

# Conversational Banking Taken to Next Level With Facebook Messenger: Case Study

- HDFC Bank wanted to create a one stop solution for consumers accessing daily services like bill payments and transactions through a bot



In December 2016 HDFC Bank tied up with Niki.ai, the artificial intelligence firm funded by Ratan Tata & Ronnie Screwvala, to bring in 'conversational banking' — chatbots that facilitate commerce and banking transactions without getting out of the chat window. It has been almost a year and a half since this partnership, and it has already become one of India's first AI success story.

HDFC Bank OnChat, powered by Niki, allows consumers in India to carry out eCommerce transactions like discovering, searching and paying for movies, events, bus booking or cabs. The bot also facilitates bill payments for Utility, Postpaid, Prepaid mobile plans.

## Goal

Through their social media analysis, HDFC Bank found that more than 200 million users in India, were spending more than two hours daily on social media and messaging platforms. HDFC also observed that there was very prevalent with the Generation Y consumers aged between 18 to 25 years old, which was a growing consumer group for the business. HDFC Bank saw that there was a need to engage this group of savvy consumers through social media and messaging platforms.

“Facebook Messenger allows us to be present where the next-Gen users are. We have seen a 160% month-on-month growth in terms of the transaction value and we have received positive feedback from our users that they like this new-age transactional interface. Going forward, we will incorporate more e-commerce transactions, banking, customer service and many more services to increase our banking presence on all social media channels.” - **Nitin Chugh, Country Head - Digital Banking, HDFC Bank**



## Solution

HDFC Bank set out to develop a unique user experience for their consumers which addressed the growing market need for conversational banking via a messaging bot.

HDFC Bank observed that consumers often had to download separate apps for daily requirements like cab bookings, bill payments and other services. This had led to a cluttered mobile screen which did not translate into a user-friendly customer experience. As HDFC Bank looked towards creating an enhanced customer experience, it was essential that their services they offered could be easily accessed on a single platform and free of any complicated menu-based interface.

HDFC Bank identified that with Facebook Messenger, consumers could access the bank's services without the additional step of downloading an extra app. Messenger's broad reach to consumers aged between 18 to 25 years old also allowed easy and convenient communication between HDFC Bank and its target audience. Further boosted by tools for better consumer understanding the likes of Facebook Analytics, click-to-Messenger ads, developer tool kits, API docs and events configurations, has made Messenger HDFC Bank's choice platform to launch the bot.

Within 12 months since launch, more than 210,000 consumers were interacting with HFDC Bank OnChat. The chat-to-order conversion ratio<sup>1</sup> for OnChat is 12%. Over 24,000 transactions totaling to more than INR 16.7 million have been facilitated through the bot as a result of 1.28 million interactions.

"HDFC Bank was looking to offer a unique user experience to its younger target audience through conversational banking via a chat bot. With OnChat, we've assisted HDFC bank achieve a 12% chat-to-order conversion ratio. Out of every 100 people who had interacted with the chatbot, 12 people had carried out a financial transaction," says **Sachin Jaiswal – CEO, Niki.ai**.

HDFC Bank has also received more than 137,000 new account signups via phone registration from the OnChat bot and acquired more than 40% of their active users through click-to-Messenger ads.

#### **Road ahead**

"Niki.ai aims to provide a one stop shop for everything eCommerce by leveraging the power of natural conversations, Niki makes the whole journey from discovery to transaction fast, convenient and extremely simple," says Sachin Jaiswal

The company looks to explore more of relevant messaging platforms like Slack, Telegram etc. Niki is already available on iOS, Android, Facebook and Web platform, with more partnerships inline, the company aims to ubiquitous – present everywhere and for everything transactional.

Recently, HDFC securities announced its new initiative of integrating stock search with HDFC Bank's Facebook Messenger Chatbot. This new feature, in collaboration with Niki.ai - an Artificial Intelligence company, makes HDFC securities the first in the industry with such a unique arrangement.

Essentially, this feature allows the user on HDFC Bank's Facebook messenger to search/track stock prices via their chatbot, from where customer can trade in stocks using HDFC securities platform.