



Mobile Payments

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Agenda

Mobile Services Magnate

Payments landscape in India

ICICI Bank Mobile Banking - a quick update



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The great Indian mobile infrastructure

Approx. 580 Mn mobile phone subscribers in India (~420 Mn unique)

15 - 20 Mn new additions p.m.

92% prepaid subscribers - know how to top-up talk-time

High number literacy - also know how to send SMS

Perform financial transaction by buying ring-tones, call-back tunes, etc.

Provides the last mile connectivity - an ATM in customer's pocket



Track record of transforming industry dynamics

Largest seller of digital cameras



Largest player in the music industry in India



Industry wiped out due to mobile phones



Alarm clocks



Mobile payments has started to pick up



- ✓ M-commerce services to more than 12 banks in India
- ✓ > 10,000 merchant tie-ups in India
- ✓ Ventured in to m-banking solutions in 2009



- ✓ M-commerce services to VISA card-holders
- ✓ Tie-ups with telcos for delivery
- ✓ Works on all handsets in a secure manner



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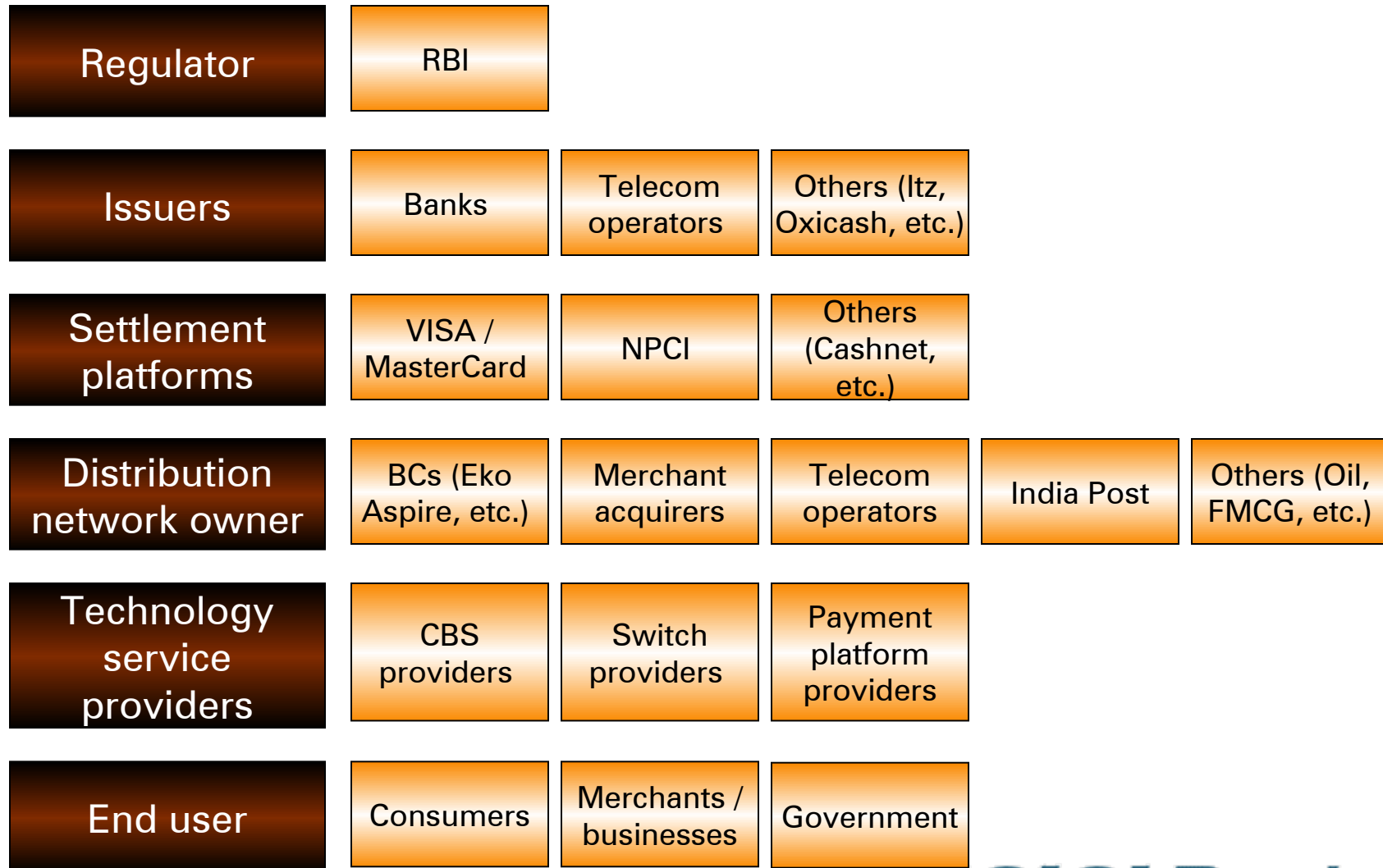
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Key stakeholders (Payments value chain)



Estimated payments market size

Segment	Transaction Type	Amount in USD Bn
P2P	Remittances	49
P2B	Commerce, loan payments, donations	400
P2G	Personal tax	15
B2P	Salaries & wages	38
B2B	Supplier / vendor payments	391
B2G	Indirect taxes	23
G2P	EGS, social benefits	46
G2B	Government purchases	78
	Total	1,040

Extrapolating based on GDP growth:
Payments market size ~ USD 1,373 Bn in 2009



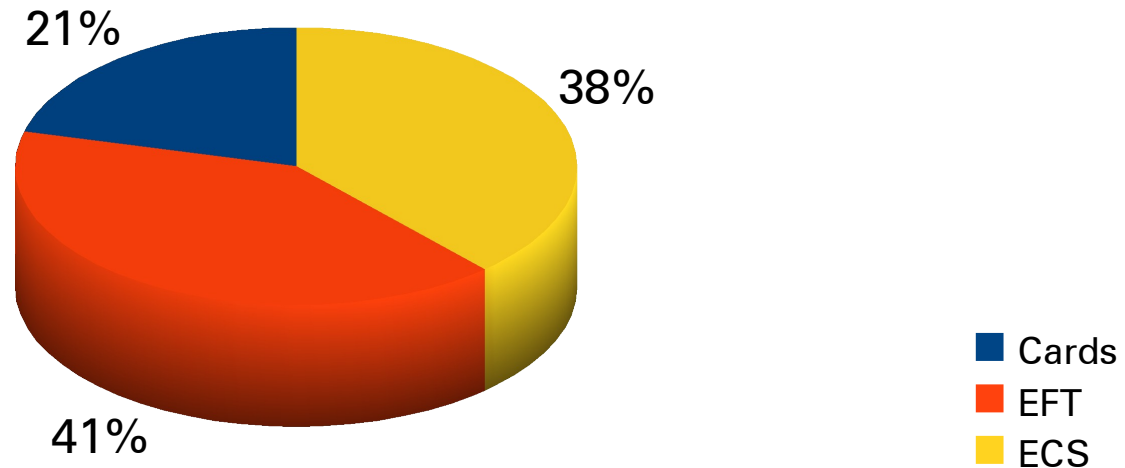
Existing payment solutions

	Remote	Proximity
P2P	<ol style="list-style-type: none"> 1. Money order (post office) 2. Cheque / DD / etc. Courier 3. NEFT (using mobile / internet / forms) 4. RTGS (using mobile / internet / forms) 5. Card-card transfer 6. Any other unorganized method 	<ol style="list-style-type: none"> 1. Cash 2. Cheque / DD / etc. Handed
P2M	<ol style="list-style-type: none"> 1. E-commerce / m-commerce using card or bank account 2. Cheque / DD / etc. Courier 3. NEFT / RTGS (using mobile / internet forms) 4. ECS mandate 	<ol style="list-style-type: none"> 1. Cash 2. Card swipe 3. Cheque / DD / etc. handed 4. Voucher redemption
B2C / G2C	<ol style="list-style-type: none"> 1. Cheque / DD / etc. Courier 2. ECS credit 3. NEFT / RTGS (using mobile / internet / forms) 4. Loading a card instrument 5. Any other unorganized method 	Not applicable
B2B	<ol style="list-style-type: none"> 1. Cheque / DD / etc. Courier 2. ECS credit / NEFT / RTGS 3. Transfer to a card instrument 	Not applicable



Electronic payments market size

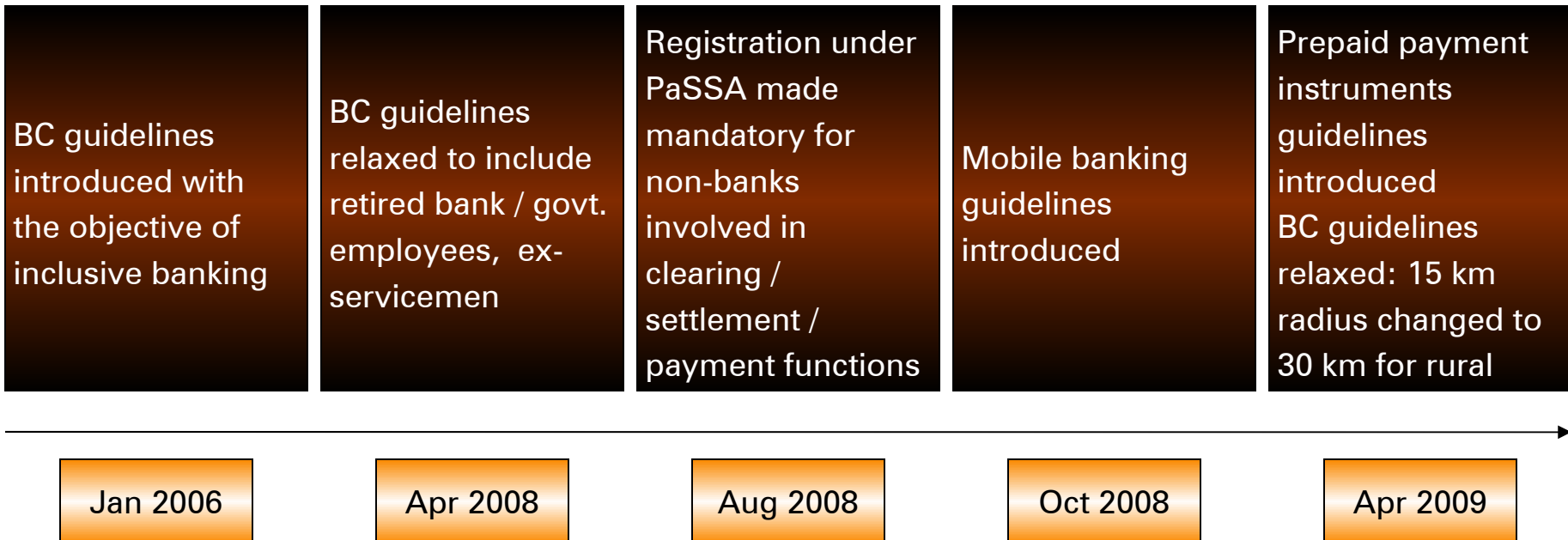
Retail electronic payment industry size ~ \$80 Bn (2008 data)
Expected to grow by 60-70% in 2009 ~ \$130 Bn



Thus, % market captured by electronic payments: < 10%



Regulatory environment in India



Regulatory environment contd...



The big question

How can ICICI Bank capture the huge untapped payments space in India??



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ICICI Bank is keeping pace with technology

Break through innovations in customer touch points



Anywhere
Branch
banking '94



ATM '94



Internet
banking '97



Mobile banking
Push alerts '02



IVR '03



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Break through innovations in customer touch points



Mobile banking Pull alerts '04

DQM '04

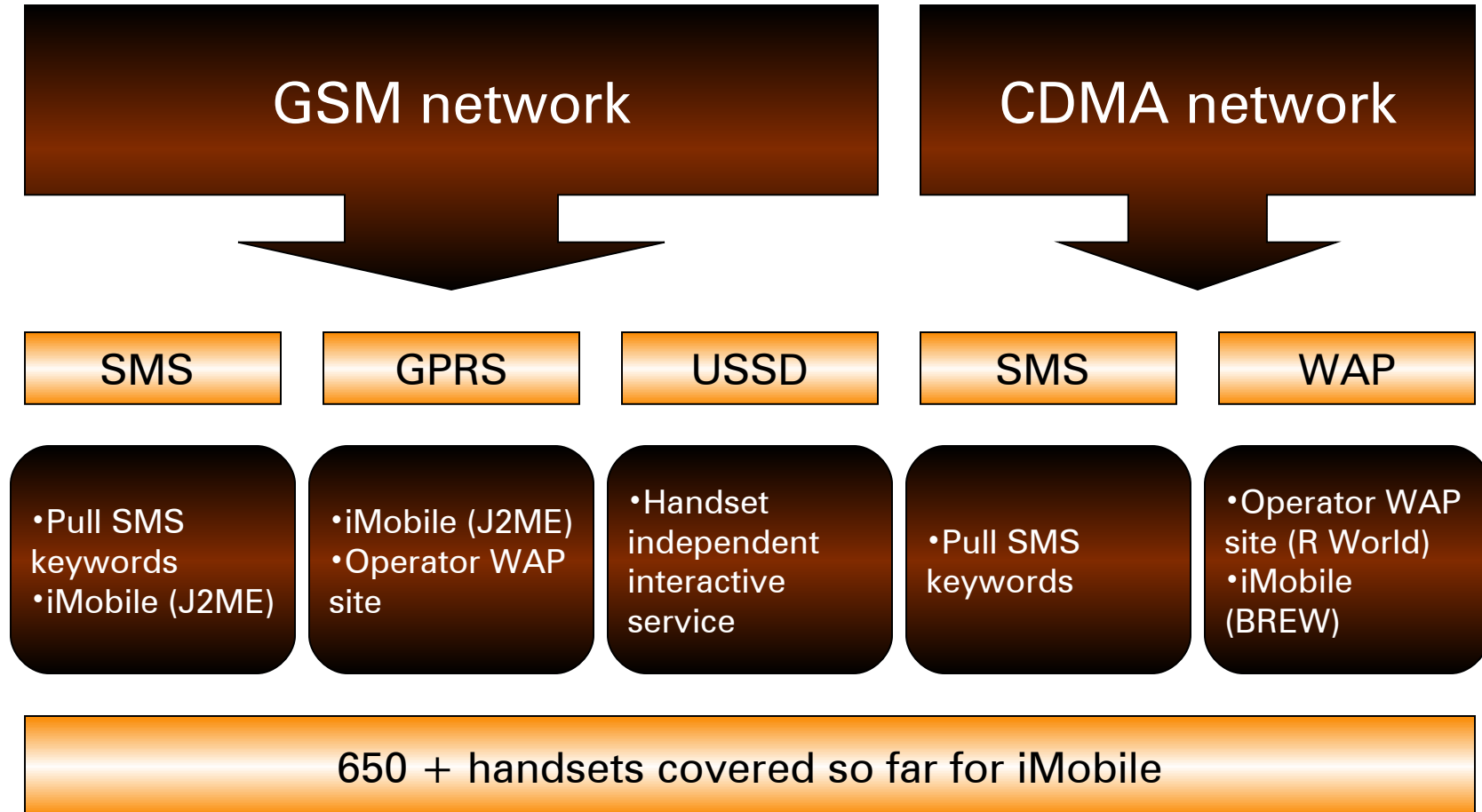
Banking through WAP sites of telcos such as Reliance R world Vodafone Live etc. '06

Cash deposit machine '07

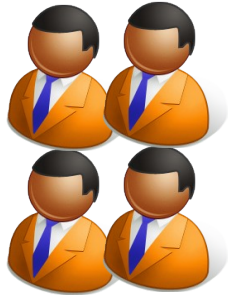
iMobile '08



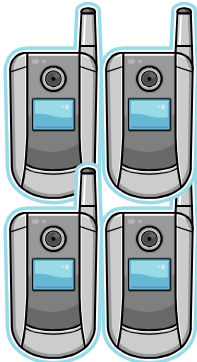
Covers all service provider networks



Current mobile banking statistics



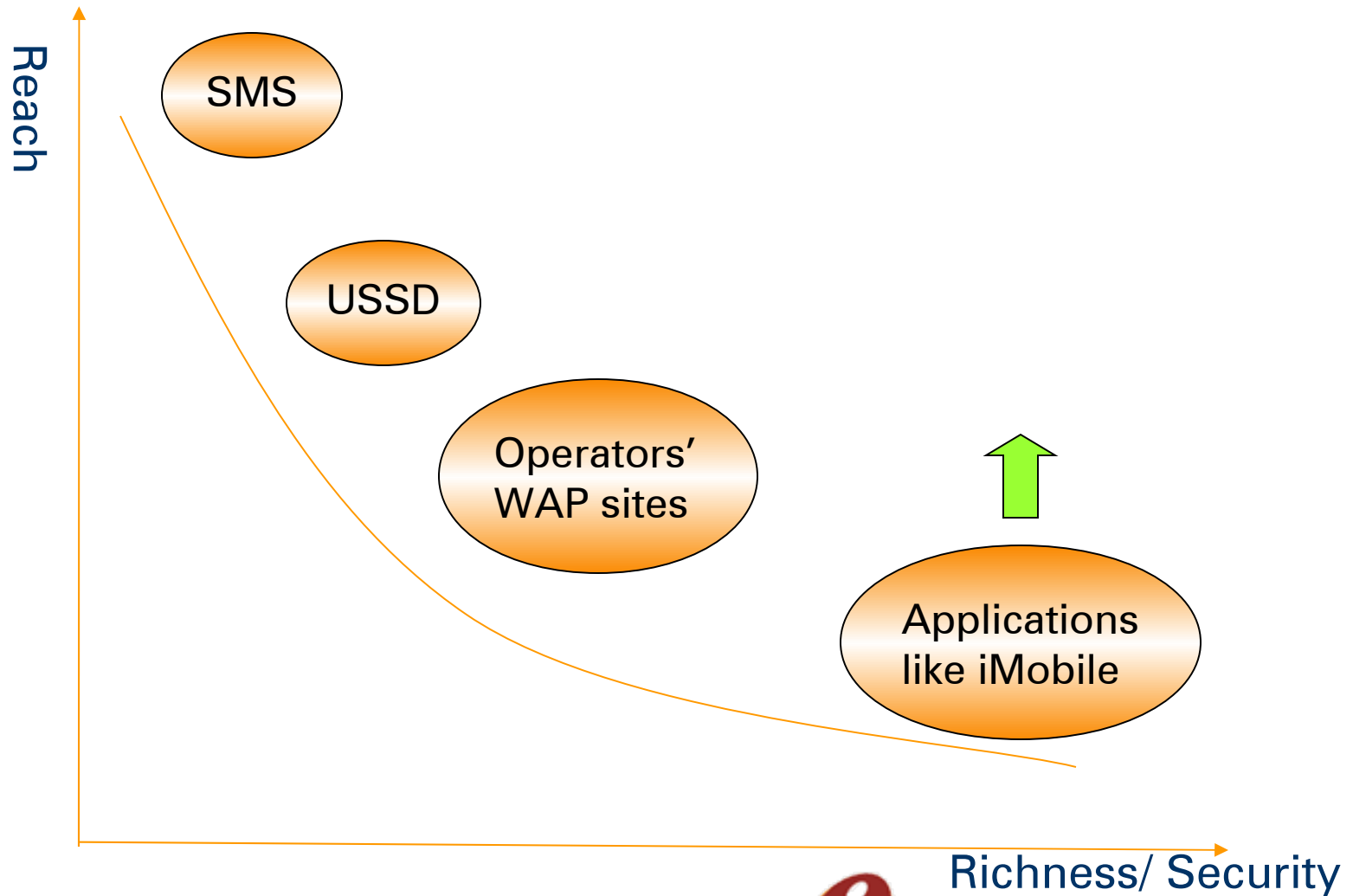
- ✓ 8 Mn registered mobile banking users
- ✓ 0.5 Mn registered iMobile users (25% active)



- ✓ 30 Mn push alerts per month
- ✓ 0.6 Mn customer initiated transactions overall



Trade off between Reach Vs Richness



iMobile - the Bank in customer's pocket



Bill Pay

- Presentment
- Payment
- Credit card bill



Credit card

- Balance Details
- Payment Due Date
- Last pymnt Details



mShop

- Prepaid recharge
- Movie tickets



Bank account

- Fund transfer
- Balance enquiry
- Last 5 tranx.
- Chq book request
- Chq status request
- Stop chq request



Other accounts (Loans)

- Provision IT Certificate
- Loan Agreement Copy
- Final IT Certificate
- Rescheduled Letter
- Reset Letter



Other accounts (Demat)

- Holding Enquiry
- Bill Enquiry
- ISIN Enquiry
- Transaction Status



I services

- Locate us
- SR tracker
- Show pymts made
- Apply Now
- Cust care number



Specific action points identified

New features / Feature enhancements

P2P features on mobile

Real-time funds transfer across banks

Remittance to unbanked individuals

Phone - phone funds transfer

Merchant payment features on mobile

Merchant payments on iMobile

Mobile payment on IVR / online

OTC merchant payment solution

Tap-and-go solution



Critical success factors

Success of the mobile proposition

Wide
distribution
network
✓ Issuance
points
✓ Cash-in /
cash-out
points

Wide
merchant
acceptance

Trust in
issuing entity

Ease of use

Repeated
customer
education



Thank You

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