

'Indian banks outperform global peers in digital maturity score'

Our Bureau
Mumbai

Indian banks are outperforming their global peers in digital maturity score, says a report from Deloitte India titled "Digital Banking Maturity (DBM)".

They also have the opportunity and potential to rise further and become 'Digital Champions', the report said.

The survey covered 304 banks in 41 countries, including key economies, such as the US, China, India, UK and Brazil. The top 10 per cent performers were recognised as 'Digital champions', followed by 'Digital smart followers', 'Digital adopters', and 'Digital latecomers', respectively.

Indian banks scored 3 per cent higher than the global average in mobile banking and 1 per cent higher in internet banking. They

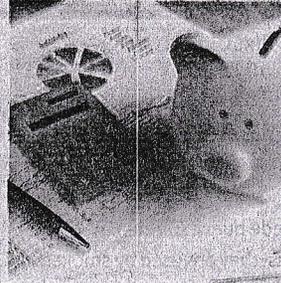
bagged the titles of "Digital smart followers" and "Digital adopters", the report said.

"Indian banks displayed noteworthy performance in the survey, surpassing the global average in several key customer journeys. Being at the forefront of digital transformation, Indian banks are well placed compared with the global average," Deloitte India said.

The 1,208 functionalities scored were split almost equally between internet banking features and mobile banking features. The survey covered 304 banks in 41 countries, including key economies, such as the US, China, India, UK and Brazil.

IDEAL OPPORTUNITY

Compared with 'Digital champions', Indian banks have significant opportunity to increase their digital maturity, particularly in two customer journeys - day-to-day banking (while UPI is a



unique and globally recognised lever, the delta is more about personal financial management and beyond banking) and expanding relationships, suggested Deloitte India.

Within these two customer journeys, the most relevant sub-steps offering significant potential for value creation are personal financial management, beyond banking, ecosystem and account aggregation and account and product management.

For instance, at the time of the survey, a notable 25 per cent of the Indian banks

Digital banking maturity score

India	44.67
Global average	40.67

DBM score by channel (in %)

	Internet banking	Mobile banking
India	43	41
Global average	42	38

offered the functionality for customers to set their financial goals, while 57 per cent of digital champions did so.

DIGITAL PIONEERS

'Digital Champions' enjoy a lead in their digital transformation endeavours across customer journeys and provide a compelling user interface to customers.

On an average, they showed 0.1 per cent higher return on assets and 1.5 per cent higher return on equity

compared with their peers.

Personal Finance Management includes features such as categorisation of transactions, spending limits by category, cash flow projections and financial feeds.

Beyond Banking includes personalised non-banking offers and value-added services (such as offering tickets for cinema and theatre) based on customer preferences.

A/C INFORMATION

Ecosystem and account aggregation entails aggregating account information from other banks and facilitating spending aggregation across multiple accounts (subject to customer consent).

Account and product management involves Banks providing functionalities related to the personalisation of products and channels based on customer needs and requirements.