

New Age As HDFC readies for virtual banking, it is looking at 4G and beyond—with smoother pipelines, zero buffering for account holders and immediate interaction with a bank representative, 24/7

Digital Evangelism Thrust Behind All-India Change at HDFC Bank

Moinak.Mitra@timesgroup.com

New Delhi: A month back, a man running a salon in Sangli bought cosmetics from Pune's wholesale market worth ₹35,000 per month. In one of his rounds to the market, Ravi Narayanan, who is senior executive vice-president, head of branch banking (west) at HDFC Bank, met up with the entrepreneur and explained to him about many of the apps that the bank had recently launched.

The salon owner browsed through one such app, PayZapp, and found value to such an extent that he now procures the same cosmetics at 3% less price than wholesale, besides getting them delivered to his doorstep.

Digital evangelism is the new mantra at HDFC Bank. As Managing Director Aditya Puri trots across metros stitching up a digital weave to bind 75,000-odd employees of the bank, he's generously helped by his five key lieutenants—Ravi Narayanan, Nitin Chugh, Head-Digital Banking, Arvind Kapil, Head-Unsecured Loans, Parag Rao, Head-Cards, Payments Merchant Acquiring Business and Navin Puri, Head-Branch Banking.

While Puri's lowdown on digital banking is restricted to around nine metro cities, the quintet very much has the onus of spreading the drive to branches in other cities and towns of the country, and wherever possible, evangelize the end user too.

Twenty years back, such excitement was palpable around ATM machines that were being launched by banks.

Stepping Up to the Future

- **HDFC Bank** launched 'missed-call' banking in the hinterland
- **Next**, it targeted netbanking and transactions multiplied
- **Now**, the entire organisation behaviour needs to be recast
- **HDFC Bank** is seeing significant traction in smaller towns



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RAVI NARAYANAN
Senior executive
V-P, head branch
banking (west)

MD ADITYA PURI IS BINDING 75,000 ODD STAFF IN DIGITAL WEAVE

Bank has developed multiple platforms for user convenience

Today, for HDFC Bank, going digital is a necessity. "We should be able to galvanize the entire force of the bank across verticals and build confidence wherein the staff would be able to talk to customers at large...it should result in behavior transformation, a change in their DNA," says Narayanan before dashing off to Vijayawada and Vizag to address a fresh crop of bankers from teller operators to sales people to credit card managers, and what have you.

In fact, the bank's digital march coincides with non-banking players like Paytm entering the turf. Besides, "growth has been sluggish for HDFC Bank, which is being weighed down by its sheer size...so going digital is the only way it can earn a higher fee income, which today sits at roughly 18% of their net income," says an executive at Reliance Securities Research, requesting anonymity. "They want to improve their fee income without im-

pacting their loan book profile."

The digital transformation of HDFC Bank is unmistakable the moment one sets foot in its Mumbai-based headquarters and sees a hoarding next to the reception claiming the bank is now on Apple's iWatch, slated to launch in India next month.

Over the years, the bank has developed multiple platforms to enhance convenience for the end user. In 2013, for instance, it launched 'missed-call' banking in the hinterland, wherein the account holder had to just make a missed call in order to get a statement or check book delivered. That could well be the start of a journey.

Next, HDFC Bank targeted netbanking and transactions multiplied, so much so that there are 175 such options available today. Owing to screen size restrictions, it took out a lighter mobile version just last year, which today sits as an app with as much as 80 transactions. In the month of March

2015, HDFC Bank recorded transactions worth ₹6,031 crore on mobile banking, while for the entire banking system, transaction value was ₹16,914 crore, according to the RBI data.

Today, as the bank readies for virtual banking, it stares at 4G and beyond with even smoother pipelines, where account holders will be subjected to zero buffering and have immediate interaction with a live bank representative, 24/7. That's the future the six top honchos at HDFC Bank are entrusted to pan out and Narayanan claims about 40% of the workforce has already been converted.

For the process to take root, organization behavior needs to recast, which is already a given through three internal committees—marketing, technology and operations—comprising 9-12 people, meeting twice a month. But what stirs action and maintains the bank is in sync with the latest tech trends are skip level reps in such committees. That explains why all new ideas are coming from millennials.

Take the mobile to mobile payment app, Chillr; the bank launched. Sources claim it has notched up almost 5 crore transactions within two months of its launch. Again, the company's mobile wallet PayZapp allows the end user access to recharge elements as well as a holistic marketplace experience by the way of offers/deals and access to online retailers. Even in the B2B space, the bank's eNet platform has been enhanced.

Finally, urban adoption notwithstanding, it is the smaller towns where the bank is seeing significant traction.