



Digital Bank in a Traditional Bank

May 23, 2017

India: Exponential Digital Growth

1 Favourable demographic profile



Addition of around 12 million to the workforce every year for next five years

2 Government focus



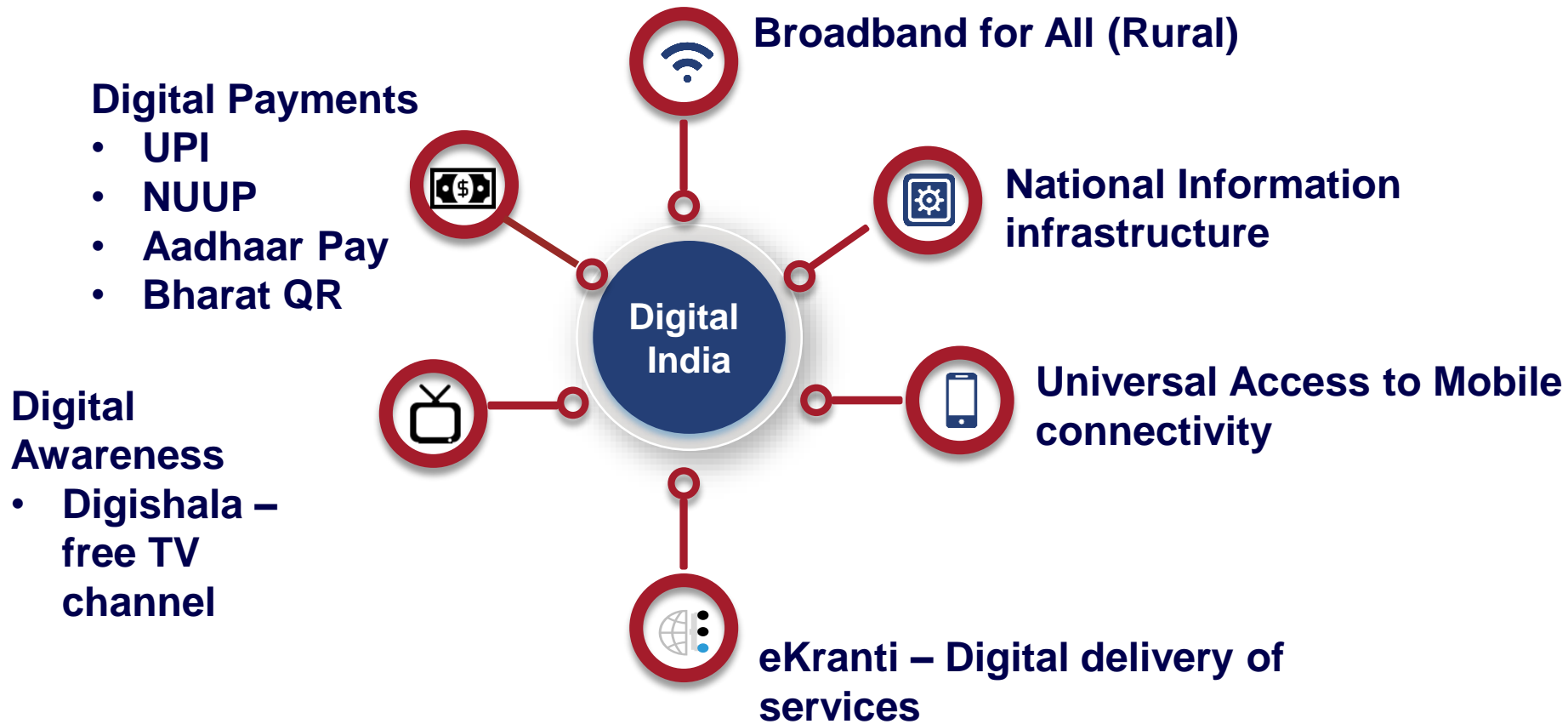
Government's focus on 'Digital India' & move to cashless economy

3 Leapfrog to mobile



907 mn mobile subscribers, 210 mn Smartphone users

Government Focus on Digital India





Digital is transforming every aspect of Banking

Towards a Digital Bank

Re-imagination

- Create new Digital only business models



Digitization

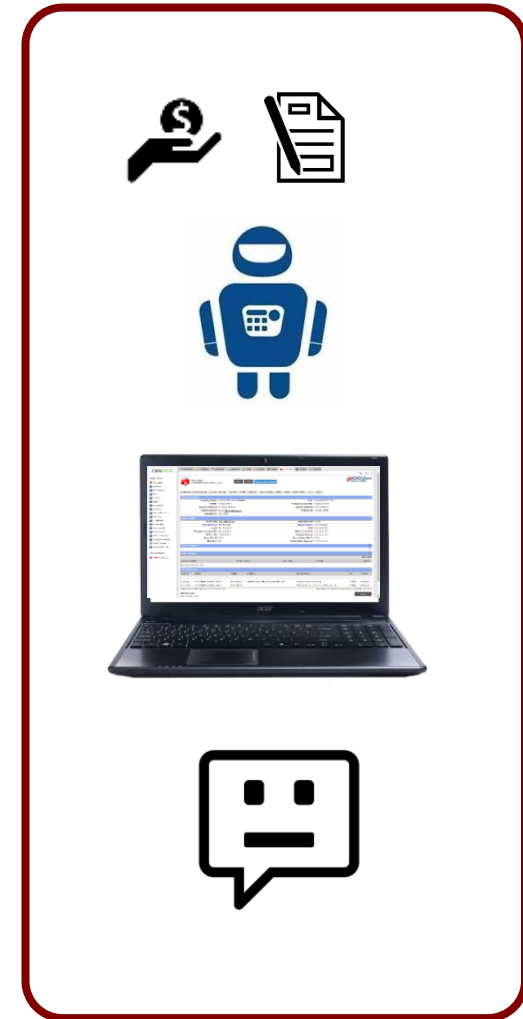
- Improve process efficiency

Transformation

- Transform customer experience

Digitization

- **Acquisition Digitization: Accounts and Loan origination digitization through tablets and smartphones**
- **Operations Digitization: Operations processes automated through Software robotics**
- **Sales Digitization: Sales process automated through Sales CRM**
- **Customer Service Digitization: Customer service automation through straight NLP and AI**



Transformation

- Leadership in digital platforms
 - Over 250 services across internet and mobile banking
 - Highest rated mobile banking app1
 - Full service digital wallet app
- Leadership in digital payments
 - Touch & pay: Mobile Based NFC payments leveraging HCE
 - Bharat QR: Unified QR code standard supporting VISA, MasterCard, RuPay and American Express
 - UPI: Mobile based interoperable, real time payments with direct debit from bank accounts
 - Aadhaar Pay: Payment using biometric without cards
 - EazyPay: Unique solution for merchants to accept payments on their mobile



Re-imagination

IT Era

Use of technology to increase efficiency

Massive gains in productivity through ERP systems, databases and personal computers



Digital Era

Use of technology of reinvent business models

Reinvention of business models due to sachetization (Low value/ high volume transactions), demand aggregation, entry of new payments players and new technologies



Re-imagination: Digital Business Models



Payments

- Scale up new mobile payment platforms focused on low value but high frequency use cases



Digital Lending

- Build low ticket lending products fulfilled digitally on own and partner channels



Savings & Investments

- Create small value recurring products fulfilled digitally

Re-imagination: Digital Ecosystems



Ecosystem Banking

- Tie-up pools of money in motion such as FMCG chains



Platform Thinking

- Partner with platforms to integrate with APIs and SDKs
- Build platform for others to integrate into



Blockchain

- Establish few early use cases

Re-imagination: New Operating Models

Dynamic Culture

Cross functional teams
Organized around customer journeys
Lean Methodology

Scalable Technology

Flexible modular architecture
Geared for high volume

Embedded Analytics

Using data and insights across
products and processes

Building Blocks

Biometric e-KYC
Fraud/ Risk Management

Thank
you