

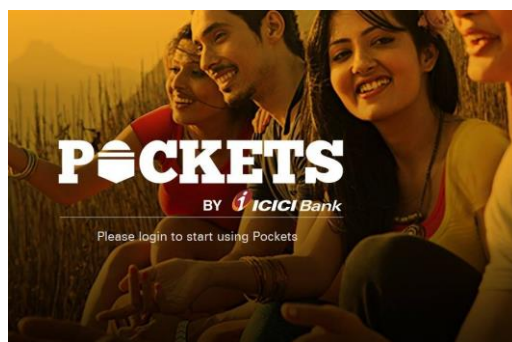
Social Media role in Banking

If mobile was the buzzword of banks till now, social media appears to be the new way of giving customers more bang for the buck. Not just by mining customer sentiment, improving their personal branding with Facebook 'likes' or tweets, but also by allowing real-time banking and money transfers on social networking sites like Facebook and Twitter.

India has over 900 million mobile phones and, recognizing the potential of mobile phones as a channel for offering financial services in the country, the Reserve Bank of India (RBI) issued the first set of guidelines on mobile banking in October 2008. In line with the guidelines, banks have been offering mobile banking services to their customers through various channels such as SMS, unstructured supplementary service data (USSD) and mobile banking applications (apps). USSD is a protocol used by GSM cellular telephones to communicate with the telecom service provider's systems. However, real-time inter-bank mobile banking payments have been facilitated through the setting up of IMPS, now termed immediate payment service, and operated by NPCI with the approval of RBI. IMPS has enhanced the efficiency of mobile banking by enabling real-time transfer of funds between bank accounts and providing a centralized inter-bank settlement service for mobile banking transactions.



On 13th October 2014, Kotak Mahindra Bank Ltd announced the launch of KayPay (<https://www.kaypay.com>), a bank agnostic payment product for Facebook users to send money to each other, “without needing net banking, or knowing various bank account related details of the payee”. “KayPay enables over 250 million Indian bank account holders transfer funds to each other instantly by just choosing recipients from their Facebook friends list,” the bank said in a statement. Of course, users would need to register their existing bank accounts, held with banks that participate in the immediate payment system (IMPS) platform of the National Payments Corporation of India (NPCI), on Facebook or kaypay.com. Currently, KayPay is free.



In September 2013, India’s largest private sector bank ICICI Bank Ltd announced the launch of “Pockets by ICICI Bank”—an app that enables customers to carry out a slew of banking services on Facebook, underscoring “the importance that the bank attaches to the youth and social media”. This is in addition to the other mobile banking apps that it has, including iMobile, Insta Banking, Video Banking (which enables the bank’s high net worth and non-resident Indians or NRI customers to conduct a video chat with customer care executives) and mPassbook—all available on the bank’s app store called ICICI Store.

India’s ICICI Bank has launched a new service called “icicibankpay” that allows customers to transfer money using Twitter.

Customers simply need to follow the bank’s Twitter account to register their mobile phone with the bank and then send @icicibank a direct message with the recipient’s user name and the amount to be transferred. The recipient does not need to be an ICICI Bank customer.

An illustration of the four easy steps to register for ‘icicibankpay’:

- Follow twitter.com/ICICIBank
- Send DM: #reg <space> <registered mobile number>
- Receive six digit OTP on registered mobile number
- Send DM: #regotp <space> <OTP that you received>

Once registered, the customer can transfer funds, check account balance, view last three transactions and recharge prepaid mobile by simply sending a DM from her Twitter account to the Bank’s Twitter account in the following formats:

- **Transfer money:** A unique feature that allows the customers of ICICI Bank to send money to anyone with a savings account and a Twitter account
 - #Pay <space> @<twitter account of the recipient> <space> <Amount>
 - Upon sending the DM on Twitter, the customer will receive a SMS on her registered mobile number with a four digit redemption passcode, which she will have to share with the beneficiary. This passcode is valid for usage within three days of the creation of the request
 - The beneficiary will also receive a Tweet from the bank with the link of its website

- To receive money, the beneficiary has to click on the link sent by the bank, which will take her to a secured page on ICICI Bank's website. Here, the beneficiary will be required to verify her Twitter account along with providing name, account number, IFSC code of the account where she wants to receive the money and the four digit passcode received from the sender of the fund.
- **View account balance:** Using this, the customer can view her savings account balance
 - #ibal – to know balance in the primary account
- **View recent transactions:** This feature allows the customer to know the last three transactions of her savings bank account
 - #itran – to know last three transactions in the primary account
- **Recharge prepaid mobile:** Using this, customers can recharge their prepaid mobile phone
 - #TopUp <space> <10-digit mobile no.> <space> <OperatorCode> <space> <Amount>
- **Help Service :** To seek clarification on the service, customers can send a Direct Message #Help to twitter.com/ICICIBank

ICICI Bank, one of India's big four banks and the second largest in terms of assets, is the second bank to add pay-by-tweet facilities.

Source : ICICI Bank