

SBI Card sees over 50% transaction via online payments: CEO Amara

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SBI CARDS AND Payment Services (SBI Card) has been seeing over 50% of its transactions via online payments such as on groceries, utility bills, insurance premium, and hopes the trend to go up further as point of sale purchases are yet to pick up, top company executive said.

Keeping a watch on the recent coronavirus resurgence in the country across some key locations, SBI Card MD and CEO Rama Mohan Rao Amara said it would be too early to say whether it will have any bearing on people's purchasing behaviour.

However, online payments is a trend which is going to go up further, he added.



MD and CEO Rama Mohan Rao Amara

"Particularly within SBI Card, now, more than 53% of the spends actually come from online payments which used to be around 44% earlier. Almost 9 percentage points improvement is there mainly in terms of the categories like for groceries, apparel, utility bill pay-

ment, insurance premium, online education," Amara told *PTI* in an interview.

He added that for these kind of categories, suddenly the company has seen kind of an increase in spends online. "We believe (it) will remain online because once people get used to the comfort of it, they will continue with that. So, Covid or no-Covid, it will not impact that."

However, he said the point of sale (PoS) locations have not opened that well, as and when the footfall increases, there will be a pick-up there also.

The pure-play card company is also seeing an emerging trend of securing more customers from non-metro locations. It is also banking on its parent company SBI's huge cus-

tomers base to expand further.

Maybe till 5-6 years ago, tier-I locations were contributing majorly to the credit card industry growth.

"But, if you look at our recent performance, around 58% of our incremental sourcing is actually coming from non-tier cities that is tier II, III and IV. These are contributing more to our new credit card acquisitions, that is basically we have a piggyback of our parent bank (SBI) customer base," he added.

The company's card-in-force grew 15% to 1.15 crore in the third quarter of the fiscal ended March 2021, against one crore in the year ago same period. The spends were higher by 8% to ₹37,797 crore from ₹35,135 crore.

