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[25 years milestone - SBI Card to focus on “hyper-personalisation” for improved customer engagement: Rama Mohan Rao Amara](#)

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25 years milestone. SBI Card to focus on “hyper-personalisation” for improved customer engagement: Rama Mohan Rao Amara

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SBI Card aims to tailor products and services to individual customers using data analytics and artificial intelligence.

BY KR SRIVATS

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Rama Mohan Rao Amara, MD & CEO, SBI Cards & Payment Services

SBI Cards & Payment Services Ltd (SBI Card), the country’s largest pure play credit card issuer, will in the next two years focus on “hyper-personalisation” as part of its overall efforts to improve its customer engagement, its MD & CEO Rama Mohan Rao Amara has said.

“Hyper personalisation is one area we want to focus. This is a multi-year project that calls for sizeable investment. Definitely this is a major project that we will be pursuing in the next couple of years”, Amara told businessline in an interview, ahead of the company completing its 25 year journey on May 15.

He was responding to a query on SBI Card’s focus areas in the short to medium term. Rao said that SBI Card will continue with its digital transformation journey — launched few years back, focus on innovation and intensify its Artificial Intelligence (AI) playbook.

From a level of one lakh cards-in-force — a financial term that represents the number of cards issued and outstanding— as of the year 2000, SBI Card currently has CIF of over 16.5 million.

The introduction of digital technologies and the rise of data analytics have given rise to this new phenomenon called hyper-personalisation. For hyper-personalisation, the credit card issuers use data to tailor their products and services to individual customers.

SBI Card is currently ranked second in the credit card industry with cards-in-force market share of 19.7 per cent for FY23 (18.7 per cent in FY22) and market share in spends at 18.2 per cent for FY23 (FY22: 19.2 per cent).

Hyper-personalisation

Hyper-personalisation of credit cards is a strategy that involves collecting data about customers to create personalised offers, promotions, and rewards that are more relevant to their spending habits and financial goals.

Hyper-personalisation allows credit card companies to provide customers with a personalised experience that goes beyond the traditional rewards program. For example, instead of offering generic rewards such as cash back or points, issuers can offer rewards that are tailored to the customer's interests and spending patterns.

For instance, a customer who frequently shops at a specific store or prefers to travel on a particular airline, can receive offers or discounts from that store or that airline. This type of personalised service not only enhances the customer experience but also helps credit card issuers increase customer loyalty and satisfaction.

“We want to have capability of customising the offering at customer level itself. Right now, our capability is only to look at broad customer segment or small set of customers segment and make a blanket offer”, Amara said.

Currently, SBI Card only has a broad brush approach at a particular customer segment level where the value proposition it offers goes directly to a broader segment of customers.

One of the key advantages of hyper-personalisation is that it can help credit card issuers better understand their customers' financial behaviour. By collecting and analysing data, issuers can gain insights into spending patterns, purchase histories, and financial goals. This allows them to develop more targeted marketing campaigns, offer more relevant products and services, and provide personalised financial advice.

Another benefit of hyper-personalisation is that it can help issuers identify potential risks. For example, if a customer suddenly starts making unusual purchases, such as large purchases at unfamiliar locations, this could be a sign of fraudulent activity.

RuPay Credit Card-UPI Linkage

The industry's biggest issuer of RuPay credit cards, SBI Card, sees a “big opportunity” in the RuPay Credit card, following the RBI's decision to permit its integration with the Unified Payments Interface. The UPI is an instantaneous and real-time payments system developed by the NPCI that facilitate inter-bank peer-to-peer and person-to-merchant (PTM) transactions.

“The potential of small-ticket transactions happening in PTM space, not on the credit card but on debit card or deposit accounts, there is possibility of these spends migrating to credit card once the linkage is done by all players. We are optimistic about the linkage”, Amara said.