

# RETAIL BANKER

INTERNATIONAL

Asia Trailblazer Summit and Awards



## 2020 SPECIAL REPORT

In-depth analysis of winning strategies and the  
mindsets that drive success

# Editor's Note

First off, many thanks to all participating banks in the 11th annual RBI Asia Trailblazer awards. In the most challenging of circumstances, banks across the region are deservedly recognised for the best of the best in retail banking. Over 300 separate entries were received and in all – a record for the event – with 17 separate banks in the region recognised as winners. The quality and the quantity of the entries truly did the event proud. And a huge thank you to all of the winners featured in this supplement for their support.

## **Take a bow Maybank**

For Maybank to carry off nine award wins is a huge achievement, including the headline win of Asia Trailblazer of the year for institutions. It is also richly deserved with some notable award wins.

A number of the award categories across the event were hotly contested with so many strong entries. But in Maybank's case, it also scored some runaway wins such were the strength of the entries. For example, Maybank scored with its first-of-its-kind e-wallet enabling new or existing customers to open an account via their smartphones. Another especially strong initiative is its Maybank2u Reimagine project, successfully overhauling Malaysia's number one internet banking service. In addition, Maybank's Head, Group Virtual Banking, Kalyani Nair deservedly collects the individual award for Asia Trailblazer of the year.

On a personal level, I am delighted that the event also recognises Suvo Sarkar, Senior Executive Vice President and Group Head of Retail Banking, Private Banking and Wealth Management, Emirates NBD. Sarkar is recognised with a rare RBI Lifetime Achievement Award. In my 15 years covering the global retail banking sector on RBI I have been honoured to interview and share a stage with a number of world class retail bankers: Sarkar undoubtedly falls into the highest echelon of his peers.

## **DBS, UOB, Standard Chartered, Emirates NBD notable multiple winners**

**A big well done also to multiple winners such as** DBS scooping seven awards ahead of UOB with six and Standard Chartered with five. Other multiple winners include Cathay United, Alliance Bank, Kasikornbank, Union Bank of the Philippines and Taishin International Bank. So many banks think that they are delivering an improved customer experience but few banks truly optimise customer centricity as successfully as UOB. It is fitting that UOB is prominent within this supplement for the combined efforts of five different teams across its Singaporean and Thai offices implementing a number of different successful projects that collectively proved their excellence in customer centricity.

Another personal favourite among the award winners is the best rewards/loyalty programme delivered by Bank of Ayudhya. The bank transformed its customer loyalty programme to create an enhanced Krungsri gift digital loyalty offering. Not only is the programme seamless across the channels-it is demonstrably delivering a return on investment with many lesser users converted into regular main bank users, all the while ensuring that engagement levels rise sharply across all customer segments.

And a word also for RCBC. Just about every bank is attempting to grow its market share among the millennial segment. RCBC's winning entry, highlighted in this supplement, explains how the bank has grown customer numbers in this crucial segment with a new credit card and linked bank account aimed at millennials.

Hearty congratulations again to all of the winners and here's to the 12<sup>th</sup> annual Asia Trailblazer Awards in 2021.



**Douglas Blakey**  
**Editor, Retail Banker International**

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# Winners Announcements

## **Excellence in Employee Engagement**

### **Human Capital and Society**

**W** Cathay United Bank  
**HC** Union Bank of Philippines

## **Excellence in Graduate Employment Programme**

### **Human Capital and Society**

**W** Alliance Bank Malaysia Berhad

## **Best Staff Training and Development Programme**

### **Human Capital and Society**

**W** Kasikornbank PCL  
**HC** Union Bank of Philippines

## **Best CSR Initiative**

### **Human Capital and Society**

**W** Maybank Cambodia  
**HC** CTBC Holding

## **Best Use of Machine Learning**

### **Trailblazer in Artificial Intelligence Machine Learning and Data Analytics**

**W** Cathay United Bank  
**HC** Taishin International Bank  
**HC** Union Bank of Philippines

## **Trailblazing Use of AI in Financial Services**

### **Trailblazer in Artificial Intelligence Machine Learning and Data Analytics**

**W** United Overseas Bank Limited  
**HC** Bank of Andhya PCL (Krungsri)  
**HC** DBS

## **Best Application of Data Analytics**

### **Trailblazer in Artificial Intelligence Machine Learning and Data Analytics**

**W** Standard Chartered Bank Singapore  
**HC** Cathay United Bank  
**HC** ICICI Bank

## **Excellence in Mass Affluent Banking**

### **Trailblazer in Customer Experience and Segmentation**

**W** Security Bank Corporation  
**HC** CTBC Bank  
**HC** Emirates NBD

## **Excellence in Service Innovation**

### **Trailblazer in Customer Experience and Segmentation**

**W** United Overseas Bank Limited  
**HC** Kasikornbank PCL  
**HC** Maybank

## **Excellence in SME Banking**

### **Trailblazer in Customer Experience and Segmentation**

**W** Affin Bank Berhad  
**HC** Hong Leong Bank berhad  
**HC** Kasikornbank PCL  
**HC** RHB Bank Berhad

## **Best ATM and self-service Innovation**

### **Trailblazer in Customer Experience and Segmentation**

**W** Union Bank of Philippines

## **Excellence in Customer Centricity**

### **Trailblazer in Customer Experience and Segmentation**

**W** United Overseas Bank Limited  
**HC** Commercial Bank

## **Most Innovative Branch Offering**

### **Trailblazer in Physical Channels**

**W** Alliance Bank Malaysia Berhad  
**HC** Union Bank of Philippines

## **Best Online Securities Platform**

### **Trailblazer in Digital Distribution**

**W** United Overseas Bank Limited

## **Best Digital Banking Initiative**

### **Trailblazer in Digital Distribution**

**W** DBS  
**HC** Bank Danamon  
**HC** Maybank

## **Excellence in Mobile Banking**

### **Trailblazer in Digital Distribution**

**W** Standard Chartered Bank Malaysia  
**HC** DBS  
**HC** Maybank



# Winners Announcements

**Excellence in Internet Banking**  
**Trailblazer in Digital Distribution**  
W Emirates NBD

**Best App for Customer Experience**  
**Trailblazer in Digital Distribution**  
W DBS  
HC Maybank  
HC Standard Chartered

**Best Mobile Wallet Initiative**  
**Trailblazer in Digital Payment**  
W Maybank  
HC CTBC Bank  
HC Kasikornbank PCL

**Best Remittance initiative**  
**Trailblazer in Digital Payment**  
W Union Bank of the Philippines  
HC ICICI Bank

**Best Payment Innovation**  
**Trailblazer in Digital Payment**  
W Maybank  
HC Kasikornbank PCL  
HC Standard Bank Singapore

**Best Payment Innovation**  
**Trailblazer in Digital Payment**  
W Maybank  
HC Kasikornbank PCL  
HC Standard Bank Singapore

**Best Loyalty/Rewards Programme**  
**Trailblazer in Marketing and Communication**  
W Bank of Ayudhya PCL  
HC Taishin International Bank

**Best Loyalty/Rewards Strategy**  
**Trailblazer in Marketing and Communication**  
W DBS

**Best Advertising Campaign**  
**Trailblazer in Marketing and Communication**  
W Maybank  
HC Standard Chartered

**Best Social Media Marketing Campaign**  
**Trailblazer in Marketing and Communication**  
W Union Bank of Philippines  
HC Liv. Bank by Emirates NBD

HC RCBC Bankard Services Corporation  
HC Taishin International Bank

**Best Multi-Channel Offering**  
**Trailblazer in Marketing and Communication**  
W DBS

**Best Core Banking System Initiative**  
**Trailblazer in Omni Channel**  
W DBS

**Best Mortgage Offering**  
**Trailblazer in Product Innovation**  
W Standard Chartered Bank Singapore  
HC CTBC Bank

**Best Credit Card Initiative**  
**Trailblazer in Product Innovation**  
W SRCBC Bankard Services Corporation  
HC Geaneral Card Services  
HC Standard Chartered Bank Singapore

**Best Debit Card Initiative**  
**Trailblazer in Product Innovation**  
W Maybank  
HC Kasikornbank PCL

**Best Loan Offering**  
**Trailblazer in Product Innovation**  
W United Overseas Bank Limited  
HC Kasikornbank PCL  
HC Security Bank Corporation

**Best Saving Plan Offering**  
**Trailblazer in Product Innovation**  
W United Overseas Bank Limited

**Best Retirement Product and Service Initiative**  
**Trailblazer in Product Innovation**  
W Standard Chartered Bank Singapore

**Dynamic Third-Party Collaboration**  
**Trailblazer in Process Innovation**  
W CTBC Bank  
HC Affin Bank Berhad

**Excellence in Client On-Boarding**  
**Trailblazer in Process Innovation**  
W Kasikornbank PCL  
HC Maybank

**Best Innovation Programme**  
**Trailblazer in Process Innovation**

W ICIC Bank  
HC Cathay United Bank

**Excellence in Loan Origination**  
**Trailblazer in Process Innovation**  
W Taishin International Bank  
HC CTBC Bank

**Best Retail Bank - UAE**  
**GCC Trailblazer**  
W Emirates NBD

**Best Retail Bank - Cambodia**  
**South East Asia Trailblazer**  
W Maybank Cambodia

**Best Retail Bank - Hong Kong**  
**East Asia Trailblazer**  
W Standard Chartered

**Best Retail Bank - Taiwan**  
**East Asia Trailblazer**  
W Taishin International Bank

**Best Retail Bank - Myanmar**  
**South East Asia Trailblazer**  
W uab Bank

**Best Retail Bank - Malaysia**  
**South East Asia Trailblazer**  
W Maybank

**Best Retail Bank - Philippines**  
**South East Asia Trailblazer**  
W Union Bank of the Philippines

**Best Retail Bank - Singapore**  
**South East Asia Trailblazer**  
W DBS Singapore

**Asia Trailblazer of Year 2019 (Individual)**  
**Asian Trailblazer Awards**  
W Kalyani, Maybank

**Asia Trailblazer of Year 2019 (Institution)**  
**Asian Trailblazer Awards**  
W Maybank

**Lifetime Achievement**  
W Suvo Sarkar  
Emirates NBD

# WINNER / United Overseas Bank (UOB) Ltd

## Excellence in Customer Centricity & Best Loan

**U**OB won in the Customer-Centricity category for the combined efforts of five different teams across its Singaporean and Thai offices implementing a number of different successful projects that collectively proved their **Excellence in Customer-Centricity**, increasing engagement, touchpoints, sales and data. The Thai project was also recognised as the Best Loan Offering. The noteworthy projects were:

**(i) A utility marketplace:** designed for Singaporean consumers that offered easy data-rich comparisons, information about how to select an electricity, gas, water or TV / broadband supplier, and convenient user experience (UX) design via a new website [www.uob.com.sg/utilities](http://www.uob.com.sg/utilities). Lots of promotions and rebates available to UOB cardholders have ensured:

- An increase in cardholder sign-ups after the initial engagement.
- A seven fold increase in monthly billings.
- & A 150 times rise in card transactions in the utility sector, as it was specifically targeted.

Numerous utility providers have flocked to join the customer-centric marketplace, increasing its power.

**(ii) A relaunch of UOB's Lady Card:** targeting women customers in Singapore, was undertaken after declining sign-ups began to hit the once pioneering 30-year old product. A joint customer insights survey with MasterCard provided lots of consumer data to drive a refreshed card design, brand campaign and new rewards programme. Seven different categories from beauty to dining, entertainment to family, fashion and travel were defined to offer specific rewards that can be changed each quarter.

The success of the project is proven by brand research commissioned by Kantar in 2019 that showed brand consideration and usage rose by 11% and 14% respectively among the key target group of 21-35 year-old females. Card applications rose by 200% in March last year as well, and have since continued upwards.

**(iii) UOB launched a digital car financing product:** in July 2019 with instant loan approval for qualifying applicants. Targeting the private hire (chauffeur) segment that has seen 45,000+ cars registered with the Land Transport Authority (LTA) in Singapore since it launched a scheme to allow for private ownership, UOB has seen significant uptake helped by a partnership with the local Grab ride-hailing company. An approval rate of 92% and \$300,000 in loans were initially made, with on-going success evident in what is a growing segment.

**(iv) The wealth management unit of UOB launched**

**a new advisory tool:** in Singapore that instantly presents full transparency of clients' mutual funds portfolios', thereby helping the bank's advisors perform instant face-to-face analysis, and offer sound, risk-optimal recommendations without having to rely on third party data providers.

Fund Explorer can be accessed on a mobile, tablet or computer. Its 1.0 iteration provides ACE functionality, offering the ability to Analyse, Compare & Extract data. This can cover historical price trends, exposures, price performance of different funds, risk / return metrics and the extraction of documents, such as factsheets or prospectuses. The 2.0 iteration increased the tool's comparative power across two different portfolio of funds simultaneously. Its driven by four toggle widgets that specialise in performance analysis; exposure; risk and return analysis. Benefits include:

- Enhanced usage, with 96% of advisors logging on and using it to better serve clients.
- Improved customer experience (CX) as there is now a single source of truth for everything, speeding up consultations, accuracy, in-depth discussions and so forth.
- Enhanced advisory expertise has led to improved sales conversion rates.

**(v) A branch transformation project in Thailand:** drove better customer targeting, engagement and loan uptake. This project also won as a standalone entry in the **Best Loan Offering category**.

UOB Thailand recognised that some customer segments still value branch bank experiences and wanted to make them more pleasurable, in-depth and interesting to enhance customer stickiness and service uptake, especially for loans.

The project targeted three key customers – the upper affluent; affluent and middle income areas, re-designing branch layouts and facilities to suit each segment and assigning different staff skillsets to each to deliver improved service and strategy. New smart branch technology, micro events and festivals have also been rolled out.

The overhaul has worked with loan growth increasing by 6% against a market average of 1.7% and net fee income rising by 14.9%. There have been many other additional benefits too, such as a 15.4% growth in deposits.

UOB also won in the **Trailblazing Use of Artificial Intelligence (AI)** category for its Bond Explorer product. This is an automated digital advisory solution that uses AI to elevate its old non-digital offering from a mere single bond analysis ability reliant on





external unlined tools and some ‘hand chiselling’ to a fully digital portfolio level comparison and analytical capability that is much deeper and useful to the bond relationship manager (RM) and, ultimately, the end client. For instance, it does away with the need for offline coupon cash flow or payment dates, tenure tracking and so on, which RMs typically calculated offline in Excel spreadsheets previously. Pain points are removed. Two bond portfolios can be examined simultaneously for performance and risk parameters, fixed income calculations and so on.

The new AI-driven Bond Explorer contains all the key functions and features that are tailored to the way UOB advises with its risk-first approach, and also has up-to-date product lists that are automatically updated via application programming interface (API) integration with a leading market data provider. Bond Explorer contains many first-to-market features, such as:

- Daily automated refreshes of market data & information.
- Interactive price charts with full price histories since issuance.
- General data covering issue and maturity dates, daily prices and so forth.
- UOB-unique data points like product risk ratings, strategy classifications (core or tactical).
- Yield and duration data covering yield-to-maturity, yield-to-call and so on.

- Performance and risk analysis capabilities can look at current v proposed portfolios and assess the impacts of different currencies, durations, regions, tenures and so on. A relative value analysis, with scatter plot graph, is also available for yields, and another function offers interactive scenario analysis. This can be used to simulate interest rate and other benchmark movements.

There are three main benefits associated with the AI-driven Bond Explorer. The aforementioned removal of pain points and alignment with UOB’s ‘risk-first’ approach, combined with enhanced instant analytical powers, have improved RM advisors’ perceived professionalism and had a second benefit of improving CX. Finally, this means clients can now make more informed decisions based on enhanced trust and data-driven advice, which has led to the third benefit of increased client acquisition. Deploying AI has been a win-win for the bank and the client.

UOB were also **winners** in three other categories at the Retail Banker International (RBI): Asia Trailblazer Awards 2020: • **Best Online Securities Platform**; • **Best Savings Plan Offering**; • **Excellence in Service Innovation**.

# WINNER / Bank of Ayudhya (Krungsri)

## Best Loyalty-Reward Programme & AI commendation

**B**ank of Ayudhya PCL, commonly referred to as Krungsri, is the fifth largest bank in Thailand and the recipient of the **Best Loyalty/Rewards Programme** trophy at the online, virtual Retail Banker International (RBI): Asia Trailblazer Awards 2020.

The bank transformed its customer loyalty programme to create an enhanced Krungsri Gift digital loyalty offering. This was much more seamless across multichannels, digital, and provided such a good customer experience (CX) that some lesser users have been converted into regular main bank users and engagement levels have improved.

The bank has re-engineered its loyalty programme to be convenient and flexible, adding value to existing customers and attracting new ones.

Multiple customer research projects ahead of the launch at the start of 2019 showed that simplicity and personalised easy access from many different end points – be it branches, ATMs, internet or mobile channels – was what customers wanted. Four types of transactions were identified as the most likely to deepen engagement and convert occasional users into regular main bank users. These were:

- Deposits
- Withdrawals
- Transfers
- Payments

Customers undertaking these transactions on any channel can accumulate instant real-time rewards, without complicated redemption, voucher or other 'after the fact' procedures. For instance, the Krungsri Mobile Application (KMA) or SMS text rewards can instantly be accessed on mobile phones if users spent money at a retailer, such as an ice cream parlour or health / wellbeing shop, that was participating in the digital scheme. Retailers can also use the data-rich environment and marketing platform that the bank has created to support their own marketing ends.

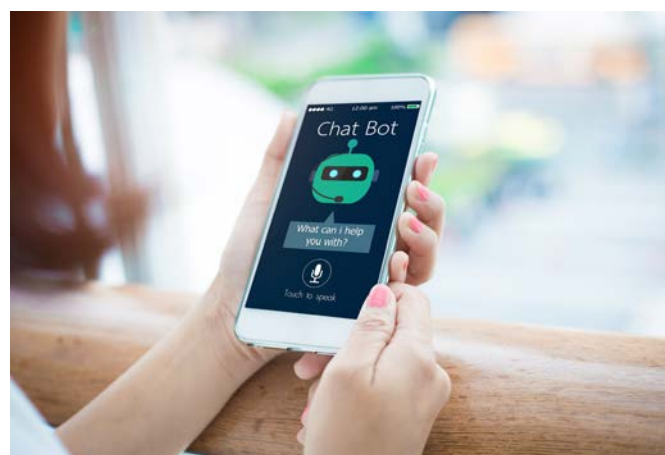
The number of active users of the now fully digital rewards platform has grown by 25% as of September 2019, following its unveiling at the start of that year. The number of customers completing the four bulleted transaction types surged by 61% since January 2019, proving the success of the programme.

Next steps for the Krungsri Gift digital initiative is to leverage the data gathered from customers' interactions with the programme to create dynamic

segmented marketing campaigns that can be automated and targeted to offer more location-specific real-time rewards.

The bank was also **Highly Commended** in the **Trailblazing Use of AI** in FS category (this was won by United Overseas Bank Ltd: see their separate write-up). Bank of Ayudhya's Capital Services Co. unit got the commendation for its artificial intelligence (AI) Manow voice virtual agent.

AI Manow can serve Thai customers 24x7 answering questions about financial products and reducing wait times, while providing accurate information with a high level of security thanks to voice authentication. It's the first AI virtual agent in Thailand and therefore somewhat of a trailblazer.



The voice virtual agent can verify customer information using spoken date of birth responses and so on, while examining latest the latest payment channels or credit limits and answering queries about outstanding balances; due dates and so on.

Initially launched for credit card and personal loan customers, AI Manow can understand various Thai accents and cut the need for repetitive questions. IUTs so far handled more than 1 million calls and provided the following benefits:

- Call abandon rates improved 50% year-on-year (YOY).
- Customer talk time halved from 120 seconds down to 60 seconds.
- Accuracy rate of 90%.
- Enhanced productivity with THB80 million Thai Baht (USD\$2.5m) saved per year from call centre operational costs.





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## RETAIL BANKER INTERNATIONAL

Asia Trailblazer Summit and Awards

### Winner

Best Loan Offering: Private Hire Car Loans

Best Online Securities Platform: Bond Explorer

Best Savings Plan Offering: KrisFlyer UOB Account

Excellence in Customer Centricity: Utility Marketplace

Excellence in Service Innovation: UOB Portfolio Advisory Tools

Trailblazing Use of AI in Financial Services: Mighty Insights

### Highly Commended

Excellence in Omni-Channel Integration: UOB Portfolio Advisory Tools

RIGHT BY YOU



## General Card Services

### Credit Card commendation for Thai project

**G**eneral Card Services (GCS) is a separate standalone subsidiary of the Bank of Ayudhya Plc, commonly known as Krungsri, and is a member of the over-arching MUFG global financial group. It won **Highly Commended** status in the **Best Credit Card Initiative** category at the Retail Banker International (RBI): Asia Trailblazer Awards 2020 for its work with Central Group, Thailand's largest retail conglomerate. The category winner was RCBC Bankard: see separate write-up.

GCS and Central Group began co-operating in 1998 for the purpose of managing unsecured lending against their co-branded credit card and deepened the relationship in March 2017 when they unveiled a new product entitled 'Central The1 Credit Card'. This new card won the commendation and is now in its third year of operation.

It achieved 900,000 cardholders since March of last year, the latest for which figures are available, and an asset size of THB20 billion Thai Baht (USD\$625m). The different segmented card offerings targeting various affluences have each experienced usage volume spikes since the 2017 unveiling, with the latest figures as follows:

- Central The1 Redz +20% year-on-year (YOY).
- Central The1 Luxe +24% YOY.
- Central The1 Black +30% YOY.
- Central The1 The Black +28% YOY.

Total usage figures have risen 23% YOY to THB63.28 billion Thai Baht (USD\$1.99bn). Measured against the industry average for 2019 usage was up 23% for the entire product range v 9% for the sector overall. These figures resulted from the following programme. During 2018-2019, GCS implemented several high-impact initiatives to:

- Drive acquisition and grow quality base
- Ensure continuous card usage through data-driven marketing & portfolio campaigns
- Improve customer experience (CX) across all touch-points.
- The most notable initiative is the 'Acquisition Makeover' project, whereby the existing face-to-face acquisition channel was almost torn down and rebuilt from scratch.

The first phase of this makeover focused on sales transformation which aimed to drive the productivity of each PC service agent (at our physical outlets), while ensuring improved quality for each type of application (both submitted and those approved).

This sub-project concentrated on 4 main pillars:

**1. Sales Force Restructuring:** The existing acquisition & sales team structures were redesigned so that a dedicated marketing unit was now part of the team to maximise the speed of acquisition promotions. The sales operations team (for document follow-ups and working procedures with the credit analyst team) was moved out to be under an MIS & Analytics Team for improved control and governance.

**2. Branch Rezoning:** All Central and associated Robinson Department Store locations in Thailand were grouped together under respective 'zones' based on their physical and geographic locations. These zones were under the direct responsibilities of Area/Regional Managers (AM/RM). Grouping by geographic locations allowed better monitoring and control of PC service agents. AM/RMs may also perform frequent store visits to tackle problems encountered by individual PC service agents.

**3. Sales Competencies:** To up productivity and cut staff attrition, special emphasis was put on ensuring product knowledge and selling skills amongst all PC Service agents. The entire sales on-boarding and training programmes have been revisited and improved. All new agents must undergo extensive five-day mandatory product & sales training courses. In addition, a dedicated 'mobile trainer' team has been set up. These provide on-site and on-the-job assistance for low performance Central & Robinson store locations on a rotating basis.

**4. Sales Monitoring Dashboard:** Improving the performance monitoring dashboard was a key aim. It was split into two phases, as detailed below. Primarily, the desire was to monitor and drive productivity down to individual agent and branch level, with comprehensive sales dashboards and performance reports being formulated by the MIS team. The dashboard allows performance measurements on a daily basis and tracks the quality of approved cards (for example, % activation and activity rates on a month-on-month basis) under specific branch and AM/RM performances.

**The first phase:** of the dashboard drive was so successful it resulted in an immediate uplift in new card acquisitions from the first month of implementation (June 2018), hitting a new milestone of >10,000 new cards (January 2019) and then a new highest yet card acquisition record of >12,500 cards for July 2019.





**The second phase:** introduced several digitisation initiatives to drive acquisitions via face-to-face (traditional) as well as online channels. GCS implemented a simplified application, which improved CX and speed. Its installed on Point-of-Sale (EDC) terminals, as well as tablets at selected Central Group Businesses. The applicant can 'dip' his/her national ID Card into the EDC and the basic information will be populated into the digital application form and sent directly to the Credit Approval team. Any supporting document(s) can be scanned and directly sent to the same team. Card approvals and issuance can be reduced from up to 10 days to within 30 minutes.

In 2020, at the time of submission to the RBI: Asia Trailblazer Awards 2020, further planned enhancements include fully digitalised applications via the Bank's

KMA: Krungsri Mobile Application and then rollout of this functionality on partner platforms. Facial recognition for speedy electronic e-KYC (Know Your Customer) regulatory approval is also planned.

The Central The1 Credit Card has achieved tremendous and consistent improvements in all key performance indicators compared to its predecessor products and indeed versus the general marketplace.

Breakdown of activity rates and spending per user showed better performances for every segmented card type. Card delinquency is at an all-time low, and is the lowest in the market at less than 1% to Loan Outstanding, while the non-performing loan (NPL) figure is also low.



# WINNER / RCBC Bankard Service Corporation

Creating New Credit Card Holders

**R**izal Commercial Banking Corporation (RCBC) is one of the Philippines largest private universal banks, but its primarily perceived as a business bank with only 6% of its deposit clientele base in the 21-35 age group. Its RCBC Bankard subsidiary offered a way to partner and increase younger users via a new credit card and linked bank account, which is aimed at millennials who have traditionally been underserved in the market due to fears about a lack of savings and credit history. This drive to attract new, younger users is why RCBC won **Best Credit Card Initiative** at the Retail Banker International (RBI): Asia Trailblazer Awards 2020.

The CASA and Credit Card Bundle is a combined product that offers a RCBC Bankard card without the need for the usual deposit documents. There is no hold-out agreement either, whereby 80% of the deposit is assigned as a credit limit making it inaccessible in most other offerings.

RCBC didn't want to go down this traditional route. Instead applicants can open a deposit account with PHP10,000 peso (US\$200) obtaining a starter limit of PHP5,000 peso (US\$100) on their linked card. This can be increased further if income documents are supplied. Limits can also rise as card and payment behaviour are monitored, automatically triggering limit rises to reward good behaviour and thereby develop a credit history.

Opening the door for uncared, un- or underbanked millennials to enter the financial services (FS) arena offers risks but also significant rewards. As millennials income increases they are likely to remain loyal to their starter bank and card provider, widening the base of the bank. To cut the risks rollout was undertaken on a phased test and graduated pilot basis and a number of financial management tools were provided to users, such as:

- **A spend monitor:** that texts if monthly preset budgets for the card are exceeded.
- **A spend analyser:** that tells users where they're spending their money on what goods each money, provides yearly breakdowns and so on.
- **Purchase payment schemes:** can also be set, eliminating or reducing interest, if monthly instalment plans ranging from 3-36 months are specified.

The rollout last year began in five carefully selected branches in central business districts where millennials are employed. It was allied to a geo-targeted social



media marketing campaign on Facebook that targeted 21-35 year olds within a 1-mile radius of participating branches. Walk-in or online application are possible. The ease and free nature of the card, with a deposit account, were emphasised, and the fact you get higher limits when you save.

An expanded pilot was launched in August 2019 to an additional 11 branches with the associated geo-located social media marketing extended to a 2-mile radius. The second revised phase of the campaign generated a higher conversion at 13.32%, with a cost per led figure of PHP51.58 peso (US\$1), and these people were the desired new to bank millennials. A third phase expanded to 103 branches nationwide and linked to the bonus season to encourage people to invest in a bank account and develop their credit history. The conversion rate lowered to 4.78%, still above the 3% benchmark, maintained the same lead cost, and most importantly widened lead generation by 750% v the smaller second phase, increasing uptake.

The campaign garnered 14.41% of new credit cards issued to previously uncared customers and the delinquency rate was 3.11%, which is better than the allowed 4.15% threshold. The CASA and Credit Card Bundle is now available everywhere.

*General Card Services (GCS), a separate standalone subsidiary of the Bank of Ayudhya Plc, commonly known as Krungsri, achieved **Highly Commended** status in the **Best Credit Card Initiative** category at the popular Retail Banker International (RBI): Asia Trailblazer Awards 2020 (see separate write-up). This category garnered a lot of entries, so more than one project has been entered into this 'winners' book'.*



## MASTERING THE NUMBERS TO DELIVER A MASTERFUL SERVICE

*In this Q&A interview with Master of Science (MSc) in Finance postgraduate of Imperial College London, Jacquelyn Tan, reflects on the importance of numbers in running loan books, using data to deliver better analysis, services, and digital experiences – but also why the human touch and customer experience (CX) matters.*

**Please describe your background, philosophy, leadership tips & career?**

I am the MD and Head of Group Personal Financial Services (PFS) at United Overseas Bank (UOB) in Singapore, which is to say I lead the consumer banking business, covering the city state, Indonesia, Malaysia,

*"I always encourage my team – and remind myself – to place ourselves in customers' shoes, so that we are able to better understand and serve their needs"*

Thailand and the region. This includes secured and unsecured lending, where you have to be on top of the numbers, as well as the deposit and wealth management businesses in Singapore and throughout the region. I also lead UOB's strategic drive in Asia in the areas of digital banking, sales and distribution, marketing, and business analytics for consumers.

Additionally, I spearhead UOB's omni-channel approach which extends from transforming our physical network to tapping technology, such as advanced data analytics, to deepen our digital capabilities and provide customers with simpler, smarter and safer ways to bank. The team and I also work with strategic partners to build ecosystems that embed FS into customers' everyday lives (see technology question).

I have been in banking for more than 20 years and joined UOB in 2014 after previously heading up the unsecured lending business at Citi Singapore. My banking experience extends across a breadth of areas including treasury, consumer finance, wealth management, payments, and marketing.

My philosophy is that it's the consumers that matter. Customer experience (CX) should be the priority. After all, banking is a 'people business' and at its heart is the customer. As such, I always encourage my team – and remind myself – to place ourselves in customers' shoes, so that we are able to better understand and serve their needs, and even remove their pain points. By developing such 'heartware' in my team, we can build lasting relationships that deliver value to all parties.

#### **How do you inspire your team?**

As well as insisting on a customer-centric approach I tell my team that we must be future-ready. This involves building and maintaining an innovative and entrepreneurial culture, and we must be relentless in improving ourselves to stay competitive. You can never rest on your laurels. But that is a good thing as it means there is never a dull day in banking, if you want to innovate and dream that is.

Teamwork in and of itself is important. As the saying goes 'the whole is greater than the sum of its parts' and I truly believe this.

I believe in creating a safe environment for my

colleagues, including teams from other functions, to ensure ideation and effective collaboration. I make every effort to be closely involved with my colleagues in the different projects we do and support them every step of the way. You have to be fully engaged to ensure others are too.

#### **What digital technologies have UOB developed to improve CX, and talk about the digital transformation and creative, innovative practices you see in retail banking?**

At UOB, we place our customers at the centre of all that we do as part of our aforementioned omni-channel strategy. Digital is vital to the future of retail banking. Since 2015, we have continually been enhancing the UOB Mighty app to enable customers to bank, pay and get rewards and benefits, all via a single app that is optimised for smartphones.

More recently in 2019, we launched Mighty Insights. This artificial intelligence (AI)-driven digital banking service provides personalised savings tracking tools, insights and customised alerts on spending patterns and refunds, as well as product recommendations.

More than 1.5 million UOB customers in Singapore now use our digital services. Just looking at the UOB Mighty app, the numbers are impressive:

- UOB Mighty log-ons are increasing by 33 per cent year-on-year (YOY), measured in June 2020 and based on at least one log-on per month. Many use the all-in-one mobile banking app much more frequently.
- The number of transactions made through UOB Mighty by Singaporean customers is up by more than 70 per cent. The growth trend is similarly reflected in:
  - Malaysia (+50%)
  - & Thailand (+212%).

#### **Developing the ecosystem**

In September 2020, UOB collaborated with Visa to become the first bank in the world to tap a new Visa application programming interface (API) that enables our customers to add their Visa credit or debit cards securely into the apps of our designated partners, such as Fitbit Pay via UOB Mighty. This is an example of developing an ecosystem of services,



with partners where appropriate, and is another key priority for us.

In the wealth management (WM) area, we've internally developed a purpose-built digital wealth advisory platform called Portfolio Advisory Tools. Our advisors can access PAT to give deeper insights, drawing upon 12 years of historical market data to visualise the expected performance of investment portfolios against various economic scenarios. Aimed at the emerging affluent, PAT enables more meaningful discussions. Customer engagements on PAT in the first half of 2020 rose by more than two times compared with the second half of last year.

Another ecosystem example is the UOB Home Solution. Developed with property ecosystem partners to ease customer and real estate agents 'pain points' the digital offering simplifies the home purchasing journey. For instance, it led to Singapore's first bank-backed online property valuation tool and a GetBanker service, which refers a property agent to a banker based on price, loan multiples and other factors. Almost 90% of agents in Singapore can now access the app. Instant online application and approval for home loans has been accessible for everyone since October 2018.

### **What measures have UOB put in place to help both customers and employees during the Covid-19 pandemic?**

Well, just to put it on record a lot of the digital innovations, services and CX focus I've discussed have been beneficial during these difficult times in allowing customers to still bank safely with UOB, access relief funds, information, and so on. For example, the UOB Mighty mobile banking app, allied to website, ATMs, electronic mailers and social media, have all helped to let people know what relief options are available to them. At the height of the pandemic in Singapore, when people were staying at home, we also introduced more than 50 process changes to serve our customers better remotely and efficiently.

More immediately, and importantly, UOB has also been at the forefront of distributing relief money and other such alleviation efforts. For example, in May 2020, UOB colleagues and customers from across the Bank's global network raised more than S\$1.65 million in a month as part of the #UnitedForYou Covid-19 Relief Programme.

For consumers, we are helping them via the Special Financial Relief Programme (SFRP) launched by the Monetary Authority of Singapore (MAS) in April 2020, and alerting them to the possibilities. Through the SFRP, for instance, consumers can apply to defer their mortgage repayments, or convert unsecured loan balances to a lower-cost term loan. As of September 2020, UOB has approved the majority of the 8,000+ applications we've had to defer mortgage repayments and more than 4,000 applications have

converted unsecured credit into term loans.

From November 2020, consumers can also apply for a reduced instalment plan on secured loans under the MAS Extended Support Scheme, which is the latest round of relief measures announced by the central bank.

For business customers UOB has actively helped small- and medium-sized enterprise (SME) customers access different government-assisted financing schemes to support their cash flow. The Temporary Bridging Loan Programme (TBLP) for instance offers financing up to S\$5m. By April 2020, we'd approved more than S\$4 billion in loans under TBLP.

### **Employee assistance**

Our people were not forgotten. UOB's 26,000 colleagues and their families got a box of masks for their personal use, which was especially important at first when masks were in short supply. The bank has paused hiring plans for the year, but pledged not to conduct retrenchment exercises to safeguard the lives and livelihoods of staff.

We were also quick to put in place precautionary measures in-line with guidelines from the authorities, so those who had to be physically present in the office, could safely distance themselves. Online tips about how best to manage physical, emotional, and mental well-being have also been provided, alongside complimentary virtual wellness programmes and fitness classes.

### **What is the biggest people problem you are trying to solve right now?**

Professional development is an ongoing area of focus as I believe in investing in my people to help them succeed. It never stops either. Re-skilling and upskilling during this era of technological advances is vital to gain or deepen digital competencies. For example, our Group-wide 12-week Better U programme, launched last year, has a module on digital innovation. It also offers:

- Complex problem-solving skills
- Specialised learning tracks on data management
- Project management skills and so on.

The **Better U** programme will ensure colleagues are future-ready and prepared to rise to the challenge of understanding numbers, how to use data effectively, and how to deliver CX to ensure a masterful service.

# WINNER / Union Bank of Philippines

## Blockchain pilots win Remittance & ATM categories

**U**nion Bank of the Philippines won in the Remittance category and for **Best ATM & Self-service Innovation**, with two separate projects that both utilised nascent blockchain technology.

In regard to the former ATM category, its internally-developed Project Bitbox Proof-of-Concept (PoC) ushered in a virtual currency (VC) ATM cryptocurrency machine at the first fully digital Ark branch in the Philippines. Customers can purchase bitcoins (BTC) using local cash and sell them via partnerships with central-bank registered exchanges.

Project Bitbox has increased awareness and the understanding of cryptocurrencies and allowed the bank to gauge demand or otherwise for it, while future-proofing Union Bank for any possible adoption in the future. It attracted curious customers to open new accounts at the branch in order to access the VC ATM and had other benefits, such as:

- Deepening the relationship with Bangko Sentral ng Pilipinas, the central bank of the Philippines
- Garnered lots of positive publicity for the bank & a rise in fintech partnership requests
- Showed how to book and reconcile digital assets on the general ledger
- Improved internal understanding of how to incorporate risk, workflow and network linkage procedures when using virtual currencies.

The **Best Remittances Initiative** win for the Union Bank of the Philippines came about thanks to its Send-i2i pilot scheme that uses blockchain technology to move small amounts of money from migrants in Singapore back home to the Philippines.

Send-i2i is a pilot launched by UnionBank to explore how to compete with non-bank financial institutions (NBFIs) in the large Philippines remittance market that is worth 10% of gross domestic product (GDP), equivalent to US\$33bn of inflows per year.

It operates from Singapore to any bank, rural or otherwise in the country, and uses blockchain technology and tokenized fiat to deliver a near real-time cross-border remittance in a faster, cheaper fashion than normal.

Developed in conjunction with Adhara Ltd and on-boarded to Singapore's PayNow network to enhance accessibility, the portal cut delivery times from 20 days to mere seconds in the case of receiving rural bank and project partner, Cantilan Bank, and slashed costs. OCBC Bank was also included in the pilot as one of nine bank members of the PayNow funds transfer network that



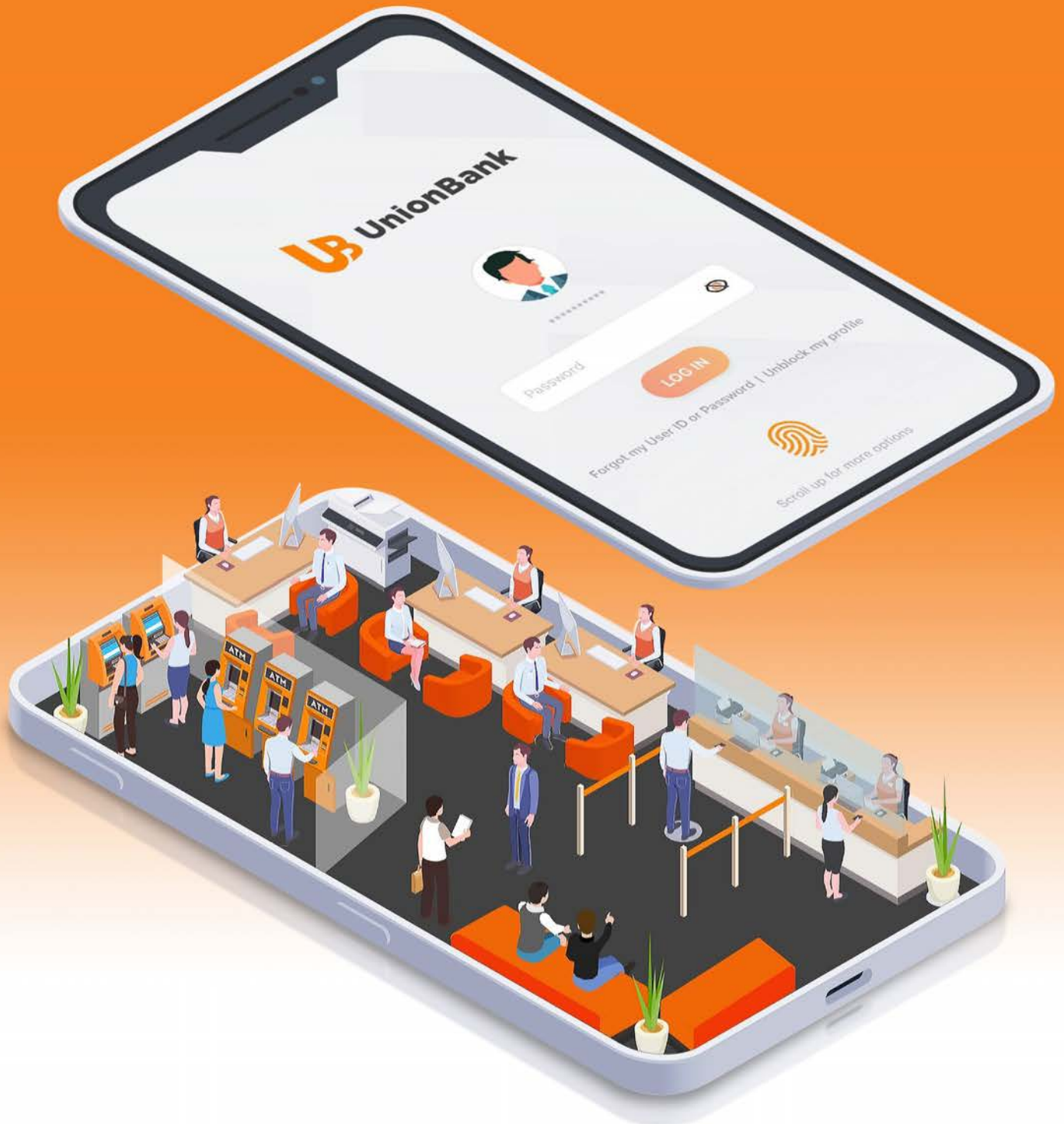
has 2.8 million users in Singapore. An SMS success text notification is provided to the sender and beneficiary of the remittance. Union Bank's PHX stablecoin is deployed, pegged to the local currency, to ensure efficiency in foreign exchange (FX) conversion and transfers.

The aim is to increase financial inclusion, engagement and business opportunities, extending financial services (FS) to the un- and under-banked segments of the 100 million-strong Filipino population, which is a very significant market. The Send-i2i pilot was publicly unveiled at the 2019 Singapore Fintech Festival after earlier successful tests.

Union Bank of the Philippines were also **winners** in the **Best Retail Bank Philippines**. Category against their local rivals. This win was for a digital Relationship Manager (RM) project that introduced a customer relationship marketing (CRM) platform that led to a doubling of qualified leads for RMs, using the in-built data analytics to better present opportunities, and ultimately 500% more conversions. The average number of new accounts opened by RMs increased by 50% thanks to the assistance of their new CRM tool and the number of calls needed to convert a prospect fell by a similar amount.

**Union Bank of the Philippines** were also **winners** in the **Best Social Media Marketing Campaign** at the Retail Banker International (RBI): Asia Trailblazer Awards 2020.

**Union Bank of the Philippines (UnionBank)**  
**Voted by BankQuality.com as one of Asia Pacific's**  
**most helpful banks during COVID-19**



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# ENGINEERING THE FUTURE

In this Q&A interview with Edwin R. Bautista, President & CEO of **UnionBank of the Philippines**, he reflects on his pre-banking background in consumer goods and his mechanical engineering degree. This has been useful in dealing with the Internet revolution and the next stage of his bank's development – its on-going digital transformation.

## **Please describe your background and career?**

I've not always been a banker. I used to work in the fast moving consumer goods (FMCG) industry as a brand manager at Procter & Gamble. I was part of the team that made Safeguard soap's marketshare soar from 10% to a dominant 50% by challenging conventional thinking. I like to do this. Perhaps it is a consequence of my time in academia where I previously worked as part of the faculty at De La Salle University's (DLSU) College of Engineering and as director of their placement office

finding real-world applications for the skills of students.

I am an alumnus of DLSU in the Philippines, receiving my mechanical engineering degree from there, while garnering the institution's Brother Gabriel Connon Award as its most outstanding graduate and a gold medal for the best thesis. I subsequently studied at the Harvard Business School.

I pursued a degree in Engineering because my father, uncle and grandfather advised me that it'd help to succeed in the corporate world, thinking about its central role on the Industrial Revolution. I did not expect the Internet Revolution, but actually it's proved to be a very useful foundation for that too as it taught the skills to think about how to design things, understand how things work and to practically solve problems. Engineering helped me prepare for today's world. It's

now helping me advance UnionBank of the Philippines' on-going digital transformation. [more on that later -Ed.]

### **When did you enter banking & why?**

I started out in a senior role in the sector as head of Citibank's Global Transaction Services unit in the Philippines.

I joined UnionBank in 1997 as a senior vice president, and have had various leadership roles in the areas of transaction banking, credit cards, retail banking, auto & mortgage loans, corporate and digital. In 2006, I served as president of the International Exchange Bank (iBank), which was acquired by UnionBank, until its successful merger with the wider organisation.

I rose to the position of President in 2016 and soon after UnionBank launched its 'digital transformation' project, which prompted the unveiling of several pioneering products, services and platforms, on top of other initiatives like partnerships with fintechs and advocating the use of blockchain technology. Our commitment is to complete the digital journey, away from branches and paper-based procedures, with the promise that "no one gets left behind".

### **Tell us about your digital transformation project?**

We started the journey four years ago by commissioning a world-class management consultant group to help us define the future of banking amid the tremendous economic, technological, and demographic changes around us. Their conclusion and recommendation was to digitise or perish. What we'd expected to be a strategic plan overhaul became an existential threat that we're now responding to.

### **Digital Transformation Strategy – The A, B, C plan**

The Bank is accelerating the Digital Transformation Strategy established in 2016 to prepare for the fully digital future of banking, as the younger generation joins and new tech emerges (this is Plan B), while simultaneously we're strengthening today's business (Plan A) by minimising paper and branches that need lots of staff. This **initial A plan** involves delivering basic digital hygiene comprising of:

- 24x7 'always-on' availability
- paperless straight through processing (STP)
- secured transactions
- 6 sigma reliability
- & superior customer experiences (CX) through enhanced digital touchpoints.

The above has largely been achieved, winning UnionBank the Best Retail Bank: Philippines accolade at the virtual Retail Banker International (RBI): Asia Trailblazer Awards 2020, alongside the Best Social Media Campaign.

We're also using technology to improve operational efficiencies via artificial intelligence (AI) powered robotic process automation (RPA). As we master agile ways

of working with fintechs, we're now progressing into DevOps as part of the second stage moving into Plan B, where the intention is to speed up product releases, future-proof ourselves and upskill our people in data and data science capabilities.

Further wins in the Remittance and ATM categories of this year's RBI: Asia Trailblazer Awards point to this future-proofing element of the bank's strategy, as both utilised nascent blockchain technology to respectively prove a pilot sending migrant money home from Singapore to the Philippines, and release a virtual cryptocurrency (Bitcoin).

Banking may become totally embedded in people's daily activities or totally decentralized. We want to be ready for any eventuality with our B plan.

UBX, the Bank's technology and innovation company, helps us in this regard as it makes investments in start-ups exploring the future of banking, engages with fintechs, runs pilots, experiments and so on. The aim is to immerse itself in emerging technologies and trends, such as the blockchain or tokenized economy, and to ensure the bank can use technology to advance and embed financial services (FS), while simultaneously protecting its position, ensuring low running costs, and so on.

There is also an addendum Plan C to better capture and serve the unbanked/underbanked segments in the country as well via effective technology usage. This is in-line with the bank's goal of achieving inclusive prosperity and growth at low cost.

### **Has this investment in technology helped you & your customers to weather the Covid-19 coronavirus crisis more easily than otherwise would've been the case?**

Internally as a bank, yes tech has helped us and, externally, it has helped our customers. We had a smooth transition during Covid-19 due to our digital strategy and capabilities. For instance:

- **Internally:** Banking operations continued business-as-usual (BAU) despite the majority of people working-from-home (WFH). All major bank operations, continued to run smoothly and even at the beginning 90% of UnionBankers could work from home across our ops team, marketing, and customer services team. This was possible because most of the bank's systems and applications are available in the cloud or can be managed offsite.
- **Connectivity** and meeting tools were also readily available to employees allowing them to work remotely and ensure their productivity. Employees had mobility and digital collaboration kits.
- **For customers:** a full range of branch services were kept, and service hours remained the same. Branch operations and transactions were monitored remotely in the Operations Center.





- ATM availability and cash levels were constantly monitored via remote dashboards to ensure that they are up and running and to ensure customers had access to ample cash all the time.
- Digital banking services allowed customers to 'bank from home'. UnionBank's Online app for retail or its portal for businesses allow for digital account opening, mobile cheque deposits, bill payments, remittance and so on. A 'Bank on Wheels' services was launched to augment banking services in areas with heavy cash needs.
- Cybersecurity measures were also well in place and beefed up especially during the enhanced community quarantine (ECQ) lockdown when digital transactions were most active.

Covid-19 has accelerated customers' transition to digital. Indeed, we've seen a dramatic increase in digital account openings and a further widening in the preference for digital over branch transactions. This has meant we've ramped up our digital customer acquisition activities for individuals and corporates, who are also going more digital. Additionally, we've further beefed up our internal IT infrastructure, skills lessons and organisational capabilities to cope with larger scale demand, sooner than expected.

What we are most proud of is being the only Philippine bank recognized in the Top 10 'Most Helpful Banks in Asia-Pacific During Covid-19', according to the BankQuality Consumer Survey on Retail Banks by

BankQuality.com. Their online survey carried out during April 2020 had 11,000 respondents between the ages of 18-65, from China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.

We were the only Philippine bank in the top 20 list from among a total of 80 banks surveyed; and were second only to KakaoBank, South Korea's largest 'digital-only' bank. This makes us proud and justifies our investment in a digital strategy.

### **Supporting local business & the recovery**

Post-pandemic I believe we need concrete plans to grow SMEs in the Philippines – and not just established corporates – because they are the lifeblood of the countryside. They grow our crops, catch our fish, and are the sub-contractors for big manufacturers and retailers. With the help of our regulator, I hope that there will be more incentives and new ways to lower our lending costs so that all banks can redeploy more of their loans portfolio to this sector. It would also be beneficial to encourage more local manufacturing, especially the raw materials are available, as it'd solidify vulnerable long supply chains.

In summary, I believe, the coronavirus crisis emphasizes that all of us have a higher purpose. For us at UnionBank, it is to further extend digital banking to the mass market and the unbanked, while supporting businesses on their own digital journeys so they're better able to withstand disruptions in the future.



# WINNER / Affin Bank Berhad

Excellence in SME Banking for its unique start-up initiative

While SMEs represent 98% of the business in Malaysia and receive various support from the government, the start-up segment remains underserved. Among the challenges faced by these start-ups include limited access to funding, limited support from financial institutions, and limited access to relevant information.

In 2017, Affin Bank Berhad ("AFFINBANK") introduced the AFFIN Start-Up Banking Initiative, a holistic proposition with differentiated financial inclusion products, simplified onboarding process, and digital tools, which won **Excellence in SME Banking** category at the Retail Banker International (RBI) Asia Trailblazer Awards 2020.

A long-term roadmap was designed to make AFFINBANK a core part of the start-up segment while contributing to the financial inclusion and entrepreneurial development agenda of the Malaysian government. AFFINBANK aims to support start-ups by:

- Being a pivotal banking partner throughout their business life cycle;
- Addressing common challenges, particularly access to funding and relevant market information;
- Delivering simplified, accessible and relevant solutions;
- Providing complementary digital undertakings; and
- Integrating start-ups as part of the SME ecosystem for further growth.

The AFFIN Start-Up Banking Initiative comprises solutions for "Transactional", "Protection", "Financing" and "Advisory & Support" including:

- **SMEssential:** a simplified application for multiple products and services via one application form;
- **SMEasy Protect:** a business continuity insurance product with a low annual premium starting from MYR15 (approx. USD3.60) for a wide range of coverage;
- **SMEmerge:** a financing product to provide initial working capital for start-ups;
- **SMEcolony:** a unique and innovative SME-centric digital platform (currently available on Apple App Store, Google Play Store, and Huawei App Gallery) with comprehensive resources, market-driven solutions, and effective networking through SMEngage and AFFINWORKFOZ.

The AFFIN Start-Up Banking Initiative is delivered via a 4-step approach:

1. **"Acquire"** start-ups differently with simple yet



relevant solutions by setting up a dedicated team to cater to these start-ups with the Bank present at most major Companies Commission of Malaysia (SSM) offices as a touch point;

2. **"Offer"** a suite of banking starter products intended for Transactional, Protection, and Financing purposes, specifically for start-ups, including SMEssential, SMEmerge, SMEasy Protect and Internet Banking;
3. **"Value-Add"** through activities via SMEcolony, SMEngage, and collaboration activities, as well as provide comprehensive resources, market-driven solutions and effective networking; and finally
4. **"Develop"** start-ups through supporting efforts to complement their business needs while nurturing start-ups into matured SMEs and beyond.

AFFINBANK's track record in under 3 years has demonstrated its ability to take the lead in serving the start-up segment, and the Bank's passion for start-ups has made the segment thrive, even while facing the challenges of the COVID-19 outbreak.

AFFINBANK has received numerous internationally recognized awards for its committed excellence in supporting the development of Malaysian SMEs. The AFFIN Start-Up Banking Initiative is just one of the many multi-award-winning product propositions from the Bank in catering to market needs, with more innovative solutions in the planning to serve the needs of the country.

# WINNER / RHB Bank Berhad

## New SME Online Financing solution commended

**R**HB Bank Berhad in Malaysia has achieved **Highly Commended (HC)** status in the **Excellence in SME Banking** category at the virtual RBI Asia Trailblazer Awards 2020 thanks to its SME Online Financing solution, which was the first digital small-to-medium sized enterprise (SME) lending portal in 2018 and has continued to evolve ever since with many upgrades detailed here.

The online solution provides financing of up to MYR1 million (US\$241,000) for tenures between six and 84 months to SMEs, with no collateral needed. More importantly it's simple and quick to use.

Customers apply online and submit supporting documents digitally, all within 10 minutes. Only two documents are needed: (i) a digital copy of the applicant directors' Malaysian Identity Card (MYKAD) and (ii) bank statements from the past 6 months. At launch, it took two days for a conditional approval and a further three days to get the funds, with updates provided throughout.

Enhancements have already happened since launch to speed up these turnaround times, which are now less than two days for approval, and many new features are being added all the time. Last year, an iSmart tool to help Relationship Managers (RMs) better manage and track leads via Salesforce was unveiled and it offers auto-sign capabilities to further speed processes along, negating the need for any site or branch visits to verify documentation. All such paperwork is now auto-generated anyway.

As of October 2019, 60% of all SME loan applications originated via SME Online Financing. Loan submissions grew by 800% compared to a low 2018 launch base and asset sizes grew by more than 1,000% last year, making the solution a leader in the Malaysian SME digital lending area it pioneered.

The latest 2020 planned upgrades include biometric identification; enhanced intelligent document and remote due diligence processing; a mobile app for RMs and customers; and improved data-driven fraud detection using artificial intelligence (AI). There will also be an application programming interface (API) link that third-party channel partners can access to originate loans. The improvements this year will allow the bank to offer:

- Instant approval-in-principle (AIP) to customers.
- Enhance sales and distribution channels to drive digital loan application volume via the customer-facing mobile app, channel partner integration via the API link, etc.
- Automate manual loan processing and integrate information flows to sustain significant increases in sales volume.
- Technology-assisted credit due diligence will help maintain adequate levels of risk management.

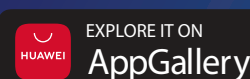
The **Excellence in SME Banking** category at the the Retail Banker International (RBI): Asia Trailblazer Awards 2020 was very popular attracting a lot of entries and consequently another **Highly Commended (HC)** recognition for Hong Leong Bank. Berhad Malaysia was given and for Kasikornbank in Thailand. The **winner** was **Affin Bank Berhad** (see separate write-up).



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國泰世華銀行  
Cathay United Bank

# WINNER / Cathay United Bank

## Uses ML to Fight Fraud & Cloud to up Employee Engagement

Cathay United Bank (CUB) has created Cathy Shield, a data platform to fight external and internal fraud, money laundering, detect abnormal behaviours and improve product application reviews, winning it the **Best Use of Machine Learning (ML)** category at the Retail Banker International (RBI): Asia Trailblazer Awards 2020.

The Cathy Shield applies ML to various financial crime scenarios, using a modelling engine and data center to better exploit the results generated from trained anomaly detection situations to help create better, safer batch and real-time processing of transactions, applications, on-boarding and other bank processes. The aim is to cut potential risks in the first place and help the Risk Control Department make better use of their manpower, enhancing efficiency and performance, while simultaneously speeding up customer experience (CX).

Combining a big data platform that integrates financial crime detection modules and lessons learnt from the ML modelling element into an anti-fraud platform offers the following advantages:

- 1. Model centralisation:** Centralising the management of all ML models can make it more efficient in adjusting, monitoring and releasing the modules. It is particularly helpful in situations where quick responses are required to deal with financial crimes.
- 2. Risk data centralisation:** By integrating and sharing all risk data across systems, including watchlists or risk behaviors, the platform helps maintain unified control of the blacklist systems and reduce the risk of omissions.
- 3. Extensibility:** The platform can deploy customised models based on different requirements, algorithms, and scenarios, with the possibility of future additions as it learns and as attack vectors alter. In this way, the platform can create a control system for financial crime detection that covers all channels, products and scenarios.

A separate project, described below, won the Excellence in Employee Engagement category for Cathay United Bank. CUB wanted to improve its available pool of talent and workers' satisfaction by improving their digital learning provision and enhancing corporate sustainability with a career lifecycle plan as well, so the bank launched a multi-year three-pronged approach, centred around:

- 1. Digital life and learning:** The bank developed a digital learning app in the cloud. Its moved books and magazines that are frequently subscribed to into the cloud, thereby reducing paper waste and

environmental impacts. The app is popular, with more than 31,632 'book borrowing' instances logged so far. Staff are encouraged to propose new books to be added to the list. Video and audio formats are also stored and famous teachers are invited to read the best-selling books every month, with live streams creating an interactive online community and effective, autonomous learning environment. A Sharing Club encourages common digital knowledge-sharing exercises and classes on data analysis, corporate sustainability and so on are also available.

The app can also be used to clock in and out of work, useful for home working and during the Covid-19 pandemic, with 99% of employees using it. A face recognition element ensures security and speedy identity verification, while also providing automatic log-in to CUB's intranet.

**2. Happy working environment and activities:** have been encouraged by adding basketball and darts machines, pool tables, mobile KTVs, automatic coffee machines, and organic hydroponic vegetable gardens. There is even a 'Cook food vending machine', linked to CUB's Koko card, that allows employees to easily purchase food in the head office. Diverse and large-scale activities are also run every year, such as:

1. The Cathay Run, which has been grouping together 3,000 runners for four years so far.
2. A well attended annual competitive snooker match.
3. A weight-loss contest, which has been running for three years, has so far raised TWD\$5 million (US\$171,750) for charities by converting lost kilograms into donations, while simultaneously making staff healthier.
4. Electronic e-sports games are also encouraged to satisfy the diverse interests of staff.

**3. Spontaneous social contribution:** CUB has a total of 34 employee associations at home and abroad that carry out public welfare activities, such as in-branch bank experience learning camps for disadvantaged children and so on.

The benefits of these various initiatives is proven by the fact that the overall satisfaction rate of employees has grown in the past five years, reaching 4.28 points in 2019, an increase of 3%, while labour complaints have fallen by 13.3%. Labour relations, retention, training and staff performance are all linked. CUB believes it is getting the most from its employees and vice versa, creating a happy productive environment.

# WINNER / uab

## Standout bank in Myanmar

Uab was the standout bank in its country, winning the Best Retail Bank: Myanmar category at the online, virtual Retail Banker International (RBI): Asia Trailblazer Awards 2020, for its multi-year work improving governance and risk, including an annual report that adheres to international standards and contains impressive financial results, such as a 277% rise in profit after tax over the last three years based on the compound annual growth rate (CAGR) metric from 2017-2019. It also improved transaction monitoring, customer and staff engagement by opening a new headquarters (HQ), formed fintech and educational partnerships, and participated in its community.

The **2019 annual report** shows uab's commitment towards good governance adhering to international reporting, accounting and public disclosure standards; the first time this has been done by a Myanmar bank it says. It proves the bank's financial strength:

**Income & Expense** – on average, income increased by >30% based on CAGR 2017-2019, while expenses decreased by <1% yearly.

**Profit after tax (PAT)** – The aforementioned 277% rise over three years CAGR from 2017-2019 has been audited by an external auditor and verified by the Central Bank of Myanmar. It's the highest growth rate amongst the bank's peers.

**Loan & Deposits** – The loan book registered healthy growth (with good margins and qualities), while the bank says it has carefully focused on long-term retail deposits for better stability and cheaper cost of funds. The current and savings account ratio (CASA) is >55% of the total customer deposits indicating a sustainable base. The non-performing loans (NPL) rate is consistently low at <5%, where averagely its peers may record NPL >20%.

**Cost to Income (CIR) Ratio** – CIR has seen a reduction to 51.5% v other peers in the industry's typical 80% ration. This has been achieved via strong topline growth and well managed cost — efficiency and productivity.

**ROE and ROA** – High return on equity (ROE) at 18.5% is the highest among all banks in Myanmar. Return on assets (ROA) at 1.2% is also above Myanmar peers. The capital adequacy ratio of the bank is 9% indicating a strong balance sheet and capital base. Management is predicting double-digit growth in the coming years. A programme of on-going improvements has delivered these results, including periodical risk bulletins to reinforce good performance and practice v international governance norms. There has been an emphasis on improved anti-

money laundering (AML), conflict of interest declarations, whistleblower policies, understanding of the need for annual general meetings (AGMs), and so on to strengthen the long-term safe running of the bank, as well as support its financial performance by garnering increased outside interest. The improvement programme has been buttressed by:

- **Partnership memorandums of understanding (MOMs):** with overseas partners like Maulife insurance; Frankfurt School (for internal & external educational skill and knowledge building); Fintechs, such as ABC and Kashtec (for digital small-to-medium sized enterprise solutions); etc.
- **A digitalisation drive:** via rolling out uab mobile, Digital Wallets (uab Pay and SaiSai Pay), Mobile ATM & branch services.
- **Corporate & sustainability initiatives:** A rebrand, new staff uniforms and a video, plus the 168-page 2019 annual report featuring sustainability and corporate social responsibility (CSR) projects have all improved perception and performance. The philanthropic uab Foundation, for instance, is rolling out initiatives on:
  - Financial inclusion & literacy,
  - uab Banking School (tie-up with the Frankfurt School),
  - Continuous efforts to reduce poverty by supporting underprivileged children, the blind, donation drives and by providing internships, etc.

### New headquarters

Staff engagement has been enhanced by opening a new headquarters (HQ) in October 2019 at a prestigious address in Yangon. The uab Tower @ Times City is a world class facility that rivals the best in Asia, with state-of-the-art technology including facial recognition, wireless connectivity, large LED screens, intelligent building control, a social workspace incorporating a cafe in the sky, entertainment zones with pool tables and a Sony PlayStation and so on.

The move was inaugurated with a theme of 'Rise Above', which is coincidentally the motto the bank has adopted for 2020, within its over-arching slogan of 'leading change, humanising banking'. Its new offices represent the future of the bank and its employees.



## MY AIM FOR THE MYANMAR BANK IS TO BE THE BEST & OFFER AN ECOSYSTEM OF SERVICES

*In this Q&A interview with 44 year-old married man and father of two, Christopher Loh, CEO & MD, of uab, the graduate of Nanyang Technological University in Singapore, discusses his years working abroad in London*

*and Malaysia, where he took his first senior job in FS as a deputy CRO, and his plans to make uab the best bank in Myanmar & the touchpoint for everyday life via ecosystem development*



## *"I am determined to live by my mottos of 'walking the talk' and 'being brave enough to lead and change'"*

### **Please briefly describe your career trajectory, motto, and company?**

I was a partner and managing director with the Accenture consultancy working with financial services (FS) firms around the world across Asia-Pacific, US and the UK in order to transform their business and risk capabilities. I had a stint in London with a leading UK banking group before returning to Asia to build and lead a successful risk management practice and set up a technology and media start-up in Singapore. I also spent several years with a leading insurer in Singapore where I got the jogging bug in my spare time.

Prior to joining uab bank, I was the deputy chief risk officer (CRO) at RHB Banking Group based in Malaysia, and subsequently their group chief strategy officer, an Indochinese board member, and head of their international business unit.

I was appointed managing director (MD) and chief executive officer (CEO) of uab bank in September 2017. This my first CEO role. I am determined to live by my mottos of "walking the talk" and "being brave enough to lead and change". I want to focus on key improvement areas, such as:

- Digitisation: via internal processes and business touch points.
- & Capacity building: of our own uab employees and for Myanmar citizens about what to expect of a modern digital bank. The former aim is supported by strategic partnerships with various overseas organisations like Manulife insurance and, imminently, the Frankfurt Business School, which is going to help advance the knowledge of our internal banking school and staff skillset.

You can see from our **2019 annual report** – coincidentally, the first time a Myanmar bank has fully adhered to the international reporting, accounting, governance, risk and public disclosure standards found in such a document – that we are progressing well as a relative newcomer versus our top three domestic rivals.

The bank saw a 277% rise in profit after tax over the last three years based on the compound annual growth rate (CAGR) metric from 2017-2019, as laid out in the report, which has also given us major kudos for governance and transparency amongst Myanmar banks.

This is the biggest profit growth evident among peers and, in addition, our Cost to Income (CIR) Ratio has fallen to 51.5% v other peers, who typically have an 80%

ratio. This has been achieved by strong topline growth and well-managed costs and productivity. For example, our return on equity (ROE) at 18.5% is the highest among all banks in Myanmar. Return on assets (ROA) at 1.2% is also above the less than 1% that is common amongst other Myanmar peers.

### **Offering an ecosystem of services is the future**

I think that banking is one of the most intriguing and interesting areas of FS. A bank is not just a channel between depositors and lenders anymore. Nowadays, it is an ecosystem that covers every point of our daily lives. For example:

- The house we stay in (mortgage); the car we drive (auto loan); the lunch we order (digital wallet or credit card); the electronic e-shopping we do at night; the bills we pay; the top-up for our mobile smartphone; the remittance of money from abroad; and so on – all can be provided by a bank that offers an ecosystem of services. I want uab to be that digital bank.
- uab must also cover every stage of our customers lives, including: education loans for studies; personal loans for weddings; salaries account; share purchases; retirement; and even the will writing service – all can be provided by a modern well integrated bank with an ecosystem of services.

### **Where can your company grow?**

Customer base and market share are our top priorities. Relatively speaking, we are the younger bank in Myanmar's leaders, but through the relentless effort of everyone over my three years in charge, I am confident that we can grow our market share exponentially, especially among the rising middle-class of Myanmar. Targeting them successfully will be crucial in our own success.

### **How has the FS sector changed during your career?**

The biggest difference compared to when I started out is the importance of technology these days and most especially the rise of financial technology (fintech) firms that either want to compete in niche areas or get scale via partnering with established banks that already have a customer base via their branch, online and mobile offerings. This is particularly the case with apps and services on the modern smartphone. It is where the ecosystem of the future resides and where the battle for business will eventually rage.

I love the move towards fintech because it enables and empowers people, bringing innovation to internal IT departments via partnerships, fresh thinking and new services – not to mention reducing running



costs, improving compliance, on-boarding and, most importantly, customer convenience.

I love the change fintech, in all its forms, is bringing to the industry. Indeed, you could say it aligns with our priorities of the last couple of years which were to rebuild and restructure, and to rebrand, refresh and grow revenue. It can help all of these aims.

Fintech isn't a magic wand. But it can be an important part of a bank's over-arching strategy if you effectively align the technology with people and processes to achieve good outcomes.

#### **How do you view technology: is it a threat or opportunity? Also, what tech excites you?**

It is both. I like to stress the opportunity side of tech. We value what it brings to us and have been gearing ourselves up to be one of the leaders in this area. In terms of exciting technology and trends, everything excites me. There is the blockchain, fintech start-up partnerships, artificial intelligence (AI), open application programming interface (API) usage to share data aggregation and drive competition and co-creation, and so on.

But for now, for Myanmar in particular, I'd focus most on just building a good basic financial ecosystem, using fintech. This will also help financial inclusion, which is a key issue for us as 70% of the people here in this beautiful country are unbanked. This is among the highest rate in Asia and it needs addressing. I am greedy to see good changes and evolutions.

#### **How has Covid-19 impacted you?**

We have not cut a single dollar of our staff's salary, or laid anyone off at the bank. In fact, uab might be the only organisation in Myanmar that is still actively hiring and creating new job opportunities.

However, I'm not complacent. This pandemic has brought unprecedented impacts to all of our lives and livelihoods and there will no doubt be difficulties. But I do see opportunities alongside any black clouds, in whatever situation. This period of time may advance

the need for and speed of broadband and mobile / internet connectivity, encourage homeworking (adding to this demand), and ultimately see an upsurge in digital banking among the middle class.

Covid-19 economic and societal impacts give us a chance to reset and reshape, and to set off towards previously uncharted territory. It could accelerate the adoption of electronic e-platforms by years. At uab, we are ready, agile and will pivot to meet all these challenges, turning them into opportunities where we can, to charge ahead faster and stronger than ever before.

I am proud of my supportive Board, resilient management team, and staff who have shown relentless commitment to serve customers, whatever the demands. I want to thank every 'uabian'.

#### **What other challenges does your company face?**

Aside from the ones we've discussed, I'd say lack of skills in the workforce is an issue. That is why the 'Capacity Building' that I referred to earlier is so important. It is a priority at uab. It's important to help our staff and ensure knowledge advances – indeed this aim helps our industry overall.

That is why I'm so looking forward to the strategic partnership between the uab banking school and Frankfurt Business School. The collaboration will ensure the development of a complete line of learning & development tools. It will be launched after Covid-19 now, due to circumstances, but we have a memorandum of understanding and are very keen to get going.

#### **Anything you would like to add or stress?**

Only that I wish to leave a good legacy and hope to see uab remain as the Best Bank of Myanmar for the next 50 years [it won the country's best retail bank trophy at the RBI Asia Trailblazer Awards -Ed].

I want to see 'uabians' evolve and become future leaders for the bank, industry and country. I want to see us live up to our company motto of "Leading Change and Humanising Banking".





## Leading **Change** and **Humanising Banking**

**Our Purpose** is to lead the way towards a better Myanmar, humanising banking, connecting people, creating opportunities and changing lives.

Best Retail Bank – Myanmar

**RETAIL BANKER**  
**INTERNATIONAL**

Asia Trailblazer Summit and Awards

**WINNER**



# WINNER / Taishin Bank

## Original loan origination projects & retail bank proposition

**T**aishin International Bank triumphed in the **Excellence in Loan Origination category** for two projects that are linked and support each other. Its development of a loyalty programme entitled Maji Index that also scores and segments customers into different loan origination processes depending on their profiles, is an innovative development that reduces application times, repeated data entry and so on.

The Maji Index uses artificial intelligence (AI) powered machine learning, big data analysis (BDA), open application programming interfaces (APIs) to link card and other customers in, cloud computing to coordinate it, and social media to increase profile accuracy and engagement. Discounts are on offer to platinum, gold and silver participants and dynamic scores assigned to each.

The real depth of the interlinked project becomes obvious when the Maji score assigned to each participant is used in the Richart digital bank app brand and new Richart Smart Loan product launched by Taishin.

Customers' details can be prepopulated into the smart loan application that is targeted according to their Maji profile. This delivers transparency via precalculated set loan limits, interest rates, handling fees and so on. It also speeds up turnaround times so that customers can get funds in 20 minutes via paperless processes.

Optical character recognition (OCR) technology can also be used to take a picture of ID cards to easily ascertain and validate birthdays, addresses and so on in an alternative fashion – providing yet another way to speed processes along.

Customers' daily behaviour is tracked and their 0-100 Maji score is updated every day to increase interactivity, lower the risk of bad debt, and improve targeting. For every 10 points achieved the interest rate and handling fee lower by 0.1%.

The Richart Smart Loan product has enabled Taishin International Bank to offer a low TWD\$30,000 amount for the very first time, equivalent to approximately USD\$1,000. Normally its loans ranged from TWD\$150,000 to 2 million in the past, as the lack of automation and bad debt fears previously made it too expensive to operate in this field. This is no longer the case. Its innovative, linked developments have given the bank new more effective loan origination procedures and new avenues for growth, at a low cost. At launch, 15,000

applications were soon garnered and the lending amount reached TWD\$5.5 billion.

Taishin International Bank also won the **Best Retail Bank in Taiwan** category at the RBI Awards 2020. This was for a combination of initiatives, including its Richart digital bank brand and new Smart Loan process (see above), which have given Richart a 50% share in the digital account market. The other retail bank initiatives it was rewarded for, which culminatively gave it the trophy, included:

- An AI chatbot named Rose, which provides real-time responses to credit card, exchange rate and other queries.
- Facial recognition-equipped ATMs at branches.
- Launching new internet and mobile insurance businesses for the general motor, travel and accident arenas.
- An open API available to retailers that offers a QR code that can be incorporated into their apps. This speeds up shopping and convenience for the consumer.

The establishment of a Digital Strategy Committee at the bank focused on ABCD products – using AI, Blockchain, Cloud computing, and (big) Data – to improve services was also deemed noteworthy. The success of its various retail bank initiatives, across its differing lines of business, is evidenced by:

- A 15.2% rise in the number of credit cards in circulation.
- Credit card spending going up 25.2% year-on-year (YOY).
- Wealth management fee income growth of 8% YOY.

Other culminative benefits all helped to contribute towards Taishin Bank's net income last year, which increased by 12.2% after tax to TWD\$10bn.

*Taishin International bank was also highly commended in the following categories: **Best Loyalty/Rewards Programme, Best Social Media Marketing Campaign, Best Use of Machine Learning, Excellence in OmniChannel Integration.***

# WINNER / DBS – Data-driven services, marketing and advances win multiple categories

**D**BS has been investing in new data-driven services, systems and campaigns to launch an up-to-date (i) **Lifestyle App**, while overhauling its (ii) **POSB Everyday credit card** with extra rewards, and its **multichannel offering** that is now better **integrated** to improve customers lives and convenience.

Loyalty is now better recognised too via the (iii) **SimplyGo** project and other such initiatives. Improved artificial intelligence (AI) driven number crunching capabilities have helped to process the data deluge coming in and deliver useful targeting, contextual, and relevant services – not to mention the DBS Digitbot Virtual Assistant increasing self-serve. A new **Best Core Banking Initiative** (see end: iv) means its system can cope with all these demands, with Hong Kong leading the way here. For all of these reasons DBS won at the RBI: Asia Trailblazer Awards 2020 in the following seven highlighted categories:

• **Best App for Customer Experience (CX); • Best Loyalty / Rewards Strategy; • Best Multichannel Offering; and • Excellence in Omnichannel Integration.** Culminatively, its efforts – and separate win in the • **Best Digital Banking Initiative** – were enough to also see it win the • **Best Retail Bank: Singapore** trophy for all its data-driven overhauls and enhanced, contextual services, which are now delivered at the fingertips of consumers.

**(i) Lifestyle App:** The new DBS Lifestyle App was designed for the mobile smartphone and with intensive data analytics studies to ensure that it:

- Helps CX and aids retail bank account holders and consumers to manage their lifestyles better by allowing easy access to information 24x7. For example, customers can monitor expenses via a breakdown of their spending, track their credit card due date and so on, all in 'one app to rule them all'.
- Keep customers are updated with the best relevant deals and promotions that suit their lifestyle via data-driven personalisation and contextual offers that aid cross-selling, acquisition, etc.
- Fulfil customers' banking needs instantly on the move with secure services, card access and so on, all at a low cost by making easy self-serve a feature.
- Give customers the rewards they desire by enabling them to offset their recent purchases at any merchant with DBS reward points or POSB Daily\$ loyalty acknowledgements.

The desired personalisation is achieved by a:

- Personalised offer: based on the next best recommendation model.
- Personalised goal: transparency and clearly defined

goals based on customers' data and past engagements enhance spend, targeting and stickiness. For example, a low spender gets a low, achievable reward goal, which equates to an offer that says 'spend S\$100 online on your card and get a S\$10 gift'. These can be redeemed via one of the numerous participating partners in the rewards scheme, spanning grocers to utilities and transport providers.

- Personalised Tracking: eases engagement – there is a promotion tracker feature – and helps drive contextualisation.

The DBS Lifestyle App was launched with numerous associated banner ads and advertising targeting existing customers to upgrade and spend more, while encouraging newcomers to come join the convenient new platform, link their card and get rewards. A number of solutions have been added to the new App, such as:

- Secure log-in to all services.
- Personalised content and offers use advanced machine learning. For example, there is a 'Deals for You' page.
- Gamification initiatives: to make the CX interactive and fun. For example, certain contextual coupons can only be redeemed in certain locations.
- InstaRewards redemption: means accumulated DBS reward points or POSB Daily\$ on the card can be used to offset any recent purchase, anytime, anywhere.

The Lifestyle App can also be accessed via DBS' website to enable less mobile, tech savvy customers to still access many of the deals, offers and services. A mobile first approach is evident but multichannel functionality and omnichannel integration is emphasized. For example, the Zalora online fashion retailer app is one of many that are linked to the DBS Rewards Redemption ecosystem programme, allowing offsets and reductions if so wished. DBS doubled its app downloads in 2019, following the launch, and acquired almost 300,000 unique new customers. Its maintained a healthy monthly active users (MAU) rate of 41% and in-app rating of 4.4 out of 5. What separates DBS from the competition is the ability to build a network of redemption platforms via our ecosystem partnerships, and to integrate Rewards into Cardmembers' lifestyles via multiple touchpoints and channels.

The separate DBS Digibank online, SMS bank, and virtual ATM with live chat offerings provide different channels to market, as does the Playlah personal mobile wallet, which has a million active users and a QR-powered 'red packet' function to virtually give money for the Chinese new year. The Lifestyle App complements many of these tools and channels, as there is necessarily overlap when trying to make a lifestyle banking service for everything.

The digiPortfolio tool, accessible via DBS Digibank online, is an additional offer that provides a hassle-free investment portfolio platform for Asian or global Exchange Traded Funds (ETFs) with a simple low fee structure of 0.75% per annum. This won DBS the Best Digital Banking Initiative at the RBI Asia Awards.

## **(ii) POSB Everyday credit card with extra rewards;**

The multifaceted overlapping data-driven nature of the projects from DBS also extended to an overhaul of its POSB Everyday credit card, which can be digitally added to the above-mentioned Lifestyle App, and to which the contextualised rewards programme relates.

All of the bank's initiatives have:

- reduced manual and paper processes;
- improved productivity and cost-to-income ratios, as digitisation is emphasized;
- lead to better results via increased spend, targeting and acquisition;
- & delivered more CX convenience and better outcomes for customers.

In regard to the POSB card overhaul the half a million strong customer base were treated to a new card face design and accelerated cash rebates campaign in 2019, which used data analytics to create a hyper-personalised offering. It also targeted newcomers.

The POSB Everyday credit and ATM card had always offered rewards at grocers, such as Sheng Siong (5%), and petrol stations (SPC, 6%). But tactical rebate campaigns on the relaunch offered a special 15% rebate on dining out. This was then spread to utilities, linking into the unveiling of the Singaporean Open Electricity Market where competition and switching are encouraged in a more open data-rich environment. Electricity partners were encouraged to partner and provide a richer list of incentives and savings to benefit DBS' customers. There are now DBS Marketplaces for the Car, Property and Travel sectors too. Transport was a key targeted sector where the special tactical 15% feature was additionally deployed (see SimplyGo project subhead below).

The results of the card and loyalty overhaul have brought success, as evidenced by:

- Steady year-on-year (YOY) growth in retail sales of 5%.
- A highly engaged and 70% active customer base, which is simultaneously growing.
- Key spend segments, such as dining & transport, grew 12% and 44% YOY respectively.
- Record-high performance for the POSB Everyday Card campaign collaterals, such as:
- Digital display banners reached over 40 million impressions.
- 30sec video films' received 3 million impressions with high click-through rate of 42%.
- Facebook posts achieved over 3 million impressions.

**(iii) SimplyGo;** As a large Singaporean bank, DBS was one of the key participants in the SimplyGo scheme

unveiled by the city state's Land Transport Authority (LTA) and TransitLink providers to introduce contactless payments on trains and buses. It is similar to the London, UK, migration from its old stored card Oyster scheme to using people's existing bank cards or mobile wallets instead as a means to enable easy, seamless ticketing via 'tap and go' contactless in-built functionality.

The pilot scheme from 2017 came to fruition in 2019 with a full rollout nationwide in 2019. An initial MasterCard link-up was followed by Visa and then the NETS payment provider network to gain scale.

As a card issuer for MasterCard, DBS was one of the first large-scale movers and enriched its offering with the aforementioned tactical 15% cash back launch offer, which has since been contextualised and personalised at various different rates to reward particular types of commuters on a more granular data-driven level.

There are various other DBS incentives too, such as \$120 for new card members, Free Ride Fridays (Fridays), and so on. Gamification and geo-location targeting are all part of the enriched DBS offering that spans other subsequent card schemes like Visa that joined the rollout later on. Out-of-home (OOH) targeted screen door advertising and so on is all part of the programme as well.

DBS Cards Taiwan get in on the scheme later on as the SimplyGo functionality isn't restricted to one nation. It pops up elsewhere, sometimes under different white-label names. Interestingly, Singapore-issued MasterCards and mobile wallets during the pilot phase could be used at the Kaohsiung MRT station – an example of cross-border functionality.

A SimplyGo DBS Lifestyle App Promo was also on offer providing 30 free rides for S\$30 spends and other such incentives were on offer in Singapore. The holistic multichannel data-rich, and contextualised, capabilities of DBS is what won it so many awards.

**(iv) The Best Core Banking** win emanates from DBS Hong Kong where a six-year digital journey required an overhaul of the core retail and commercial banking ledgers and services, covering current and savings accounts, time deposits, loans and so on, in order to cope with the new digital and data demands being placed on it.

The Hong Kong Core Banking Project (HKCB) safely integrated 100+ upstream and downstream systems, replacing an old solution from the turn of the millennium with a new Infosys Finacle (EdgeVerve) system that can support its technology expansion and digital transformation towards offering an ecosystem of services, some developed externally by fintechs, on a comprehensive platform. The HKCB project details are as follows:

- Migrated over 34,000 accounts and integrated over 100 systems.
- Invested over HK\$100 million and achieved over



HK\$46m cost savings and operational efficiency improvements.

- Achieved an additional HK\$40m savings from successful decommission of HK mainframe.
- Payments are now completed twice as fast (in 50% of the time), while the cash deposit/ withdrawal process time is faster by 40%.
- Zero regulatory incidents or customer complaints since the March 2019 go-live.
- Project was completed under budget and one month ahead of schedule.
- Project completion contributed to a record net profit of HK\$7.9 billion in 2018.
- Resulted in 33% increase in the number of customers using our digital platforms.

The rest of the bank will benefit from the knowledge gained when HK overhauled its internal ledger and core system to cope with the modern world where a multitude of channels, end points and ecosystem-dependent services is the norm. DBS is ready for this world.

*DBS was also highly commended for Trailblazing Use of AI in Financial Services and Excellence in Mobile Banking.*



## Selected Highly Commended entries: Bank Danamon – Best Digital Banking Initiative



**B**ank Danamon is one of a selection of **Highly Commended** entrants at the online, virtual Retail Banker International (RBI): Asia Trailblazer Awards 2020, who've been selected for this booklet for the noteworthy nature of their projects. In Bank Danamon's case it's for their D-Bank Registration process – the first fully online account opening application with electronic e-KYC (Know Your Customer) processes via a video call in Indonesia.

In early January 2019, Bank Danamon launched the D-Bank e-KYC Registration procedure. It allowed customers to open a new saving account without having to go to the branch. By simply downloading the app, customers are able to fill in the required forms and submit their ID card. At the end of the process, they will be connected to Bank Danamon's video banking agent to conduct a KYC session via a video call. This takes on average 5 minutes to complete.

Once approved, customers have instant access to mobile banking features through D-Bank and can immediately do transactions, thereby removing lengthy and traditionally manual process that cost a lot and are usually carried out in-branch.

By October 2019, more than 10% of new customers came from D-Bank Registration. In less than a year 17,000 new accounts had been acquired via this channel.

The initiative answers the general public's lifestyle need for fast solutions, and allows them to take full control of their banking needs, often doing it all from their mobile smartphone.

It is all part of Bank Danamon's commitment to innovate and improve service quality and supports the government's cashless society and financial inclusion drives, which are seeking to provide wider penetration of banking services.

There are many other projects currently on-going within the bank to expand its digital capabilities, often supported by its stakeholder MUFG. The venture capital arm, MUIP (MUFG Innovation Partners) for example, is ready to invest in Indonesian fintechs and start-ups that are partnering with Danamon.

Just recently, the bank participated in the Grow Asia Hackathon sponsored by MUFG in the search for more digital partners to help it on its digitalisation journey. One project that was started in early 2019 involves iApps, a start-up under the Digital Team in MUFG Singapore that focuses on supporting smallholder farmers in Indonesia to boost financial inclusion and sustainable farming and financing. Bank Danamon is bringing its local expertise to bear on this project and is looking forward to many more such co-operative or standalone fintech partnerships.

*The **Best Digital Banking** category at the RBI: Asia Trailblazer Awards 2020 was very popular attracting a lot of entries and consequently another Highly Commended recognition for Maybank's project. DBS Singapore was the winner.*



# The Splendid Performance brings up Glory and Honor Taishin is Your Smart Partner at All Stages of Life



**Taishin Bank**



## **Taishin FHC**

Dow Jones Sustainability Indices (DJSI)—World Index and Emerging Markets Index (2018-2019)  
TAISE—Top 50 Corporate Sustainability Awards (2017-2019)

## **Taishin Bank**

Asian Banking & Finance—Domestic Retail Bank of the Year in Taiwan (2011-2020)  
Retail Banker International (RBI)—Best Retail Bank in Taiwan (2020)  
The Digital Banker—Best Private Bank in Taiwan (2020)  
Global Finance—Best Consumer Digital Bank in Taiwan (2020)  
Asiamoney—Best Digital Bank in Taiwan (2020)  
The Asset—Best Retail Mobile Banking Experience in Taiwan (2020)



# WINNER / Standard Chartered

## Mobile updates win recognition in Korea & Malaysia, help HK retail bank

Standard Chartered has won five categories at the online, virtual Retail Banker International (RBI): Asia Trailblazer Awards 2020, including **Excellence in Mobile Banking** for updates at its Korean and Malaysian units and **Best Retail Bank: Hong Kong**. The Singaporean bank won three other categories covered in the next story (see following page).

Standard Chartered Korea has delivered the next generation SC Mobile App 3.0 to simplify the way customers manage their finances on the move.

The team:

1. **Re-imagined the new 3.0 experience:** by focusing on the user experience (UX) and interface (UI) design elements to give maximum convenience and service.
2. **Introduced Personal Financial Management (PFM):** - This one-stop shop tool gives a complete view of customers' finances. It also opens the door to multi-aggregation, driven by the trend towards open application programming interface (API) usage, to let customers monitor their entire accounts at other financial institutions (FIs). The SC Mobile App therefore acts as a gateway, giving a complete overview of all accounts and other holdings at other banks across deposits, loans, and investments.
3. **Transfer money:** A simple sliding gesture can now be used to transfer money to friends via contacts or the KakaoTalk messenger app service in Korea, without requiring their bank account information.
4. **The 'Self Bank' app:** is a mobile sales and on-boarding app designed for non face-to-face interactions, and digital wealth capabilities. Its been added to the SC Mobile App 3.0 to improve real-time services, retail product purchases and day-to-day transactions, while enhancing track-and-grow wealth services – all in a single app.
5. **Notifications:** are now digital, replacing costly SMS messages with notifications from the SC Mobile App itself.
6. **Enhanced security and access:** Customers can now choose their preferred way of accessing the app via digital authorization technologies such as fingerprint, face or iris recognition, mobile token, or a blockchain-based digital certificate.
7. **Tracking financial goals:** Interactive spending and savings goals now help customers to see the broad perspective and improve their financial health.
8. **Services:** are designed to allow customers to personalise their profile, update information, freeze the card in the app if it's lost, and request various banking services in just a few clicks.

The result has been over 700,000 app downloads; very strong app store ratings in the iOS and Google

Play stores; and an uplift in digital sales via the mobile app – not to mention winning the **Excellence in Mobile Banking** trophy.

The Malaysian unit of Standard Chartered Bank has also been busy updating its usage of the SC Mobile App platform to emphasize its marketing tagline of the "bank in your pocket" and experienced a 26.3% growth in mobile usage last year. In 2019 it unveiled a number of improvements, such as a similar 'SmartGoals' tracking and savings tool, and a dynamic use of the improved UI to offer specific personalised videos for Chinese New Year, Hari Raya (Eid) and Christmas. The Malaysian bank is also making contextualized mobile offers before log-in and it is offering:

- Enhanced mobile banking services: By December 2019 80% of all its services were available in the app and this figure is improving all the time. In addition, 56% of all services are now performed online.
- Faster credit card on-boarding: Since September last year a customer can apply and, on approval, get a digital credit card within minutes. The physical card follows later.

### Best Retail Bank: Hong Kong

The previous iteration of the SC Mobile App has been improved and enhanced for Standard Chartered's Hong Kong retail bank customers, winning it the RBI Asia Trailblazer 2020 trophy in this category. A number of local improvements, and an on-going commitment to incorporate localised add-ons from the SC Mobile App 3.0 platform described above as it's rolled out organisation-wide, have ensured that customers now enjoy better on-boarding; enhanced security via the SC Mobile Key digital security token; and improved UX.

The revamp has provided:

- Mobile current and savings account (CASA) functionality: Now means easy account opening in just eight minutes, and there is an electronic e-KYC (Know Your Customer) capability to ensure compliance and to:
- Verify authenticity via security features on customer's identity card
- Use facial recognition to confirm the client is the identity cardholder.
- SCPay: is a built-in function that supports real-time transfers to local banks using mobile number, email addresses or even merchant IDs that have registered. This can enable purchases and regular bill payments at merchants, top-ups, QR Scan & Pay features to facilitate peer-to-merchant (P2M) payments, and so on.



Customers can also get QR Cardless Cash withdrawal instructions from their SC Mobile App negating the need for an ATM card and they can use the SC Keyboard to simply tap once to easily access banking services while they are messaging or shopping online. Additionally, you can split bills and get cash from a card, driving up digital loan sales 50 times over the previous base.

An upgraded digital wealth platform also gives clients:

1. A new one-stop foreign exchange (FX) platform: allowing clients to get FX opportunities via their mobile. Key features include:
  - (i) Real-time FX rates and exhaustive data powered by Thomson Reuters. Market updates.
  - (ii) Watchlist creation & price alerts via in-app notifications.
  - (iii) FX membership introduced to unlock exclusive rewards, such as cash rebates, etc.

2. Online Unit Trust (UT) mobile functionality: Specially designed functions allow clients to make the most well-informed decisions and to:
  - (i) Execute UT orders 24x7.
  - (ii) Review UT portfolio profit & loss (P/L) statuses and to look at individual fund evaluations.
  - (iii) Access information via four constantly updated fund lists and advanced search functions.

3. Mobile insurance: Life insurance quotes can be accessed in five minutes with straight-through processing (STP) negating the need for medical exams in regard to initial underwriting. Additionally, travel insurance can be accessed via the SC Mobile App in just two minutes with personal information pre-filled, and it can be debited to SC bank or credit card accounts directly. These sales have increased 20%.



# WINNER / Standard Chartered

## Singapore uses analytics for card personalisation & enhances retirement & mortgage offers

Standard Chartered has won three categories at the virtual RBI Asia Trailblazer Awards 2020 for their personalisation efforts in Singapore, which in the case of the local credit cards and loan team came in the **Best Application of Data Analysis** category for their work on three different, overlapping initiatives, which have delivered higher conversion rates, increased spend and reduced complaints.

The cards and loans team at Standard Chartered Singapore carried out extensive focus groups back in 2018, surveys and client feedback schemes to gather data about how to improve client engagement via personalisation and to find out how to deliver better services and revenue. They then used this data in the next year and in 2020 onwards to roll out a number of data-driven initiatives, as follows:

**1. Credit Card Funds Transfer (CCFT) offer to Current/Savings Account (CASA) clients:** Also known as balance transfers CCFT are short-term loans offered to credit card clients to allow them to convert the existing credit line on their credit card to cash. The loans can be used to finance short-term obligations, with the flexibility of monthly repayments within a fixed tenure.

The service was launched to provide clients with an innovative way to meet their immediate need for cash via existing products. An SMS text message is sent to eligible SCB credit card clients on a real-time basis when debit card transactions, ATM withdrawals, online purchases or online funds transfers are made, giving them options. The scope was then further extended to clients without credit cards if they consumed other banking services and wanted to get a CCFT amount by applying for a card. It effectively became an alternative digital card acquisition channel.

Advanced analytical rules built into the digital channel look out for the relevant transactions and immediately trigger a customised offer by SMS to the client. The end-to-end process of identifying eligible clients and triggering an SMS happens within seconds thanks to the data analytical engine.

The SMS contains a unique URL, which requires the client to enter minimal information and provide a consent to apply for a CCFT. Clients will receive the funds they have applied for in their CASA account, in the next two working days. This enhances the client banking experience where clients receive relevant offers in a fast, simple, personalised and efficient manner.

**Benefit:** The CCFT conversion rate is at 10.6%, which

is 14x better than general SMS' alone, delivering incremental revenue of SG\$197,000 upon launch last year. Improved cross-selling added 1,925 credit card applications from CASA customers, which meant a 1.2m uplift in monthly spend and extra revenue of SG\$23,000 once launched. These numbers continue to advance.

**2. Smart Digital Banners:** Previously all banners on the SC Mobile App were static and not driven by real-time analytical models, resulting in a very poor client experience. There are instances where credit or loan products that clients were not eligible for were broadcasted to them, and they were rejected after a long and tedious process of filling in the application. This issue was resolved by the launch in May 2019 of Smart Digital Banners that used data analytics to refine and perfect targeting.

The real-time analytics engine can:

- Identify the client from the SC Mobile App.
- Scan for client profile and product holdings in the card and CASA systems, creating a customer DNA profile.
- Base the DNA and analytical model on data robots and call for the most relevant banner offer to be displayed.
- Simplify forms with pre-filled details and offer amount/pricing targeting.
- Banners are automatically replaced with the next relevant banner or service when a product is applied for.
- A strong feedback loop between online/mobile channels and the analytical engine ensures on-going refinement.
- Advanced tracking mechanisms on banners improve data collection and future refinement.

**Benefit:** Within 60 days of its May 2019 launch, Smart Digital Banners on the SC Mobile App had delivered 800 new CCFT clients releasing SG\$3.8m in fresh disbursements; savings accounts had garnered SG\$12m; priority banking offers attracted SG\$3.4m in funds to the bank; and EasyPay instalments meant SG\$0.5m of balances were converted.

**3. Digital engagement spends campaign & Gamification tool:**

**Cashback Ahoy:** Awareness and participation in credit card spend campaigns tend to drop off after the third week of launch, so Standard Chartered Singapore decided to use its digital and analytics platform to help improve engagement via gamification. Launched in December 2018, clients get a weekly unique URL via SMS messaging to play the 'Cashback Ahoy' game. This invites them to view





updated spends and get potential cashbacks during a campaign. It is further enhanced for clients with qualified spends of SG\$500+ who can visit 'Cashback Island' to win additional cashbacks from SG\$2-108 if they navigate the surrounding seas in the game. Relevant personalisation data is extracted by the analytics engine and uploaded to a web server where the game is hosted.

**Benefit:** Effective targeting and good rewards meant zero complaints were received during promotions and higher response rates experienced for products and/or higher spends on credit cards. At the last count Cashback Ahoy had delivered an overall spend uplift of SG\$38m.

**Retirement & mortgage teams win at SC Singapore**  
The Singaporean mortgage team at Standard Chartered won the **Best Mortgage Offering category** at the virtual RBI Asia Trailblazer Awards 2020 for a unique offer they are making to affluent clients that have a lot of money with the bank.

The AUM-Linked Mortgage Offer is aimed at those with at least SG\$200,000 of assets under management (AUM) with the bank in funds or investments, making them a Priority Banking client. With this status better mortgage pricing on SCB's variable rate packages becomes possible.

Unveiled in April 2019, the mortgage proposition was a first in the marketplace. It differs from traditional mortgage packages or interest offset options that look at salary and so forth. Instead this offers a structured mortgage proposition that looks at traditional metrics, but also takes into account client deposit or investment holdings, prioritising these to offer discretionary

personalised pricing using the power of analytics.

The Singaporean retirement team at Standard Chartered won the **Best Retirement Product & Service Initiative** at the virtual RBI Asia Awards for a new Health & Wealth proposition that aims to help clients future-proof themselves by planning for their retirement early.

A bank-commissioned 'Retirement Readiness' survey and subsequent data analysis showed that typically 70% of Singaporeans were not fully ready for retirement. There was insufficient awareness of the wealth solutions that could generate adequate returns for their old age, which the bank decided to address with a three-pillared response:

A. Relevant product solutions have been developed that are Singaporean-centric and catered to the profile of local residents. These are offered in conjunction with Fullerton Fund Management. An exclusive partnership developed a new suite of investment solutions which clients can use to invest for the long-term and grow their retirement funds more easily.

B. Empowering clients with new education materials and tools help them to make better informed decisions.

C. Trusted advice protocols and tools help enhance retirement planning and deliver needs-based solutions that can address each individual's requirements.

*Standard Chartered Singapore also achieved **Highly Commended (HC)** status in two other categories at the RBI Asia Trailblazer Awards 2020: • **HC: Best Credit Card Initiative**; • **HC: Best Payment Innovation**.*

# EMIRATES NBD'S SUVO SARKAR RECOGNISED FOR SUCCESSFULLY CAPTAINING ITS RETAIL BANK

**E**NBD's Suvo Sarkar recognised for successfully captaining its retail bank Suvo Sarkar, EVP & Group Head of Retail Banking & Wealth Management at Emirates NBD (ENBD), has won a Lifetime Achievement trophy at the RBI Asia Trailblazer Awards in recognition of 31 years in the sector. He was captain during the mega-merger of the retail banking units during the creation of ENBD in 2007 and has navigated many other challenges during his career, such as the Asian Crisis in 1997.

ENBD was formed after the merger between Emirates Bank International (EBI) and the National Bank of Dubai (NBD) over a decade ago. It created a bank brand that is now valued at US\$4bn, doubling since its inception, despite the stormy waters of the 2007-08 global financial and property crisis.

Sarkar had been at NBD since 2004 turning its newly established loss-making retail banking operation around until it recorded a profit of US\$67million, prior to the merger. Just as he'd steered that ship to safe harbour he faced the challenge of merging the operations of two big Dubai banks into one, while the 2008 financial crisis advanced simultaneously with a credit crunch in full swing.

Sakar tightened credit policies, sectoral exposures, and the collections team was strengthened as part of a UAE-wide initiative to clear bad debt. This achieved in 2010, and the now merged ENBD retail arm operating successfully, Sarkar left to join the National Bank of Abu Dhabi (NBAD) in the next Emirate over.

He spent two years at NBAD awaking the dormant lion of their retail banking arm, prior to their own later merger with First Gulf Bank, before returning to the fold at ENBD in 2012, where he remains to this day.

## Impressive figures

Sakar picked up where he left off, creating a super brand for the Gulf and Middle-Eastern region and delivering some impressive results at ENBD, which now has a 20% revenue share in the UAE. For instance, his retail and wealth management businesses now contribute



annual revenues of US\$2bn and about 40% of Group profits. Additionally, his focus on cost efficiency and encouragement of cheaper digital and online channels has reduced the bank's direct cost to income ratio to 29%, one of the lowest globally for a consumer bank. In terms of growth, over the last five years:

- ENBD's consumer banking business has seen revenues increase by 41%, with its latest compound annual growth rate (CAGR) metric at 7% per annum (pa).
- Net profit is up by 36% (6% pa).

Liabilities book growth is up by 27% (5% pa) in a slowing market, which is manageable and the well policed loans portfolio is up by 43% (7% pa). These figures will obviously alter in the wake of the Covid-19 medical and economic crisis in 2020, but with Sakar's experience the bank is confident he can navigate stormy seas once again.

## Navigating stormy seas & early career

The Asian Crisis of 1997 was Sakar's first experience of a full-blown emergency. But as ever he sought to find the opportunities in a crisis, correctly surmising when he joined Standard Chartered (SC) Indonesia that the best way to navigate the financial market and political turmoil that saw President Suharto fall the next year, was simply to focus on securely and slowly expanding the retail bank arm. He launched new products and services from the newcomer to grow organically. The process was helped by subsequent takeovers of Bank Bali in Indonesia and Nakornthon Bank in Thailand, adding to the regional strength of SC.

*“Staff training, knowledge and skills have been improved on Sarkar’s watch, with a central complaints unit enhancing customer service and experience, resolving any issues instantly to retain customers and attract new ones. ”*

Over his five year stint the strategy worked as the bank trembled its balance sheet and doubled its profitability in Indonesia. He worked in Jakarta and in the Singapore offices during this time, and this well travelled banker has also worked in India.

Indeed, Sarkar begun his career in India at Citibank NA in 1987 in a South Asian product management role. After three years he left for ANZ Grindlays to become a branch manager in India and later a regional manager. He first moved to the Middle-East in 1992 with Standard Chartered, prior to his Indonesian adventure, and moved with SC to Dubai in 2003. He has been in the UAE ever since.

#### **Diversification**

Since Sarkar rejoined ENBD in 2012 he has overseen a number of successful projects. The retail bank and personal account customers are his primary duty, and many of his main retail bank successes are detailed below. But he has also diversified the bank by developing product, service and channel propositions for three other key segments as well, across:

- priority banking,
- business
- & private banking.

#### **Partnerships & Digital leadership**

The main personal account, card, and other traditional retail bank successes that Sarkar has been responsible for have accumulated from a variety of projects, such as:

- An Emaar co-branded credit card, fastest growing in the region
- Co-branded card with Emirates Airlines
- & a co-branded card with Marriott Bonvoy Group, among many other such partnerships.

The Amazon co-creation of ENBD voice banking on Alexa was also noteworthy. It signalled Sarkar’s desire for digital leadership, as further evidenced in his second stint with the bank from 2012 onwards, by:

a) A pioneering list of new services that included an early successful unveiling of a comprehensive Mobile Banking app that is rich with services, such as **DirectRemit** which helps customers remit money in 60 seconds, an important consideration for many of the UAE’s foreign workers. A Fitness Account rewards customers with higher interest, based on the number of steps they take.

b) The Emirates NBD **Branch of the Future** was unveiled in 2016 showcasing the region’s first artificial intelligence (AI) based humanoid robot, Pepper, as well as many other innovations that have since gained further traction.

c) The bank’s digitization programme took a giant step forward in 2017 with the launch of Liv., the UAE’s first mobile and digital-only bank aimed at millennials. It’s now the country’s fastest growing bank.

d) The first voice-based virtual assistant in the region, EVA, means customers calling the contact centre can be assisted in conversational English or Arabic.

e) The **SkyShopper** e-commerce launch provides a one stop shop marketplace portal that allows customers to shop across multiple categories with a single check out.

f) The rollout of **paperless product applications & services** whether online, mobile or indeed in-branch mean that over 70% of all Personal Loans are now sourced via a digital process, supported by an instant Decision Management System. The customer convenience and efficiency of digitally-delivered digital services now extends to card, account opening and wealth products. For instance, a fully mobile-based account opening service was rolled out earlier this year and Smart Pass, a soft token to authorise payments, has been introduced to enhance payments security.

The bank has also led the way in its brand and marketing efforts on social media attaining 1.7 million followers across various social channels. Its corporate social responsibility (CSR) efforts have also improved. Its ‘Together Limitless’ programme advocating financial inclusion, for instance, has delivered 115 workshops, plus accessibility and support for people with disabilities has been provided since 2015 with 44 disability-friendly bank branches unveiled over the last three years. Volunteer community projects have reached 5700 deployments. Meanwhile, the ‘Bank Wisely’ programme seeks to educate and empower all customers to borrow, spend, save and invest wisely.

Staff training, knowledge and skills have been improved on Sarkar’s watch, with a central complaints unit enhancing customer service and experience, resolving any issues instantly to retain customers and attract new ones. Engagement levels at the retail bank have also gone up by 23 points since 2012 to reach 71% of highly engaged staff, according to an Aon Hewitt study, outperforming other regional and global players on the benchmark. A safe passage to a rich harbour seems assured.

See separate **• Best Retail Bank: UAE & • Internet Banking** category write-ups for more information about Sarkar and his team’s latest projects.



# WINNER

**Emirates NBD**  
Advances in retail and internet banking win trophies



**T**he advances that Emirates NBD have made in its UAE Retail Bank unit and Internet Banking provision have won the bank trophies in both categories at the RBI: Asia Trailblazer Awards 2020.

The **Best Retail Bank: UAE** victory was achieved thanks in part to its profitability, as evidenced by its 2019 figures showing revenue growth of 9% and profits up 5% year-on-year (YOY), in a slowing market, while maintaining a best-in-class Direct Cost to Income ratio of 29%.

It has been achieved by investing in fintech digital leadership tools, many of which are mentioned in the accompanying 'Lifetime Achievement' write-up recognising the unit's head, Suvo Sarkar (see facing page). 68% of retail bank customers are now digitally active on a monthly basis and a mobile first development strategy has ensured 93% of transactions are now on digital channels.

The retail bank's Emaar and Emirates Airlines co-branded credit cards are mentioned in the 'Lifetime Achievement' write-up, delivering strong acquisition growth of 22% YOY and efficiencies, as are its Branch of the Future, AI bot, paperless application procedures and so on. The Liv. digital and mobile-only bank brought new millennial customers to the bank (90% of joiners) and is still growing 5% a month since its launch in 2017. Not mentioned in Sarkar's Lifetime write-up was its E.20 digital-only business bank for freelancers, gig economy workers, start-ups, sole proprietors and micro-business people. It builds on the success of Liv. and similarly is designed to attract newcomers, with strong growth potential to the retail bank.

The **Excellence in Internet Banking** victory was achieved by ENBD because of the way it has transformed its traditional online internet banking portal into an electronic e-commerce and diverse



banking platform with enhanced responsiveness, touchscreen compatibility and a single sign-on capability that delivers frictionless banking. A vastly improved user experience (UX) and interface (UI) contribute. This is no mere online statement, transaction engine or advert opportunity anymore. Self-serve, UX and data-rich growth and service opportunities have all been maximised.

Every financial and information demand can now be easily fulfilled thanks to:

- **Personal Finance Management (PFM) tools, with Smart Insights:**

The redesigned dashboard gives customers a better focus on spending, saving and investing via real-time, data-driven smart insights. A money bar shows how much money can be used, while still meeting scheduled transfer and payment commitments in a budget period.

- **Personalisation:** means services can be activated or deactivated according to user preferences. Pictures, nicknames, social media accounts and so on can also be linked.

- **Saving goals:** Users can create and personalise savings goals and track their progress.

- **Online advice:** A communication hub gives users access to a Private Wall where they can start a live chat, get in touch with their relationship manager, schedule an appointment or be notified about any changes.

- **FaceBanking:** This new comms channel brings the branch to customers by enabling enquiries and end-to-end product applications via an interactive video call with an advisor.

- **Digital store:** This is a one-stop-shop for all banking needs. Customers can explore offers that are specially curated for them and can browse, compare and apply for banking products with different scenarios, as they would when shopping online.

- **Application tracking:** means requests for new products can be tracked omnichannel. For example, a customer could start applying for a loan in a branch,

and upload the required documents later from the comfort of home via online banking.

- **Beneficiary book:** Expat clients mean different accounts with different banks, so allowing customers to create a 'book' to add and prioritise multiple transfer beneficiaries under a single group, and put faces to names by uploading profile photos, makes the experience much better. Similarly, customers are able to create multiple payment beneficiaries for each billing organization. It's easy to repeat a historical transaction, or initiate a new one using the UX enhanced navigation menus.

## Project magement

The new internet bank design was finalised after multiple research steps, peer reviews, focus groups and so on. The project team followed an agile and waterfall methodology, which enabled any hurdles to be overcome quickly.

The team of 50+ project members co-located with the Business unit, overlooking the User Acceptance testing people, to ensure speed but also accuracy with appropriate review, suggestion and sign-off steps.

Testing was divided into five elements:

- Unit testing,
- System integration testing,
- User acceptance testing,
- Performance testing
- & Regression testing.

Features like FaceBanking or the Digital store are firsts for the region, say ENBD, and point the way to a more digital, integrated future.



# WINNER / Kasikornbank Excellence in On-boarding eWallets & Staff Training

**K**asikornbank PCL (KBank) has partnered with the Grab taxi hailing, delivery and services app in Thailand to launch the GrabPay eWallet on a white label basis. KBank's electronic e-money license and 11 million strong customer base, which have all been through full Know Your Customer (KYC) on-boarding procedures, have been brought to the GrabPay digital wallet, via the bank's KPlus mobile banking application, meaning that they can now access open loop payment processes that aren't available if full KYC procedures haven't been carried out.

Adding the 10 million Grab platform users to the bank's own extensive customer base, via a simple register with KPlus option and app switch mechanism, means the potential for user growth is enhanced and extra KYC-compliant services become possible. Using the Prompt Pay Thai QR Standard Payment open loop payment option, for example, is just one such instance. Without KYC compliance it's not possible to operate this. The major card scheme providers have traditionally dominated.

Other Thai e-wallets don't have the same functionality instead going down the traditional route of partnering with a card scheme, or using tech vendors and biometric procedures that are often only partially KYC'd or overly reliant on domineering partners. This is a different option that allows easier client on-boarding and different new payment options, services like Top Up, and a larger take to be retained. Meanwhile, it reduces card-based transaction fees and brings other benefits, such as enhanced control.

This is why KBank won the **Excellence in Client On-boarding** category at the Retail Banker International (RBI): Asia Trailblazer Awards 2020. The GrabPay eWallet, powered by KBank, attracted 500,000 users in its first four months of operation after its launch last year. It brings non-bank users into the orbit of traditional financial services and can span to bill payment and other end uses as the app grows, aiding digital convenience and integrated services.

KBank has also been training its staff to steer the organisation through the digital disruption era and ensure more are enabled to deliver data-driven and agile developmental policies. This has ensured victory in the **Best Staff Training & Development Programme** at the Retail Banker International (RBI): Asia Trailblazer Awards 2020.

The bank still retains its core internal people skills in sales, service and proactive risk management, but it wanted to enhance its digital and data capabilities to aid future

predictive risk management and its online, mobile and context-aware digital services.

To up- and re-skill employees it launched a four-pronged approach, unveiling:

- **An online platform:** called KBank Digital Academy (KDA). This learning portal serves as a central access point to all internal and external content providers, such as SkillLane, Coursera, Edx and OokBee. Specialised learning tracks are available and managers go through the courses first to act as evangelists for other employees as they follow on. Staff can learn at their own pace via the portal at any time or any place.

- **Gamification:** methodologies are applied to boost engagement levels and encourage continuous self-development. For example, a contest called 'Skills Loading' was launched with participants given special gifts for taking part. Digital badges also mark attendances for online courses and can be redeemed for prizes.

- **A co-working space:** has been unveiled to encourage collaborative learning in a physical location. Its 12 events have so far attracted 3,000 people. But these courses are also available online via videos and so on for later usage. KDA has brought in renowned speakers to cover, among other things:

- o Digital content integration
- o Agile development
- o Technical problems handling
- o Information and data literacy
- o Cyber-security & responsibilities, which has since attracted 20,000 online eyes.

- **The KDA School of Data Analytics:** was established to encourage expertise in big data analytics (BDA) and other forms of data interrogation, presentation and optimisation. So far, 340 employees have completed the Data Science Pathway giving them the skills required to transform into much needed data-related careers. More than 200 department heads have completed a Learning with Data programme to make them more effective in leading teams on data projects.

## Benefits

As of October 2019 there have been 280,000 online course completions v 230,000 previously, representing a rise in participation rates from 89.23% of employees up to 91.71% now. Participation rates are still rising, as are skill levels, making KBank ready for the future.



# WINNER

## Maybank Virtual card and QR pay functions added to a new e-wallet win recognition for trailblazing bank across multiple categories

**M**MAE is a first-of-its-kind e-wallet from Maybank in Malaysia that allows new or existing customers to open an account via their smartphones within 5 minutes and instantly transact, without needing to visit a branch. It is bundled with an instant Visa virtual debit card, activated with valid ID and offering online e-commerce and contactless capabilities when linked to MaybankPay or SamsungPay. The additional Maybank QRPay functionality allows retail bank customers to pay cashlessly at over 300,000 merchants nationwide.

For all of these reasons Maybank won at the RBI: Asia Trailblazer Awards 2020 in the following four highlighted categories:

• **Best Mobile Wallet Initiative;** • **Best Debit Card Initiative;** • **Best Payment Innovation;** and for their culminative efforts, and an internet banking overhaul, Maybank was also recognised as the • **Best Retail Bank: Malaysia.** It also won for an **Advertising Campaign** and got Trailblazer trophies for an **Institution and Individual (Ms Kalyani Nair)** – these are covered at the end of the story where highlighted. In addition, its Cambodian bank won in two categories, CSR and retail banking: Cambodia, which are again covered at the end of the story. The bank therefore won 9 trophies in total.

The Maybank2u Reimagine project has overhauled Malaysia's number one internet banking service, with over 10.69 million registered users and a 50% market share of internet bank transactions, to provide Malaysian retail bank customers with a better, simpler and more personalised user experience (UX) and interface (UI). The redesign gives a more seamless experience across all devices be it a desktop, tablet or smartphone. The MyM2U Challenge offered the chance to win prizes via games designed to reward online or mobile transactions.

The M2U Digital Financial Planner was also a significant additional tool for Malaysian retail bank customers that won Maybank recognition. It has a goal savings

plan, spending tracker and insurance dashboard that lets customers set and keep up-to-date with their financial goals via the revamped Maybank2u internet banking website.

The MAE mobile e-wallet was unveiled in Malaysia on 5 March 2019. It aims to provide access to wider banking services in an ecosystem that is seamless and rewarding for the users. It makes it possible to do:

- instant transfers,
- access ATM services,
- do bill payments,
- & undertake prepaid reloads.

Customers can also transfer funds from another bank account to MAE via the regular funds transfer service. The pre-existing Maybank App dashboard creates a simplified account viewing experience, demarcating the regular savings account from the MAE e-wallet.

MAE can then be used for daily expenditures like mobile top-ups, purchasing movie & flight tickets, paying via QRPay, sending & requesting money, as well as performing contactless payments, while 'mundane' banking facilities can be reflected in the main account, such as salaries, direct debit bill payments, car and mortgage loans. The e-wallet is for on the move transactions, but it is intergated into the wider offering, ensuring control and visibility on expenditure for the users.

The extra functionality provided by the linked virtual Visa debit card allows users to easily pay for their shopping on

electronic e-commerce apps and websites as soon as an account is opened. Furthermore, users can also add their virtual Visa debit card to MaybankPay or Samsung Pay to pay for their retail purchases at PayWave-supporting contactless terminals, or use the QRPay function to pay cashlessly at over 300,000 merchants throughout Malaysia. MAE is an integrated and overlapping service designed for smartphone totting 21st century customers. Maybank added two mini-games within the Maybank App to



Kalyani Nair, Maybank

coincide with the launch of the MAE mobile e-wallet, and further reinforce its gamification initiatives, by unveiling:

1. **Money MAE-Hem:** this is a game designed especially for MAE customers. Users win money by collecting as many coins as possible, and can gain additional chances to play when their friends also sign-up for MAE using their unique invite code. This reward and acquisition drive has been backed up by a social media campaign.
2. **Scan and Win:** on the other end is a geo-campaign that invites users to scan a MAE QR code, situated in prominent locations around the country, and be in the running to win cash.

To-date over 1,000,000 sign-ups for MAE have been registered seven months after the 2019 launch, and over 90% of users actively engage with it every month. This proves that the market is indeed ready for an e-wallet with an instant virtual Visa card and the added convenience of banking features.

### Trailblazing bank and people

All of these initiatives went into making Maybank an

#### • **Asia Trailblazer of the Year 2020 (Institution)**

recognising its efforts to put customer experience, innovation and connected services at the centre of everything it does. It is important to align technology with processes and people, however, so the bank's leader in these innovative sectors Ms. Kalyani Nair, SEVP and Group Head of Virtual Banking & Payments (VBP) at Maybank, has been recognised as the • **Asia Trailblazer of the Year 2019 (Individual)**.

A senior banker with 20 years experience in the financial services (FS) industry, Ms. Kalyani Nair has been with Maybank Group for over four years now. Under her leadership its Digital Channels have experienced:

- 96% growth in monetary transactions
- 78% growth in active users
- 233% growth in mobile transactions
- & the highest engagement level among mobile banking apps in Malaysia (31.7 sessions/month per user).

These impressive figures are the result of Nair's obsession with digital innovation, and insistence on extensively engaging our customers when designing, developing and testing new services before launching them into the market, in-line with Maybank's tagline of 'Humanising Financial Services'.

### Ad campaign in Singapore

Maybank's tagline of 'Humanising Financial Services' and adherence to this motto led its Singapore unit to launch the #InspireGoodSG social initiative, and associated marketing drive, to encourage people to undertake acts of goodness. Participants get a reward for it that they can keep or donate to a charity, and then share their stories via social media and the dedicated inspiregood.sg website. This won the bank the • **Best Advertising Campaign** at the virtual Retail Banker International (RBI): Asia Trailblazer Awards 2020, as it was considered to be a good way to bring its tagline to life and promote the

bank's values and brand. The mechanics of the campaign are simple. A person who has done a good deed got an #InspireGoodSG card that they can use to redeem a small monetary reward. Participants can keep or donate the money to one of the bank's charity partners. Maybank encouraged the 2,687 participants so far to share their stories on the website and social media using the hashtag, so that their deeds inspired others. Each participant passed the card on to another person who has done good, thereby creating a 'chain of goodness'. The #InspireGoodSG social initiative by Maybank Singapore:

- Reached 241,829 people on social media, within 10 weeks.
- Attained a high nominal PR value of S\$759,340.
- Garnered 2,039,126 video impressions.
- 212,329 completed video views, with media efficiency 3x
- Raised funds for our charity partners.
- Achieved an average #InspireGoodSG card velocity of 2.8 (i.e. each participant passed it on to almost three other people).

### Cambodian wins

Maybank Cambodia was also recognised at the RBI Asia Awards for a successful pivot towards the retail small-to-medium sized enterprise (SME) space in its banking activities, which led to it registering double-digit year-on-year (YOY) growth from 2018 onwards. Last year, the retail SME area contributed 66.2% and 65.1% of the bank's total loans and deposits respectively, proving its pivot away from just doing ordinary retail bank services had been successful. Its efforts won it the • **Best Retail Bank: Cambodia** trophy, allied to the many other initiatives outlined in its entry.

Maybank Cambodia's corporate social responsibility (CSR) programme also gained recognition as the • **Best CSR Initiative**. It empowers employee volunteerism to help vulnerable groups such as the poor, women and children via education initiatives, community empowerment acts, arts and culture projects, environmental diversity, healthy living drives, and disaster relief. It particularly promotes financial literacy and financial inclusion, in-line with the bank's 'Humanising FS' tagline. The four key CSR initiatives that were noteworthy were:

**1. Restore the Gift of Sight (1st Year):** A collaboration between Maybank Cambodia and Khmer Sight Foundation, this focuses on the mission of eliminating avoidable blindness in Cambodia via eye screening and surgery for the underprivileged. In its first year of implementation more than 1,700 people benefitted.

**2. Maybank CashVille Kidz Financial Literacy Programme (3rd Year):** An on-going effort to teach school students the importance of money and good spending and savings habits, via an animated series. Now in its third year of implementation, the programme has been expanded to four new provinces including Battambang, Siem Reap, Kompong Cham and Sihanouk, reaching out to more than 10,000 students.

**3. Maybank Women Eco-Weavers Programme (4th Year):** As recognised by the ASEAN Secretariat, the



Maybank Women Eco-Weavers programme was initiated to promote commonalities across the region and to help bring economic independence to women weavers by teaching them how to build an income using their sustainable skills in traditional woven textiles.

The programme is steadily growing, bringing positive results for weavers and farmers in Cambodia. In August 2019, for example, it continued to help the women in Takeo by expanding the Silk Weaving Centre there, so it could accommodate an additional 30 women weavers for the training project it hosts. Last summer, a temporary Maybank Silk Weaving Training centre was also set up at Preah Dak commune, Banteay Srei District, to benefit

women in Siem Reap province. This is now being turned into a permanent Silk Weaving Training Centre.

#### **4. Maybank Child Sponsorship Programme**

**(Phase 6):** This on-going project sponsors and engages underprivileged students in collaboration with the People Improvement Organisation (PIO). Many of the participants previously lived in the city dumpsites and slum areas of Phnom Penh with their families. The bank sponsored and mentored 50 students last year to educate them and provide a path out of poverty. PIO-run eye care sessions for students and their parents are also available.





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