



**DIGITAL**

**TRANSFORMATION 2.0**

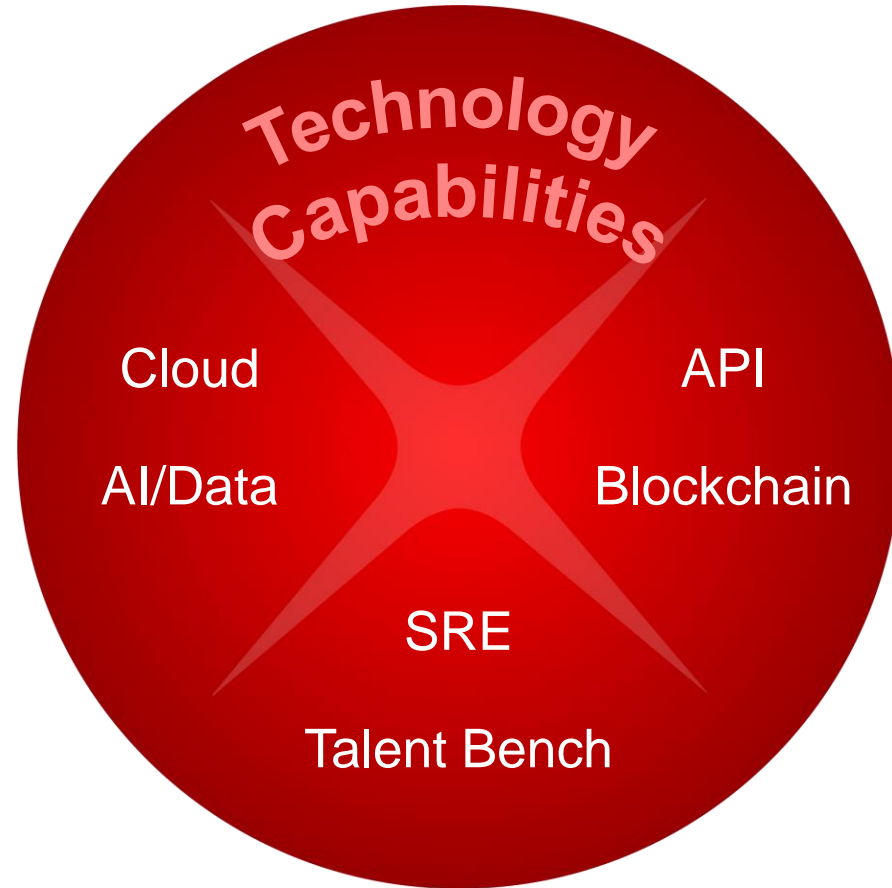
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## **New Way of Working**

Han Kwee Juan

Country Head, Singapore

# Technology is leveraged uniquely to scale growth



**Technology is leveraged uniquely to scale growth**



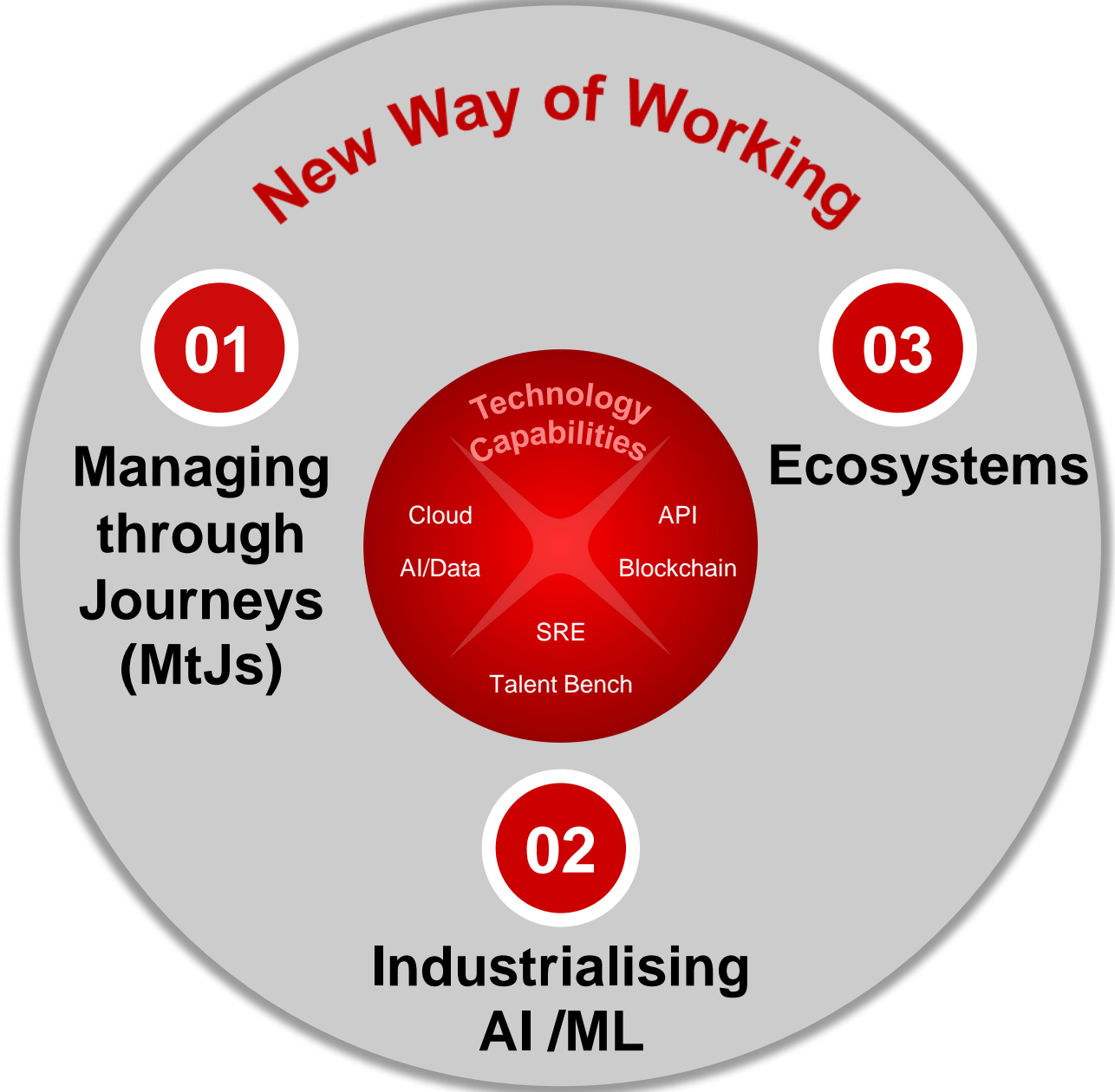
# Technology is leveraged uniquely to scale growth



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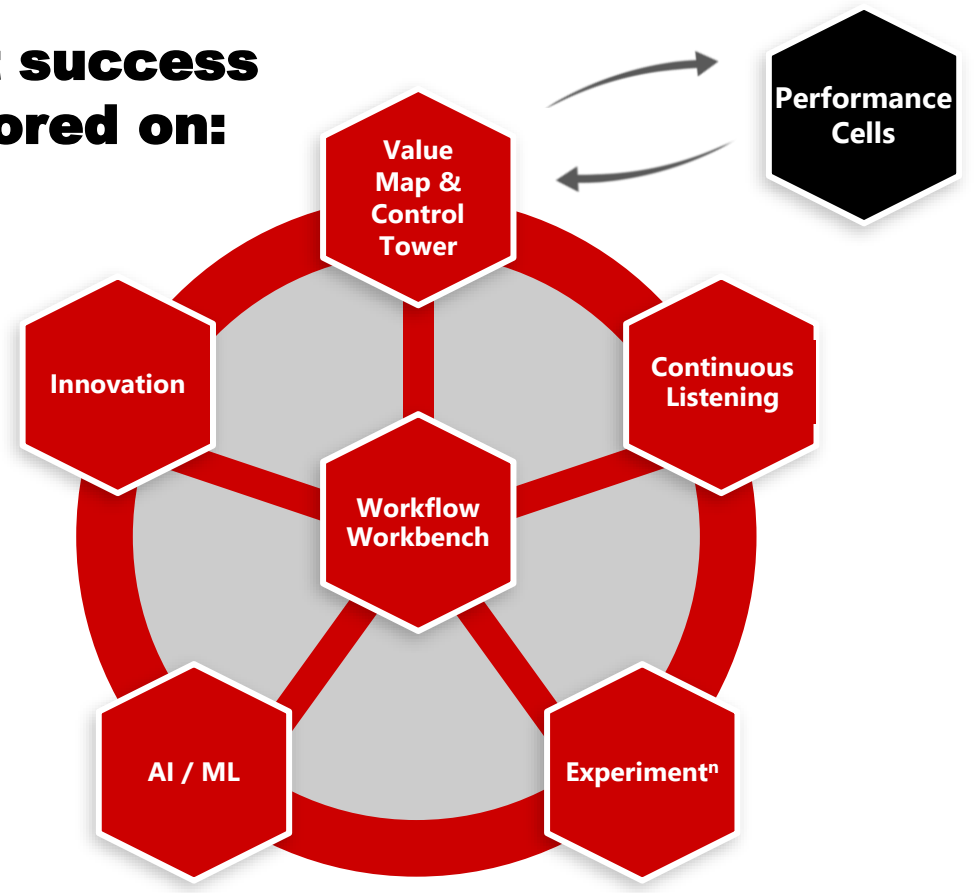
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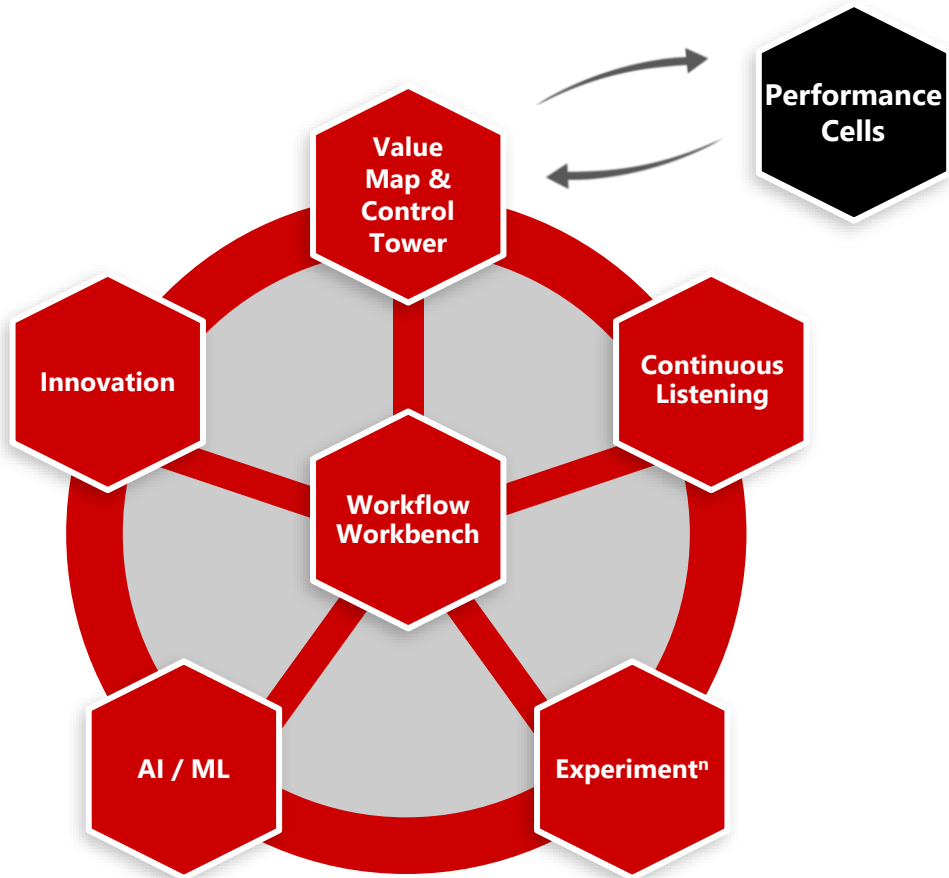
# 01 Managing through Journeys (MtJs)

- Multi-functional teams working as one to deliver differentiated customer experience
- Shift from a vertical siloed organisation into a horizontal organisation
- Achieve Agile at Scale
- Drive revenue growth and increase productivity

**Current success is anchored on:**



# 01 MtJs enable speed and agility



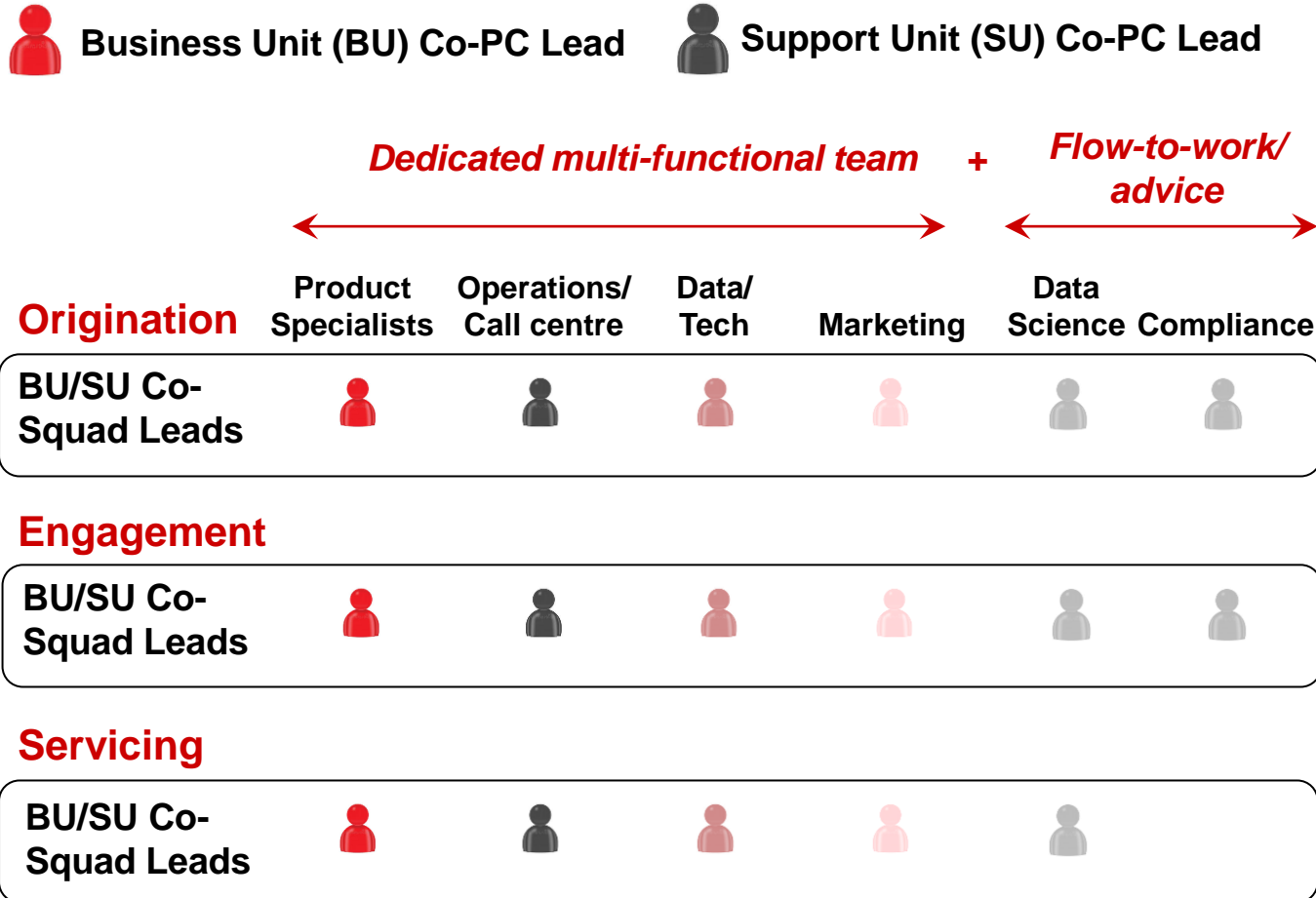
**Continuous and reinforcing flywheel**

- **Performance Cells (PC)** are cross-functional teams organised horizontally and aligned on common KPIs
- **Workflow Workbench** enables orchestration of work and ease of collaboration within the PC
- **Value Maps** establish relationships between defined levers, drivers and outcomes for customer journeys
- **Control Tower** provides real time data to drive timely interventions
- **Continuous Listening** employs behavioural science techniques in customer feedback sessions
- **AI / ML** and **Experimentation** enable the discovery and delivery of product and service **Innovation**



# Performance Cells – organised horizontally + shared KPIs

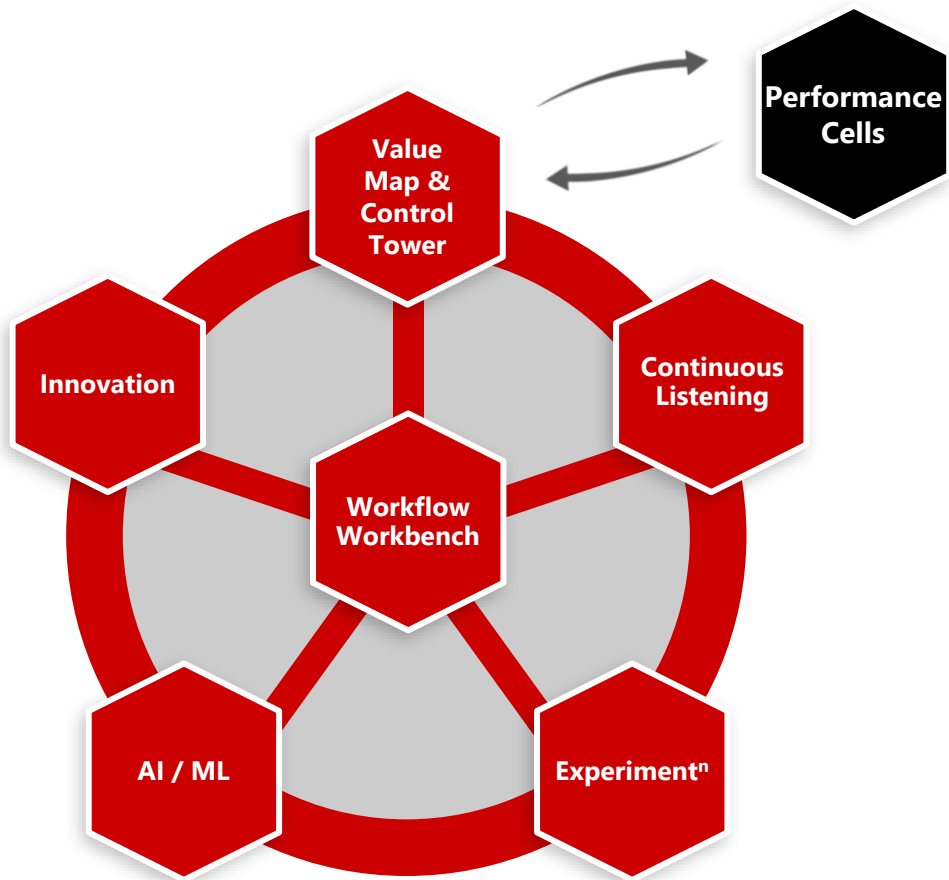
## Performance Cell (PC)



## Performance Management Architecture (PMA)

Outcomes / Weightage	Metrics	Target	Actual
<b>Customer (1/3)</b>	• 5-star rating	xx	yy
	• Straight-through processing		
	• System availability		
	• ...		
<b>Business (1/3)</b>	• Income	xx	yy
	• New-to-bank acquisition		
	• ...		
<b>Employee (1/3)</b>	• Employee satisfaction	xx	yy
	• Productivity		
	• ...		

# 01 MtJs enable speed and agility



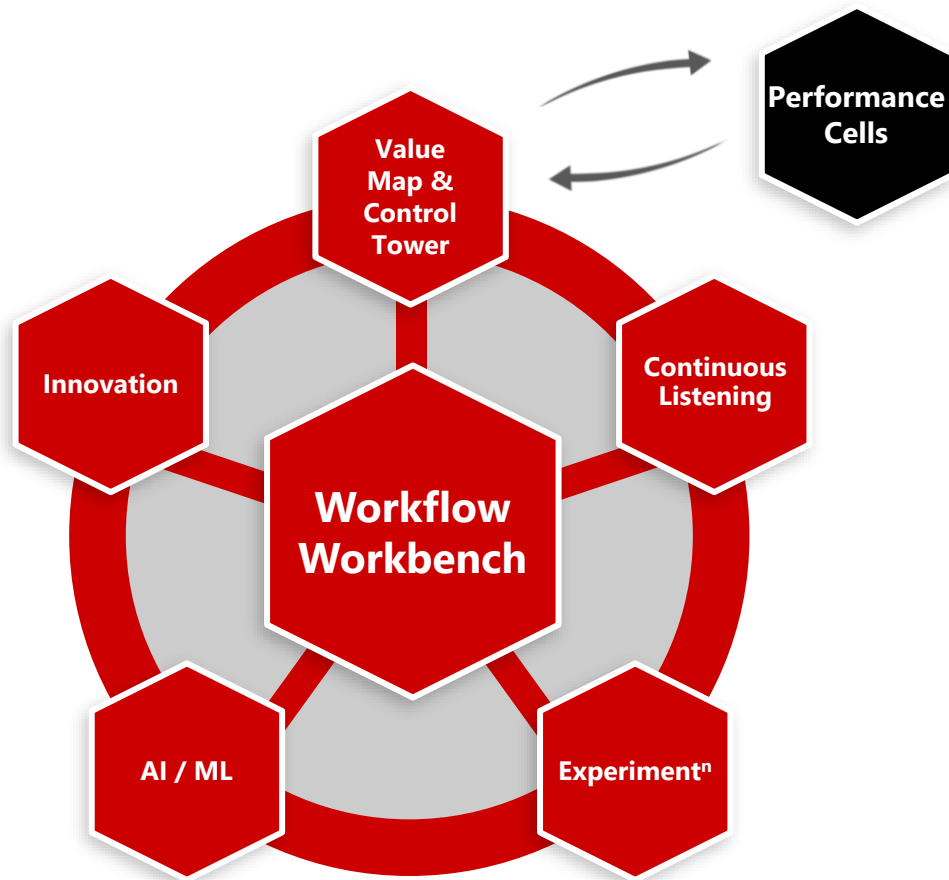
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The background features a dark blue gradient with a network of light blue lines and nodes. On the left side, there are several interlocking gears of various sizes and colors, including shades of teal, light blue, and white. The text is centered horizontally and slightly above the vertical middle.

**Orchestrating work and ease of collaboration**

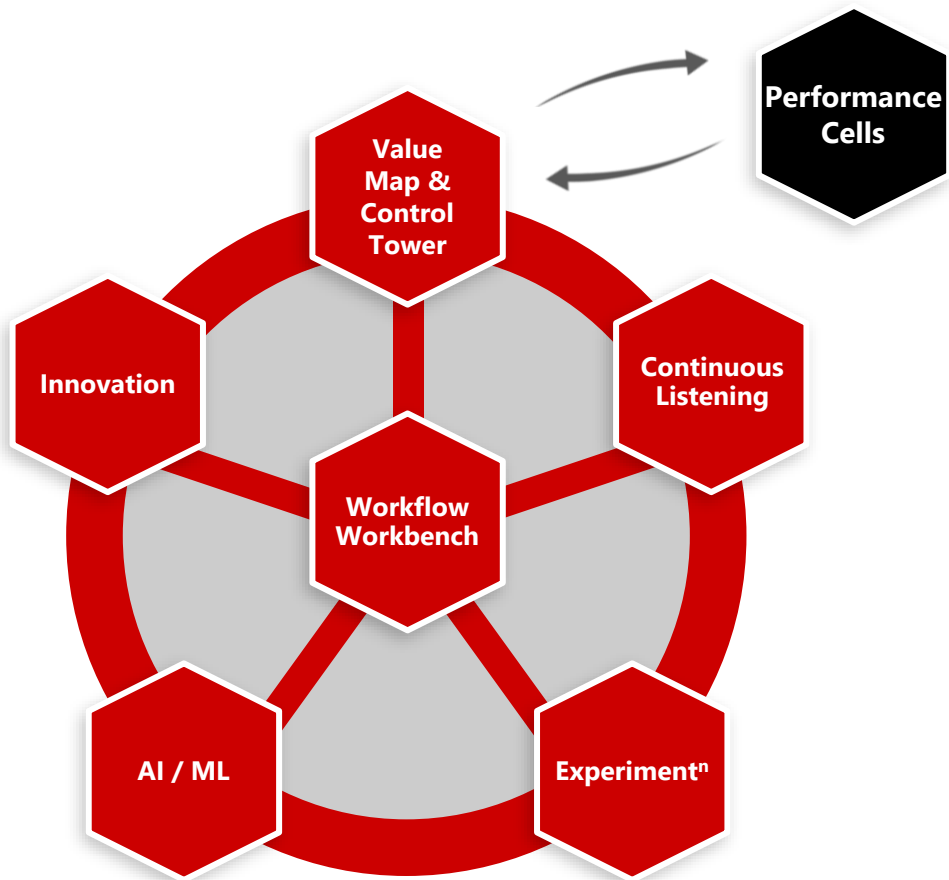
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# Value Maps & Control Towers provide insights and drive outcomes

**Value Maps** establish scientific relationships between defined levers, drivers and outcomes

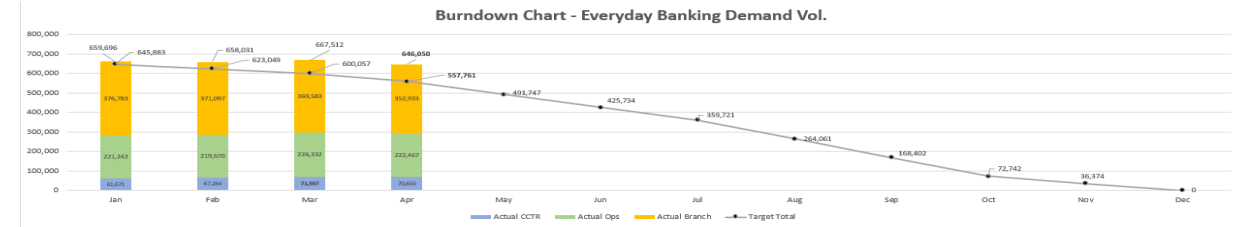
**Control Towers** reflect timely data on business drivers and customer indicators to enable interventions



## Everyday Banking - Overall Tracking of Demand Drivers (Burn-down Charts)



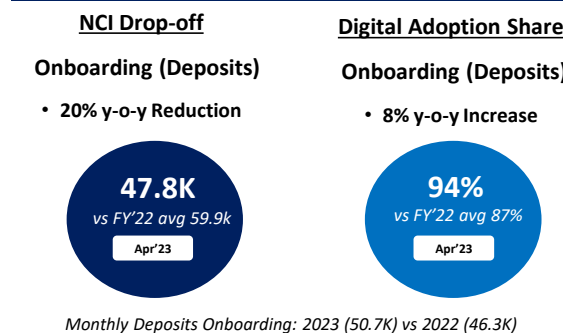
### Level 1 - Overall Demand Monthly Target Volume Reduction



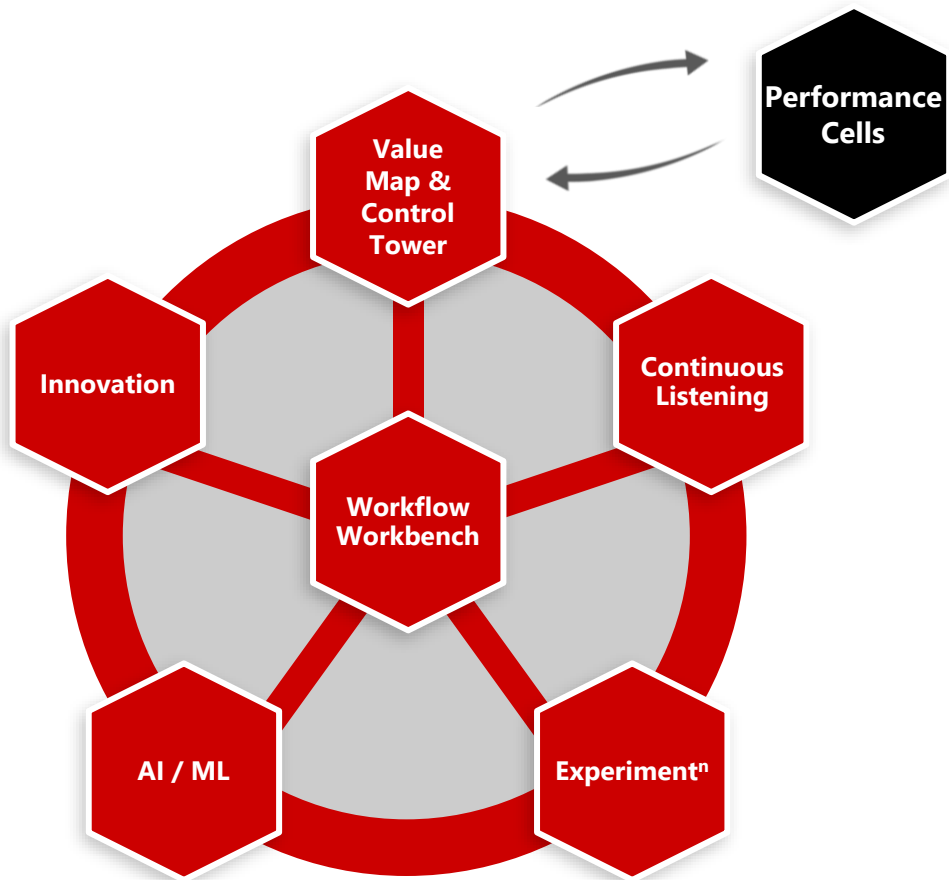
### Level 2 - Branch Demand Monthly Target Volume Reduction



### Negative Customer Impact Drop off & Digital Adoption Tracking



# 01 MtJs enable speed and agility



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# Continuous Listening & Experimentation enable Innovation at scale

## Continuous Listening

- A ritual of regular interviews with customers on their experiences with DBS
- PCs are trained in behavioural science and observation techniques
- 346 immersions conducted in 2022

### 1-to-1 customer interviews



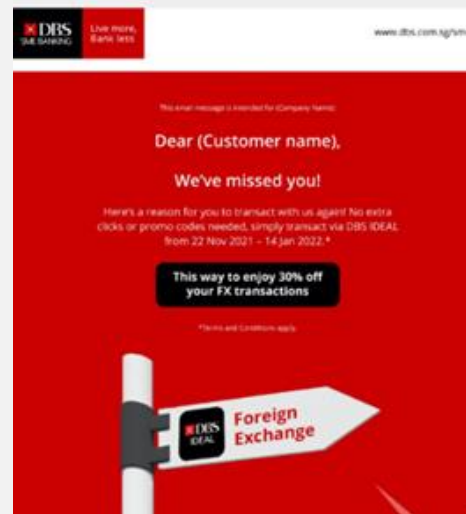
**Interview:**  
Interacting with customer through virtual channel (on DBS premise)



**Observation room:**  
PCs observe the interview through a live-feed

## Experimentation

- Leveraging Data and AI/ML models to rapidly test and sharpen solutions
- Scaled to 1600+ experiments in 2022



**Experiments:**  
**FX Pricing**  
9% to 12% lift

**TT Pricing**  
0% to 5% lift

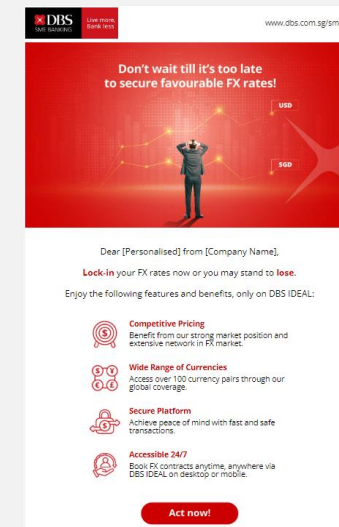
**Emotive Message**  
47% to 100% lift

**A/B Testing:** We learnt that **emotive messaging** is more effective than pricing discounts

**Customer Satisfaction improved from 4.2 to 4.46**

## Innovation

- Innovation is embedded and accelerated within PCs
- >600 innovation ideas generated, 50 ideas being validated for acceleration



**Secure FX product**  
to be launched in SG, to fulfill hedging needs of SME clients



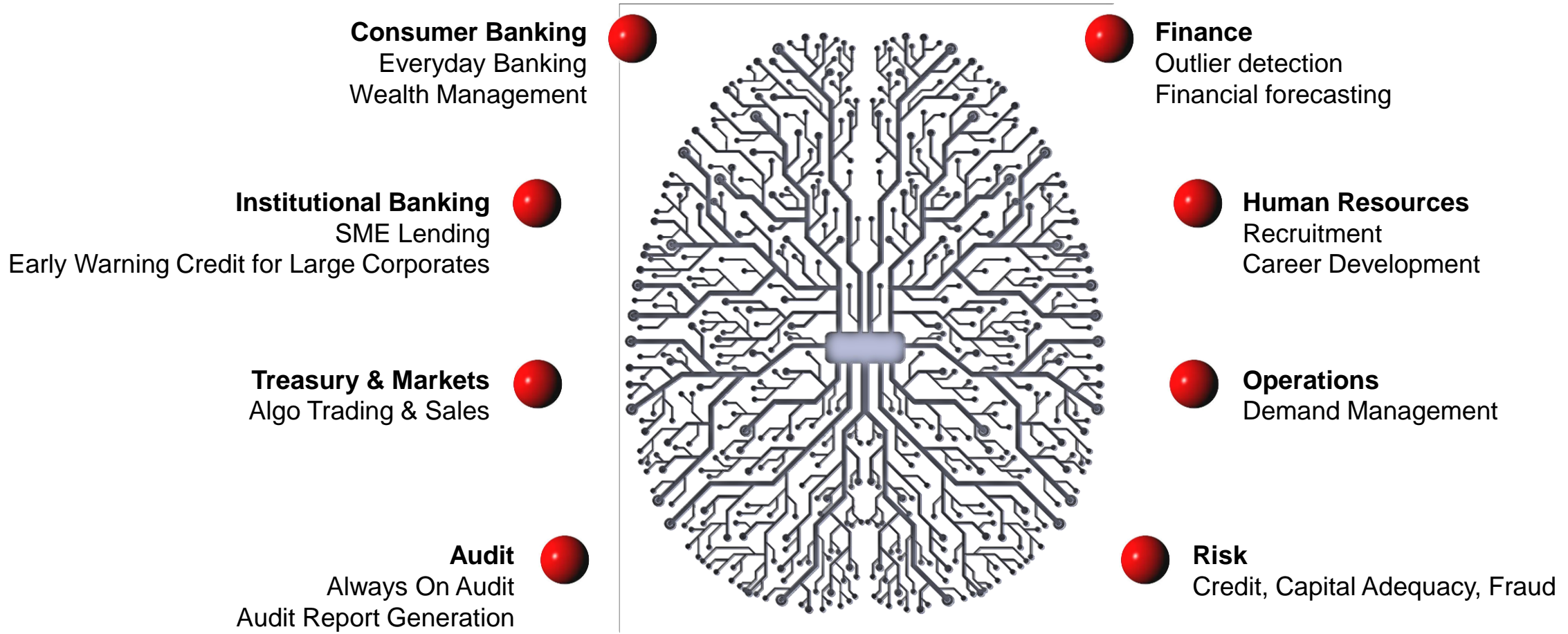
**Pay & Transfer soft launched on Card+ app in HK** to pay small merchants, P2P transfer, etc.



# Technology is leveraged uniquely to scale growth



# 02 Industrialising AI/ML across the bank



**>600 Models, 300+ use cases, \$178m economic value in 2022**

# Digital payment fraud prevention

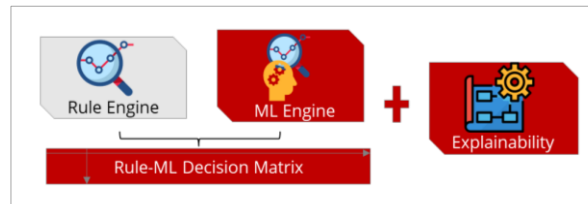
## Background

- Increased frequency of scams against customers' accounts
- Recovering money is often difficult

**Real-time fraud prevention is critical**

## Solution

AI / ML models trained on 300+ features from 10 databases on behaviour profiling and fraud patterns



## Outcome

### Uplifted Effectiveness

**24%**

increase in loss prevention

**5x** better

prediction rate vs pure rules-based fraud detection

**> 1 million** daily transactions

**< 10 milliseconds** processing time

### Enhanced Efficiency

**27%** automation

released alerted txns without human intervention

**99.4%** accurate

high precision rate in automatic processing

### Customer Impact

**↑** 10x compliments more than complaints

**↓** decreasing average loss per customer

# Driving economic value in CBG through cognitive banking

## Background

- Customers wanted to be engaged more effectively with relevant content for their needs
- RMs needed a method to prioritise which customers required advisory and on what topic

## Solution

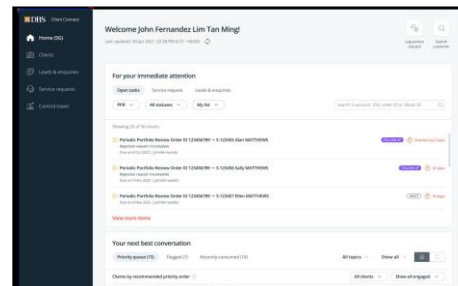
**200+ AI / ML models leverages on ~16k of data features**

### Next Best Nudges



Cross-buy, usage, retention offers for all products + CVPs for new micro segments

### Next Best Conversations



## Outcome

**2x Economic Value Generated Year-on-Year**

**\$95.5m**

economic value generated in 2022

**\$200m**

economic value targeted in 2023

**Increased Customer Engagement with Relevancy**

**6 markets**

launched consistent engagement approach

**7.5m**

customers engaged

**344m**

nudges sent

# Technology is leveraged uniquely to scale growth



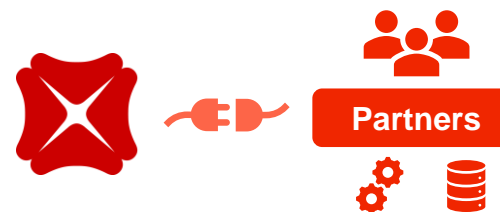
# 03 Scaling Ecosystem Partnerships

New Way of Working

Bilateral Relationship



Ecosystem Play



Objectives



Acquiring Customers



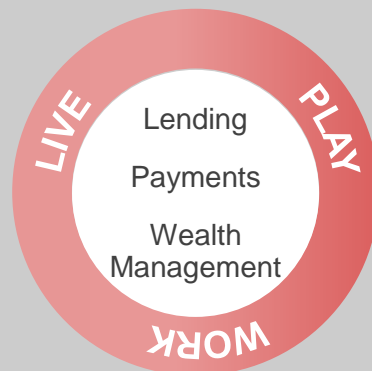
Growing Balance Sheet & Fee Income



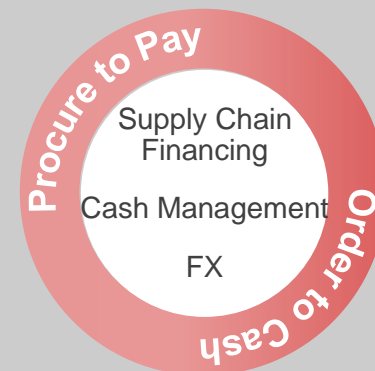
Increasing Engagement

Strategy

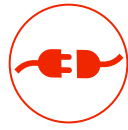
CBG



IBG

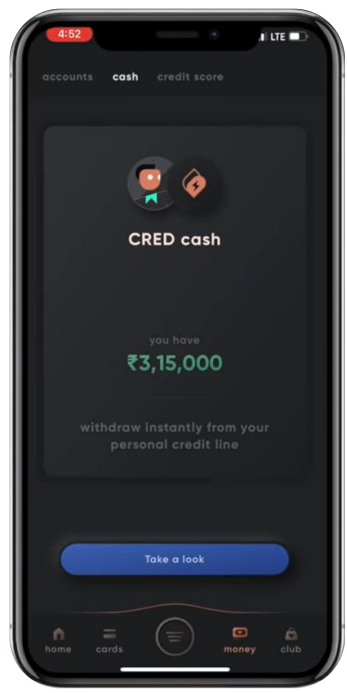
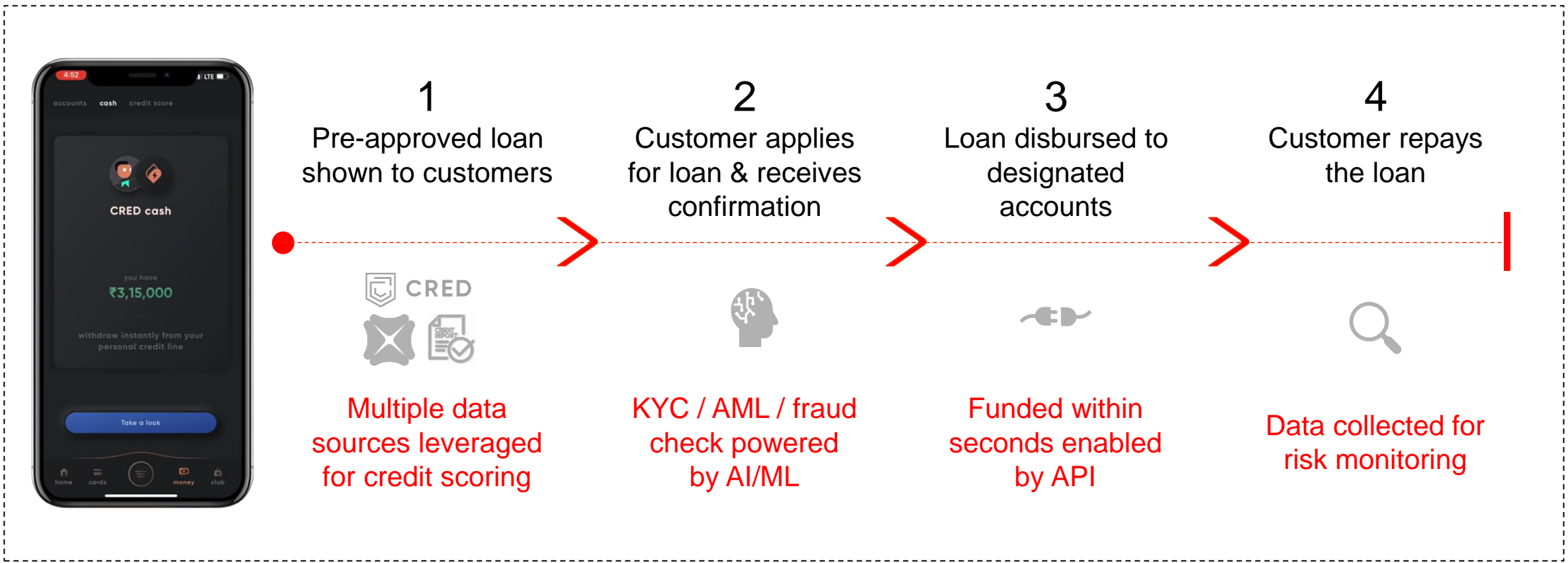


# Consumer Finance Partnerships



**CRED**

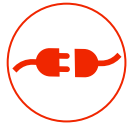
*A leading payment platform in India with over 11 million credit card customers*



Other partners (non-exhaustive)

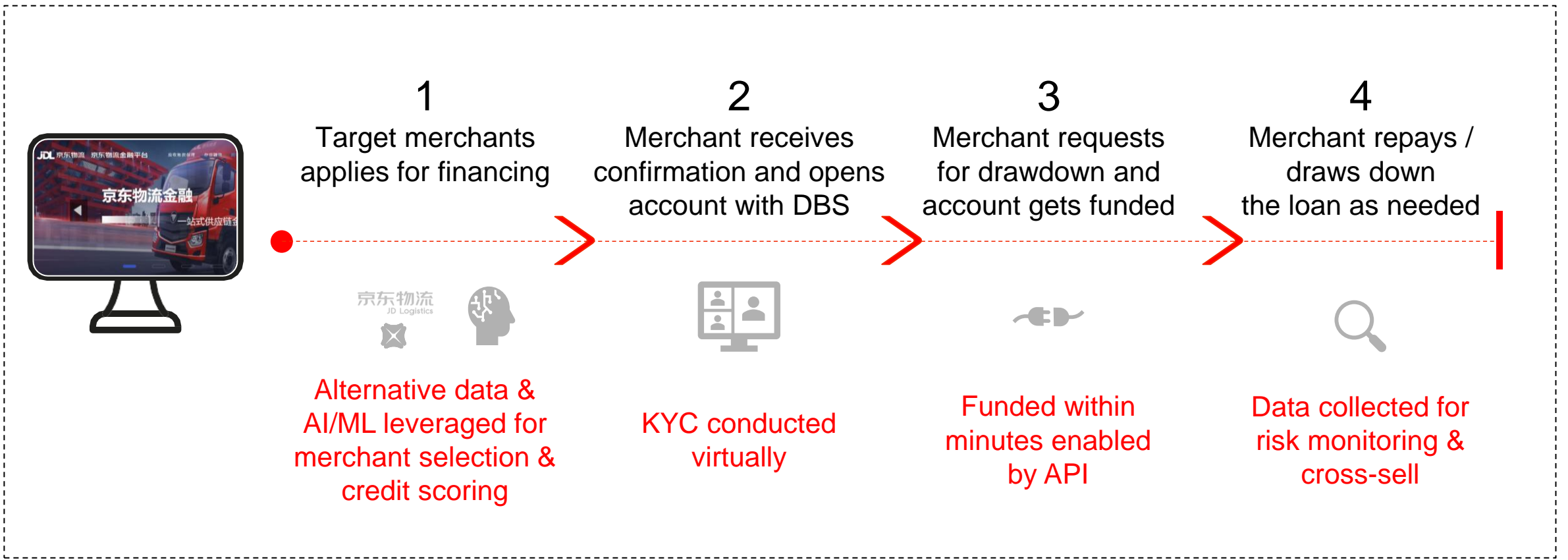


# Supply Chain Financing Partnerships



京东物流  
JD Logistics

A leading logistics platform in Greater China; part of JD.com



Other partners  
(non-exhaustive)



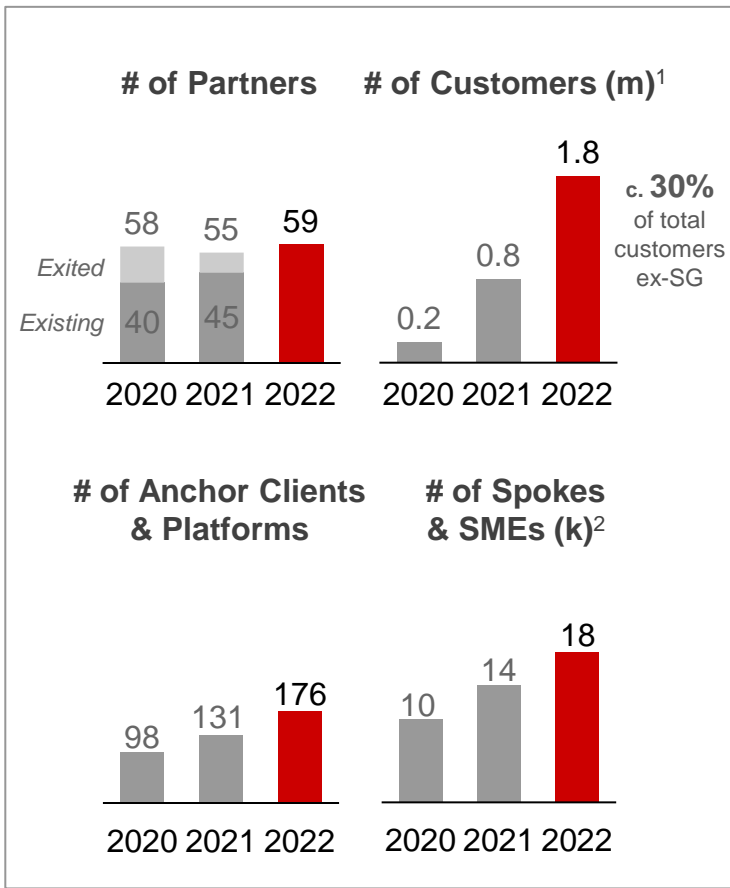


# Value captured from Ecosystems

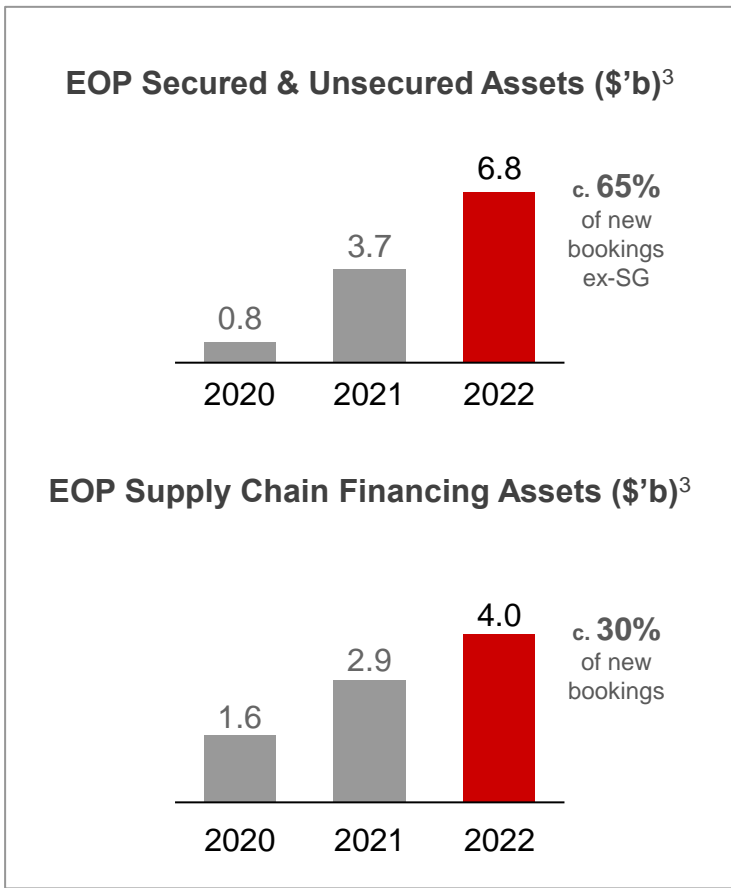
CBG

IBG

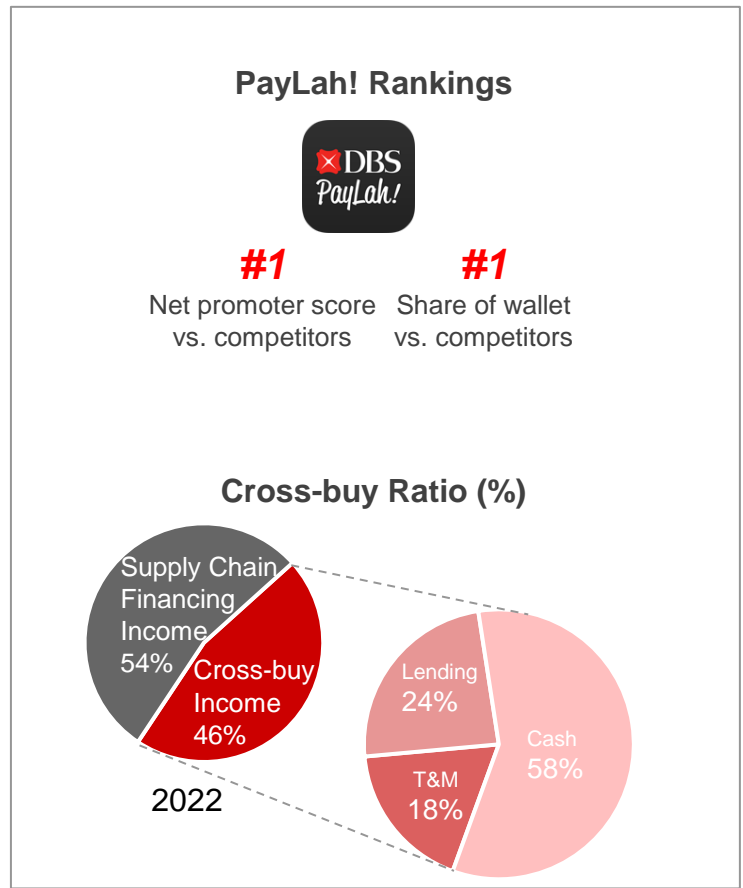
## Customer Acquisition



## Balance Sheet Growth



## Deepened Engagement



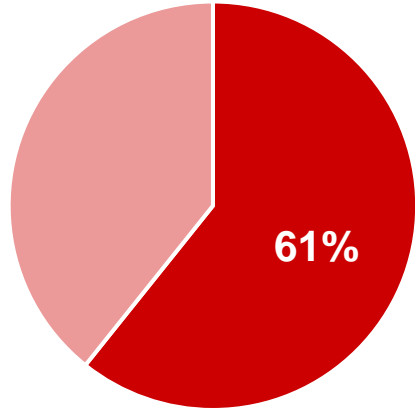
Footnote:

- (1) No. of EOP customers from Ecosystems (excluding Singapore)
- (2) No. of EOP Supply Chain Financing spokes & SME customers from Supply Chain and Accounting Platforms
- (3) Based on constant currency terms; % contribution to new volume booked in FY22 for selective products with Ecosystem lending presence

# Looking Ahead...

## Managing through Journeys

CBG & IBG Revenue



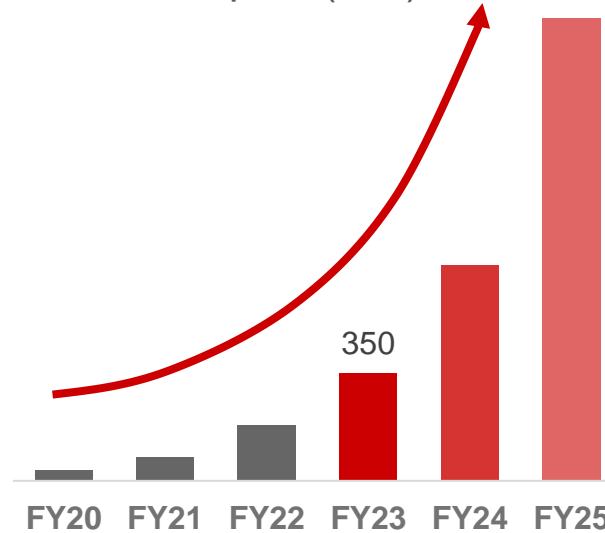
■ MtJ ■ Non-MtJ

*Excluding Private Bank and Treasures Private Client revenue*

- 69 MtJs across Consumer and Institutional Banking
- 6 markets, >6,000 staff
- Covering S\$7.9b revenue

## Data/AI

Business Impact (\$'m)

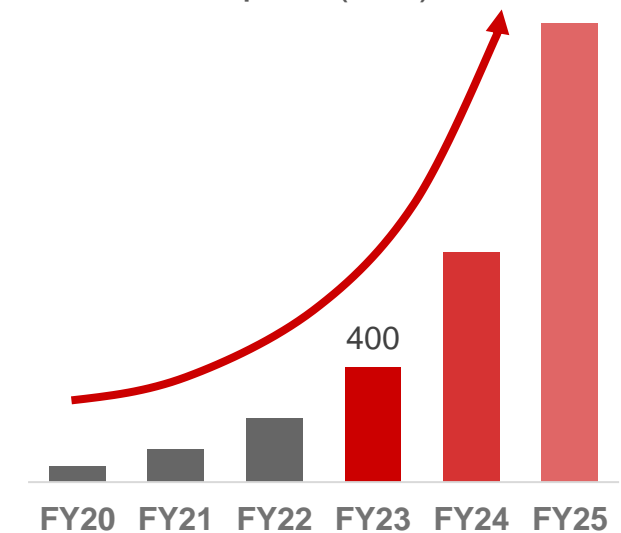


*Economic Outcome: covers incremental revenue, credit/ fraud losses saves and productivity gains*

- Economic outcome from revenues and expenses
- Pervasive across the bank
- Expertise to leverage on new AI technology

## Ecosystems

Financial Impact (\$'m)



*Revenue + Cost Savings; Based on constant currency terms*

- Growing number of strategic partnerships
- Embed more products into new Ecosystems
- Significant revenue contribution in growth markets

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