

# Mashreq Neo coveting digital customers

*Vision of 'connected generation' part of online customer expansion plans by UAE banking giant*

**A** **SONE OF THE LEADING FINANCIAL INSTITUTIONS** in the United Arab Emirates (UAE), Mashreq Bank has always been recognised as an innovator within the banking world.

Celebrating its 50th anniversary this year, Mashreq was the first UAE bank to install ATM cash dispensers; the first to issue debit and credit cards and the first to introduce consumer loans. The bank continued to lead

the way, being the first UAE bank to offer chip-based credit cards and digital point-of-sale readers, alongside such financial milestones as an investment fund directly linked to the Indian stock market.

Mashreq's branch network extends across the UAE with a large number of households banking with them, and now that figure is set to rise if the bank's Head of Retail, Subroto Som, has his way.

Som wants to enlist a large number of new digitally-savvy clients from within the Mashreq footprint that stretches from the UAE to Egypt and Qatar.

"I want to acquire a large number of new customers and bring them to the financial world digitally, and hence bring convenience, access and timely information while reducing the barriers to transactions and details," Som said.

"There will be no need to go to the branch or need to call the RM or need to wait for the statement with all of this being instantaneous."

**New initiative** With over 30 years' experience across all aspects of consumer banking, wealth management, commercial banking and business management, Som is approaching this new initiative with the enthusiasm of a start-up entrepreneur, taking great delight in the planning and execution of the venture that he believes will span a wide range of potential clients.

"We are calling our target customers the 'connected generation'," Som said. "They are not bound by age, they are not people of a particular age group, like



SUBROTO SOM  
Mashreq Neo

people often say millennials. In fact, one of our oldest customers on mobile banking is a 92-year-old gentleman. He is in a group of people who often have more than one smartphone and they are online all the time, either through social media or through email or through notifications.

“They are receiving and sending messages and are getting notifications about what’s happening in the world with their friends, with their family, at work and they are connected digitally. It is these people who are our target market.”

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Som, however, does not believe the ambitious plan will be all plain sailing, and he foresees some choppy waters ahead, despite being supremely confident of the venture’s ultimate success.

“These people are not scared of technology; they actually adopt new technology. They have had some good experiences and they want to take advantage of the technical ability for their convenience,” Som added.

“The most important thing in this is adoption and security, and we can constantly work on them. We had a huge issue with adoption in the past, where the technology was available, but people were not using it, although in last two- to- three years we have seen that improve significantly.

“People are now comfortable buying things online, people are comfortable transacting online, sending money online and this experience is improving.”

**Constant investment** Som, however, is wary that any chink in the bank’s cyber armoury would spell disaster for the ambitious expansion plans.

“One bad experience on fraud or a cyber security violation will kill it for the institution or for the industry and that is a big fight that we need to constantly keep having,” he said.

“You need to keep investing in this, that is an im-

## EMBRACING THE NEW DIGITAL AGE

Industry veteran Subroto Som is a motivated man who is determined to see Mashreq Bank embrace the industry’s new age of technology at the highest level possible to provide the ultimate customer experience. “We want customers to have access to information and the ability to buy and sell at their convenience, and at their own time at their location; that’s the flexibility that we are bringing because we believe today’s customers are more aware of their options, their alternatives and the choices they want to make.”

Som also sees Mashreq’s digital bank, Mashreq Neo as second to none. “I think in this space, on the digital platform, we are the only one; no other bank here does everything that we can do for customers. We allow the customer to open an account without coming to the branch.

“We set up digital tokens or email ids with the customer and communicate through them, so the account set-up is very convenient. It takes four steps and five minutes to get it done and a cheque book and debit card arrives the following day,” Som added.

“Once the account has been activated, the customer can use any of the banking channels to fund the account, and thereafter we give them the choice of opening accounts up to six currencies like US Dollar, Euro, Pound, Japanese Yen and Saudi Riyal in addition to their UAE Dirham account, so the customer can park their money in any of these currencies and convert them online at will.”

portant aspect for us. This is part of our focus in acquiring customers. We want to keep improving the customer journey, constantly making sure we keep it safe, secure, and simple and this (cyber security) is a space where you don’t ever know enough.

“You are always continuously evolving, based on customer adoption, customer experience and what’s happening in the world.”

Mashreq’s “customer experience” will also see them

having less face-to-face meetings with RMs and other banking staff, according to Som, who also said that 51 branches in UAE will eventually shrink in size and staff numbers as digitalisation and other client-facing initiatives emerge as the banking group evolves with new processes and practices.

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“We are doing more transactions digitally in the branch, and not using staff as much as before. We are using the branches more for conversations, many of which are face to face but some of them through video, so we have created video rooms in the branches,” Som said.

“Customers can talk to a number of experts who

are sitting in a central place, which is something you cannot have access to in a small branch,” Som added, before talking about further initiatives that the bank is poised to introduce.

“We are also bringing in new technology on cash dispensing and we have a new machine called ITMs, which is an interactive teller machine that we will install in all branches,” Som said, adding that the ITM incorporates a video camera to allow the customer to talk to a teller and have an interactive conversation while using an ATM card. This is just one of the new technology-enabled changes that the bank will introduce, the Mashreq Bank chief said.

Som summed up the changes by saying: “Changing what happens in the branch, how we do it and bringing new activities into the branch means that we are also changing the profile of the people who are at the branch.

“Now they are not just the tellers and service people, they are the advisors and people who can help get customers more digitally friendly with the kind of instruments and machines that we will have installed in all of our branches and network,” Som concluded, adding that the future was very much focussed on the digital experience of the newly-introduced Neo system. ■

## NEO MARCHING SEAMLESSLY FORWARD

Mashreq Bank’s Subroto Som has hailed the lender’s new digital bank as the way forward for banks of the future.

Completely branchless and targeted at the connected generation, Mashreq Neo offers users a unique digital experience. “Mashreq Neo was created in response to the fast-evolving customer behaviours that we saw emerging in the UAE,” Som said.

Mashreq Neo allows new users to enrol in-app in minutes. Its Activity Wall shows users their most recent activity in an easy-to-read timeline and it is the first digital bank in the region to offer investment in foreign equities and gold and FX trading.

The branchless bank, like many of its kind, is targeted at digital-savvy, younger consumers and those who prefer to bank through their mobile devices. It promises a “brilliant” digital experience. The bank will also be the first digital bank in the GCC countries to provide access to international markets for investment.

Mashreq Neo will provide credit cards, debit cards, current accounts, personal loans, remittances, global stock trading, gold trading, investment, and deposits. Users will also be able to perform free cash withdrawals at participating ATMs.

The Dubai lender launched the digital-only bank in the UAE as the banking group increases investment in artificial intelligence while reducing the size of its branches in line with the financial services industry that is increasingly going digital.

The shift in the banking industry towards an ever more digital future has prompted lenders to reassess the need for large branches.

Investments in technology and digitisation are timely for UAE banks as profitability has been on the wane in the wake of the biggest oil price slump since the 2008 financial crash.