

THE MARKETS ON TUESDAY

	up	down
Sensex	27,009.57	122.22
Nifty	8,746.95	35.58
Nifty Future*	8,745.15	35.78
Dollar	₹65.76	₹66.96**
Euro	₹71.76	₹72.95**
Brent crude (BMM)	\$8.57**	\$8.57**
Gold (10 gm)	₹29,875.00	₹29.28

* Futures prices are for the nearest month. ** Prices are for the nearest month. Source: BSE, NSE, MCX, COMEX, ICE.



WORLD P4
**CLINTON SET TO BE FIRST WOMAN
US PRESIDENTIAL NOMINEE**

COMPANIES P2
**UMANG BEDI IS NEW
FACEBOOK INDIA HEAD**



Bandhan Bank straddles the urban-rural divide

The transition from a microfinance institution to a universal bank has meant that the West Bengal-based major has had to shed its conservative approach to advertising & marketing

PHOTO: SUBRATA MAJUMDER



Bandhan Bank's rural connect has been its biggest strength. But urban consumers are now equally important. (Right) Bandhan's founder Chandra Shekhar Ghosh

NAMRATA ACHARYA
Kolkata, 7 June

Before Chandra Shekhar Ghosh, founder, MD and CEO, Bandhan Bank, became a household name in banking, his microfinance institution (MFI) needed little introduction. It had the distinction of being the leading MFI in the country and the largest player in its home state of West Bengal.

With little or no branding, Bandhan achieved this success using its personal connect with rural consumers, who in turn, recommended it to more people in the community. Bandhan's rural consumer base today is estimated to be over six million.

But what worked for it as an MFI, may not necessarily cut ice as a universal bank. While its rural reach was instrumental in getting Bandhan its banking licence, that, say executives, could no

longer give it incremental numbers as a universal bank.

Bandhan became a universal (in common parlance a regular) bank in August 2015.

"There was debate within the company on whether Bandhan's rural image should be preserved or not as we were transitioning to a universal bank. We decided that it would be prudent to retain the rural connect even as we expanded our horizons, targeting urban consumers," Ghosh said.

As an MFI, Bandhan's tagline was 'Hope for the Poor'. The launch campaign, conceptualised and executed by Ogilvy & Mather, fused the past and the present using the tagline 'Aapka Bhala, Sabki Bhalai'. The rationale, explains Ghosh, was that if you did good, you could help the poor. It was a message to urban customers to try out the bank's services, and consequently, help the poor.

A series of six short televi-

sion commercials were launched as part of the campaign. 'Marksheet', for instance, shows a young girl proudly showing off her exam results at her new school. She gathers all her friends to say thank you to a Bandhan account holder who made it possible for her to attend a good school. 'Cricket' shows a young boy boasting about his skill in cricket and thanking a Bandhan customer for enabling him to attend a school that has a good cricket programme. The campaign was also taken to the digital medium.

Strategy pays off

Bandhan's branding strategy, which aims to attract urban customers for deposits, while continuing focus on rural consumers for loans, has paid off, executives say. Bandhan, they say, has been aggressive in gar-

nering deposits from urban areas, even as its rural base continues to grow.

To put things in perspective: In 2015-16, Bandhan collected about ₹12,000 crore as deposits. Out of this, nearly a third came from corporate clients and more than 60 per cent from urban centres. At the same time, gross advances for the period under review stood at ₹15,500 crore. Of this, close to 99 per cent of the

credit was given to customers in rural and semi-urban centres as microfinance.

At a broader level, Bandhan's brand campaign has positioned it as a banker for all rather than a banker for the poor, executives say.

"We are a universal bank. Eventually, we will have all the products that a universal

bank offers," says Ghosh.

Bandhan has set that process in motion. In the last few months, it has opened a branch in the plush Park Street area of Kolkata, which will have a dedicated lounge for high net-worth individuals (HNIs). It has also launched a Visa international debit card and non-residential accounts.

Further, premium current accounts with high transaction limits and free services are also available now. Current account holders are additionally offered invitation to lifestyle events such as movie screenings, music concerts, theatre and art exhibitions by Bandhan.

"From a small farmer in a remote village to salaried executives in urban centres, Bandhan Bank is now ready to serve the affluent Indian diaspora in sync with its core philosophy," Ghosh says.

The tightrope walk between the urban and rural consumer for Bandhan is on.

Eventually, we will have all the products that a universal bank offers

CS GHOSH

Founder, MD & CEO
Bandhan Bank