

# Retail banking is the future



**M KHORSHED ANWAR**  
Head of Retail & SME Banking

## EASTERN BANK

One of the major trends in recent times is the surge in digital banking activities: everyone is realising the importance of going digital and is putting in efforts on this front.

Bringing technology-driven solutions, modernisation of banking software and the use of contents in digital channels are becoming the primary concerns.

Features like mobile app-based banking, electronic payment and secure online transactions have become essentials rather than luxury. It has become challenging for banks to retain customers and attract new ones, deliver new products and provide steady customer-centric services while meeting the regulatory requirements.

However, every bank is taking on the challenge and trying hard to address them. Banks are also trying to enable innovation and the capabilities required to foster it.

Already most of the banks have embraced the need for technology to increase operational efficiency, reduce costs, improve the customer experience -- and ultimately boost revenue.

Technology is helping banks to effectively streamline processes, enhance the utilisation of personnel and banking software and improve efficiency all around.

Without automation of critical business processes, it is not possible to ensure seamless customer service.

Another key area where technology is playing a vital role is helping with instant information on customers that support the back office and customer-centric activities.

Anyone and everyone is a target customer of retail banking. Banks are trying to bring every citizen under the banking ecosystem through agent banking, student banking and women banking.

In this era of high competition, regulatory challenges and global financial changes, it is important to have sustainable revenue models, deal with decreasing credit margins and manage a large consumer base simultaneously.

To tackle the issues, banks are working relentlessly to optimise productivity throughout their operations and maintain quality service standards to capture and retain customers.



**MD ARUP HAIDER**  
Head of Retail Banking

## CITY BANK

The advent of smartphone and digital financial services has caused a disruption in the industry.

The landscape of the banking industry has also changed, with banks focusing on efficiency in transactions and ease of interactions with customers by introducing automated systems.

Financial inclusion being a key to economic growth is being revolutionised by electronic banking.

Over the last three decades City Bank has built a network of 130 branches across the country, complimented by electronic banking services through 339 ATMs, 36 CDMs and an award-winning online banking application called Citytouch.

Customers can transfer funds (via email, QR code, bKash or through traditional networks), pay bills, purchase items online, open deposit schemes and in cases of emergencies perform card-less ATM transactions through Cash by Code.

With the increasing trend of smartphone penetration coupled with the new generation's affinity towards technology, banking can no longer survive on the coverage of their premises. Rather, the game has changed to digital coverage and customer convenience.

Mass market retail is an area that must be explored to remain sustainable and truly contributing in reaching the people outside of the metropolitan areas.

We hope to achieve this objective with further investment in our agent banking channels, which are currently working for the financial inclusion of the unbanked population in the semi-urban and rural areas of the country.

The bank plans to reassert this objective by investing in digital financial services, mobile banking and mobile money in the future.

It has launched CityAlo Women Banking aimed at bringing banking services closer to this segment, currently the fastest growing in the country.

City Bank aims to become a bank of the people, catering to the needs of our country and the masses that make it thrive.

We move with a purpose for greater impact and aim to be the source of digital revolution.



**TOWFIQUL ALAM CHOWDHURY**  
Head of Business, Retail Banking Division

## MUTUAL TRUST BANK

The new generation is different from the previous ones in terms of knowledge, aspirations and patience.

The access to internet has enabled them to compare financial products and services. Hence, the banking industry needs to upgrade itself in order to serve this new generation.

Banks are now using more and more digital products such as short messaging service and internet banking and there has been a remarkable change in marketing tactics and delivery of services.

Corporate banking and small and medium enterprises were getting more focus thus far, so the retail sector was overlooked.

Commitment from the senior management and the board of directors is a must to establish a strong retail-focused bank that can meet the needs of the general mass.

Banks must shift the gear towards retail banking since it helps achieve a healthy lending portfolio.

Most importantly, the amount of non-performing loans is much lower in retail banking -- which encompasses home, auto and personal loans -- than the SME and the corporate segment.

Retail banking helps the bank to lower the cost of deposit and operations. It also reduces the risks stemming from dependency on large loans.

The services provided under retail banking include various types of deposit schemes and loans, automated teller machine (ATM), debit card, credit card, online banking/internet banking, priority and payroll banking etc.

Mutual Trust Bank is committed to serving its clients with a technology-driven platform. To be true to its commitment, the bank has launched internet banking, mobile app-based banking, over 275 ATM booths and 110 agent banking and other key products.

To satisfy the needs of multiple customer segments, we have introduced tailor-made deposit and loan products for our retail clients with value propositions. One of those products was 'Progressive Equity Build-Up'.

Retail banking also helps to bring the unbanked population under banking platform and gives a boost to the economy.

১৪২৬ বৈশাখী  
উচ্ছ্বাসে বাহারি অফার  
নতুন সাজে শুরু হোক আপনার নতুন বছর। ঢাকা ব্যাংক কার্ডে ১৪ এপ্রিল ২০১৯ পর্যন্ত শপিং-এ ৫০% পর্যন্ত বাহারি অফার\*

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● আডব, এপেক্স, মীলা বাজার ও দেশী দশের অফারসমূহ শুধু ক্রেডিট কার্ডের জন্য প্রযোজ্য  
● অন্যান্য অফারসমূহ ডেবিট ও ক্রেডিট উভয় কার্ডের জন্য প্রযোজ্য

www.dhakabankltd.com



**MD SHAFQUAT HOSSAIN**  
Head of Retail Banking

## DHAKA BANK

Dhaka Bank has recently started to keep its focus on retail banking as part of its effort to reach out to clients catered by its banking operation.

Under the retail banking operation, we will launch a lending product namely "Dhaka Bank e-Loan" -- a first for the country -- that will help clients get personal loans without any physical contact with the bank officials.

From submitting loan applications to processing all types of relevant works, everything will be done through the digital platform. Initially, personal loans will be available to clients with payroll accounts with the bank.

The product will be launched on April 10 and the bank will attach the service gradually with its other retail products.

The young generation is now highly tech-savvy and they want to conduct their financial transactions while sitting at home, so such a model will catch their attention in the near future.

Under the retail banking operation, we will launch a lending product namely "Dhaka Bank e-Loan" -- a first for the country -- that will help clients get personal loans without any physical contact with the bank officials

The bank has already introduced contactless credit card, which has got popularity among clients.

Along with the latest initiatives, the bank will start a campaign soon to popularise its home loan products ahead of the Pehela Baishakh.

As of March, the bank's total home loans stood at Tk 70 crore, up from Tk 50 crore a year earlier.

Its auto loans stood at Tk 55 crore in March, up 37.5 percent year-on-year.

There is no avenue other than retail banking to ensure sustainable profit in the days to come as banks will have to depend on the window for both deposit collection and loan disbursement. Efficient and skilled man power are essential for remaining competitive in retail banking.

As of March, the bank disbursed Tk 470 crore in retail loans, up 24 percent from a year earlier.



**MD RIDWANUL HOQUE**  
Head of Retail Distribution

## MIDLAND BANK

We have been laying emphasis on retail banking in recent times as the bank believes that this is the core component to strengthening our entire banking operation.

As of December last year, the bank gave out Tk 125 crore in loans to retail clients in contrast to roughly Tk 75 crore a year earlier -- an indication of the six-year-old lender's intents on retail banking.

The bank has set its focus on home loans. It has already disbursed home loans amounting to about Tk 60 crore at 12.5 to 13 percent interest rate.

Retail loans will get more popularity in Bangladesh in the years ahead as people's consumption capacity is going up in keeping pace with the growth of the gross domestic product (GDP).

The bank has recently commenced loan disbursement to clients in rural areas as part of its effort to help build their dream home, he said.

Some one lakh accounts have been opened so far under the lender's retail banking operation and 34 percent of its total deposits came from this segment

A mobile app has recently been introduced by the bank in a bid to gravitate clients to the retail banking operation operated by the bank.

Midland's clients are now able to operate and monitor their accounts through the app.

The mobile application also allows the clients of the bank to transfer funds from their account to another.

The bank is now giving its full effort to popularising virtual and digital banking to build a cashless society, which will also play a positive role in helping clients to settle transaction without going to branches.

Some one lakh accounts have been opened so far under the lender's retail banking operation and 34 percent of its total deposits came from this segment.

The bank has taken up a plan to increase the ratio to 50 percent of its total deposits within the short amount of time through the operation.