

# Speed, Sustainability, and Superior Service

Once, the banking sector was meant for physical presence in the branch, and waiting in a long queue to deposit and withdraw funds. However, it has now transformed into digital banking, so people can get almost every banking service through their mobile phones or computers.

Some of the banks have started lending to small entrepreneurs through mobile financial services, so small entrepreneurs are getting loans easily without facing any challenges of keeping mortgage.

Over the periods, the banking pattern and behavior of customers have been transformed significantly, so most of the banks are catering the services, more or less, digitally, said Ali Reza Iftikhar, Managing Director and CEO of Eastern Bank.

However, pay orders and demand drafts are almost obsolete now, and people can send funds to even far-reaching people within a minute just sitting before their computer, he cited.

Young people, especially, do not want to come to the bank branch. What is more, they seek which bank is more advanced digitally and then they chose them for their banking. Yet, senior citizens prefer to come to the

Though digital advancement needs an investment, but it is cost-effective because when people will take services digitally, then it reduces the operating costs of the bank in the long run.

The veteran banker went on to say that the digital banking system allows the banks to analyze data easily, so the bank can improve services on the spot with a high pace.

The internet banking transactions soared 142 percent year-on-year to Tk 49,930 crore, showed the latest Bangladesh Bank (BB) data. On a month-on-month basis, it was a growth of 12 percent. This is also threefold the amount recorded in the whole fiscal year 2014-15.

The use of both credit and debit cards has been on the rise for the last couple of years, and many people purchase goods and services through e-commerce platforms from the convenience of their homes or offices, more than in the past.

The transformation of banking has been done not only in the digital arena but also in their product diversification and project

In 2013, no one even considered giving collateral-free loans. Now, some banks are offering collateral-free loans to SMEs.

Today, the total financing to SMEs stands at around Tk 220,500 crore, which was Tk 85,323 crore a decade ago, according to the BB data.

"We believe that through financing SMEs, we can make a significant contribution to national economic growth and employment generation, which is the key motivation behind our focus on this sector."

However, in the case of financing SMEs, the lenders have to understand their business dynamics, nature of commitment, cash flow,

This has certainly helped the industry focus more towards driving sustainable initiatives. Such initiatives will surely have a meaningful impact in the overall development of the economy while preserving the environment, he cited. "We want to ensure reduction of carbon footprint and optimal usage of natural resources," he added.

