in-house development of **partnership APIs**, with BPI estimating an investment of €10,000 per API.

As BPI Flex is a distinct product with its own identity, it requires support from other departments to ensure seamless implementation. The project will be overseen by a full-time project manager from the DIN responsible for technological development and another from the DMPN accountable for strategy execution. Additional cost contributors include professionals from other BPI departments who will assist with this project. These include designers tasked with branding and visual identity, IT specialists managing system integration, security measures, and testing, and experts from the Legal & Compliance department ensuring compliance with banking regulations and GDPR. Moreover, customer support training costs are also included to provide tailored assistance and enhanced customer support, which was identified in our survey as the most desired improvement by digital nomads for their banking experience in Portugal.

Lastly, to establish BPI Flex in the market, BPI defined a budget of €120,000.00 for the first year to build brand awareness and position the product within the target segment. It is also important to note the inclusion of costs associated with a team of marketing professionals from the BPI Marketing Department, who will collaborate with project managers to develop and implement the marketing strategy. Furthermore, the costs related to app maintenance are also accounted for in the initial year, covering the period from when the product becomes fully operational until the end of the year.

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Post-project costs will primarily consist of fixed expenses, the most significant being an annual marketing and communication budget of €60,000 to maintain brand visibility and attract incoming digital nomads. Nevertheless, support from the marketing department to define and implement the marketing strategy will also be accounted for. Beyond marketing expenses, the analysis also considers legal and compliance costs, and the dedicated team assigned to the project. In line with BPI's approach with Citizen, this team will include a Project Manager from DMPN and an Analyst from DIP who will oversee this segment. To conclude the fixed costs, we estimate a constant annual €10,0512.00 cost for IT maintenance of the app and APIs, covering bug fixes, performance monitoring, and updates to ensure optimal user experience.

Finally, variable costs were also considered. Based on the client advisor's recommendations, these include the one-time cost incurred by BPI for each account opened and the annual expense of outsourcing living solutions services offered to Premium accounts.

Considering all these factors, the total projected investment for BPI Flex a six-year analysis period amounts to **€946,580.69** (Appendix 16). The initial year incurs significantly higher costs due to upfront development expenses, while subsequent years stabilize at an average annual cost of approximately **€109,000.00**, as illustrated in Figure 12.

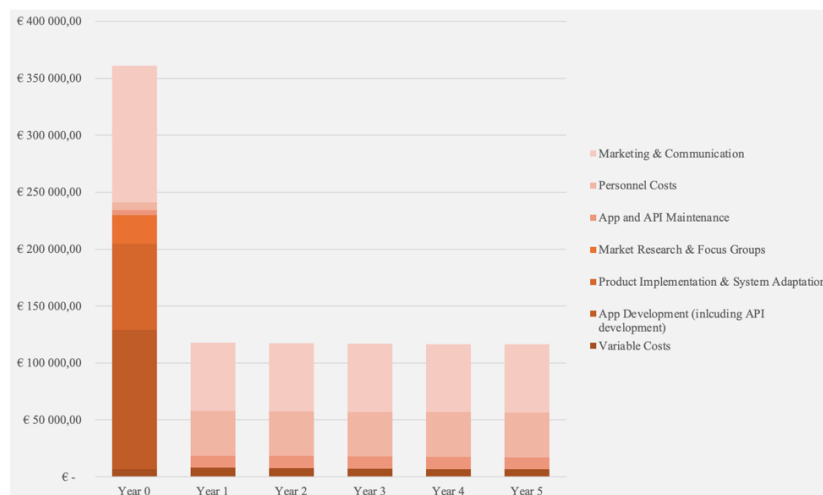


Figure 3 – Cost Evolution of BPI Flex

12.4. Investment Decision

To evaluate the product's profitability, three key financial metrics were employed (Appendix 17). First, the **Payback Period**, which does not account for the time value of money, indicated that BPI would take approximately **five years and six months** to break even after the project's kick-off. This extended timeframe raises significant concerns about the product's attractiveness, particularly given the unpredictability of the digital nomad segment. Second, the **NPV**, calculated using a 10% discount rate as the client's advisor recommended, yielded a negative result of **-€47,565.10**, further demonstrating that the product would not be viable. Third, the **IRR** was determined to be **2.36%**, highlighting not only the necessity for a discount rate much lower than 10% to achieve viability but also the limited financial attractiveness of the investment. These metrics underscore that developing a product exclusively targeting the digital nomad segment is not a feasible strategy for BPI. The segment's limited client loyalty, short lifecycle, and low overall representativeness diminish its profitability potential, making the investment difficult to justify the risk. Based on these results, we must conclude that the answer to the research question is negative, as the financial risks and returns do not support the viability of pursuing this investment.

However, as an alternative solution, we propose a strategy inspired by initiatives from other incumbent banks such as HSBC. Instead of a standalone product, BPI could enhance its Citizen account by integrating the Seamless Bureaucracy and Housing platforms into a dedicated section within the BPI app for Citizen clients. This approach would expand the digital ecosystem for foreign clients and leverage existing infrastructure, thereby significantly reducing implementation costs.

Building on the business case for BPI Flex, we projected revenues and costs for this alternative strategy (Appendix 18) by focusing exclusively on marginal costs and revenues. Under this adjusted framework, the **NPV** was calculated at **€157,022.00** considering only the digital

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nomad segment. Most assumptions from the original BPI Flex model were retained. However, two key adjustments were made. The Year 1 customer market share was set to align with the current customer market share of Citizen clients within the Citizen profile segment, increased by 2-p.p. to reflect the benefits of online onboarding and the tailored digital ecosystem. Additionally, the conversion rates were adjusted to match those of the Plus account. These refinements ensured a more accurate and realistic projection aligned with the revised strategy.

While this recommendation diverges from BPI's original scope, it represents the most practical and viable solution. By optimizing existing resources and addressing both the digital nomad and broader Citizen segments, BPI can implement a cost-effective strategy that aligns with its long-term objectives and maximizes return on investment. Furthermore, a sensitivity analysis (Appendix 19) conducted on the Citizen segment suggests that this investment could yield even greater returns if effectively targeted at both segments.

13. Limitations, risks and further research

13.1. Limitation & Risks

In the development of this project aimed at creating a product to target digital nomads for BPI, it is crucial to acknowledge the limitations and risks associated with our research methodology. This chapter explores the constraints and potential biases encountered and reflects on how these factors may have influenced the findings and conclusions.

The Banking Sector and its Digital Nomad Segment

A significant limitation of our research is the lack of official data on digital nomads. This absence of reliable and consistent data makes it difficult to ensure the accuracy and integrity of our findings, limiting confidence in our conclusions. Our analysis relied heavily on assumptions due to data gaps. While assumptions are necessary, they introduce risks, as they may not always reflect the reality of digital nomads' behaviors, impacting the reliability of our projections.

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The survey we conducted had a low sample size. This limited sample reduces the generalizability of our insights, making it difficult to draw definitive conclusions about the broader digital nomad segment. We also relied on extrapolating global data to the Portuguese context, which may not fully apply. The preferences and behaviors of digital nomads can differ by location, so more localized data is needed for more accurate insights.

Our analysis overlooked the possibility that digital nomads hold multiple bank accounts. Many nomads may use several banks, which could affect their deposit behavior, but this factor wasn't considered, reducing the accuracy of our analysis.

Assessing digital nomads' income is challenging due to the segment's diversity. With varying professions and income levels, it's difficult to estimate a uniform financial profile, introducing uncertainty into our financial projections.

Revenue projections were based on BPI's internal data, which may not represent the broader banking market. This reliance on BPI's sources risks overestimating or underestimating potential revenue from other financial institutions. Our analysis of non-financial services was limited by focusing on just two neobanks. Assuming the price difference between basic and premium plans covers non-financial services might oversimplify the actual market, leading to biased conclusions.

Credit and wealth management services were excluded from our analysis, despite their potential importance. These services could be valuable to digital nomads, but due to the complexity of estimating their demand, we did not study them, limiting the scope of our research.

Quantitative & Qualitative Research

The quantitative research phase faced several challenges, primarily due to the constraints in data collection and sample size. Despite efforts to ensure the survey reached a diverse group of digital nomads, only 41 responses were received. This small sample size is significantly limited

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when compared to the global population of digital nomads, reducing the representativity of the findings. Moreover, the survey responses exhibited a bias in the demographics of the participants. Most respondents reported having spent over two years in Portugal, which deviates from the typical characteristics of digital nomads who frequently relocate and explore various countries. This bias potentially skews the insights towards a specific subset of digital nomads, thereby limiting the applicability of the findings to the broader segment.

Time and access constraints further hindered the ability to achieve a more representative sample. The survey lacked adequate demographic, geographical, and behavioral diversity. With a wider timeframe for data collection and enhanced access to diverse digital nomad networks, a larger and more representative sample could have been achieved. This would have resulted in conclusions with higher accuracy and reduced margins of error.

The qualitative research component primarily relied on open-ended questions embedded within the survey, as in-depth interviews were not feasible due to difficulties in reaching this target audience. While the open-ended responses provided valuable insights, the reliance on this method introduced several limitations. The open-ended questions received only 15 responses, supplemented by a few private conversations with digital nomads. This limited sample size may not adequately capture the full range of perspectives within the digital nomad segment. Furthermore, the responses revealed different needs based on the geographical origin of participants, such as European respondents versus those from other regions. This geographic skew in the responses could lead to an incomplete understanding of the diverse experiences and viewpoints of digital nomads across the globe.

The design of the survey questions may have inadvertently influenced the responses. For instance, the phrasing of certain questions and their placement in relation to earlier questions could have guided participants toward specific answers. This could affect the authenticity or depth of

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some responses, reducing the reliability of the insights. Additionally, participants may have been unconsciously influenced by external factors or personal biases, further complicating the interpretation of the data. It is plausible that the individuals who responded, while representing specific personas, may not reflect the majority within their respective categories. This discrepancy could significantly impact the applicability of the insights, as the project might have encapsulated only a fraction of the total segment's perspectives.

MVP development and project timeline

During the development of MVP, several limitations and risks were identified, stemming from both the feature ideation process and the challenges of estimating the software development timeline. The ideation of product features faced inherent challenges due to a lack of technical expertise within the team. Consequently, the proposed features tended to remain high-level and conceptual rather than being grounded in specific technical implementations. Ideally, feature development and prioritization should be a collaborative process involving project managers, product managers, developers, and designers. In this project, however, only the role of product managers was represented, leaving gaps in technical input that could impact the feasibility and robustness of the feature set.

Predicting the software development timeline posed significant difficulties, as the technology landscape is inherently dynamic, complex, and uncertain. During consultations with the BPI DNI team and the software engineer, critical variables necessary for accurate estimation were unavailable. These included the size and composition of the development team, whether pre-developed templates or entirely new features would be utilized, regulatory or licensing restrictions that could impact development, and the availability of completed design assets. In the absence of this information, several assumptions were made to advance the project. These included a development team comprising six specialized roles, a combination of new development and

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adaptation of pre-existing features, no significant regulatory or licensing constraints, and fully prepared design plans. However, these assumptions introduce risks, as deviations from them could significantly alter the development timeline. Additionally, in certain instances, expert input on feature-specific development was limited, potentially leading to underestimations of complexity.

Regulatory factors, particularly those concerning data sharing between financial institutions, may also impose delays. Another notable limitation was the assumption that all proposed features would pass validation seamlessly. This optimistic outlook overlooks the possibility of feature rejections, which could necessitate a step back in the development process and lead to significant delays. While some features may benefit from leveraging pre-developed components, others might require building from scratch, adding further variability to the timeline. Lastly, the need for additional market research and exploration of product implications could further extend the development timeline. Comprehensive market analysis and feedback integration are critical to refining the product, but these processes require significant time and resources.

Business Case

Several critical aspects of the business case are built upon assumptions or educated guesses, including penetration rates, conversion rates, market share projections, and average monthly commissions, all of which inherently introduce a degree of uncertainty. For example, using global online shopper data to estimate conversion rates for Seamless Bureaucracy services lacks geographical and industry specificity, failing to account for regional and contextual factors that could significantly influence these values. Similarly, relying on Citizen clients and Citizen segment data as proxies for the digital nomad segment may lead to inaccuracies, as these groups are not entirely aligned and may demonstrate distinct behavior and preferences.

Limitations are also evident in the cost analysis. The expert who supported this process needed more detailed insight into the extent to which existing resources within BPI could be

leveraged, potentially inflating cost estimates and affecting the reliability of the financial projections. Furthermore, the NPV calculation was constrained by the six-year analysis timeframe and did not include a terminal value. While simplifying the evaluation, this approach may have overlooked the potential long-term profitability of the project, thereby underestimating its overall financial impact.

13.2. Further Research

While these limitations introduce constraints on the reliability and generalizability of the research findings, they also highlight areas for improvement in future studies. By leveraging BPI's marketing resources, larger-scale market tests and comprehensive analyzes could mitigate some of these limitations. For instance, conducting focus groups with diverse participants from multiple regions could provide a richer understanding of digital nomad needs and preferences. Furthermore, employing advanced research methodologies, such as longitudinal studies and structured interviews, could further enrich the quality and scope of insights, offering a more nuanced understanding of this dynamic segment.

Expanding the data collection period and employing targeted outreach strategies to underrepresented digital nomad subgroups could also improve sample diversity. This would enable the inclusion of a wider range of demographic, geographic, and behavioral patterns, enhancing the overall representativity of the findings. Such measures would strengthen the foundation for future research and contribute to a more robust understanding of the digital nomad segment.

Building on these advancements, future research on this topic could expand upon the findings of this thesis by exploring the potential impact of enhancing the Citizen digital ecosystem on BPI's broader client base. How integrating services like Seamless Bureaucracy and the Housing platform within the Citizen segment influences customer acquisition, retention, and satisfaction could uncover opportunities to strengthen BPI's market position. While this research would be

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invaluable, it is essential to acknowledge the constraints posed by BPI's somewhat rigid technological platform, which may require significant adjustments to accommodate such enhancements. Nevertheless, assessing the alignment of these improvements with BPI's strategic objectives and their contribution to customer loyalty and brand differentiation could provide valuable insights for future initiatives. By quantifying the benefits of a more robust digital ecosystem, such research could guide BPI in optimizing resources and expanding its offerings to address the needs of its clients more effectively, ensuring alignment with evolving market trends.

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15. Appendix

Appendix 1. The key variable themes of digital nomadism (Dave Cook, 2023)

DIGITAL NOMADS

THE KEY VARIABLE THEMES

Autonomy

Highly value autonomy and choice over travel location and frequency. They also value autonomy over other aspects of their lives

Homebase practices

Do not work from a single homebase. They travel and work from three, or more, locations a year (apart from their own homebase, or the homes of family and friends).

Domestic vs. transnational travel

Desire cross-border travel and work but this is not a definitive requirement. Researchers should clearly signal whether digital nomads are travelling domestically or internationally.



Legal legitimacy

Travel and work legitimately and illegitimately. Legal legitimacy around visas, residency, tax and other legalities requires attention from researchers. The labels 'legitimate' and 'illegitimate' digital nomad are category distinctions.

Work-life integration vs. work-life balance

Seek to improve their quality of life. Work-life balance and work-life integration are two related yet distinctive digital nomad ideologies and are category distinctions.

Coworking space usage

May use coworking spaces to ameliorate loneliness, forge community and manage work-leisure boundaries. New types of coworking spaces catering for new categories of digital nomads are emerging.

Appendix 2. Survey Questions (made by authors)

Digital Nomads in Portugal

Thank you for taking the time to participate in our survey.

We are a group of students from Nova School of Business and Economics (Nova SBE), conducting this survey as part of our thesis research. Your participation is greatly appreciated and will play a pivotal role in helping us gather valuable insights and data about the digital nomad community living in Portugal. Please only complete this survey if you are part of this group.

Our goal is to enhance the experience of digital nomads in Portugal by collecting data on current offerings, preferences, behaviors, and main challenges. The survey should take approximately 5 minutes to complete. All responses will remain confidential and anonymous.

Thank you for your valuable contribution.

* Indicates required question

Personal Information

1. **Age: ***

Mark only one oval.

18-25

26-35

36-45

46-55

56-65

+65

Group Part

2. **Gender: ***

Mark only one oval.

- Male
 Female
 Other

3. **Which country are you from? ***

4. **Employment Status: ***

Mark only one oval.

- Employed
 Freelancer
 Start-up founder
 Other: _____

5. **Targeted length of stay in Portugal: ***

Mark only one oval.

- Less than 6 months
 6 months to 1 year
 1 to 2 years
 More than 2 years

6. **Which of the following locations is closest to where you live? ***

Mark only one oval.

- Ericeira
 Faro
 Lagos
 Lisbon
 Madeira
 Portimão
 Porto
 Other: _____

Group Part

7. **I moved to Portugal _____ ***
(Select the option that best describes your situation)

Mark only one oval.

- Alone
- With my family
- With my family (including children)
- With a friend(s)

Making the Decision

8. **What motivated you to become a digital nomad? ***
(Select up to 3)

Check all that apply.

- Desire for travel and adventure
- Escape from traditional work environments
- Flexibility and freedom
- Lower cost of living
- Technological advancements
- Professional growth and opportunities
- Other: _____

9. **Why did you choose Portugal as your destination? ***
(Select up to 3)

Check all that apply.

- Climate
- Community and social life
- Cost of living
- Healthcare services
- Infrastructures
- Networking opportunities
- Safety
- Time zone differences
- Visa and legal requirements
- Other: _____

Moving to Portugal

Group Part

10. How would you describe your experience with the following aspects before moving to Portugal? *

Mark only one oval per row.

	Terrible	Poor	Fair	Good	Excellent
Health insurance and medical preparations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Securing accommodation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Visa and legal paperwork	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Understanding local tax regulations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11. Please provide additional insights regarding your experience with the topics covered in the previous question, if possible.

12. If applicable, what type of insurance did you acquire upon moving to Portugal?

(Select all that apply)

Check all that apply.

- Burglary Insurance
- Car Insurance
- Health Insurance
- House Insurance
- Travel Insurance
- Other: _____

Daily Life

Group Part

13. How challenging was to deal with the following aspects while living in Portugal? *

Mark only one oval per row.

	Easy	Manageable	Moderate	Complicated	Hard
Bureaucracy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost of living	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Healthcare services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Language barrier	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Life	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Safety	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Work related conditions (internet reliability and speed, working spaces)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

14. Please provide additional insights regarding your experience with the topics covered in the previous question, if possible.

Daily Life - Accommodation

Group Part

15. **What type of accommodation are you currently living in? ***

Mark only one oval.

- Apartment (renting)
- Hostel
- Hotel
- Shared house or flat
- Other: _____

Daily Life - Transportation

16. **What is your primary mode of transportation in your city? ***

(Select up to 2)

Check all that apply.

- Personal car
- Public transportation (bus, metro, train)
- Rental car
- Rental electric scooter/bicycle (Lime, Bird, Gira)
- Ride-hailing services (Uber, Bolt)
- Walking

Daily Life - Place to Work

17. **Where do you primarily work from? ***

(Select up to 2)

Check all that apply.

- Coffee shop
- Coworking space
- Home office
- Public spaces (library, park)
- Other: _____

Group Part

18. What are the most important factors when choosing a working space? *

(Select up to 3)

Check all that apply.

- Cleanliness and safety
- Community and networking opportunities
- Cost
- Infrastructures (meeting rooms)
- Internet connection (speed, safety, quality)
- Location
- Schedule
- Other: _____

Daily Life - Entertainment

19. Which activities do you enjoy the most while living in Portugal? *

(Select up to 3)

Check all that apply.

- Attending workshops or networking events
- Attending concerts/live events
- Dining at restaurants/cafes
- Engaging in outdoor activities (hiking, biking)
- Exploring local attractions/museums
- Going to bars/pubs
- Taking day trips/weekend getaways
- Taking fitness classes/going to the gym
- Other: _____

Daily Life - Finances

20. What is your monthly net income, in Euros? *

Mark only one oval.

- < 1500€
- 1500€ – 3000€
- 3001€ – 4500€
- 4501€ – 6000€
- > 6000€

Group Part

21. **How much do you spend on average per month, in Euros? ***

Mark only one oval.

- < 1000€
- 1000€ – 1500€
- 1501€ – 2000€
- 2001€ – 2500€
- 2501€ – 3000€
- 3001€ – 3500€
- 3500€ – 4000€
- > 4000€

22. **What financial services do you currently use? ***

(Select all that apply)

Check all that apply.

- Credit card
- Insurance
- Investments
- Loans
- Mortgage
- Savings account
- Other: _____

23. **Did you open a new bank account after moving to Portugal? ***

Mark only one oval.

- Yes *Skip to question 24*
- No *Skip to question 30*

Group Part

For Those Who Opened a New Bank Account in Portugal

24. **Why did you open a bank account? ***

(Select up to 3)

Check all that apply.

- Access to credit
- Access to local services (paying utilities and monthly bills)
- Currency exchange
- Day to day payments
- Visa requirements

25. **How much of your monthly income do you deposit in your Portuguese account? ***

Mark only one oval.

- 10%
- 20%
- 30%
- 40%
- 50%
- 60
- 70%
- 80%
- 90%
- 100%

26. **Which bank did you choose? ***

Mark only one oval.

- ActivoBank
- Banco BPI
- Banco Santander Totta
- Caixa Geral de Depósitos
- Millennium BCP
- Moey!
- Novo Banco
- N26
- Revolut
- Other: _____

Group Part

27. **Which features did you value the most when choosing your new bank account? ***

(Select up to 3)

Check all that apply.

- Accessibility (ATMs, branches)
- Customer service
- Digital onboarding (online account opening)
- Investment options
- Low international transaction fees & commissions
- Multi-currency support & competitive exchange rates
- Non-financial services (partnerships and discounts)
- Online and mobile banking features
- User-friendly app
- Other: _____

28. **Which non-financial services do you value the most from your bank? ***

(Select up to 3)

Check all that apply.

- Loyalty Programs (rewards, points)
- Insurance Products (travel, health, life)
- Travel Benefits (airport lounge access, travel discounts)
- Subscription Services (streaming, magazines)
- Shopping Discounts (partner retailers, cashback offers)
- Educational Resources (financial literacy programs, webinars)
- Other: _____

29. **What could be improved in your current bank to better serve your needs? ***

(Select up to 3)

Check all that apply.

- Accessibility (branches)
- Better currency exchange rates
- Better customer service
- Credit products
- Easiness to open the account
- Lower fees
- More online features
- Investment options
- Partnerships & discounts
- Other: _____

Skip to question 33

Group Part

For Those Who Did Not Open a New Bank Account

30. **What benefits or features does your current bank offer that have been useful during your stay in Portugal?** *

(Select up to 3)

Check all that apply.

- Customer service
- Investment options
- Low international transaction fees & commissions
- Multi-currency support & competitive exchange rates
- Non-financial services (partnerships and discounts)
- Online and mobile banking features
- User-friendly app
- Other: _____

31. **Which non-financial services do you value the most from your bank?** *

(Select up to 3)

Check all that apply.

- Loyalty Programs (rewards, points)
- Insurance Products (travel, health, life)
- Travel Benefits (airport lounge access, travel discounts)
- Subscription Services (streaming, magazines)
- Shopping Discounts (partner retailers, cashback offers)
- Educational Resources (financial literacy programs, webinars)
- Other: _____

Group Part

32. **What have been your biggest challenges related to banking while living in Portugal?** *

(Select up to 3)

Check all that apply.

- Access to credit
- Currency exchange issues
- High transaction fees
- Limited access to local services
- Limited online features
- Poor customer service
- Security concerns and blocked cards
- Withdrawal limitations
- Other: _____

Feedback and Suggestions

33. **Do you have any suggestions for improving the experience of digital nomads in Portugal?** *

34. **Would you be interested in participating in a follow-up interview to discuss your experience in more detail?** *

Mark only one oval.

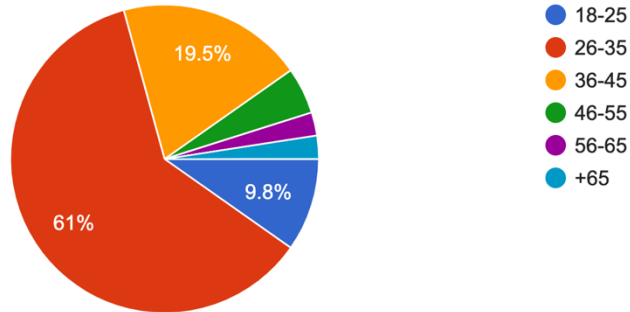
- Yes
- No

Group Part

Appendix 3. Survey Results

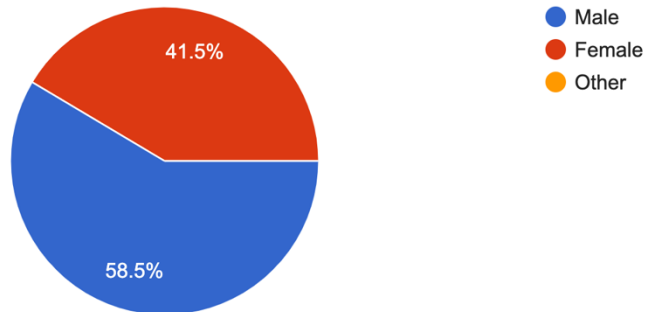
Age:

41 responses



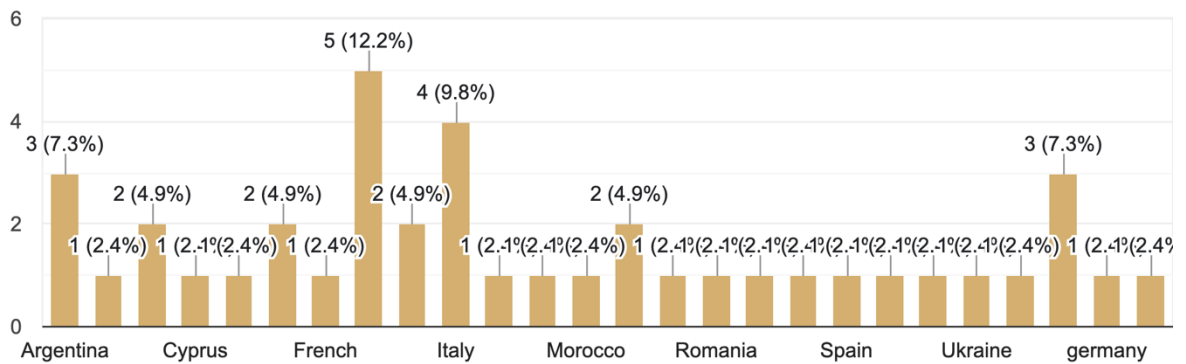
Gender:

41 responses



Which country are you from?

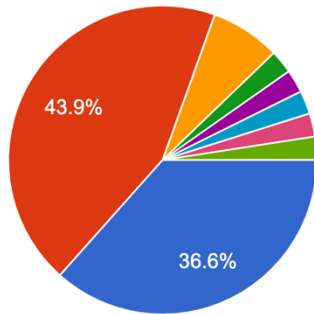
41 responses



Group Part

Employment Status:

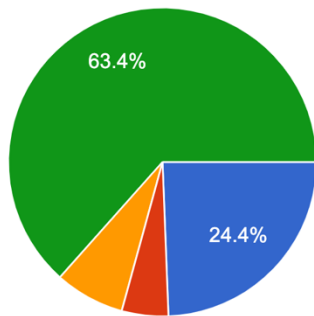
41 responses



- Employed
- Freelancer
- Start-up founder
- employed & freelancer
- Retired
- Business owner
- Working student
- Still figuring it out ... but probably a start-up founder

Targeted length of stay in Portugal:

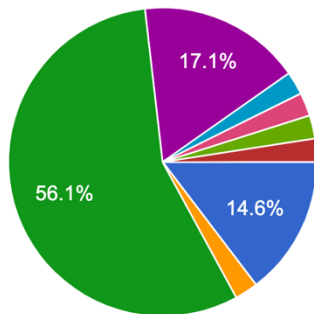
41 responses



- Less than 6 months
- 6 months to 1 year
- 1 to 2 years
- More than 2 years

Which of the following locations is closest to where you live?

41 responses

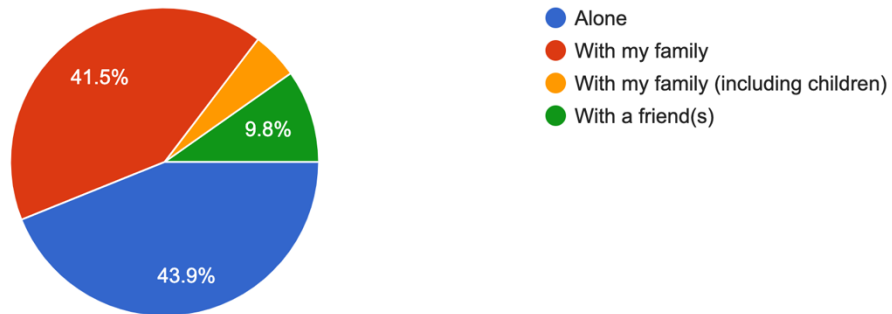


- Ericeira
- Faro
- Lagos
- Lisbon
- Madeira
- Portimão
- Porto
- Nomad in the country
- Perpetual traveler, currently having no residency

Group Part

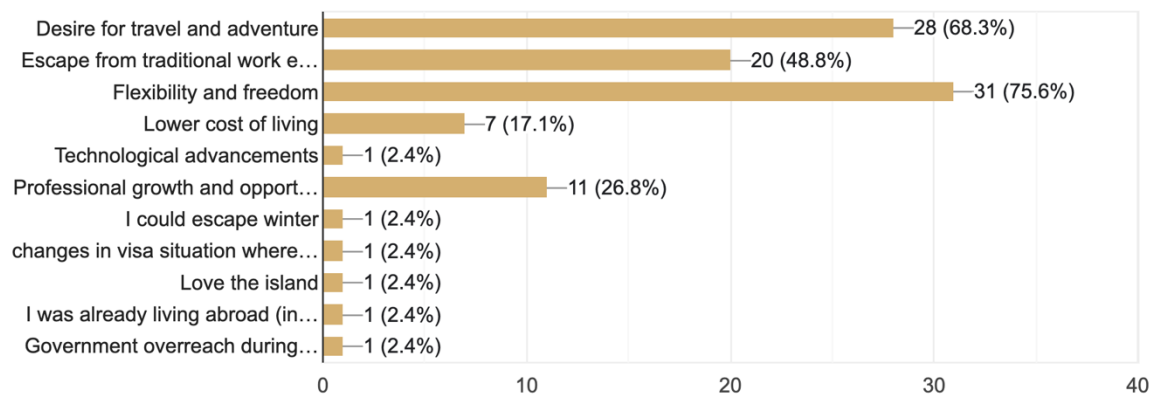
I moved to Portugal _____

41 responses



What motivated you to become a digital nomad?

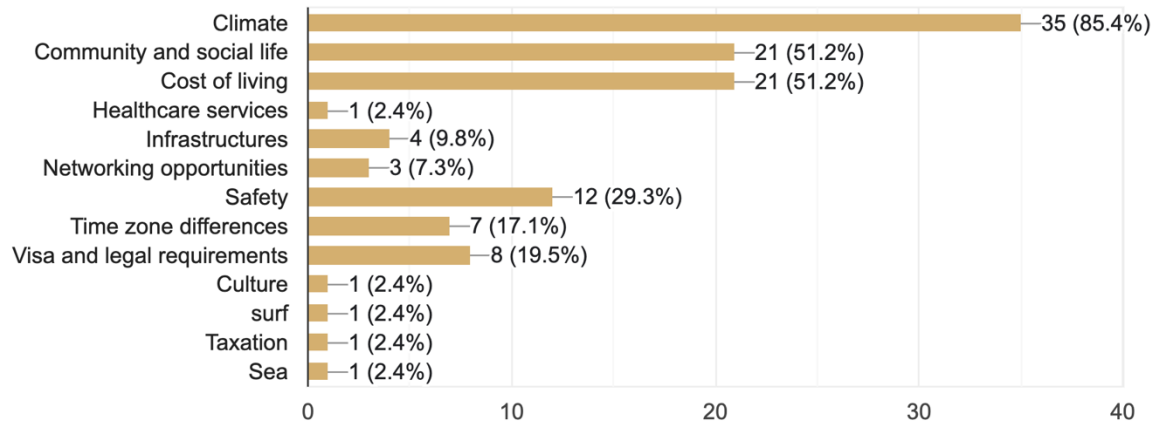
41 responses



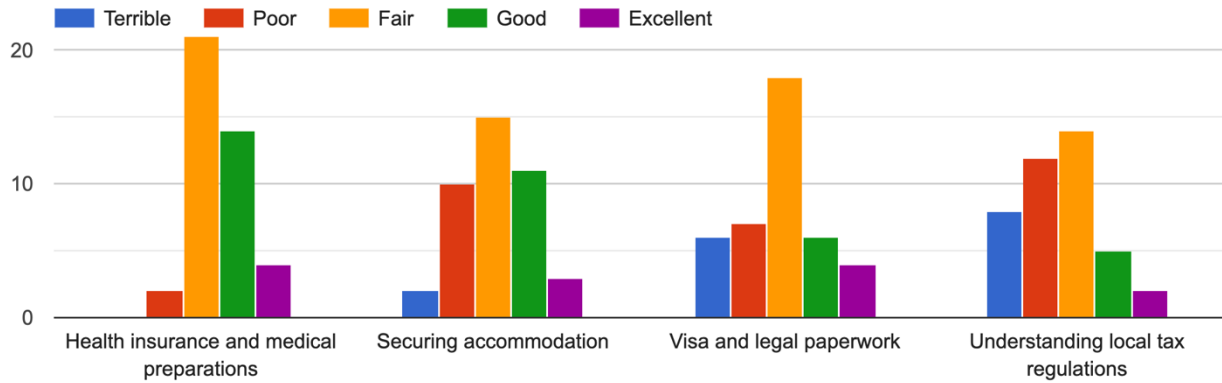
Group Part

Why did you choose Portugal as your destination?

41 responses



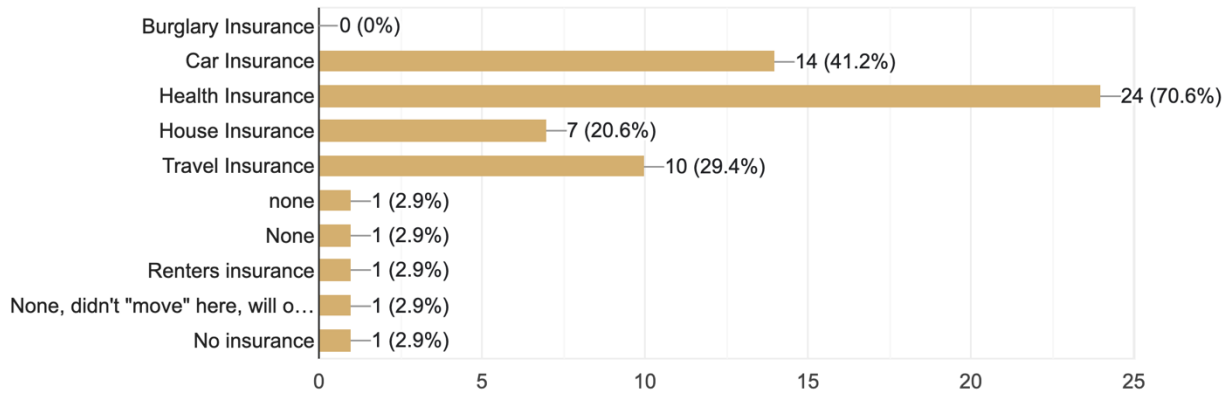
How would you describe your experience with the following aspects before moving to Portugal?



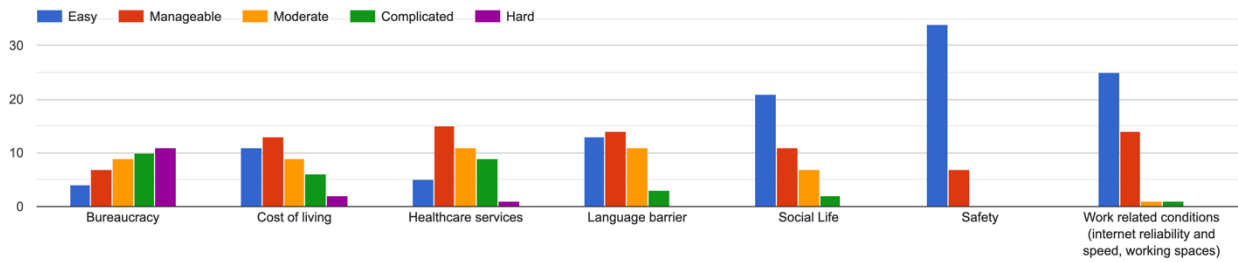
Group Part

If applicable, what type of insurance did you acquire upon moving to Portugal?

34 responses

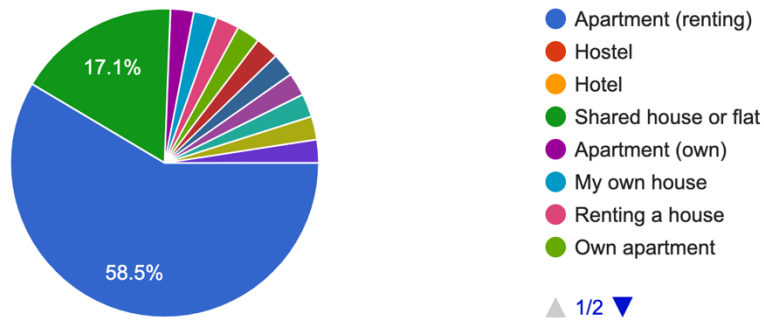


How challenging was to deal with the following aspects while living in Portugal?



What type of accommodation are you currently living in?

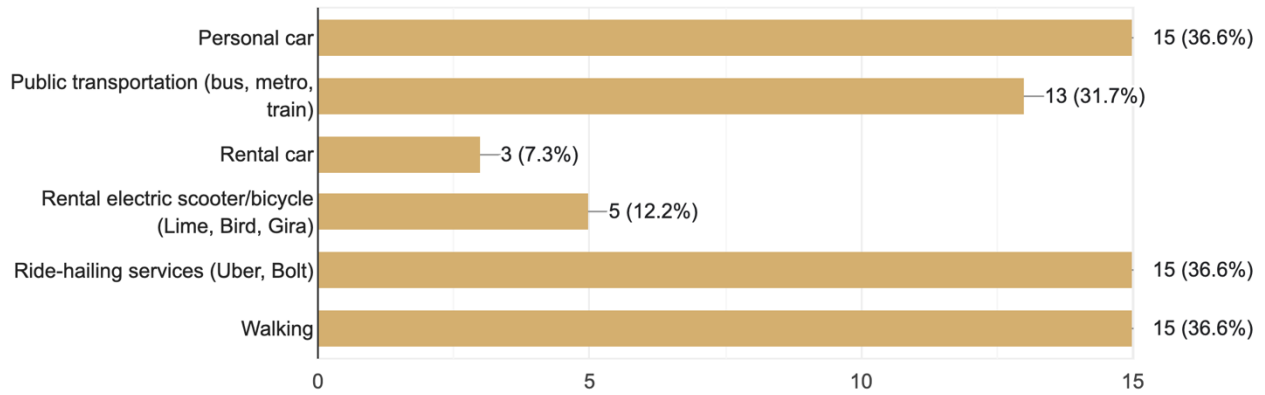
41 responses



Group Part

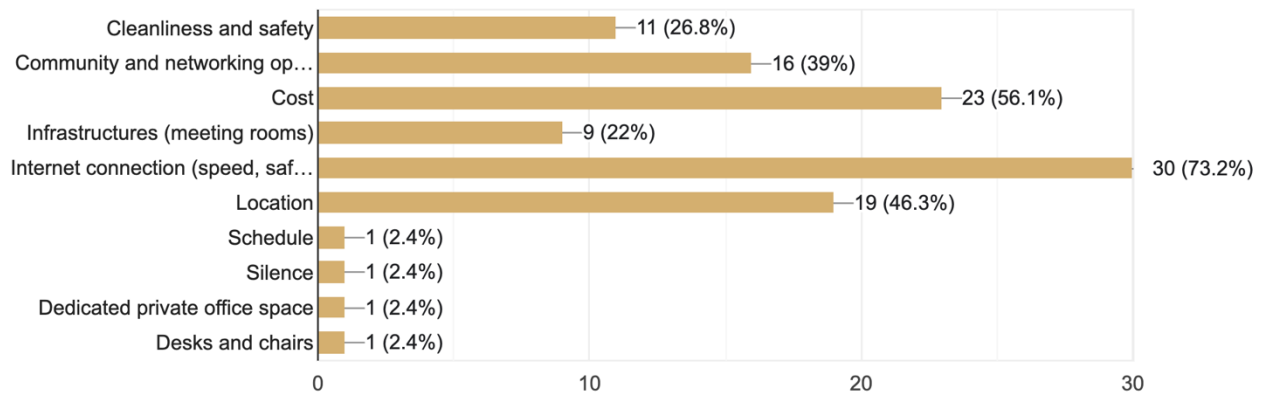
What is your primary mode of transportation in your city?

41 responses



What are the most important factors when choosing a working space?

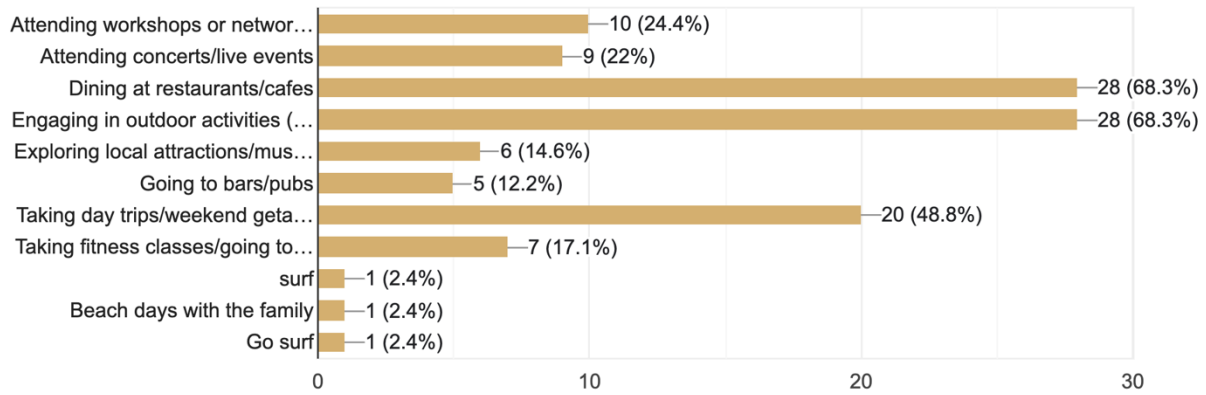
41 responses



Group Part

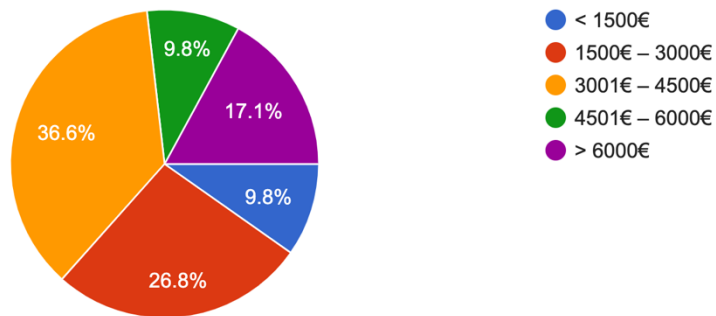
Which activities do you enjoy the most while living in Portugal?

41 responses



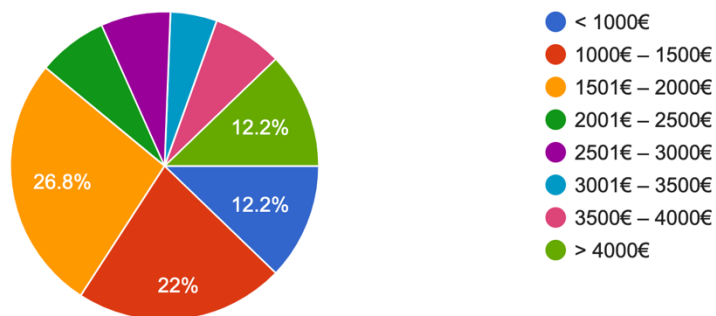
What is your monthly net income, in Euros?

41 responses



How much do you spend on average per month, in Euros?

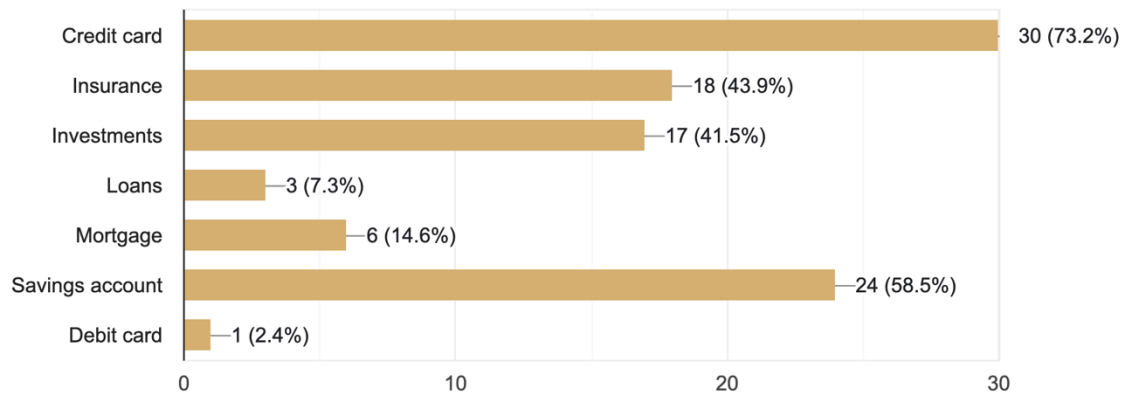
41 responses



Group Part

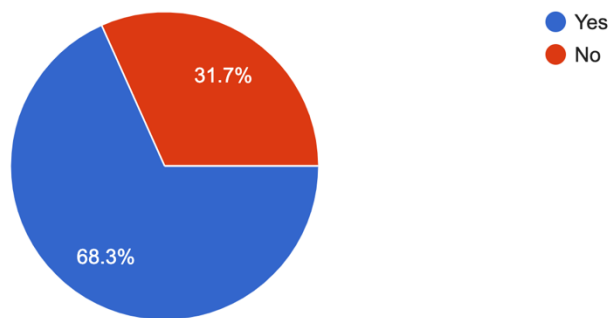
What financial services do you currently use?

41 responses



Did you open a new bank account after moving to Portugal?

41 responses

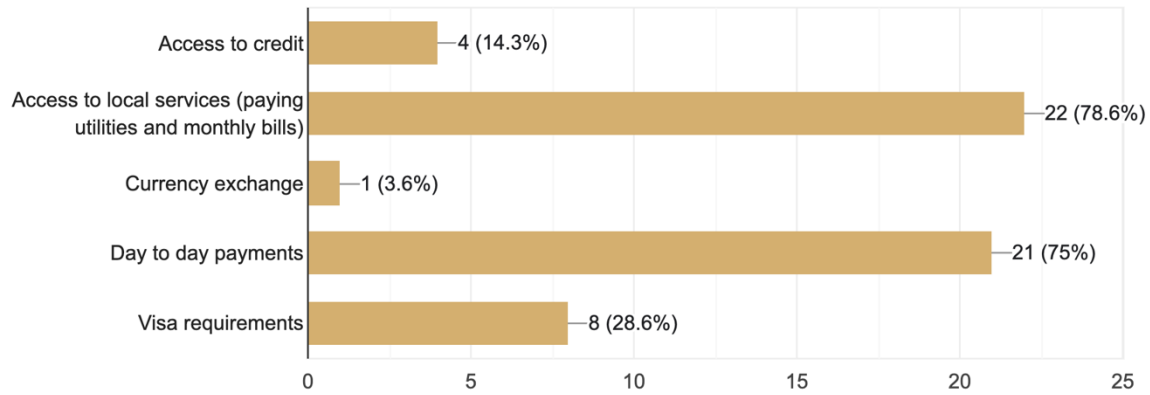


For Those Who Opened a New Bank Account in Portugal

Group Part

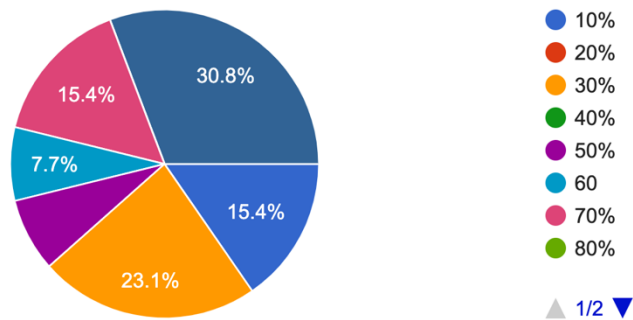
Why did you open a bank account?

28 responses



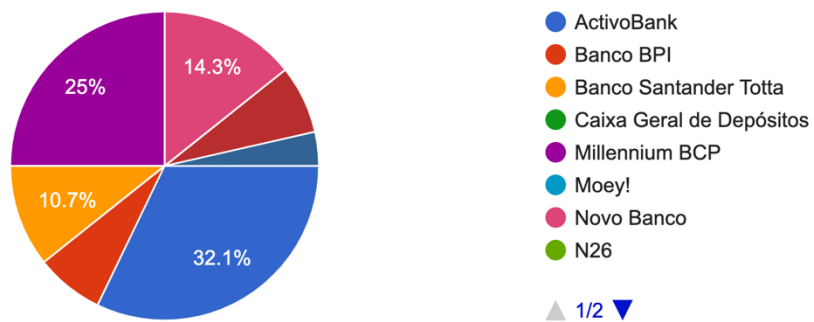
How much of your monthly income do you deposit in your Portuguese account?

13 responses



Which bank did you choose?

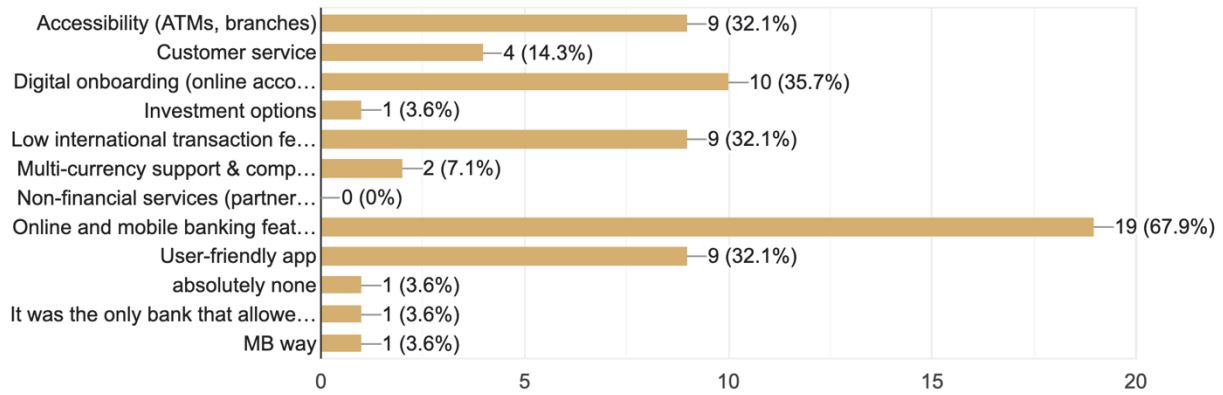
28 responses



Group Part

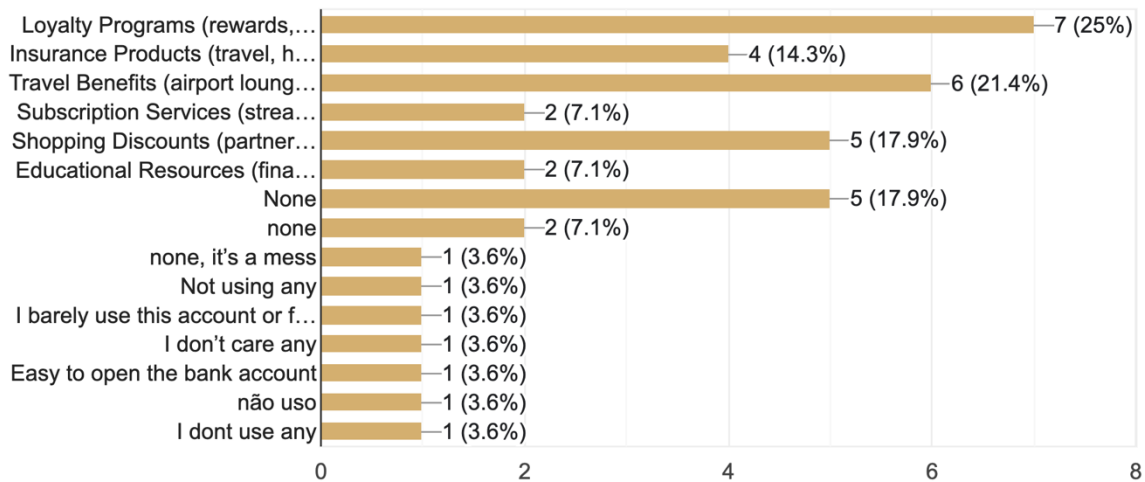
Which features did you value the most when choosing your new bank account?

28 responses



Which non-financial services do you value the most from your bank?

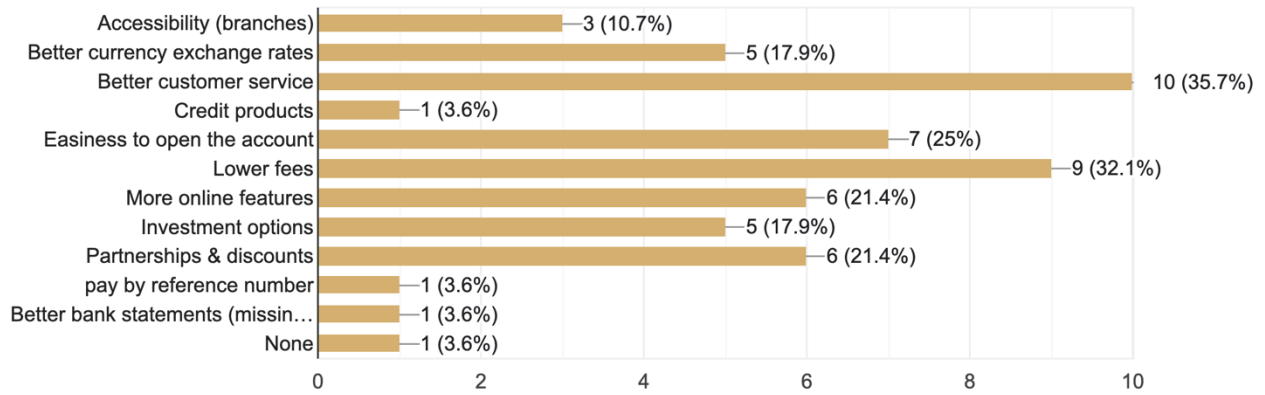
28 responses



Group Part

What could be improved in your current bank to better serve your needs?

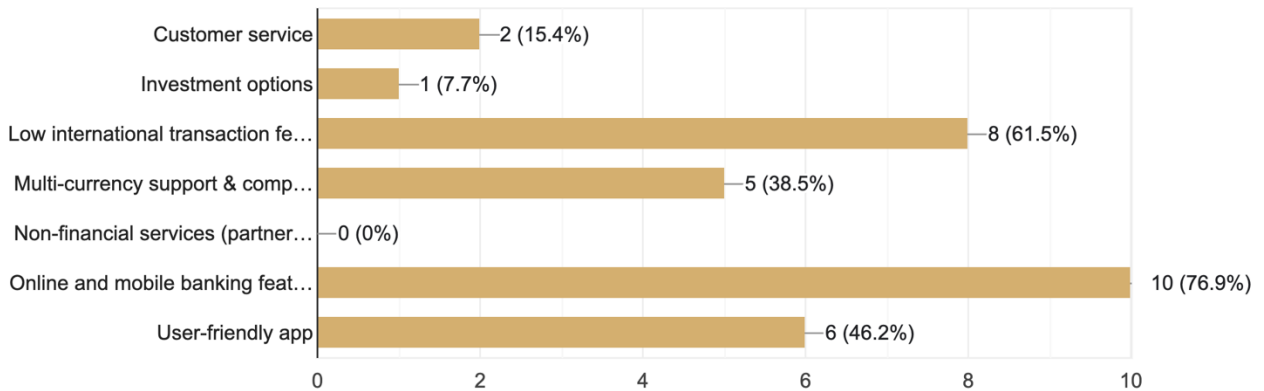
28 responses



For Those Who Did Not Opened a New Bank Account in Portugal

What benefits or features does your current bank offer that have been useful during your stay in Portugal?

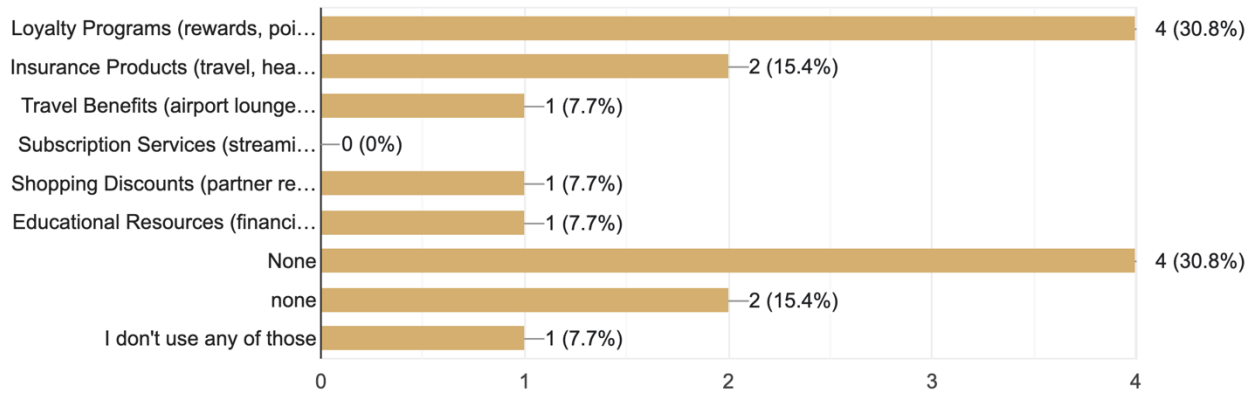
13 responses



Group Part

Which non-financial services do you value the most from your bank?

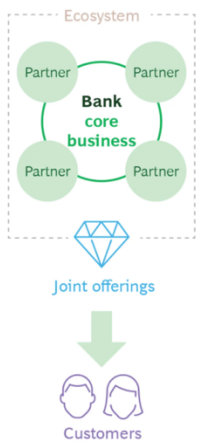
13 responses



Appendix 4. Strategic Business Ecosystem Plays for Banks (BCG, 2023)

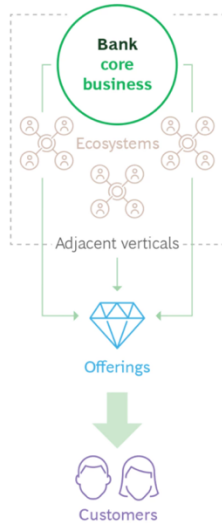
Build ecosystem around the core & play as orchestrator

Existing business as the core, partner with players from different industries, and take the orchestrator role



Go deep into specific verticals and markets

New ecosystems in various verticals (e.g., travel, mobility), offer broad range of products bundled with bank services



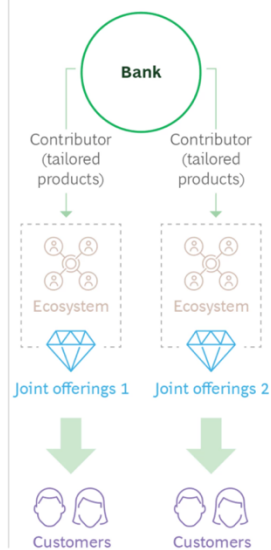
Use ecosystems to learn and experiment

Nurture ecosystems that focus on open innovation, use ecosystems as innovation engine to support core and strategy



Play as a dedicated contributor

Focus contributor role on selected ecosystems, customize (to some extent) to the respective ecosystem



Source: BCG Henderson Institute analysis.

Group Part

Appendix 5. Product Ideas Derived from the Brainstorming Process (made by the authors)



Finance

- Multi-currency account
- Global fee free ATM access
- Low-fee international transfers



Traveling & Mobility

- Travel miles ("Travel the world with BPI")
- Travel/Car insurance
- Lounges access or discounts
- BPI public transport card
- Global travel info hub



Housing

- House assistance services
- Furnish your home (2nd hand)
- BPI coliving



Legal & Bureaucracy

- Tax consulting services
- Visa assistance
- Compliance management dashboard
- Translation services
- Get your NIF online



Health & Wellness

- Online medical advice/therapy
- Health insurance
- Wearable health tech (offer when opening an account)



Features

- Online onboarding
- 24/7 specialized customer service
- Full digital solutions
- Local IBANs
- Map with ATM and fee values



Social life & Community

- Forums to share experiences and tips
- Sponsoring and hosting networking and sporting events
- BPI nomad community (parties, meet-ups, volunteering, dinners, ...)
- BPI running club



Work & Productivity

- BPI coworking
- Home office equipment rentals
- Startup competition for funding
- Hot news app (platform to search news by topics, regardless of the newspaper)



Benefits & Discounts

- Cashbacks
- Uber/ Bolt/Lime
- Museums
- GetYourGuide
- Gymnasium
- Indie Campers
- Portuguese language courses
- Travel (flights, hotels, ...)
- Restaurants

Appendix 6. Competitor Plans (made by the authors)

Bunq plans

Benchmark - Bunq					
Plans	Easy Card	Easy Savings	Easy Bank	Easy Bank Pro	Easy Bank Pro XL
Price	Free	Free	€3,99 /month	€9,99 /month	€18,99 /month
Physical Cards	1 for €9,99 /year	1 for €9,99 /year	1 incl.	3 incl.	3 incl.
Virtual Cards	1	1	1	26	26
Free ATM Withdrawals	X	X	X	6 /month	6 /month
Extra ATM Withdrawals	€2,99 each	€2,99 each	€0,99 first 5 /month (2,99€ extra)	€0,99 first 5 /month (2,99€ extra)	€0,99 first 5 /month (2,99€ extra)
Travel Insurance Worldwide	No	No	No	No	Yes
Multi-currency Accounts	No	No	No	Yes	Yes
Cashback	No	No	No	No	Yes
Loyalty Cards	No	No	No	Yes	Yes
Priority Support	No	No	No	No	Yes

N26 Plans

Benchmark - N26				
Plans	N26 Standard	N26 Smart	N26 You	N26 Metal
Price	Free	€4,90 /month	€9,90 /month	€16,90 /month
Physical Cards	No	Yes	Yes	Yes
Virtual Cards	Yes	Yes	Yes	Yes
Extra Card (Optional, one time €10 payment)	No	Yes	Yes	Yes
Free ATM Withdrawals in Euro	2 /month	3 /month	5 /month	8 /month
Extra ATM Withdrawals in Eurozone	€2 fee	€2 fee	€2 fee	€2 fee
Free ATM Withdrawals outside the euro zone in local currency	No	No	Yes	Yes
Travel Insurance	No	No	Yes	Yes
Premium Partner Offers (premium deals and discounts)	No	Yes	Yes	Yes
Phone Support (priority phone line)	No	Yes	Yes	Yes
Chatbot and In-app chat	No	Yes	Yes	Yes

Revolut Plans

Group Part

Benchmark - Revolut					
Plans	Standard	Plus	Premium	Metal	Ultra
Price	Free	€3,99 /month	€8,99 /month	€15,99 /month	€45 /month
Physical Cards	First at no cost	2 incl.	2 incl.	2 incl.	2 incl.
Virtual Cards	Yes	Yes	Yes	Yes	Yes
Free ATM Withdrawals	€200 /month or 5 withdrawals	€200 /month	€400 /month	€800 /month	€2000 /month
Extra ATM Withdrawals	2% fee	2% fee	2% fee	2% fee	2% fee
Currency exchange amount with no additional fees	€1000 /month	€1000 /month	Unlimited	Unlimited	Unlimited
Partner Subscriptions included (benefits)	No	No	Yes	Yes	Yes
Loyalty Program	1 point per €10 spent	1 point per €10 spent	1 point per €4 spent	1 point per €2 spent	1 point per €1 spent
Priority Support	No	Priority in-app chat	Priority in-app chat	Priority in-app chat	Priority and request call back
Save on International transfer fees charged by Revolut	No	No	20% Discount	40% Discount	Free
Global Medical Insurance	No	No	No	Yes	Yes
Delayed flight, lost or damaged luggage insurance	No	No	No	Yes	Yes
Car hire excess insurance	No	No	No	Yes	Yes

Appendix 7. BPI Flex Account Plans (made by the authors)

Digital Account Plans - BPI			
Plans	Digital Free	Digital Plus	Digital Premium
Price	Free	€5,99 /month	€11,99 /month
Physical Debit Cards	1 for €9.99 /year	1 incl.	2 incl.
Required Opening Amount	€100	€100	€100
Virtual Debit Cards	1 incl.	1 incl.	1 incl.
Credit Card	No	1 for €20.00 /year	2 (gold) incl.
Extra Debit Card (Optional, one time €19,99 payment)	No*	Yes	Yes
Free ATM Withdrawals in Portugal	Yes	Yes	Yes
Free ATM Withdrawals	X	€400 /month or 5 withdrawals	€800 /month or 10 withdrawals
Extra ATM Withdrawals	€2,99	€1,99 first 5 /month (2,99€ extra)	€0,99 first 5 /month (2,99€ extra)
Currency exchange amount with no additional fees	€800 /month	€1500 /month	Unlimited
Number of active currency accounts	3	10	No limit
Travel Insurance	No	No	Yes
Cashback	No	Yes	Yes
Offers and Discount on partners	No	Yes	Yes
Priority Support (move you to the front of the queue)	No	Yes	Yes
Chatbot and In-app chat	Yes	Yes	Yes
International Transfers - SEPA	Free Transfers	Unlimited Free Transfers	Unlimited Free Transfers
International Transfers - Swift	Fully Charge	10% discount on fees	30% discount on fees
Portuguese IBAN	Yes	Yes	Yes
Seamless Bureaucracy	Yes	Yes (10% discount)	Yes (15% discount)
Online Onboarding	Yes	Yes	Yes
Living Solutions	No	No	Yes
Housing Platform	Yes	Yes	Yes
Exclusive Priority Rental with Trusted Partner	No	No	Yes

* A new one can be requested if the previous one is reported as stolen

Appendix 8. Bureaucracy Partners Benchmark (made by the authors)

	Portuguese Based	No Partnership with Banks	Wide Range of Services	Competitive Price
	✓	✓	✓	✓
	✓	*1 ✗	✓	✓
	✓	*2 ✗	✓	✗

*1 – Partners with Millenium BCP *2 – Partners with Novo Banco

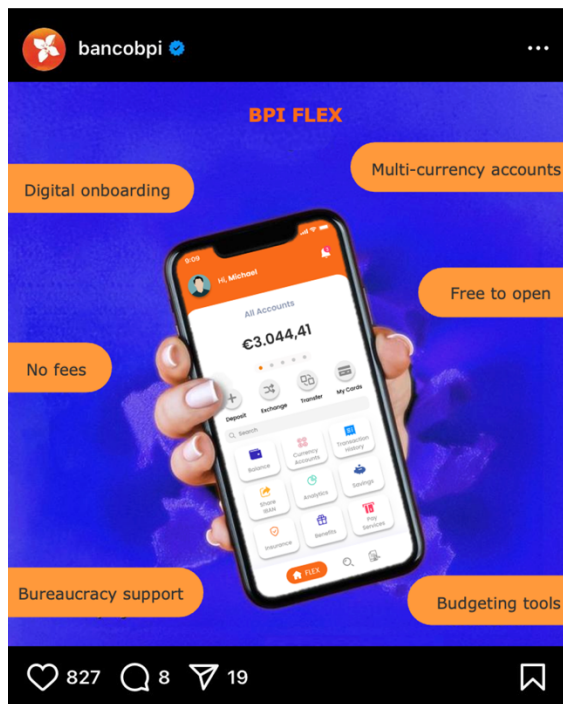
Group Part

Appendix 9. Housing Partners Benchmark (made by the authors)

	Portuguese Based	Operates Outside Portugal	Integrated Community	Additional Services
YON	✓	*1 ✗	✓	✓
Coliving.com	✗	✓	✓	✗
OUTSITE	✗	✓	✓	✗

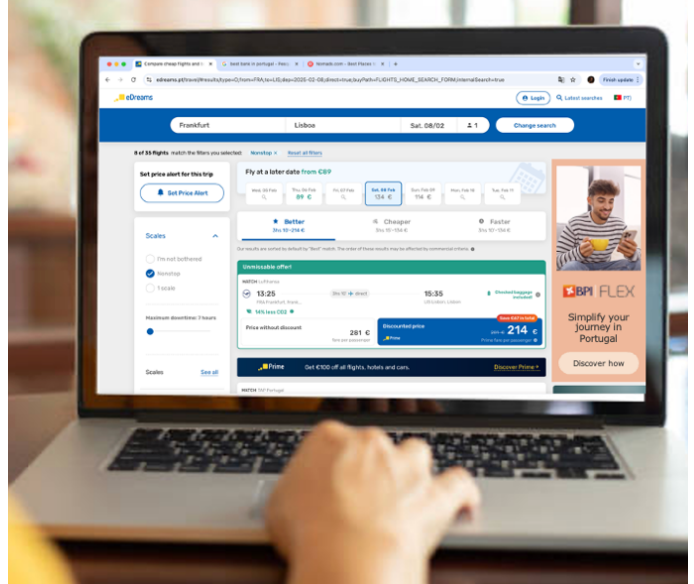
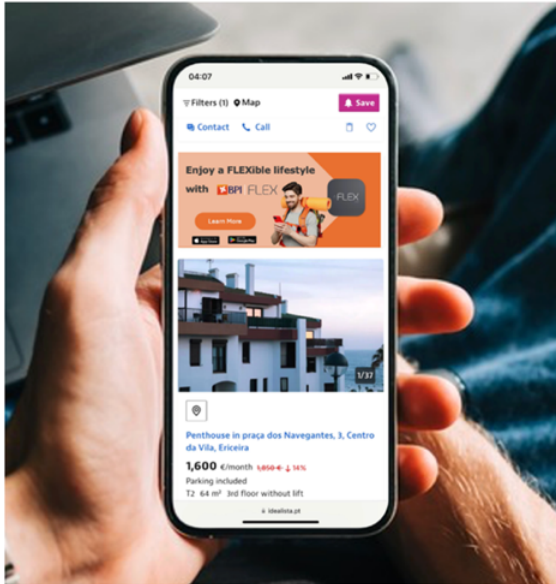
*1 – Planning to expand into popular cities among digital nomads

Appendix 10. Instagram Post Promoting BPI Flex Features (made by the authors)

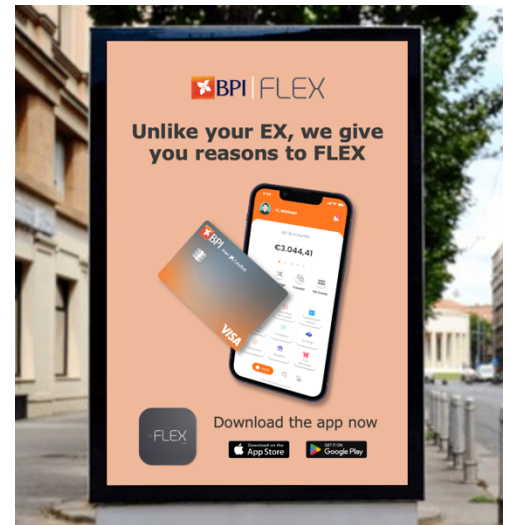
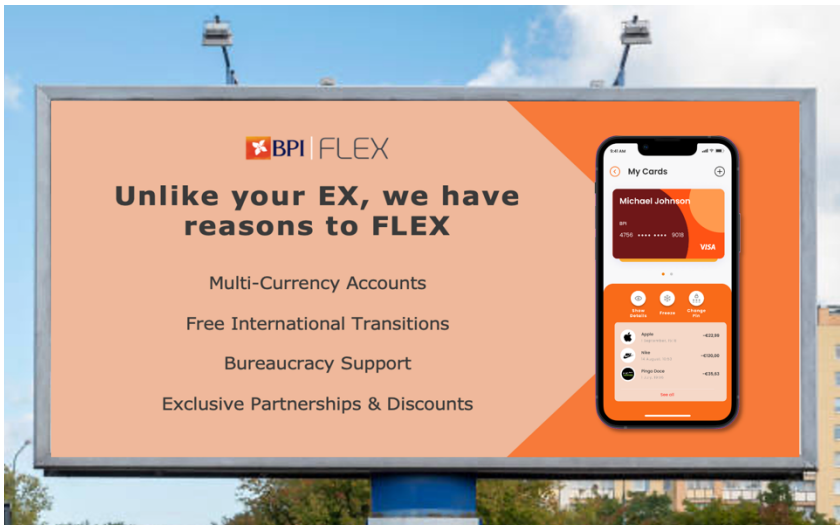


Group Part

Appendix 11. Display Advertising (made by the authors)

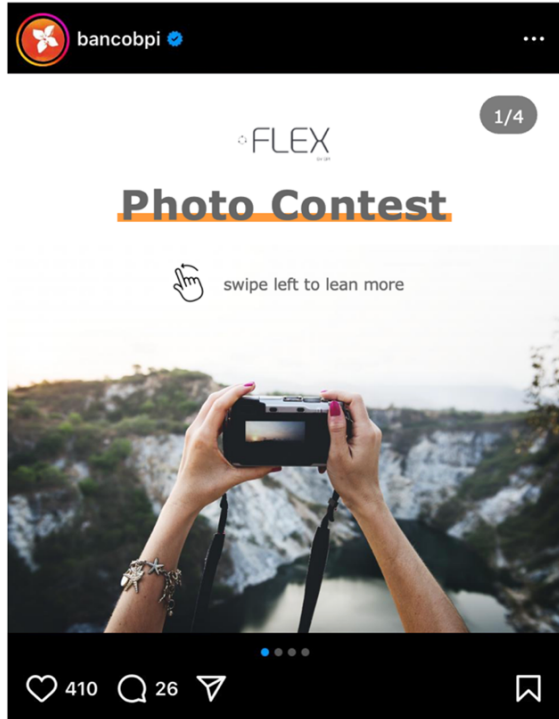


Appendix 12. Outdoor Advertising Campaign (made by the authors)



Group Part

Appendix 13. Instagram Post Promoting Photo Contest (made by the authors)



Group Part

Appendix 14. Revenues Projections (made my authors)

Year	0	1	2	3	4	5
Total Revenue	€ 86 002,25	€ 188 229,62	€ 186 712,17	€ 176 973,37	€ 167 757,03	€ 158 994,65
Digital Free Account	€ 15 716,76	€ 34 580,35	€ 34 289,38	€ 32 500,93	€ 30 808,34	€ 29 199,13
Number of New Accounts	331	366	347	329	312	295
Retained Accounts	0	149	165	156	148	140
Digital Account	€ 13 665,94	€ 31 900,77	€ 31 685,69	€ 30 032,77	€ 28 468,80	€ 26 981,83
Physical Debit Card	€ 991,58	€ 1 543,11	€ 1 532,71	€ 1 452,75	€ 1 377,10	€ 1 305,17
Annual Price	€ 9,99	€ 9,99	€ 9,99	€ 9,99	€ 9,99	€ 9,99
Penetration Rate	30,00%	30,00%	30,00%	30,00%	30,00%	30,00%
Debit Card Commissions	€ 13 154,88	€ 20 471,86	€ 20 333,83	€ 19 273,09	€ 18 269,44	€ 17 315,20
Average monthly value of Debit Card Commissions	€ 3,31	€ 3,31	€ 3,31	€ 3,31	€ 3,31	€ 3,31
Life Insurance	€ 158,81	€ 247,15	€ 245,48	€ 232,67	€ 220,56	€ 209,04
Penetration Rate	1,00%	1,00%	1,00%	1,00%	1,00%	1,00%
Average Monthly Commission	€ 4,00	€ 4,00	€ 4,00	€ 4,00	€ 4,00	€ 4,00
Non-Life Insurance	€ 6 193,65	€ 9 638,66	€ 9 573,68	€ 9 074,25	€ 8 601,71	€ 8 152,43
Penetration Rate	6,00%	6,00%	6,00%	6,00%	6,00%	6,00%
Average Monthly Commission	€ 26,00	€ 26,00	€ 26,00	€ 26,00	€ 26,00	€ 26,00
Investment Funds	-	-	-	-	-	-
Penetration Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Seamless Bureaucracy (BPI Commission)	€ 2 050,82	€ 2 679,58	€ 2 603,68	€ 2 468,15	€ 2 339,54	€ 2 217,30
NIF Application	€ 1 141,46	€ 1 262,70	€ 1 196,16	€ 1 134,06	€ 1 074,92	€ 1 018,74
Price	€ 150,00	€ 150,00	€ 150,00	€ 150,00	€ 150,00	€ 150,00
Conversion Rate	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%
NISS Application	-	-	-	-	-	-
Price	€ 150,00	€ 150,00	€ 150,00	€ 150,00	€ 150,00	€ 150,00
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Visa Application	€ 10 235,07	€ 11 322,21	€ 10 725,61	€ 10 168,78	€ 9 638,46	€ 9 134,66
Price	€ 1 345,00	€ 1 345,00	€ 1 345,00	€ 1 345,00	€ 1 345,00	€ 1 345,00
Conversion Rate	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%
Tax Filling (Lite)	-	-	-	-	-	-
Price	€ 375,00	€ 375,00	€ 375,00	€ 375,00	€ 375,00	€ 375,00
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Tax Filling (Standard)	-	-	-	-	-	-
Price	€ 550,00	€ 550,00	€ 550,00	€ 550,00	€ 550,00	€ 550,00
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Tax Filling (Pro)	€ 6 468,26	€ 10 066,02	€ 9 998,15	€ 9 476,58	€ 8 983,09	€ 8 513,89
Price	€ 850,00	€ 850,00	€ 850,00	€ 850,00	€ 850,00	€ 850,00
Conversion Rate	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%
Tax Consultation	€ 2 663,40	€ 4 144,83	€ 4 116,89	€ 3 902,12	€ 3 698,92	€ 3 505,72
Price	€ 350,00	€ 350,00	€ 350,00	€ 350,00	€ 350,00	€ 350,00
Conversion Rate	2,30%	2,30%	2,30%	2,30%	2,30%	2,30%
Digital Plus Account	€ 31 637,48	€ 70 355,26	€ 69 784,97	€ 66 145,04	€ 62 700,36	€ 59 425,36
Number of Accounts	265	293	277	263	249	236
Retained Accounts	0	119	132	125	118	112
Digital Account	€ 28 234,91	€ 65 909,49	€ 65 465,12	€ 62 050,05	€ 58 818,76	€ 55 746,57
Monthly Fee	€ 19 025,61	€ 29 607,99	€ 29 408,37	€ 27 874,24	€ 26 422,68	€ 25 042,58
Monthly Price	€ 5,99	€ 5,99	€ 5,99	€ 5,99	€ 5,99	€ 5,99
Credit Card	€ 1 323,43	€ 2 059,54	€ 2 045,66	€ 1 938,94	€ 1 837,97	€ 1 741,97
Annual Price	€ 20,00	€ 20,00	€ 20,00	€ 20,00	€ 20,00	€ 20,00
Penetration Rate	25,00%	25,00%	25,00%	25,00%	25,00%	25,00%
Extra Debit Card	-	-	-	-	-	-
Price	€ 19,99	€ 19,99	€ 19,99	€ 19,99	€ 19,99	€ 19,99
Penetration Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Credit Card Commissions	€ 3 946,46	€ 6 141,56	€ 6 100,15	€ 5 781,93	€ 5 480,83	€ 5 194,56
Average monthly value of Credit Card Commissions	€ 4,97	€ 4,97	€ 4,97	€ 4,97	€ 4,97	€ 4,97
Credit Card Penetration Rate	25,00%	25,00%	25,00%	25,00%	25,00%	25,00%
Debit Card Commissions	€ 7 892,93	€ 12 283,11	€ 12 200,30	€ 11 563,86	€ 10 961,66	€ 10 389,12
Average monthly value of Debit Card Commissions	€ 3,31	€ 3,31	€ 3,31	€ 3,31	€ 3,31	€ 3,31
Life Insurance	€ 254,10	€ 395,43	€ 392,77	€ 372,28	€ 352,89	€ 334,46
Penetration Rate	2,00%	2,00%	2,00%	2,00%	2,00%	2,00%
Average Monthly Commission	€ 4,00	€ 4,00	€ 4,00	€ 4,00	€ 4,00	€ 4,00
Non-Life Insurance	€ 9 909,83	€ 15 421,86	€ 15 317,88	€ 14 518,80	€ 13 762,73	€ 13 043,88
Penetration Rate	12,00%	12,00%	12,00%	12,00%	12,00%	12,00%
Average Monthly Commission	€ 26,00	€ 26,00	€ 26,00	€ 26,00	€ 26,00	€ 26,00
Investment Funds	-	-	-	-	-	-
Penetration Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Seamless Bureaucracy (BPI Commission)	€ 3 402,57	€ 4 445,77	€ 4 319,85	€ 4 094,99	€ 3 881,60	€ 3 678,79
NIF Application	€ 1 893,83	€ 2 094,98	€ 1 984,59	€ 1 881,56	€ 1 783,43	€ 1 690,22
Price	€ 135,00	€ 135,00	€ 135,00	€ 135,00	€ 135,00	€ 135,00
Conversion Rate	5,30%	5,30%	5,30%	5,30%	5,30%	5,30%
NISS Application	-	-	-	-	-	-
Price	€ 135,00	€ 135,00	€ 135,00	€ 135,00	€ 135,00	€ 135,00
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Visa Application	€ 16 981,31	€ 18 785,02	€ 17 795,18	€ 16 871,33	€ 15 991,47	€ 15 155,60
Price	€ 1 210,50	€ 1 210,50	€ 1 210,50	€ 1 210,50	€ 1 210,50	€ 1 210,50
Conversion Rate	5,30%	5,30%	5,30%	5,30%	5,30%	5,30%
Tax Filling (Lite)	-	-	-	-	-	-
Price	€ 337,50	€ 337,50	€ 337,50	€ 337,50	€ 337,50	€ 337,50
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Tax Filling (Standard)	-	-	-	-	-	-
Price	€ 495,00	€ 495,00	€ 495,00	€ 495,00	€ 495,00	€ 495,00
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Tax Filling (Pro)	€ 10 731,68	€ 16 700,83	€ 16 588,23	€ 15 722,89	€ 14 904,11	€ 14 125,65
Price	€ 765,00	€ 765,00	€ 765,00	€ 765,00	€ 765,00	€ 765,00
Conversion Rate	5,30%	5,30%	5,30%	5,30%	5,30%	5,30%
Tax Consultation	€ 4 418,93	€ 6 876,81	€ 6 830,45	€ 6 474,13	€ 6 136,99	€ 5 816,44
Price	€ 315,00	€ 315,00	€ 315,00	€ 315,00	€ 315,00	€ 315,00
Conversion Rate	5,30%	5,30%	5,30%	5,30%	5,30%	5,30%

Group Part

Digital Premium Account	€ 34 182,08	€ 76 344,06	€ 75 734,73	€ 71 784,42	€ 68 046,07	€ 64 491,86
Number of Accounts	176	195	185	175	166	157
Retained Accounts	0	79	88	83	79	75
Digital Account	€ 30 827,06	€ 71 960,43	€ 71 475,26	€ 67 746,66	€ 64 218,72	€ 60 864,48
Monthly Fee	€ 25 388,65	€ 39 510,27	€ 39 243,89	€ 37 196,68	€ 35 259,64	€ 33 417,98
Monthly Price	€ 11,99	€ 11,99	€ 11,99	€ 11,99	€ 11,99	€ 11,99
Extra Debit Card	€ -	€ -	€ -	€ -	€ -	€ -
Price	€ 19,99	€ 19,99	€ 19,99	€ 19,99	€ 19,99	€ 19,99
Penetration Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Credit Card Commissions	€ 3 562,67	€ 5 544,29	€ 5 506,91	€ 5 219,63	€ 4 947,82	€ 4 689,39
Average monthly value of Credit Card Commissions	€ 6,73	€ 6,73	€ 6,73	€ 6,73	€ 6,73	€ 6,73
Credit Card Penetration Rate	25,00%	25,00%	25,00%	25,00%	25,00%	25,00%
Debit Card Commissions	€ 7 125,34	€ 11 088,58	€ 11 013,82	€ 10 439,27	€ 9 895,64	€ 9 378,77
Average monthly value of Debit Card Commissions	€ 4,49	€ 4,49	€ 4,49	€ 4,49	€ 4,49	€ 4,49
Penetration Rate	3,00%	3,00%	3,00%	3,00%	3,00%	3,00%
Average Monthly Commission	€ 4,00	€ 4,00	€ 4,00	€ 4,00	€ 4,00	€ 4,00
Non-Life Insurance	€ 9 909,83	€ 15 421,86	€ 15 317,88	€ 14 518,80	€ 13 762,73	€ 13 043,88
Penetration Rate	18,00%	18,00%	18,00%	18,00%	18,00%	18,00%
Average Monthly Commission	€ 26,00	€ 26,00	€ 26,00	€ 26,00	€ 26,00	€ 26,00
Investment Funds	€ -	€ -	€ -	€ -	€ -	€ -
Penetration Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Seamless Bureaucracy (BPI Commission)	€ 3 355,02	€ 4 383,63	€ 4 259,47	€ 4 037,76	€ 3 827,35	€ 3 627,37
NIF Application	€ 1 867,36	€ 2 065,70	€ 1 956,86	€ 1 855,26	€ 1 758,51	€ 1 666,59
Price	€ 127,50	€ 127,50	€ 127,50	€ 127,50	€ 127,50	€ 127,50
Conversion Rate	8,30%	8,30%	8,30%	8,30%	8,30%	8,30%
NISS Application	€ -	€ -	€ -	€ -	€ -	€ -
Price	€ 127,50	€ 127,50	€ 127,50	€ 127,50	€ 127,50	€ 127,50
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Visa Application	€ 16 743,97	€ 18 522,48	€ 17 546,47	€ 16 635,53	€ 15 767,97	€ 14 943,78
Price	€ 1 143,25	€ 1 143,25	€ 1 143,25	€ 1 143,25	€ 1 143,25	€ 1 143,25
Conversion Rate	8,30%	8,30%	8,30%	8,30%	8,30%	8,30%
Tax Filing (Lite)	€ -	€ -	€ -	€ -	€ -	€ -
Price	€ 318,75	€ 318,75	€ 318,75	€ 318,75	€ 318,75	€ 318,75
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Tax Filing (Standard)	€ -	€ -	€ -	€ -	€ -	€ -
Price	€ 467,50	€ 467,50	€ 467,50	€ 467,50	€ 467,50	€ 467,50
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Tax Filing (Pro)	€ 10 581,69	€ 16 467,42	€ 16 356,39	€ 15 503,14	€ 14 695,81	€ 13 928,22
Price	€ 722,50	€ 722,50	€ 722,50	€ 722,50	€ 722,50	€ 722,50
Conversion Rate	8,30%	8,30%	8,30%	8,30%	8,30%	8,30%
Tax Consultation	€ 4 357,17	€ 6 780,70	€ 6 734,99	€ 6 383,65	€ 6 051,21	€ 5 735,15
Price	€ 297,50	€ 297,50	€ 297,50	€ 297,50	€ 297,50	€ 297,50
Conversion Rate	8,30%	8,30%	8,30%	8,30%	8,30%	8,30%

Housing	€ 4 465,93	€ 6 949,95	€ 6 903,10	€ 6 542,99	€ 6 202,26	€ 5 878,30
Average Monthly Price of a Yon Room	€ 1 454,53	€ 1 454,53	€ 1 454,53	€ 1 454,53	€ 1 454,53	€ 1 454,53
Conversion Rate	1,16%	1,16%	1,16%	1,16%	1,16%	1,16%
Total Revenues	€ 964 669,09					

Appendix 15. Cost Breakdown (made my authors)

	Labor Cost per Hour/ Unit Production Cost	Team Members	Weekly Hours Until Implementation	Weekly Hours After Implementation	Costs before MVP	Costs Incurred from MVP Launch to Phase 3	Annual Post-Project Phase	Comments	Provided by BPI
Market Research & Focus Groups					€ 25 000,00				Yes
Product Implementation, System Adoption	Designers	2	20	0	€ 3 954,60	€ 4 901,00	-		Yes
	IT	4	6	0	€ 3 285,36	€ 4 071,60	-		Yes
	Project Managers	2	40	0	€ 12 168,00	€ 15 080,00	-	Team DIN/DMPN	Yes
	Data Base (AWS)	0	0	0	€ -	€ -	-	BPI Already Has	Yes
	Training for Customer Support	1	8	0	€ 730,08	€ 904,80	-	Professional Training	Yes
Legal & Compliance	3	20	0	€ 13 689,00	€ 16 965,00	-		Yes	
Fixed Costs (Marketing & Communication and Maintenance)	Marketing & Communication	0	0	0	€ -	€ 120 000,00	€ 60 000,00		Yes
	Marketing Team	2	12	2	€ 3 102,84	€ 3 845,40	€ 4 964,00		Yes
	Legal & Compliance	3	0	1	€ -	€ -	€ 6 570,00		Yes
	Project Manager	1	0	10	€ -	€ -	€ 14 600,00	Team FLEX (DIN)	Yes
	Analyst	1	0	15	€ -	€ -	€ 13 140,00	Team FLEX (DIN)	Yes
IT	4	0	2	€ -	€ -	€ 10 512,00		Yes	
Variable Costs	Digital Account								Yes
	Cost of Opening an Account	7,50	one time cost						Yes
	Living Solutions	6,00	per premium account per year						Yes
	Seamless Bureaucracy								Yes
	NIF	Bordr						No Variable Cost	Yes
NISS	Bordr						No Variable Cost	Yes	
Visa Application	Yon						No Variable Cost	Yes	
Tax Consulting	Bordr						No Variable Cost	Yes	
Tax Filing	Bordr						No Variable Cost	Yes	
Partnerships	Bureaucracy Service Company (Bordr)				€ 10 000,00	€ -	-	Development & Maintenance held by in-house	Yes
	Coliving Company (Yon)				€ 10 000,00	€ -	-		Yes
App Development	Backend Developer	1	40	0	€ 7 605,00	€ 9 425,00			Outsourced
	Frontend Developer	1	40	0	€ 7 605,00	€ 9 425,00			
	UX/UI Designer	1	40	0	€ 7 605,00	€ 9 425,00			
	QA Engineer	1	40	0	€ 7 605,00	€ 9 425,00			
	Cyber Security	1	40	0	€ 7 605,00	€ 9 425,00			
	DevOps Engineer	1	40	0	€ 7 605,00	€ 9 425,00			
Total:					€ 102 180,00				

Group Part

Appendix 16. Cost Estimation (made my authors)

Year	0	1	2	3	4	5
Costs	€ 361 106,42	€ 117 838,63	€ 117 490,03	€ 117 089,65	€ 116 708,88	€ 116 347,08
Upfront Costs	€ 222 929,44					
Market Research & Focus Groups	€ 25 000					
Product Implementation & System Adaptation	€ 75 749					
Personnel Costs - Designers	€ 8 856					
Personnel Costs - IT	€ 7 357					
Personnel Costs - Project Managers	€ 27 248					
Personnel Costs - Legal & Compliance	€ 30 654					
Training Costs - Customer Support	€ 1 635					
App Development - Outsourced	€ 102 180					
Backend Developer	€ 17 030					
FrontEnd Developer	€ 17 030					
UX/UI Designer	€ 17 030					
QA Engineer	€ 17 030					
Cyber Security	€ 17 030					
DevOps Engineer	€ 17 030					
API (Partnerships)	€ 20 000					
API - Bordr	€ 10 000					
API - Yon	€ 10 000					
Fixed Costs	€ 131 328,24	€ 109 786,00	€ 109 786,00	€ 109 786,00	€ 109 786,00	€ 109 786,00
Marketing & Communication	€ 120 000	€ 60 000	€ 60 000	€ 60 000	€ 60 000	€ 60 000
Personnel Costs	€ 6 948	€ 39 274	€ 39 274	€ 39 274	€ 39 274	€ 39 274
Personnel Costs - Marketing Team	€ 6 948	€ 4 964	€ 4 964	€ 4 964	€ 4 964	€ 4 964
Personnel Costs - Legal & Compliance	-	€ 6 570	€ 6 570	€ 6 570	€ 6 570	€ 6 570
Personnel Costs - Project Manager	-	€ 14 600	€ 14 600	€ 14 600	€ 14 600	€ 14 600
Personnel Costs - Analyst	-	€ 13 140	€ 13 140	€ 13 140	€ 13 140	€ 13 140
App and API Maintenance	€ 4 380	€ 10 512	€ 10 512	€ 10 512	€ 10 512	€ 10 512
Personnel Costs - IT	€ 4 380	€ 10 512	€ 10 512	€ 10 512	€ 10 512	€ 10 512
Variable Costs	€ 6 848,74	€ 8 052,63	€ 7 704,03	€ 7 303,65	€ 6 922,88	€ 6 561,08
Cost of Opening an Account (7,5€ * Opened Accounts)	€ 5 790	€ 6 405	€ 6 068	€ 5 753	€ 5 453	€ 5 168
Living Solutions	€ 1 059	€ 1 648	€ 1 637	€ 1 551	€ 1 470	€ 1 394
Total Costs	€ 946 580,69					

Appendix 17. Financial Metrics (made my authors)

Year	0	1	2	3	4	5
Profit	€ (275 104,17)	€ 70 390,98	€ 69 222,14	€ 59 883,72	€ 51 048,15	€ 42 647,57
Cumulative FCF	€ (275 104,17)	€ (204 713,19)	€ (135 491,05)	€ (75 607,33)	€ (24 559,18)	€ 18 088,40
Present Value	€ (275 104,17)	€ 63 991,80	€ 57 208,38	€ 44 991,52	€ 34 866,57	€ 26 480,79
Interest Rate	10,00%					
NPV	€ (47 565,10)					
IRR	2,36%					
Payback Period	5,58					

Group Part

Appendix 18. Citizen Improvement Business Case (made my authors)

Year	0	1	2	3	4	5
Total Revenue	€ 30 387,59	€ 67 494,02	€ 66 993,82	€ 63 493,05	€ 60 175,22	€ 57 030,75
Digital Premium Account	€ 28 687,64	€ 64 849,41	€ 64 366,57	€ 61 003,09	€ 57 815,37	€ 54 794,22
Opened Accounts	168	186	176	167	158	150
Retained Accounts	0	76	84	79	75	71
Digital Account	€ 26 648,93	€ 62 186,70	€ 61 778,47	€ 58 550,23	€ 55 490,69	€ 52 591,02
Monthly Fee	€ 20 130,27	€ 31 316,70	€ 31 111,12	€ 29 485,41	€ 27 944,65	€ 26 484,40
Monthly Price	€ 9,99	€ 9,99	€ 9,99	€ 9,99	€ 9,99	€ 9,99
Credit Card Commissions	€ 3 390,31	€ 5 274,31	€ 5 239,69	€ 4 965,89	€ 4 706,39	€ 4 460,46
Average monthly value of Credit Card Commissions	€ 6,73	€ 6,73	€ 6,73	€ 6,73	€ 6,73	€ 6,73
Credit Card Penetration Rate	25,00%	25,00%	25,00%	25,00%	25,00%	25,00%
Debit Card Commissions	€ 6 780,62	€ 10 548,62	€ 10 479,37	€ 9 931,77	€ 9 412,79	€ 8 920,92
Average monthly value of Debit Card Commissions	€ 4,49	€ 4,49	€ 4,49	€ 4,49	€ 4,49	€ 4,49
Life Insurance	€ 241,81	€ 376,18	€ 373,71	€ 354,18	€ 335,67	€ 318,13
Penetration Rate	3,00%	3,00%	3,00%	3,00%	3,00%	3,00%
Average Monthly Commission	€ 4,00	€ 4,00	€ 4,00	€ 4,00	€ 4,00	€ 4,00
Non-Life Insurance	€ 9 430,40	€ 14 670,89	€ 14 574,58	€ 13 812,98	€ 13 091,19	€ 12 407,11
Penetration Rate	18,00%	18,00%	18,00%	18,00%	18,00%	18,00%
Average Monthly Commission	€ 26,00	€ 26,00	€ 26,00	€ 26,00	€ 26,00	€ 26,00
Investment Funds	€ -	€ -	€ -	€ -	€ -	€ -
Penetration Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Seamless Bureaucracy (BPI Commission)	€ 2 038,71	€ 2 662,71	€ 2 588,10	€ 2 452,85	€ 2 324,68	€ 2 203,20
NIF Application	€ 1 134,72	€ 1 254,66	€ 1 189,10	€ 1 126,96	€ 1 068,07	€ 1 012,28
Price	€ 127,50	€ 127,50	€ 127,50	€ 127,50	€ 127,50	€ 127,50
Conversion Rate	5,30%	5,30%	5,30%	5,30%	5,30%	5,30%
NISS Application	€ -	€ -	€ -	€ -	€ -	€ -
Price	€ 127,50	€ 127,50	€ 127,50	€ 127,50	€ 127,50	€ 127,50
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Visa Application	€ 10 174,66	€ 11 250,15	€ 10 662,27	€ 10 105,11	€ 9 577,07	€ 9 076,62
Price	€ 1 143,25	€ 1 143,25	€ 1 143,25	€ 1 143,25	€ 1 143,25	€ 1 143,25
Conversion Rate	5,30%	5,30%	5,30%	5,30%	5,30%	5,30%
Tax Filling (Lite)	€ -	€ -	€ -	€ -	€ -	€ -
Price	€ 318,75	€ 318,75	€ 318,75	€ 318,75	€ 318,75	€ 318,75
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Tax Filling (Standard)	€ -	€ -	€ -	€ -	€ -	€ -
Price	€ 467,50	€ 467,50	€ 467,50	€ 467,50	€ 467,50	€ 467,50
Conversion Rate	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Tax Filling (Pro)	€ 6 430,08	€ 10 003,29	€ 9 937,63	€ 9 418,34	€ 8 926,18	€ 8 459,74
Price	€ 722,50	€ 722,50	€ 722,50	€ 722,50	€ 722,50	€ 722,50
Conversion Rate	5,30%	5,30%	5,30%	5,30%	5,30%	5,30%
Tax Consultation	€ 2 647,68	€ 4 119,00	€ 4 091,96	€ 3 878,14	€ 3 675,49	€ 3 483,42
Price	€ 297,50	€ 297,50	€ 297,50	€ 297,50	€ 297,50	€ 297,50
Conversion Rate	5,30%	5,30%	5,30%	5,30%	5,30%	5,30%
Housing	€ 1 699,95	€ 2 644,61	€ 2 627,25	€ 2 489,96	€ 2 359,85	€ 2 236,53
Average Monthly Price of a Yon Room	€ 1 454,53	€ 1 454,53	€ 1 454,53	€ 1 454,53	€ 1 454,53	€ 1 454,53
Penetration Rate	1,16%	1,16%	1,16%	1,16%	1,16%	1,16%
Total Revenues	€ 345 574,44					
Total Costs	€ 83 979,05	€ 8 215,93	€ 8 132,87	€ 7 982,54	€ 7 840,06	€ 7 705,03
Upfront Costs	€ 81 712,13					
Market Research & Focus Groups	€ 10 000					
Product Implementation & System Adaptation	€ 6 784					
Personnel Costs - Designers	€ -					
Personnel Costs - IT	€ 2 696					
Personnel Costs - Project Managers	€ -					
Personnel Costs - Legal & Compliance	€ 3 370					
Training Costs - Customer Support	€ 719					
App Development	€ 44 928					
Backend Developer	€ 7 488					
FrontEnd Developer	€ 7 488					
UX/UI Designer	€ 7 488					
QA Engineer	€ 7 488					
Cyber Security	€ 7 488					
DevOps Engineer	€ 7 488					
API (Partnerships)	€ 20 000					
API - Bordr	€ 10 000					
API - Yon	€ 10 000					
Fixed Costs	€ -	€ 5 256,00	€ 5 256,00	€ 5 256,00	€ 5 256,00	€ 5 256,00
Marketing & Communication	€ -	€ -	€ -	€ -	€ -	€ -
Personnel Costs	€ -	€ -	€ -	€ -	€ -	€ -
Personnel Costs - Marketing Team	€ -	€ -	€ -	€ -	€ -	€ -
Personnel Costs - Legal & Compliance	€ -	€ -	€ -	€ -	€ -	€ -
Personnel Costs - Project Manager	€ -	€ -	€ -	€ -	€ -	€ -
Personnel Costs - Analyst	€ -	€ -	€ -	€ -	€ -	€ -
App and API Maintenance	€ -	€ 5 256	€ 5 256	€ 5 256	€ 5 256	€ 5 256
Personnel Costs - IT	€ -	€ 5 256	€ 5 256	€ 5 256	€ 5 256	€ 5 256
Variable Costs	€ 2 266,92	€ 2 959,93	€ 2 876,87	€ 2 726,54	€ 2 584,06	€ 2 449,03
Cost of Opening an Account (7,5€ * Opened Accounts)	€ 1 259	€ 1 393	€ 1 320	€ 1 251	€ 1 185	€ 1 123
Living Solutions	€ 1 008	€ 1 567	€ 1 557	€ 1 476	€ 1 399	€ 1 326
Total Cost	€ 123 855,48					

Group Part

Year	0	1	2	3	4	5
Profit	€ (53 591,46)	€ 59 278,09	€ 58 860,95	€ 55 510,51	€ 52 335,15	€ 49 325,72
Cumulative FCF	€ (53 591,46)	€ 5 686,63	€ 64 547,58	€ 120 058,09	€ 172 393,24	€ 221 718,96
Present Value	€ (53 591,46)	€ 53 889,18	€ 48 645,41	€ 41 705,87	€ 35 745,61	€ 30 627,39
Interest Rate	10,00%					
NPV	€ 157 022,00					
IRR	105,22%					
Payback Period	0,90					

Appendix 19. Citizen Accounts – Sensitivity Analysis (made my authors)

Sensitivity Analysis											
Scenarios	Customer Market Share	Additional Citizen Accounts	Maintenance Fee of Citizen Accounts	Additional Non-life Insurance Commissions	Additional Life Insurance Commissions	Additional Credit Card Commissions	Additional Debit Card Commissions	Total Additional Fees/Commissions	Additional Resources	Additional Investment Fund Value	Additional Mortgage Loan Value
Highly Positive	3,85%	3 368	€ 403 801,99	€ 126 112,33	€ 3 233,65	€ 50 222,62	€ 133 926,99	€ 717 298	€ 37 052 235,00	€ 875 780,10	€ 46 348 977,60
Positive	2,85%	1 123	€ 134 600,66	€ 42 037,44	€ 1 077,88	€ 16 740,87	€ 44 642,33	€ 239 099	€ 12 350 745,00	€ 291 926,70	€ 15 449 659,20
Neutral	2,35%	0	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
Negative	1,85%	-1 123	€ (134 600,66)	€ (42 037,44)	€ (1 077,88)	€ (16 740,87)	€ (44 642,33)	€ (239 099)	€ (12 350 745,00)	€ 291 926,70	€ 15 449 659,20
Highly Negative	0,85%	-3 368	€ (403 801,99)	€ (126 112,33)	€ (3 233,65)	€ (50 222,62)	€ (133 926,99)	€ (717 298)	€ (37 052 235,00)	€ 875 780,10	€ 46 348 977,60