Income Opportunities for Rural Banks
INNOVATION AND PRODUCT DEVELOPMENT
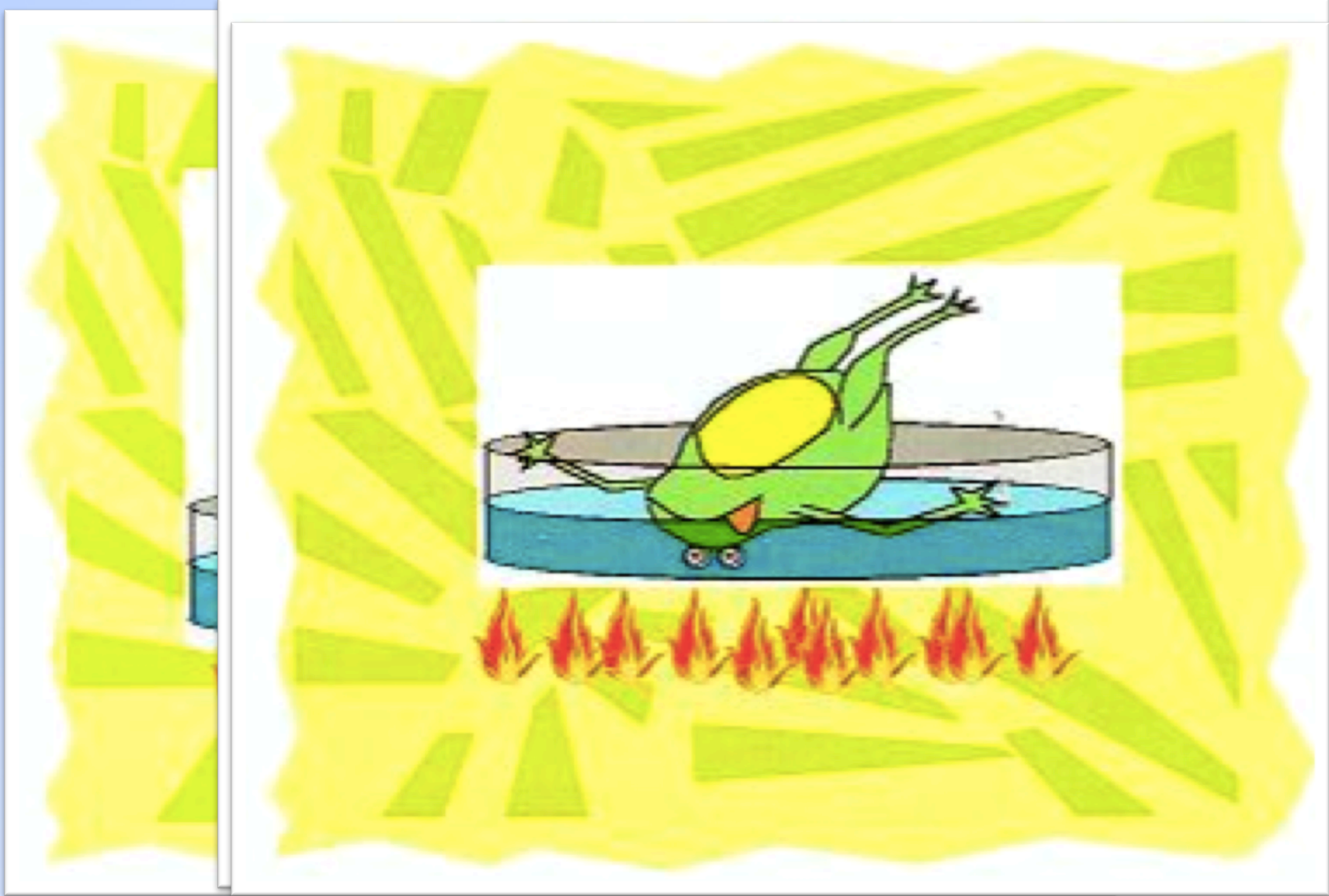
Presented by
ANTHONY T. ROBLES
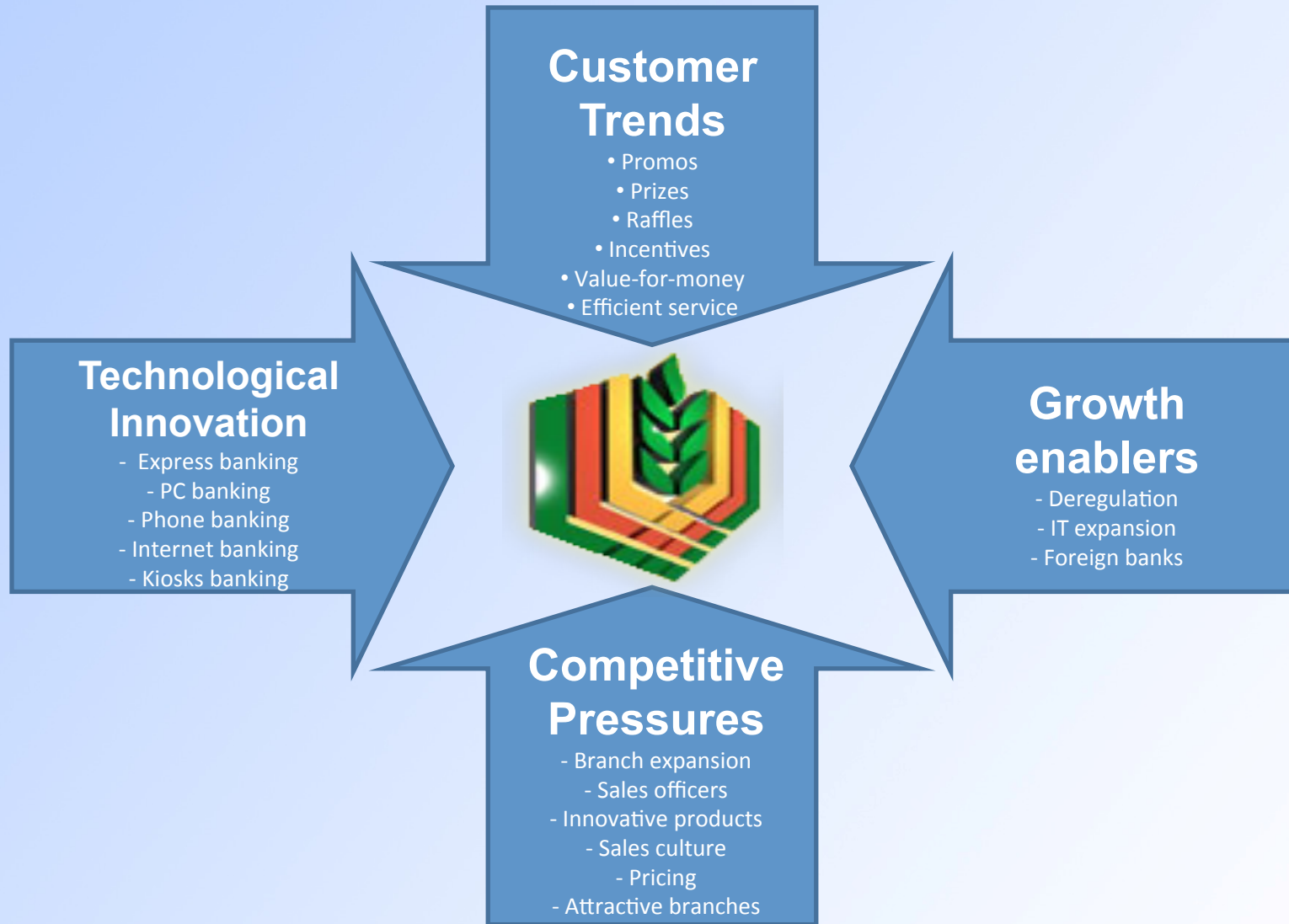*EVP, Development Bank of the Philippines*

61st RBAP Annual Nat'l. Convention
22 May 2014

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MARKET FORCES AT WORK

Customer Trends
- Promos
- Prizes
- Raffles
- Incentives
- Value-for-money
- Efficient service

Technological Innovation
- Express banking
- PC banking
- Phone banking
- Internet banking
- Kiosks banking

Growth enablers
- Deregulation
- IT expansion
- Foreign banks

Competitive Pressures
- Branch expansion
- Sales officers
- Innovative products
- Sales culture
- Pricing
- Attractive branches

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CUSTOMER SEGMENTS

Profile

Products & Services

Channel Usage

Communications & Positioning

Opportunities & Implication

PEOPLE AND ORGANIZATION THAT WORKS

Separate Sales from Operations

SALES
Mandate:
**Client Acquisition,
Expansion & Retention
Branch Profitability**

• Sales culture, call management process, incentive program, KPI, scorecard

• Feet on the Street

• Training in prospecting, closing business deals, presentation skills

OPERATIONS

Mandate:
**Compliance
Productivity
Service Quality
Operations**

CHANNEL MANAGEMENT

Branches

- Primacy for client acquisition
- Branch is the "Store"
- Operation-driven to sales-driven

Transaction channels

- ATM
- Internet
- Mobile
- Phone, etc.

Alternative Channels

- BancNet Online
- Auto Fax/ Auto Mail for account services

Strategies

- Optimize Cost, manpower and footprints
- Hub and spokes strategy
- Migrate low value, high volume products to other channels

PRODUCT DEVELOPMENT & MANAGEMENT

Rationalize product and product profitability

Offer solution-oriented products

Address Product Gaps

Launch an International Brand

Leverage the Switch Capability

Develop Loan Product Program

CUSTOMER MANAGEMENT

Existing Customers

Employed; Self-employed

mSMEs

Cross Selling

Prospecting New Customers

Customer Satisfaction

Sales Management Process

MARKET AND GEOGRAPHICAL REACH

Benchmarking of Branches

Regular mapping of the areas

Community-specific pricing

Inside Out

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ADVERTISING • BRANDING • CAMPAIGNS

Product Ads VS Institutional Ads

Product and Promotions

DIMENSIONS OF BRAND

Unaided Awareness

Top of Mind

Visibility

Security

Thematic Campaigns

Consistent Message

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HOW DBP CAN HELP RURAL BANKS

Product Development

Marketing

Operations

Advertising & Public Relations

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Thank you.