

VPBank - deepening the offering and evolving the client experience

Sandeep Deobhakta, Division Head of Retail Banking, VPBank, tells Hubbis how VPBank is growing in Vietnam and how it is helping its customers 'Dream.'



SANDEEP DEOBHAKTA
VPBank

VPBANK IS ONE OF THOSE BANKS THAT'S ENTIRELY dedicated and focused on retail banking, according to Deobhakta.

He says that the bulk of VPBank's revenues come from the retail segment, and that is further divided into three core divisions—retail banking, SME, and a household business segment.

“The household business segment is working with small and medium and micro-businesses, and some of them informal businesses, and helping them largely with raising money and working capital,” he explains.

Deobhakta points out that VPBank is one of the fastest growing joint-stock banks in Vietnam. “We raised capital last year, which has been very successful, and we're poised to grow across all of the business areas and the all of the key segments in Vietnam.”

A digital strategy will drive the bank's future growth, he says. “We set up a digital roadmap two years ago that's absolutely core to our strategy,” Deobhakta adds. “We [already] have a wholly digitised, end-to-end process for credit cards and unsecured lending.”

Deobhakta sees digital marketing and digital card acquisition as a significant contributor to the business in the next year or two.

VPBank also recently launched Dream, a customer-facing financial planning initiative, that should drive more business and growth towards the bank, according to Deobhakta.

“Dream is about helping customers get to their dreams,” he says. “How do we do that? It's completely



digitally enabled, but we start with helping you set up a dream or a goal-based savings plan.”

The bank then helps customers set aside money for that. “Increasingly as you build up history, we’ll tell you that you have enough cash flow to get to your goal for this month in terms of savings,” he says. “We give you a much more attractive savings rate for that particular proposition, it comes with pre-approved credit cards, and you will be pre-approved for a mortgage or a car loan.”

The bank then wraps that with an ecosystem of partnerships. “So, you get an offer from the developer or the car manufacturer or dealer,” he says. “We’re putting together a proposition that helps them end-to-

end, and in fact goes beyond the purchase of the car or the home, and will continue to help them with their dreams in the future.”

Going forward, the bank’s priority, according to Deobhakta, is growth with quality. “In a market like this where product penetration for insurance, for credit cards, is amongst the lowest in the region,” he says. “That presents, with the 7% growth, a huge opportunity.”

Also important is building human capital, says Deobhakta. “Building talent becomes important when you’re seeing the kind of growth rates that we’re seeing because we’re expanding rapidly,” he adds. “The focus on hiring people with the right attitude that fit into the culture is extremely important.” ■

