



UOB mobile and Agent banking

February 2014

Agenda

Mobile banking

- Aims
- Features
- Fees
- Customer experience

Agent network

- Creating the Agent network
- Liquidity management and performance evaluation

Introduction

- In 2013 UOB launched their mobile banking service, mHose
- Delivered through VISA's mVISA platform
- 22,000 customers and 213 Agents registered



mHose aims

1. Reduce operational cash related risks

- Lending staff no longer need to handle cash

2. Increase operational efficiency and productivity

- Lending staff, Data Entry Dept, and Branch network will all experience benefits

3. Provide clients with access to full range of financial services

- Customers will have convenient, safe and affordable access to savings, loan and insurance services without having to access a UOB branch

mHose mobile banking service

Make **deposits** and **withdrawals** through network of Agents

USSD
*501#



Other services:

- Send money, buy airtime, pay bill, balance enquiry
- ATM withdrawal and online purchases



Manage UOB loan:

- Repayments
- Receipt of loan

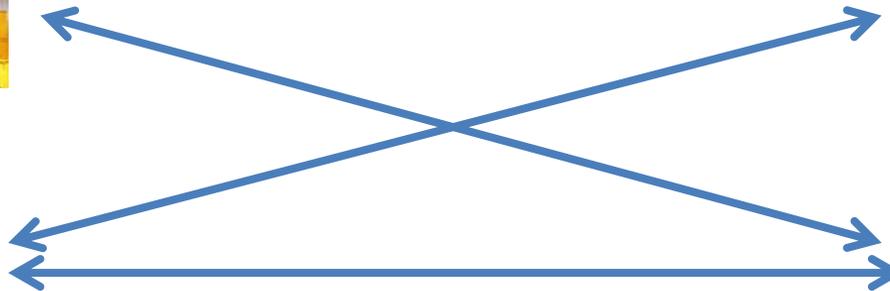
Interest is paid



Life insurance for customer and 2 family members

The mVISA system is “interoperable”

- UOB customers can visit mVisa Agents linked to other Banks
- Customers of other Banks (linked to mVISA) can use UOB Agents
- Anyone using mVISA can send money to each other



UOB customers can visit any Agent displaying the “mVISA” logo

Customer fees

- UOB charges fees:
 - Affordable to customers
 - In line, or cheaper, than the competition
- All fees are deducted from the customer's account
- No fees for cash deposit or pay loan to drive adoption for loan payments

Transaction Type	Transaction Size		Fee (Rwf)
	Min	Max	
Send money	1,500	300,000	300
Cash withdrawal at agent	1,500	10,000	275
	10,001	25,000	400
	25,001	50,000	600
	50,001	100,000	900
	100,001	200,000	1,300
	200,001	500,000	2,700
	500,001	1,000,000	5,500
Cash deposit	1,500	500,000	No fee
Pay Loan	1	500,000	No fee
Top-up Airtime	500	300,000	No fee
Pay Merchant / Pay Bill	500	300,000	No fee
Balance Enquiry / Mini Statement	1st trnx per day is free; then Rwf 50 per trnx		

Customer experience

Getting started

- Customers register at UOB branch, with lending staff (& now at Agents)
- Dial *501# to access the menu
- Accessible on any phone through any MNO

Customer usage

- Customers appreciate the secure and convenient access to financial services, especially loan payments, and airtime top-up
- Challenges with illiterate customers and those without a phone

Customer support

- Call the support centre for free (5151)
 - Reset PIN
 - System is down or confirmation of transaction

UOB mHOSE mVISA

1. Send Money
2. Withdraw Cash
3. Pay Loan
4. Top-up Airtime
5. Pay Merchant
6. Pay Bill
7. My Account
8. Get VISA Number



Marketing to customers

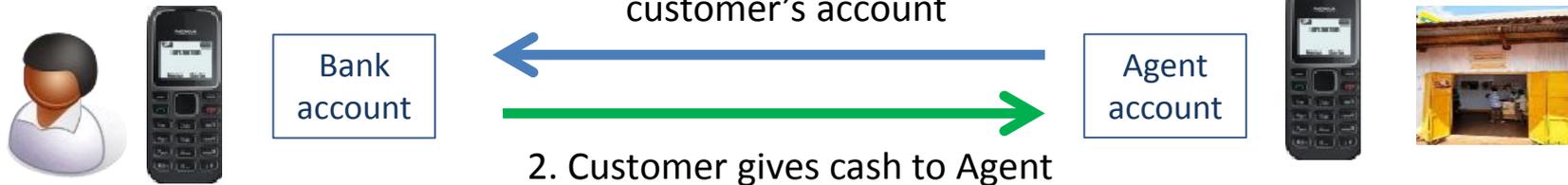
- Key value proposition: mHose is a new banking solution



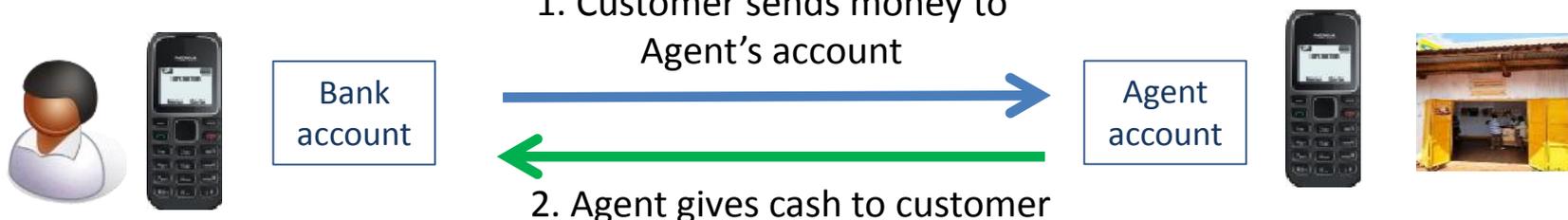
mHose Agent network

- Agents enable customers to make deposits and withdrawals on their accounts

To deposit cash into their account:



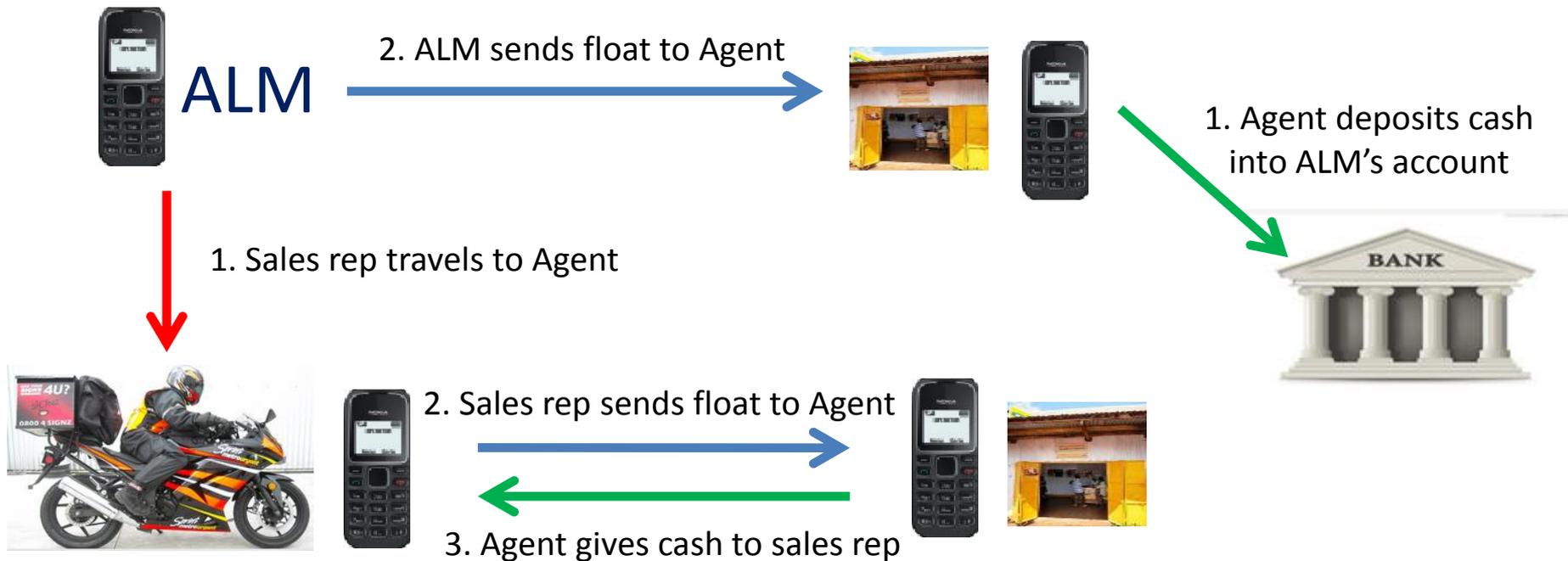
To withdraw cash from their account:



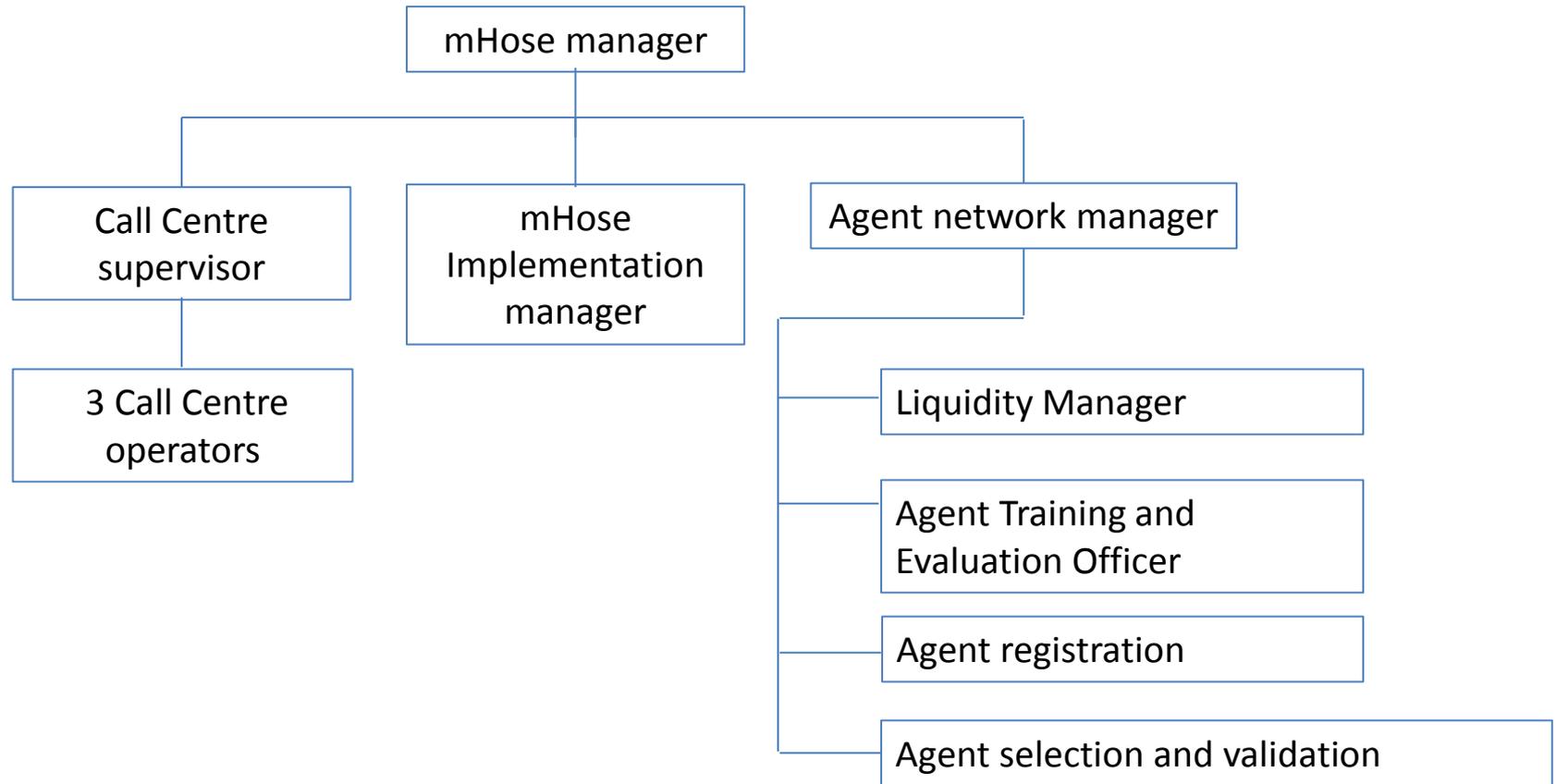
- Agents are paid a commission for every transaction
 - Tiered structure; commission paid directly into account

Liquidity and performance management

- UOB employ a third party to help manage the liquidity at Agents (an ALM)
 - Demand is driven by UOB groups making cash deposits
 - UOB create a weekly forecast for ALM to show float required by Agents each day
- MMC provide liquidity in two main ways
- MMC paid a percentage of commission paid to Agents
- MMC completes Agent evaluation form during regular visits, until AQM is brought online



UOB mHose team structure



Key challenges in launching and running mHose

System

- Ensuring the mHose system is reliable and accurate

Customers

- Ensuring customers understand mHose and trust it
- Customers registering and setting their PINs

Agents

- Ensuring Agents hold sufficient float and are satisfied with the business
- Reaching more isolated groups
- Handling loan disbursements

In summary

A good start, but
plenty more progress
to make.....