

[Travel, hospitality, entertainment comprised 33% of SBI Card's spends in 9M FY24](#)

Date: 24/04/2024 | Edition: Online | Page: NA | Source: Anshika Kayastha

THE HINDU
businessline.

Travel, hospitality, entertainment comprised 33% of SBI Card's spends in 9M FY24

Updated - April 26, 2024 at 03:22 PM. | Mumbai

SBI Card tracks spending patterns, noting a rise in travel, including both business and leisure, reflecting societal trends and market expectations

BY ANSHIKA KAYASTHA

COMMENTS SHARE

READ LATER



Launch of SBI Card MILES - (L to R) Ashwini Kumar Tewari, MD, SBI, Dinesh Kumar Khara, Chairman, SBI & Abhijit Chakravorty, MD & CEO, SBI Card

Travel, hospitality and entertainment sectors comprised 33 per cent of the total card spends seen by SBI Card during 9M FY24, according to MD and CEO Abhijit Chakravorty.

“In our portfolio, in the first nine months as of December 2023, 33 per cent of spends across different cards was on travel, hospitality and entertainment,” Chakravorty said, adding that travel industry data too shows that the “travel bug has bitten Indians” and that Indian travellers are large global spenders.

SBI Card keeps analysing spends behaviour, market expectations and trends in society and the one thing which has been revealed is an increase in travel, he said, adding that in addition to business travel, there has also been a significant increase in leisure and tourism travel, both domestic as well as international.

Chakravorty was speaking at the launch of SBI Card MILES, the company’s first travel-centric core card which offers travel rewards redemption, conversion of travel credits to air miles and hotel points, accelerated rewards, complimentary airport lounge access, among other features.

The card has three variants and has partnered with over 20 airline and hotel brands including Air Vistara, Air India, Spicejet, Air France-KLM, Etihad Airways, Air Canada, Thai Airways, Qantas Airways, ITC Hotels, IHG Hotels & Resorts, and Accor.

It will add value for travel aspirations of card holders by way of rewards and miles, thus facilitating and encouraging travel, Chakravorty said, adding that the card aims to give value for both regular as well as travel related spends.

SBI Chairman Dinesh Kumar Khara said there has been an uptick travel post Covid which combined with the young population's desire for more convenience has boosted the travel aspirations of the country. SBI Card has evolved as a company and works to spot opportunities in the cards segment, and going ahead, should be able to offer hyper personalisation in this card variant as well

"It's not merely travel, the kind of value proposition that is embedded into this card is actually addressing the need of not only travel but the complete ecosystem," he said adding that the "fungability concept" being introduced is unique in many respects giving the card the USP of a product that has "perhaps never (been) tried" before.

SBI MD Ashwini Kumar Tewari highlighted that it is difficult to make money in the cards business because of high expectations of customers such as unlimited lounge visits, discounts on tickets and nil to no fees.

"Its tough to make money on credit cards because the segment we are targetting is not going to evolve but as long as it is an aspirational card and brings value, this card will sell. And SBI Card has learned how to recover value for itself from the customers and they will be happy to pay for it," he said.

SBI Card's active card spends volume is about 50 per cent, which is "significant in this market", Chakravorty said, adding that SBI Card keeps looking at customer requirements to cater to customer requirements even through co-branded cards in addition to the proprietary products.