

How Ujjivan SFB is leveraging digital transformation to drive financial inclusion

Lakshman Velayutham, Chief Marketing Officer, Ujjivan Small Finance Bank, brings over 26 years of experience across various industries to his role. In this interview with Adgully, he shares insights on his unique journey into marketing, the innovative strategies behind SFB's award-winning campaigns, and how the bank is leveraging digital transformation to drive financial inclusion for underserved segments. He also discusses Ujjivan's approach to navigating the diverse needs of its customer base across India and reveals key trends that will shape the future of marketing in the banking sector.

With over 26 years of experience across various industries, how has your journey shaped your approach to marketing in the banking sector, particularly at Ujjivan SFB?

Marketing was not an initial career choice for me. Mr Nagesh, the then MD & CEO of Shoppers Stop, introduced me to the world of marketing. My knowledge is purely experiential, shaped by the learnings on the job and collaborating with some of the best minds in the industry.

At Ujjivan Small Finance Bank (Ujjivan SFB), Mr Samit Ghosh, the founder of Ujjivan, influenced and shaped my marketing acumen. His approach towards integrating ideas, and people skills, with technology, helped me in shaping and delivering the marketing objectives.

At Ujjivan, customer feedback is crucial to stay relevant and responsive to market needs. Collaborating with various stakeholders and working closely with my team has been the cornerstone of strategy to execution.

Ujjivan Small Finance Bank earned a Gold Lion at the Cannes International Festival of Creativity in the Creative Commerce category under your leadership. Could you share the insights and strategies behind this successful campaign?

Winning the Gold Lion at the Cannes International Festival of Creativity in the Creative Commerce category was a testament to our innovative approach, and collaborative efforts at Ujjivan. The essence of this success lies in our philosophy, that awards are more than just recognition – they are a platform to understand diverse perspectives, and push the boundaries of creative thinking.

The most profound insights come from simple, everyday observations often overlooked. So, when you look at some of the award-winning campaigns, you realize that the customer insight was simple and straightforward. These campaigns effectively highlighted how insights can transform into powerful messages, and propels you to benchmark yourself on a better level, not just within but across industries.

A critical element of our strategy is treating all our partners as team members. It is particularly important to value the ideas they bring to the table, and maintain an experimental mindset. When we embarked on this campaign, our primary goal was not to win awards. The joy of executing and learning from the campaign was invaluable, and the award that came was a gratifying bonus. This approach of close collaboration, with internal business teams and agency partners, and having customer centricity with continue learning, is what drives our success.

How has Ujjivan Small Finance Bank leveraged digital transformation to enhance customer experience and financial inclusion, especially for the un-served and under-served segments?

With a modest beginning, to providing small-ticket loans to borrowers with limited means, and with the larger objective of achieving financial inclusion in the country, we took a strategic approach at Ujjivan SFB. Originally transitioning from NBFC MFI to a bank, Ujjivan aimed to bring state of the art banking facilities to individuals with little or no prior exposure to banking.

Earlier, the bank also launched 'Hello Ujjivan,' a one-of-a-kind mobile banking app in India that enables voice, visual, and vernacular features to give bank's micro banking and rural customers access to banking financial services. The app has intuitive AI and machine learning capabilities, to enable customers transact conveniently, and safely in the language of their choice. It is available in ten regional languages, as well as in English.

Ujjivan provides microfinance loans to low-income individuals and groups, particularly women in rural and semi-urban areas. These loans help in supporting small businesses, agriculture, nano & MSME, and other income-generating activities, enabling economic self-sufficiency. Ujjivan ensures that all individuals are committed to honouring their financial obligations, and can use finance as an enabler towards realizing their dreams and goals in life.

While our 752 branches across 26 States and UTs help us reach out to customers, our digital assets offer the convenience of doing paperless banking anytime, anywhere. Digital Fixed Deposits and Digital Savings Account enable customers to enhance and deepen their relationships. Internet & Mobile Banking enable them to transact seamlessly. Video and Phone Banking ensure that all queries, and requests are resolved online.

This approach has helped us catalyse our mission of providing sustainable, easy and convenient banking across all tiers of banking, in eleven languages, and in our journey towards being a leading mass market bank.

Given Ujjivan SFB's presence across 26 states and union territories in India, how do you tailor your marketing strategies to address the diverse needs and preferences of customers in different regions?

India is a diverse country, and consumer behaviour has evolved across the nation. Our customer base spans across Tier 1 to Tier 6 Markets. What resonates with customers in one region may not be effective in another. We engage directly at the branch level, and our customers understand their challenges and opportunities. This on-ground understanding helps us design marketing strategies that are relevant and impactful in terms of driving business and brand visibility.

Currently, we are the only small finance bank in the country to be geographically present in most of the states, with a large customer base of over 90 lakh across 26 states and union territories. With increasing savings and deposit customers, the community is expanding as more metro, and urban customers are coming into the fold.

What are some of the key initiatives Ujjivan has implemented to drive customer acquisition and retention, and how do these initiatives align with your broader marketing goals?

Ujjivan serves two varied customer segments. It sources Savings and Deposits from metro and urban customers, and lends it to urban, semi-urban and rural customers.

TrueCell - is an initiative with the MicroBanking customers, to promote savings in a bank account, where they pay a lump-sum amount, part of which goes towards their EMI payment, and the balance into their savings account.

Hospicash - a medical insurance product, protects the customers from monetary impact due to hospitalisation. This offers a fixed payback of a certain amount/day for the number of days hospitalised, making the product and the process quite simple.

The launch of end-to-end digital savings and fixed deposits, gives the customers the choice to open a relationship whenever and wherever they wish to.

Customers can now choose to invest all their asset relationships (Housing, MSME, Gold Loan and Vehicle Loan) with Ujjivan.

The goal of marketing is to create awareness on the benefits of one-stop banking relationship, which offers convenience, and ease of staying connected through Video and Phone Banking, Internet-Mobile & UPI, WhatsApp, and Chatbot Banking. Segmented marketing helps in ensuring relevance, and better levels of conversions.

As a seasoned marketing professional, what trends do you foresee in the banking industry's marketing landscape, and how is Ujjivan SFB preparing to stay ahead of these trends?

AI is revolutionising how banks understand and interact with their customers. It is important to leverage the same, to create highly personalised experiences, enhance customer engagement, and improve overall satisfaction. Customer is looking at quality interaction and communication. Understanding customer behaviour and needs regularly is paramount to building an effective communication strategy. I believe AI can help us be better at decision making.