



UNIVERSITI
TEKNOLOGI
MARA

Fakulti
Pengurusan
dan Perniagaan

Our Ref. : 100-FPP(PT9/5/1)
Date : 1446 H ربيع الأخير 21
: 24 October 2024

Dr. Ir. Batara Maju Simatupang, MT., MPhil., CIMBA., CAPF
Indonesia Banking School
Jl. Kemang Raya No. 35
Bangka-Mampang Prapatan
Jakarta Selatan, DKI Jakarta
12730, **INDONESIA**

Dear Sir,

LETTER OF APPRECIATION

The above matter refers.

2. Warm greetings from the Faculty of Business and Management (FBM), Universiti Teknologi MARA (UiTM), Malaysia. We would like to express our sincere appreciation for the excellent and insightful knowledge-sharing session you delivered during our guest speaker event, titled 'Academic Visit - Indonesia Banking School (IBS) @ FBM UiTM Puncak Alam', held on 29th October 2024.

3. Your involvement was truly invaluable and significantly contributed to the success of the event. As a key participant, we had the pleasure of witnessing your dedication and hard work firsthand. Your presence not only enriched the overall experience for everyone involved but also demonstrated your unwavering commitment to the guest lecture program.

4. Once again, thank you for dedicating your valuable time and sharing your expertise. The participants were truly inspired by your lecture. We greatly appreciate your contribution, and we are confident that this collaboration will further strengthen the bond between our two institutions. We look forward to your involvement in future events.

Thank you.

اوسهءء تقوىء موليا

"MALAYSIA MADANI"

"BERKHIDMAT UNTUK NEGARA"

Best regards,

(PROFESSOR DR. FIRDAUS ABDULLAH)

Dean

Universiti Teknologi MARA
Cawangan Selangor,
Aras 2, Pejabat Dekan, FPP 1 (Blok PFI 2)
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ISO 9001:2015 No. Sijil: 0048218





INDONESIA
BANKING
SCHOOL

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website : www.ibs.ac.id e-mail : info@ibs.ac.id

SURAT TUGAS

No. : 035/ST-Dos/STIE IBS/X/2024

Sekolah Tinggi Ilmu Ekonomi Indonesia Banking School (IBS) dengan ini menugaskan kepada :

N a m a : Terlampir

N I D N : Terlampir

Program Studi : Terlampir

Perguruan Tinggi : STIE Indonesia Banking School

Alamat : Jl. Kemang Raya No. 35, Kel. Bangka, Kec. Mampang Prapatan
Jakarta Selatan

pada kegiatan *Benchmarking Curriculum, Guest Lecture, Community Service* dan *Student Activity* Internasional yang akan berlangsung tanggal 28 - 31 Oktober 2024 di beberapa Universitas di Malaysia: Multimedia University (MMU), Universiti Teknologi Mara (UiTM), Universiti Malaya (UM).

Demikian Surat Tugas ini diterbitkan, harap dilaksanakan dengan penuh rasa tanggung jawab dan terima kasih.

Jakarta, 24 Oktober 2024

Sekolah Tinggi Ilmu Ekonomi
INDONESIA BANKING SCHOOL



Indira Febrikusuma, S.E.
Kepala Bagian SDM & Sekretariat

AF/dim



Lampiran No. : **035** /ST-Dos/STIE IBS/X/2024

Dosen-Dosen Yang Mengikuti Kegiatan *Benchmarking Curriculum, Guest Lecture, Community Service dan Student Activity* Internasional :

No.	NIDN	Nama Dosen	Program Studi
1	0312036504	Dr. Batara Maju Simatupang, MT, M.Phil., CIMBA	Magister Manajemen
2	0326016601	Enny Haryanti, S.E., M.M.	Manajemen Keuangan dan Perbankan Syariah
3	0318076601	Dr. Paulina, S.E., M.Si.	Manajemen
4	0315028001	Ossi Ferli, S.T., S.E., M.S.M.	Manajemen
5	0301038705	Meta Andriani, S.E., M.M.	Manajemen
6	0409118405	Nova Novita, S.E., M.S.Ak., CMA	Akuntansi
7	0311117405	Puspita, S.E., M.Si.	Manajemen Keuangan dan Perbankan Syariah
8	0306048502	Alvien Nur Amalia, S.E., M.Si.	Manajemen Keuangan dan Perbankan Syariah

The Rise Up of Digital Banking Industry

by Dr. Ir. **Batara M Simatupang**, MT., M.Phil., CIMBA, CAPF
Presented as Guest Speaker in Academic Visit - Indonesia Banking School (IBS)

@FBM UiTM Puncak Alam

Held at

FACULTY OF BUSINESS AND MANAGEMENT
UNIVERSITI TEKNOLOGI MARA (UiTM)

Kuala Lumpur - Malaysia, Tuesday, October 29, 2024

Speaker Profile

Dr. Ir. Batara M Simatupang, MT., MPhil., CIMBA, CAPF



Currently:

- ✓ Director of Magister Management at Indonesia Banking School (IBS) 2022-update and Senior Lecture, 2015-Update.
- ✓ Faculty member of LPPI 2012-update.
- ✓ Writer on national news paper, magazine, and national and International Journals. Author Book of Perbankan Digital Menuju Bank 4.0. <https://scholar.google.com/citations?user=7uv3mZ4AAAAJ&hl=id&scioq=https://journal.ibs.ac.id/index.php/jamie/article/view/520>
- ✓ Independent Commissioner of PT. Wisnu Kencana Ungu.
- ✓ Expert Senior and Consultant in Leadership, Entrepreneurship, Banking Risk Management, E-Business & CRM, Credit Portfolio, Banking Financial Management, Corporate Finance Strategy, Balance Score Card, and Execution Strategic Management, Digital Banking and Fintech.
- ✓ Professional Certified in **CIMBA** (Certified Investment Market and Banking Analyst) and **CAPF** (Certified Analyst in Project Finance), Australia.

Before:

- ✓ **AVP** Account Manager Corporate Banking IV Agrobusiness Based Group Bank Mandiri Jakarta, 2012-2015.
- ✓ **AVP** Regional Marketing/Wealth Business Manager Region XII PT Bank Mandiri, Jayapura 2010-2012.
- ✓ Senior Manager Human Capital Head Region XII PT Bank Mandiri, Jayapura 2009-2010.
- ✓ Trainer Specialist at Bank Mandiri Learning Center Group: Leadership Development dan Wholesale & Treasury Banking, 2007-2009.
- ✓ Doctoral Program: Maastricht School of Management, Netherlands, 2004-2007.
- ✓ Officer Media Relations, Office of the Board Bank Mandiri, Jakarta, 2001-2004.
- ✓ Officer Government Relation Management, 1999-2000.
- ✓ Officer, Corporate Bank Two Division, Bank Dagang Negara, 1996-1999.

Educational background



Bogor, Indonesia

IPB University, Postgraduate School of Engineering Professional Program, **Cum Laude**, January 18, 2024.



Maastricht, The Netherlands

DR/DBA (Doctor of Business Administration) 27/07/2007

M.Phil. (Master of Philosophy) 25/11/2005

Finance and Banking



Bandung, Indonesia

Post Graduate Program Master of Technology (MTech) Industrial Management, January 21, 1996



Ujung Pandang, Indonesia

Ir. Industrial Management Engineering, 1991.



Medan, Indonesia

DIII (Diploma III), Electrical Engineering Polytechnic University of North Sumatra (**USU**), 1986.

AGENDA

1

The Rise of Digital Banking

2

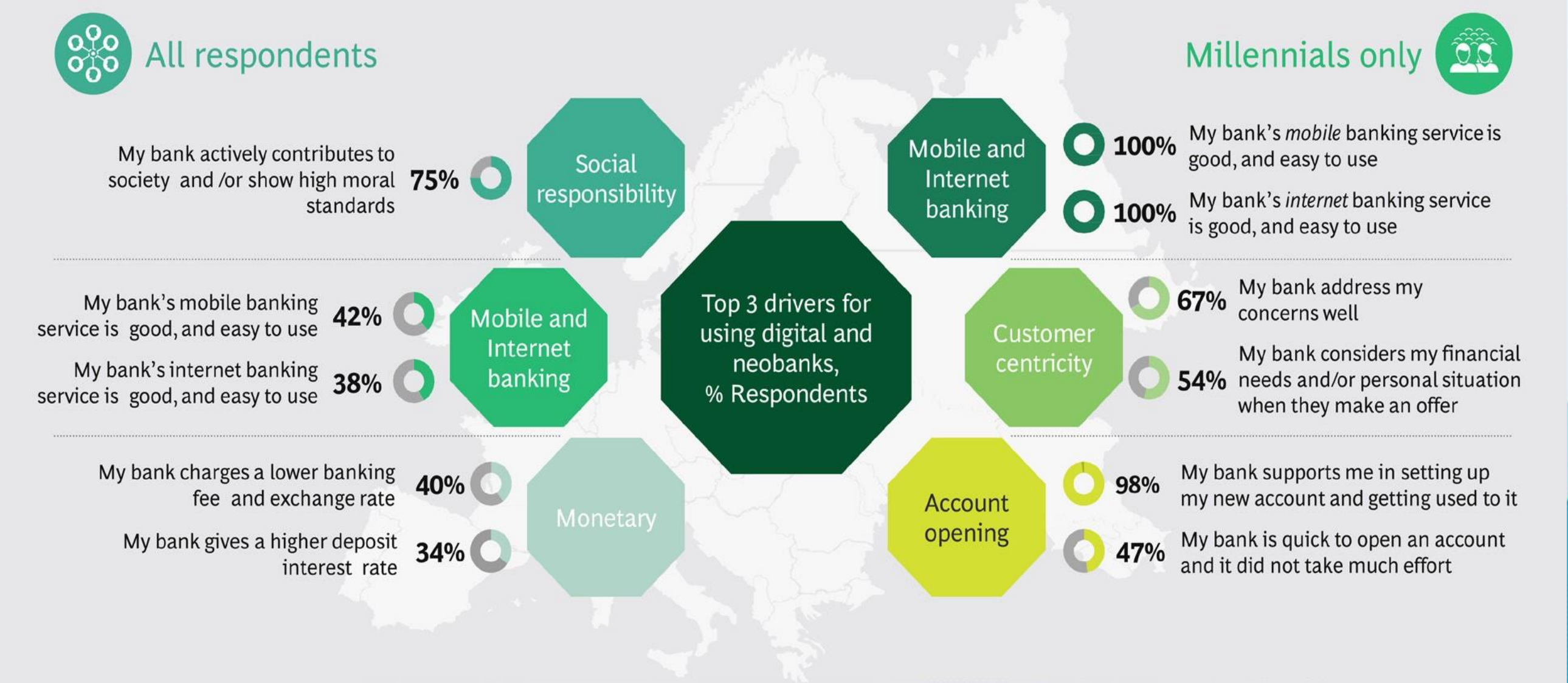
Digital Banking vs Digital Bank

3

Ecosystem Digital Banking Industry

Changing User Expectations Demands for a New Banking Experience in SEA

We live in the era of digitalization. This is a well-known fact, and the banking industry specifically has recently been revolutionized by technology. The advent of digital banks—or neobanks as some refer to them—is changing the financial landscape. (Malin, 2024)¹

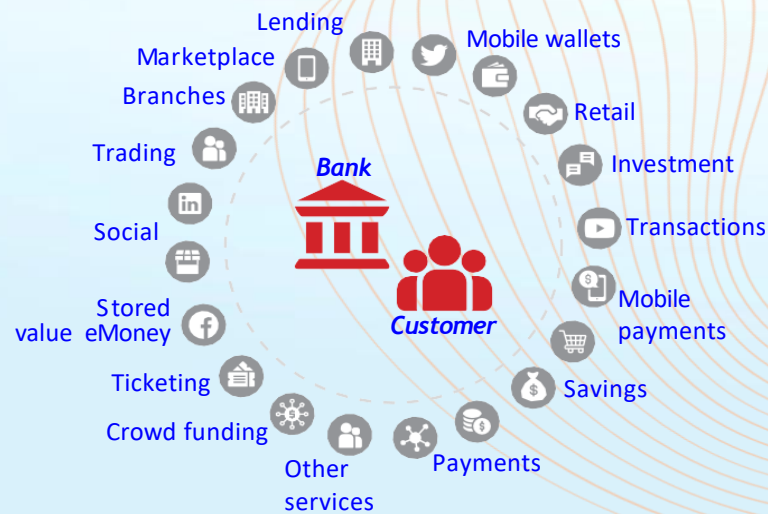


Source: BCG REBEX Customer survey and BCG (2020):<https://media-publications.bcg.com/The-Rise-of-Digital-Banking-in-Southeast-Asia.pdf> | <https://www.forbes.com/councils/forbestechcouncil/2024/05/01/the-rise-of-digital-banking-a-paradigm-shift-in-fintech/>

Charting The Banking Evolution

The rise of digital banks is not only a technological endeavor but also a response to shifting consumer preferences. Today's customers expect services that fit within their digital lives (Malin, 2024).

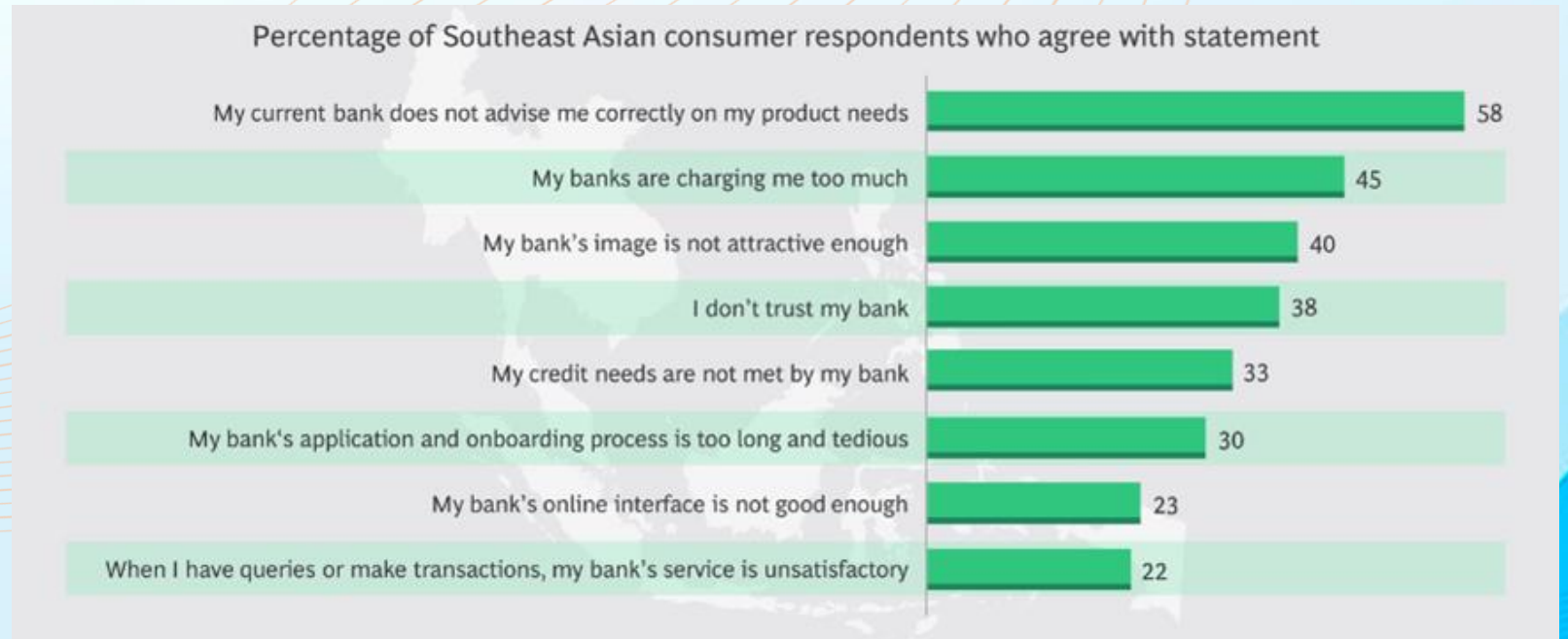
Banking in 2030: Banking Becomes An Integral Part of Daily Life



TRULY INDIVIDUALIZED

CUSTOMER-CENTERED BANKING

Lack of Personalized Advice, High Fees, and Unattractive Image Are Top Reasons for Shifting from Traditional Banks in SEA



Digital Banking is a Game Changer

Case of Indonesia

Transaction Projection

10.5 Bio Trx

Transaction Projection

3.3 Bio Trx

Others

Bank

Non
Bank

Rural
Bank

Non
Bank

Bank

Digital
Transaction

2030

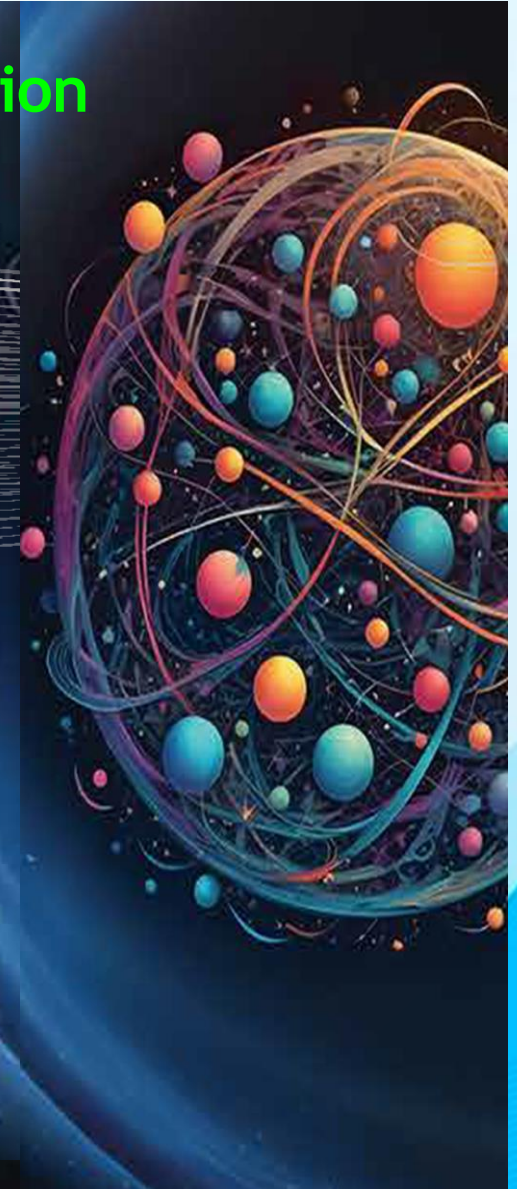
2024

Domination by
Milenial Gen. & Gen Z

Prospect
Economic Boom 2030

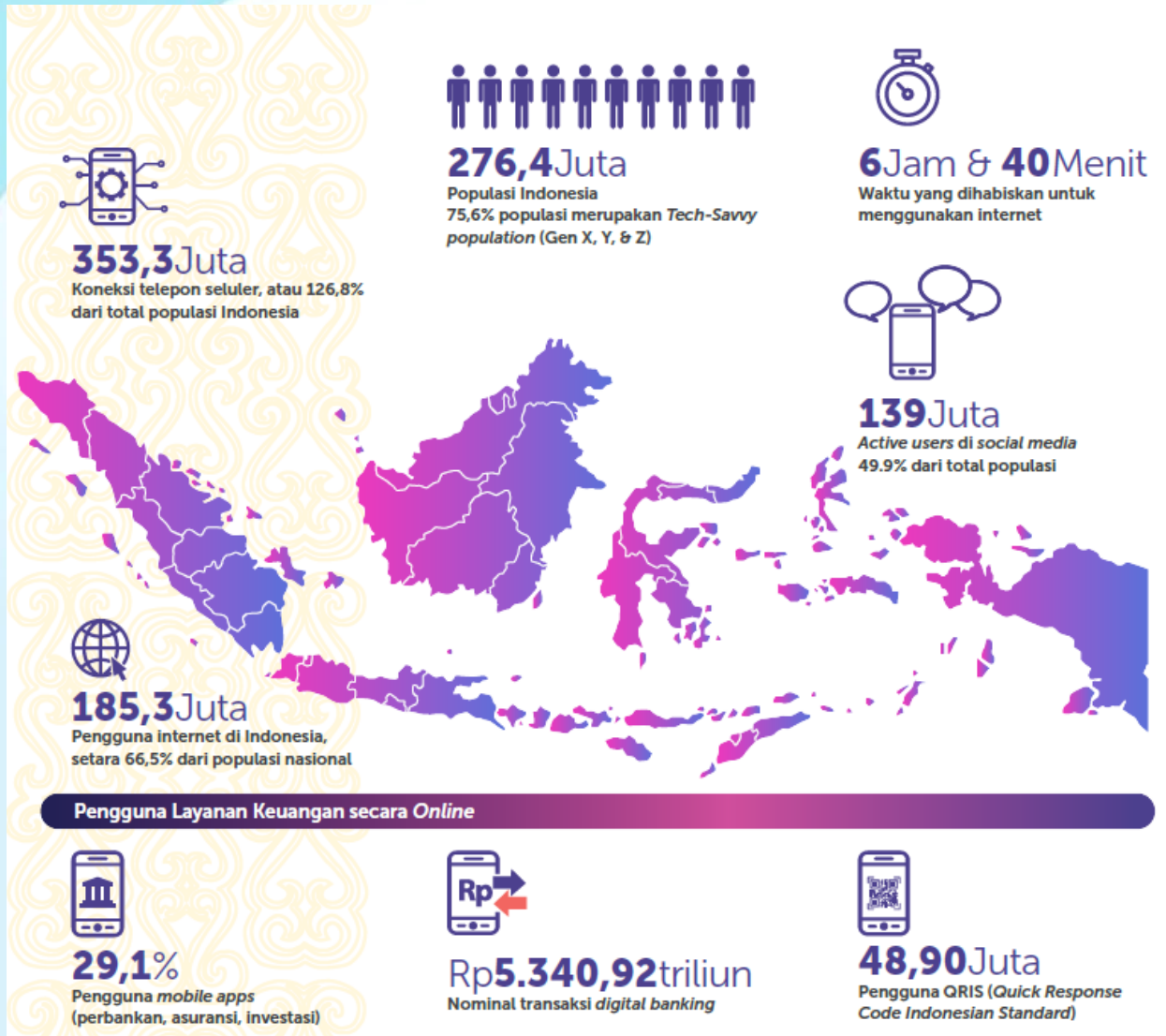
International
Payment Connectivity

Inovation AI &
Machine Learning



Digital Challenging (1/4)

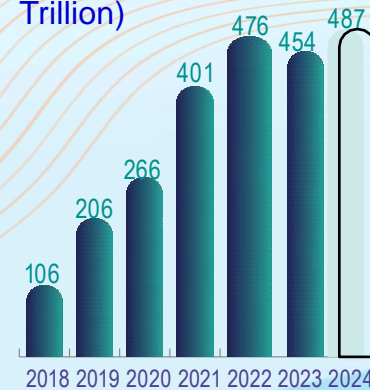
Potential of Digitalization of Indonesian Society



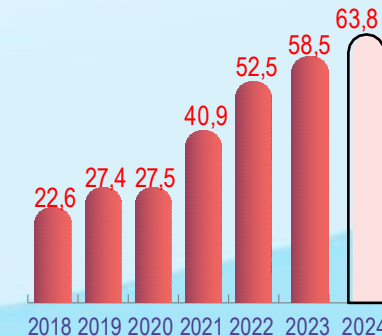
Development and Projections of Digital Transactions

- 1 E-commerce transactions in 2023 will reach IDR 454 trillion and are projected to increase 7.2% to reach IDR 487 trillion in 2024
- 2 Digital banking transactions in 2023 will reach IDR 58.5 thousand trillion and are projected to increase 9.1% (yoy) to reach IDR 63.8 thousand trillion in 2024
- 3 The use of electronic money in 2023 will reach IDR 836 trillion and is predicted to increase by 25.8% (yoy) to reach IDR 1,051 trillion in 2024

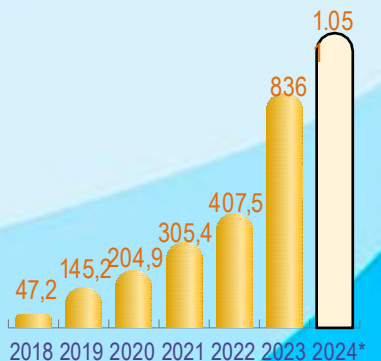
Development of E-Commerce Transactions (in IDR Trillion)



Development of Digital Transactions (in IDR thousand Trillion)

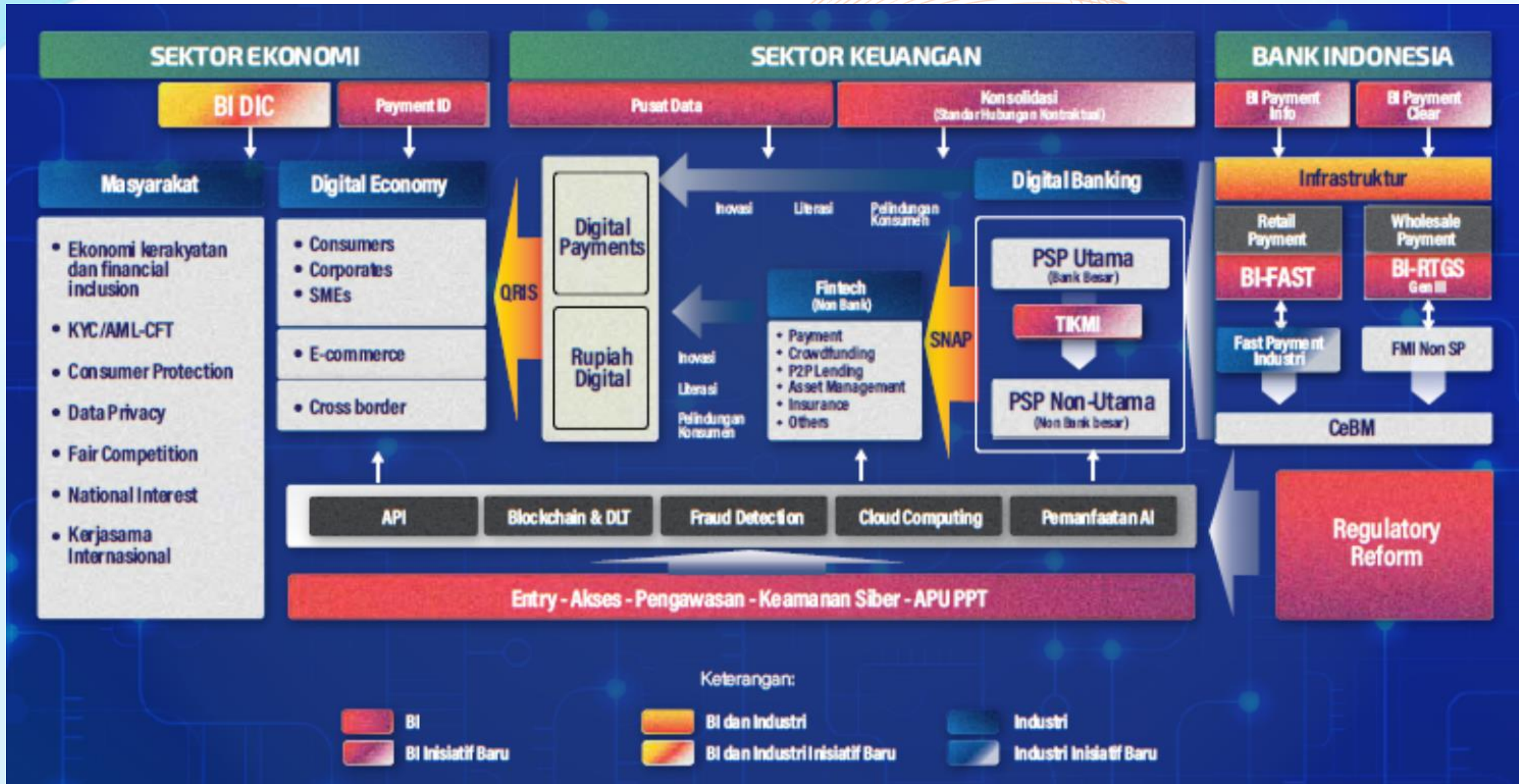


Development of Electronic Money (in IDR Trillion)



Digital Challenging (2/4)

Changes to the 2030 DIGITAL ECONOMY & FINANCE CONFIGURATION released by BI 2024



Digital Challenging (3/4)

FINANCIAL INCLUSION FACTORS

PERCENTAGE OF THE TOTAL POPULATION AGED 15+ THAT OWNS OR USES EACH PRODUCT OR SERVICE

ACCOUNT WITH A FINANCIAL INSTITUTION



50.5%

FEMALE	MALE
51.7%	49.3%

CREDIT CARD OWNERSHIP



1.6%

FEMALE	MALE
2.1%	1.1%

DEBIT CARD OWNERSHIP



35.1%

FEMALE	MALE
36.5%	33.7%

MOBILE MONEY ACCOUNT (E.G. MPESA, GCASH)



9.3%

FEMALE	MALE
9.9%	8.7%

MADE A DIGITAL PAYMENT (PAST YEAR)



29.1%

FEMALE	MALE
29.0%	29.2%

MADE A PURCHASE USING A MOBILE PHONE OR THE INTERNET (PAST YEAR)



18.2%

FEMALE	MALE
21.5%	14.8%

USED A MOBILE PHONE OR THE INTERNET TO SEND MONEY (PAST YEAR)



8.1%

FEMALE	MALE
7.5%	8.8%

USED A MOBILE PHONE OR THE INTERNET TO PAY BILLS (PAST YEAR)



7.7%

FEMALE	MALE
7.8%	7.6%

Digital Challenging (4/4)

PAYMENT METHODS USED FOR ECOMMERCE

PERCENTAGE OF ALL B2C ECOMMERCE TRANSACTIONS IN 2022 COMPLETED USING EACH TYPE OF PAYMENT METHOD

SHARE OF B2CECOMMERCE
TRANSACTION VOLUME
ATTRIBUTABLE TO DIGITAL
AND MOBILE WALLETS



39.0%

SHARE OF B2CECOMMERCE
TRANSACTION VOLUME
ATTRIBUTABLE TO DEBIT
AND CREDITCARDS



17.0%

SHARE OF B2CECOMMERCE
TRANSACTION VOLUME
ATTRIBUTABLE TO
BANK TRANSFERS



27.0%

SHARE OF B2CECOMMERCE
TRANSACTION VOLUME
ATTRIBUTABLE TO
CASH-ON-DELIVERY



11.0%

SHARE OF B2CECOMMERCE
TRANSACTION VOLUME
ATTRIBUTABLE TO OTHER
PAYMENT METHODS

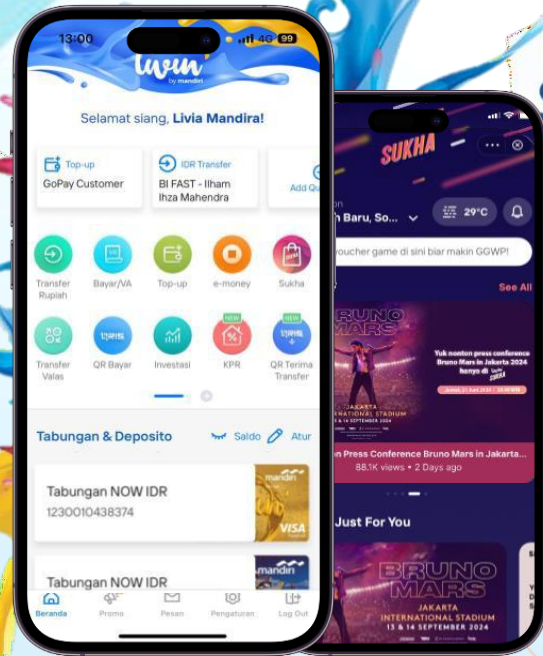


6.0%

Example of Digital Banking Applied (1/4)

Bank Mandiri: General Performance Highlights

Livin' Registered Users



Financial Super App



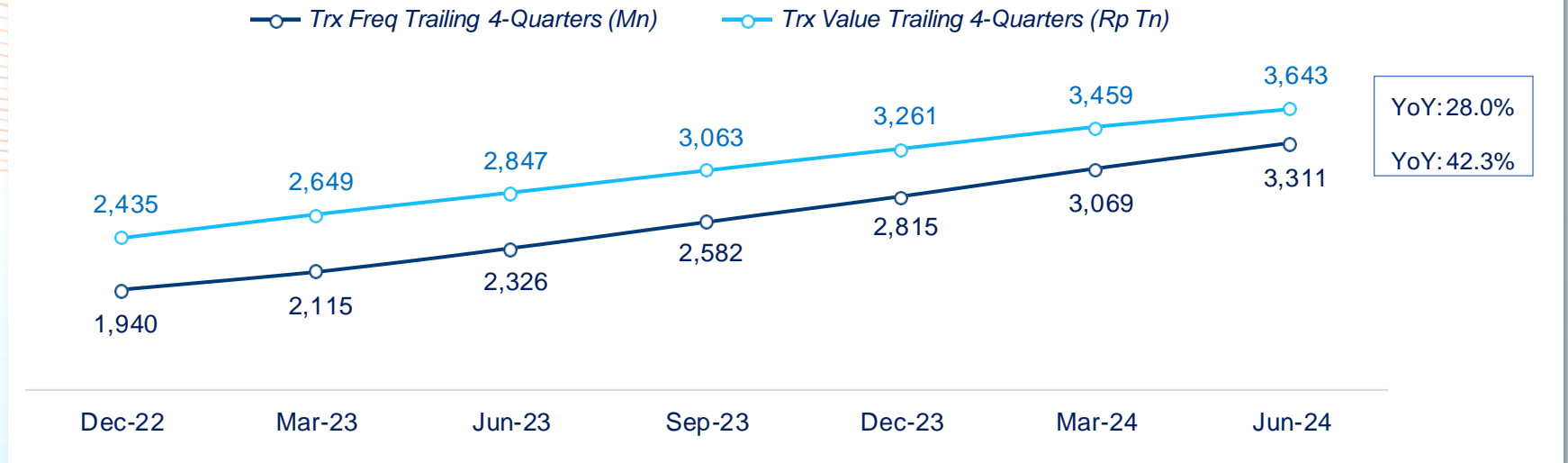
Launched in Oct-21

Registered Users
As of Jun-24

26Mn
▲ 35% YoY

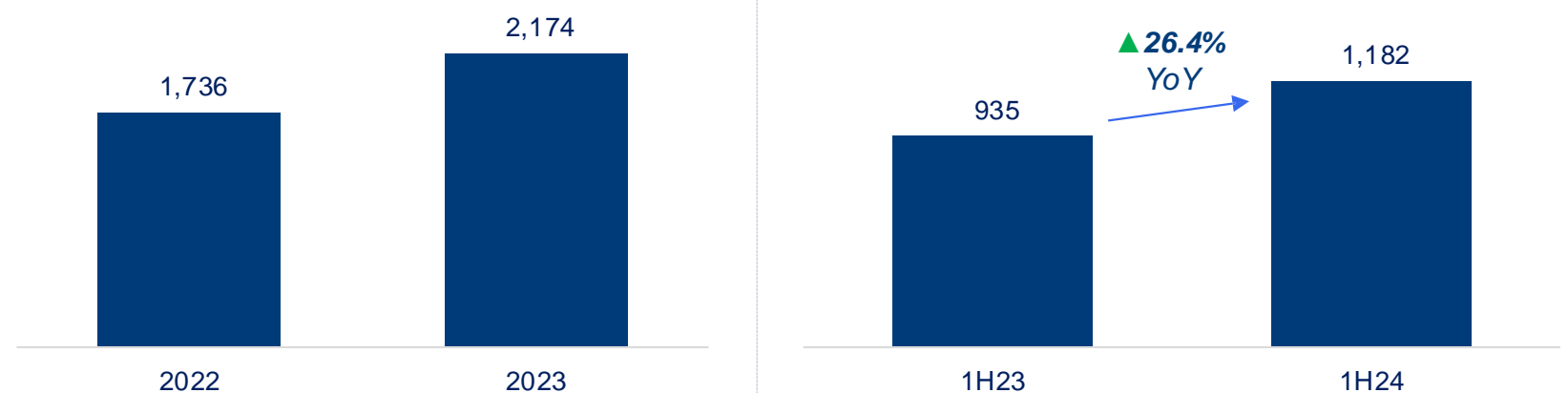
Livin' Performance Highlights

Livin' Trx Value & Frequency



Livin' Fee-Based Income

In Rp Bn

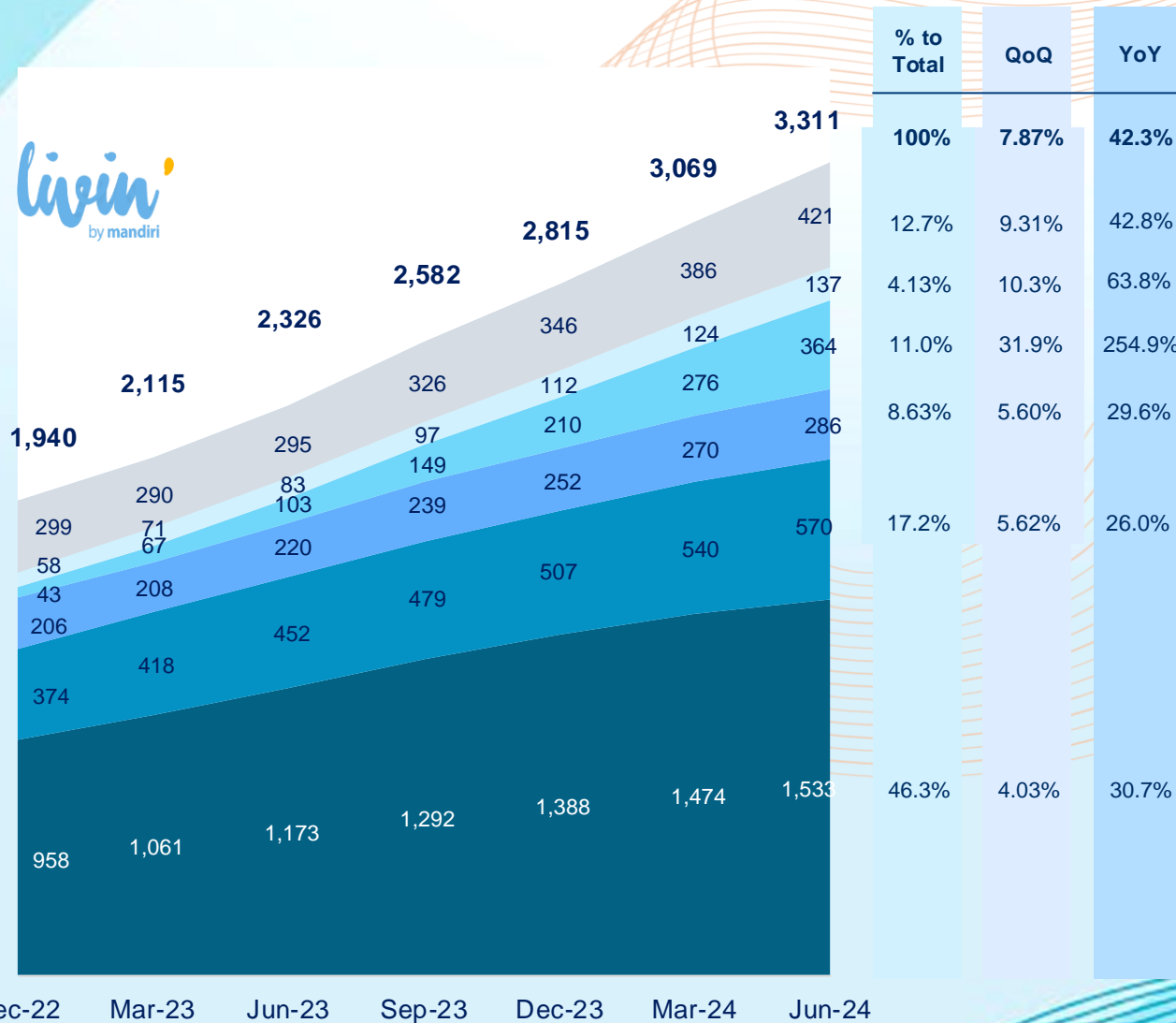


Example of Digital Banking Applied (2/4)

Bank Mandiri: Strong Transactional Growth: An Evidence of a Solid Franchise

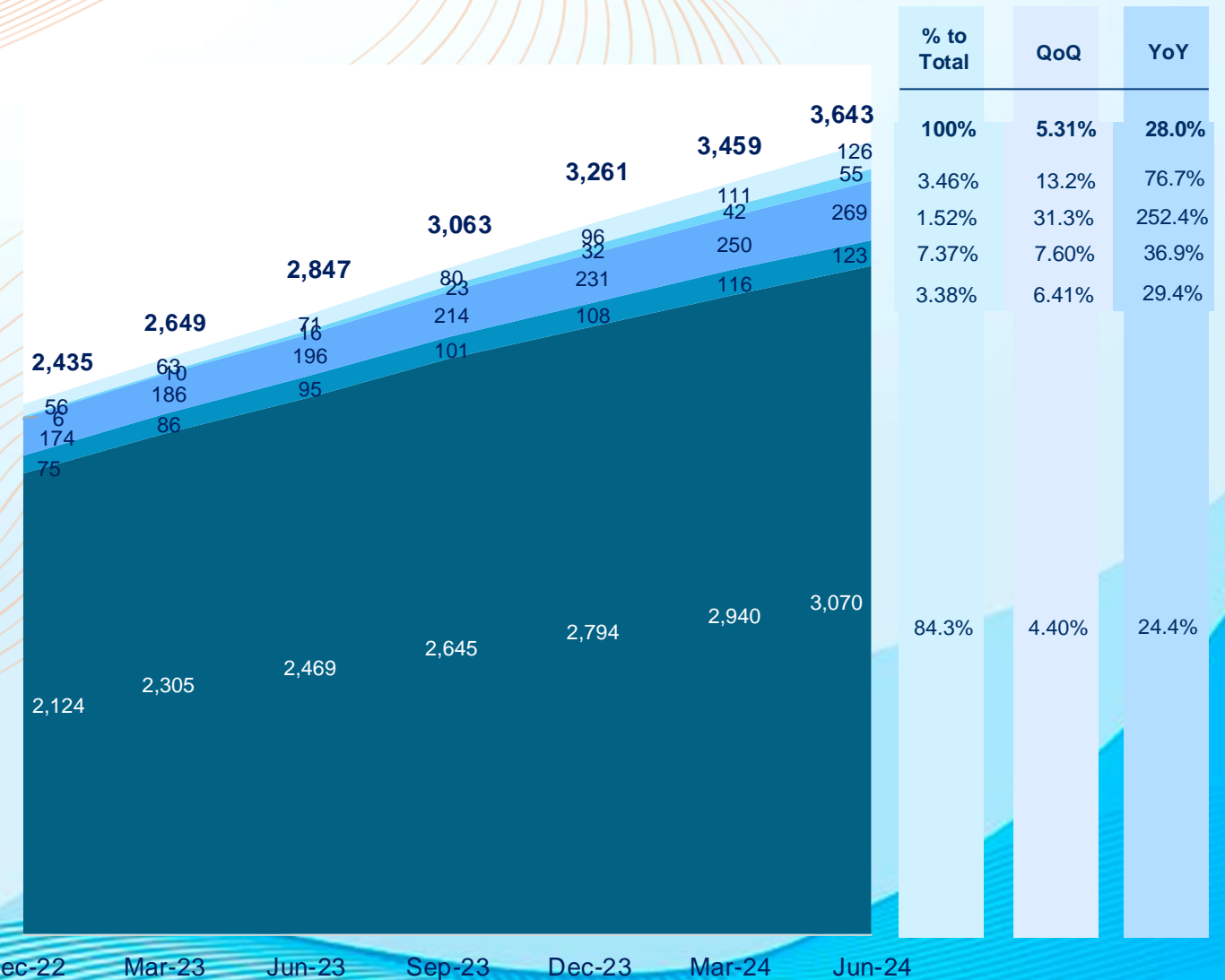
Transaction Frequency Trailing 4-Quarters (In Mn)

- Transfer
- Top Up & Purchase
- Payment
- QR Payment
- Others Financial
- Non-Financial



Transaction Value Trailing 4-Quarters (In Rp Tn)

- Transfer
- Top Up & Purchase
- Payment
- QR Payment
- Others Financial



Example of Digital Banking Applied (3/4)

Bank BCA: Transaction volume reached 17 bn, rose 21% YoY

C2C

B2C

B2B

1 Two powerful mobile banking apps



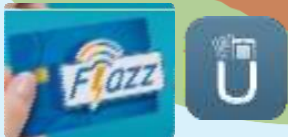
2 EDC Terminal, Point-of-Sales (POS) & Merchant Apps



3 Internet Business Banking "Banking as a Service"



4 E-money & e-wallet



5 ATM/CRM/CDM



6 One Click Payment **OneKlik**

7 24/7 contact center



8 1,258 branches



No of Customers
31.9 million
(+6% YoY or ~2x in 5 yr)



Robust transaction volume in 1H24
17 billion
(+21% YoY or 4x in 5 yr)



Mobile Banking Transaction per User
+24% YoY
or +2.3x in 5 Yr

Example of Digital Banking Applied (4/4)

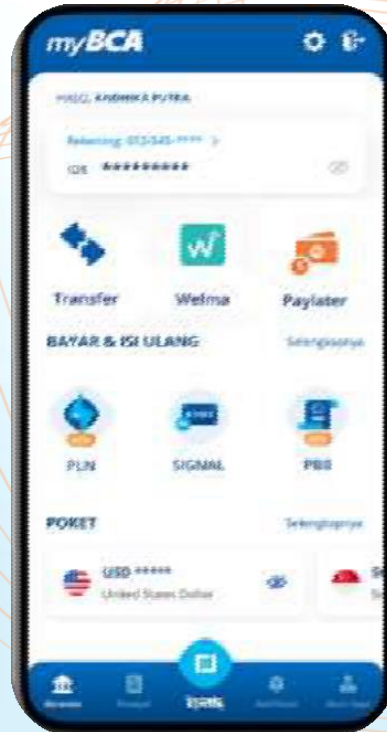
Bank BCA: Two powerful mobile apps for customer choice

BCAmobile
Since 2011



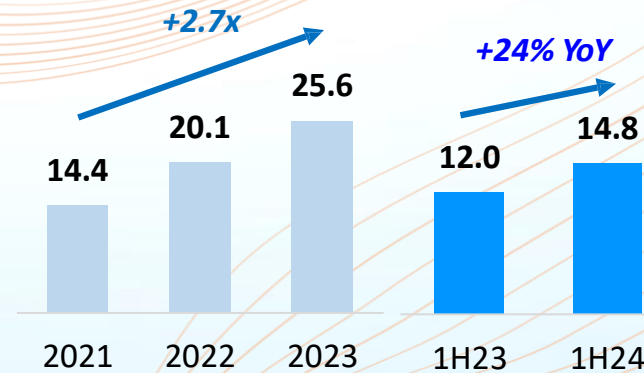
Popular mobile apps for transactions

myBCA
Since 2021

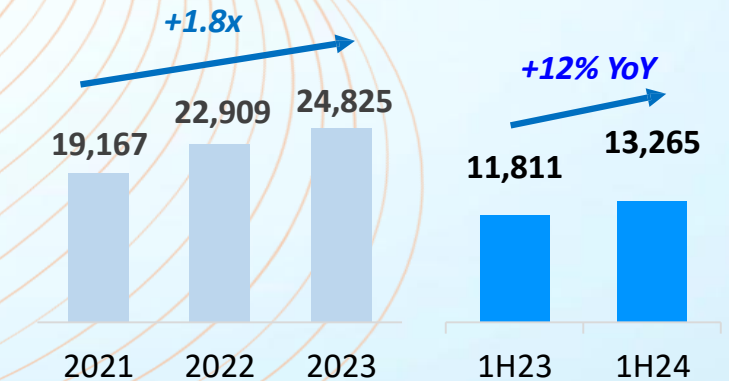


Newer apps with comprehensive features

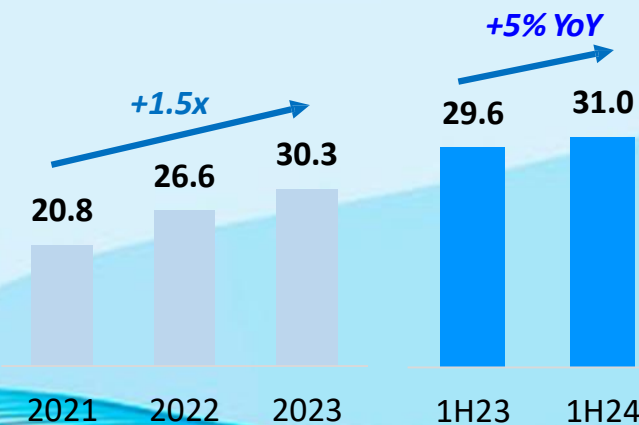
Mobile & Internet Banking Trx Vol (bn)



Mobile & Internet Banking Trx Value (Rp tn)



Mobile Banking & Internet Banking Users (mn)



AGENDA

1

The Rise of Digital Banking

2

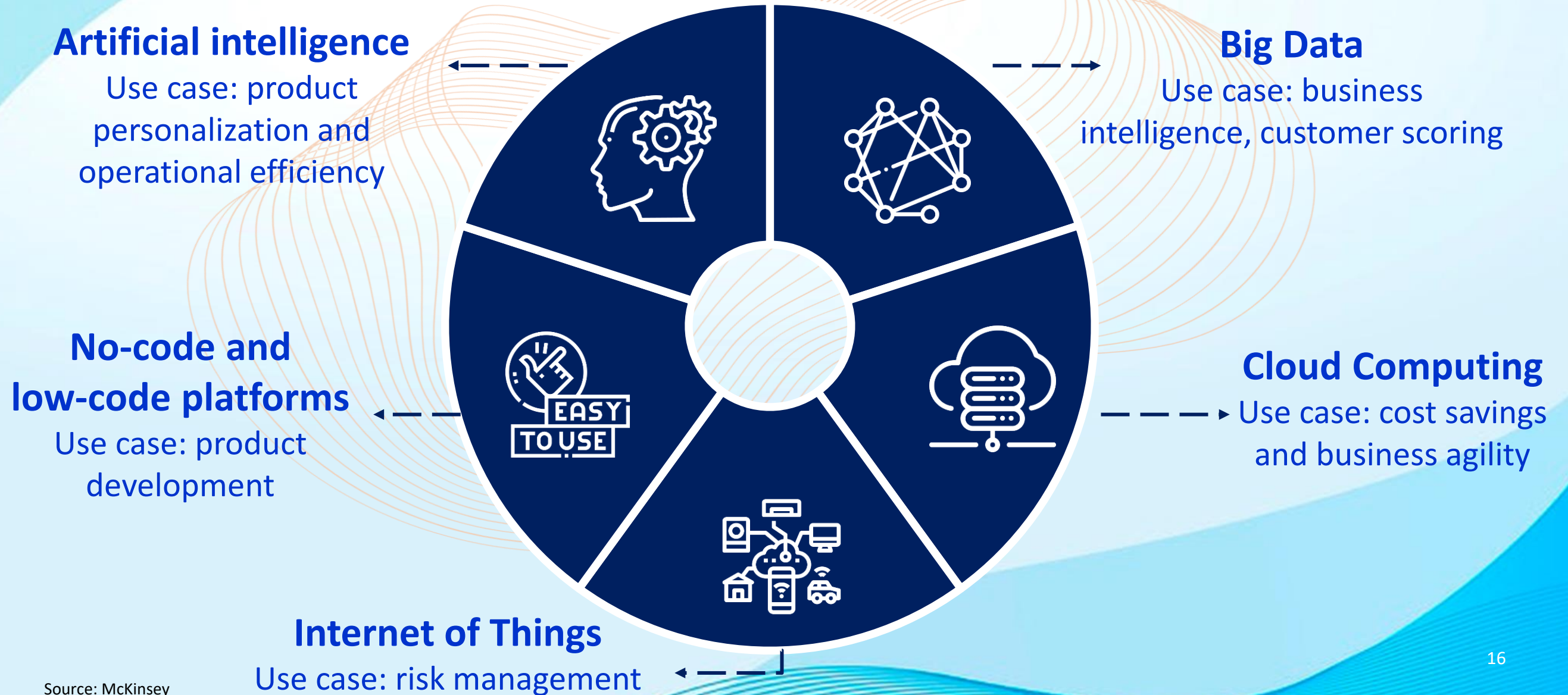
Digital Ecosystem

3

Digital Banking Strategy

Digital Ecosystem (1/5)

The exponential pace of technological development has enabled the digitization of banking services



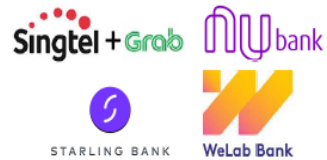
Digital Ecosystem (2/5)

Digital Banking: Different Types of Digital Banks

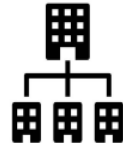
Challenger Bank



Independent startup with banking license



Digital Bank Offshoot



Subsidiary or extension of an existing incumbent bank



Banking-as-a-Service



Provider of banking services using an existing licensed bank's regulated infrastructure



Digitized Hybrid Banks



Incumbent banks migrating to a fully digital experience



Banks must overcome major challenges to realize the potential of AI

The four biggest barriers to achieving financial services organizations' AI goals

Data matters: privacy, sovereignty, and location gaps

38%

Recruit and retain AI experts and data scientists

32%

Lack of budget

28%

Adequate data size for model training and accuracy

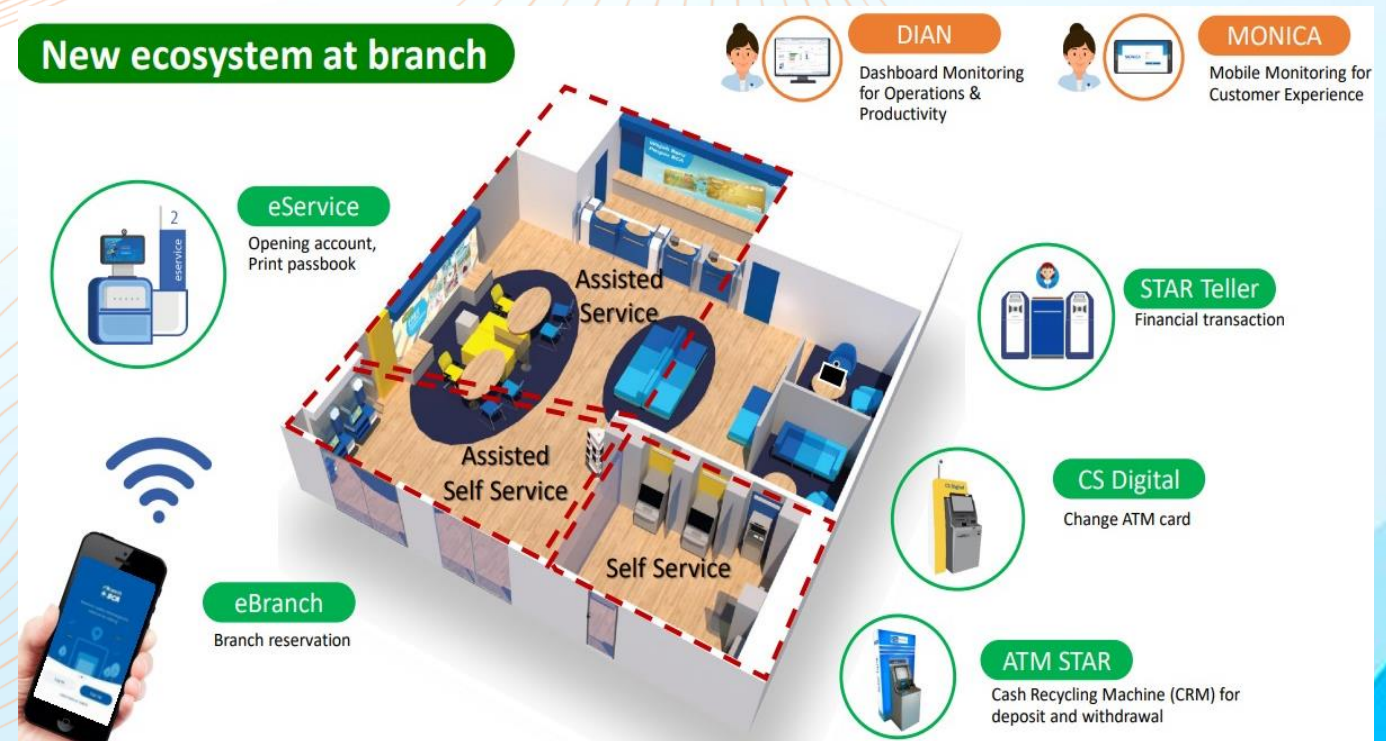
27%

Digital Ecosystem (3/5)

The Future of Competition: % of New Competitors Emerging

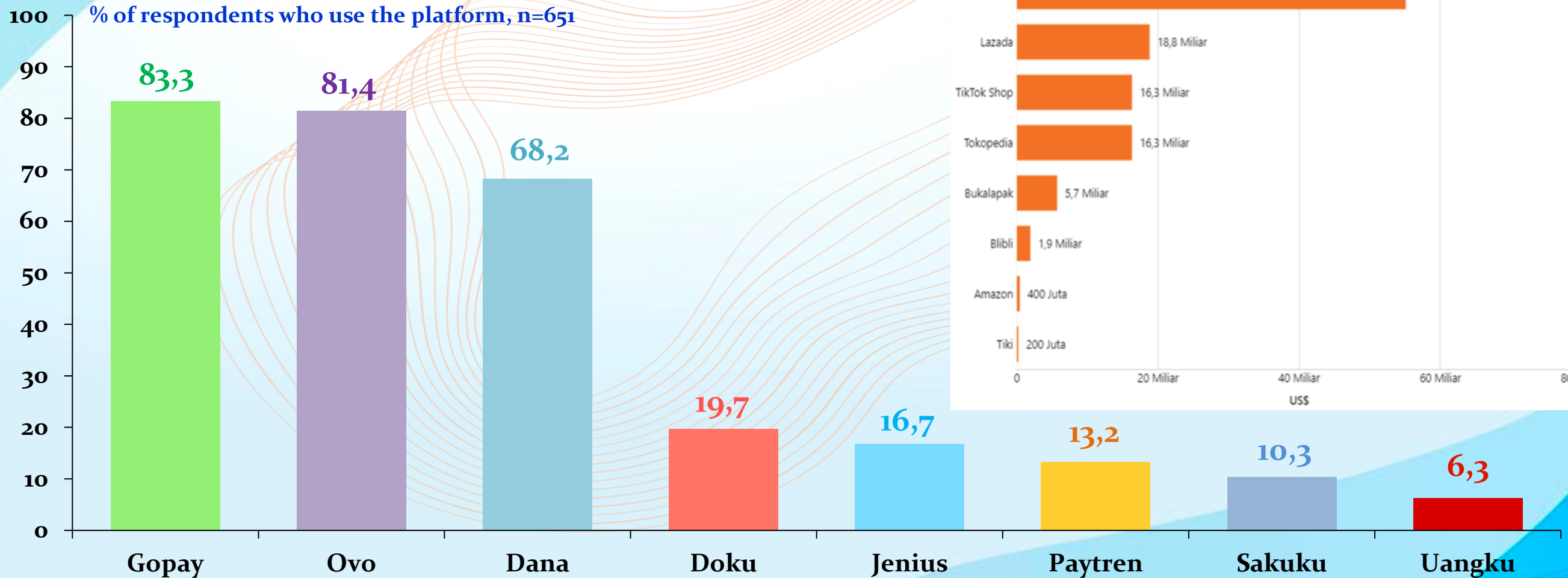


Smart technologies increase efficiency in branch offices



Digital Ecosystem (4/5)

Gopay dan Ovo masih mendominasi *digital payments* RI

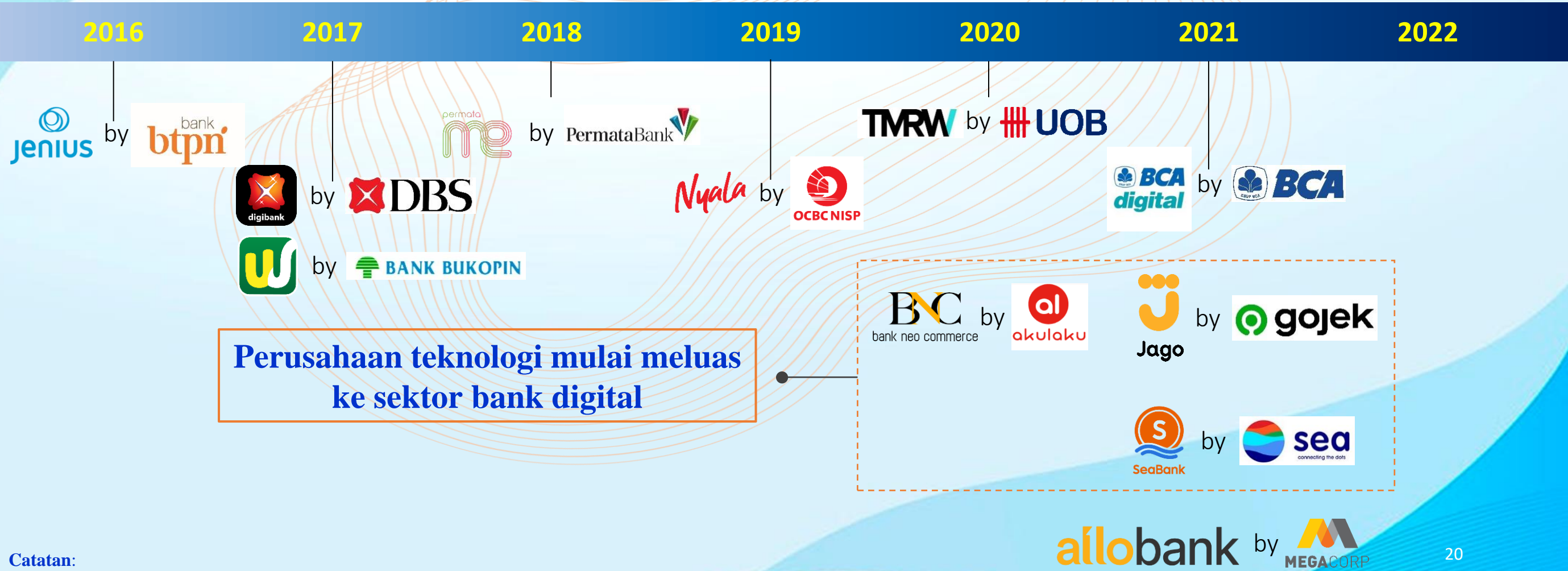


- Gopay lebih kuat di segmen masyarakat menengah bawah, Ovo di segmen menengah-atas (didorong oleh kolaborasi Ovo dengan Grab dan Tokopedia)
- Pemain lain harus berkompetisi dengan memberikan promo untuk konsumsi dan transfer.

Digital Ecosystem (5/5)

Digital transition mendorong perusahaan perbankan tradisional dan *Big Tech* untuk meluncurkan *digital banking arm*

Timeline of Bank Launch



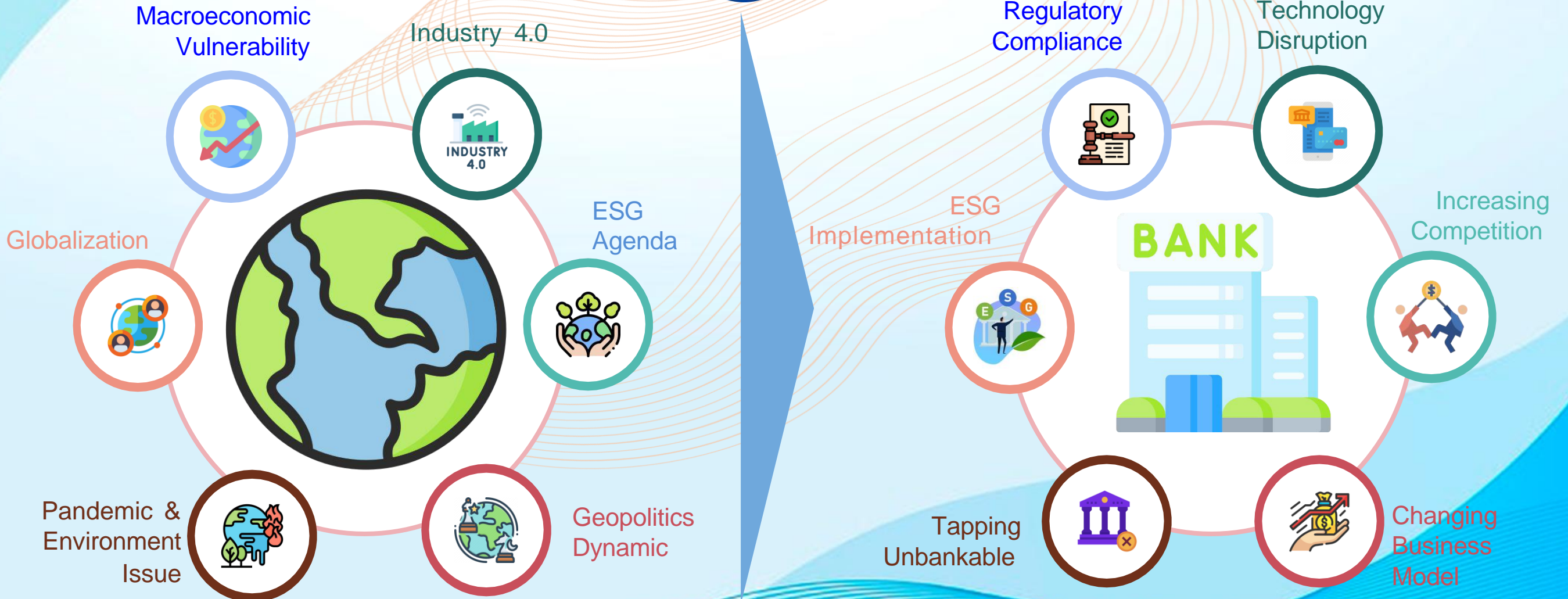
Catatan:
Aplikasi Bank Neo Commerce diluncurkan pada Maret 2021

Facing Challenges with **Agility and Adaptability**

In facing **multi-dimensional challenges**, **agility and adaptability** are needed to continue to **grow competitively**.

World-Scale Challenges

Indonesia's Banking Challenges



AGENDA

1

The Rise of Digital Banking

2

Digital Ecosystem

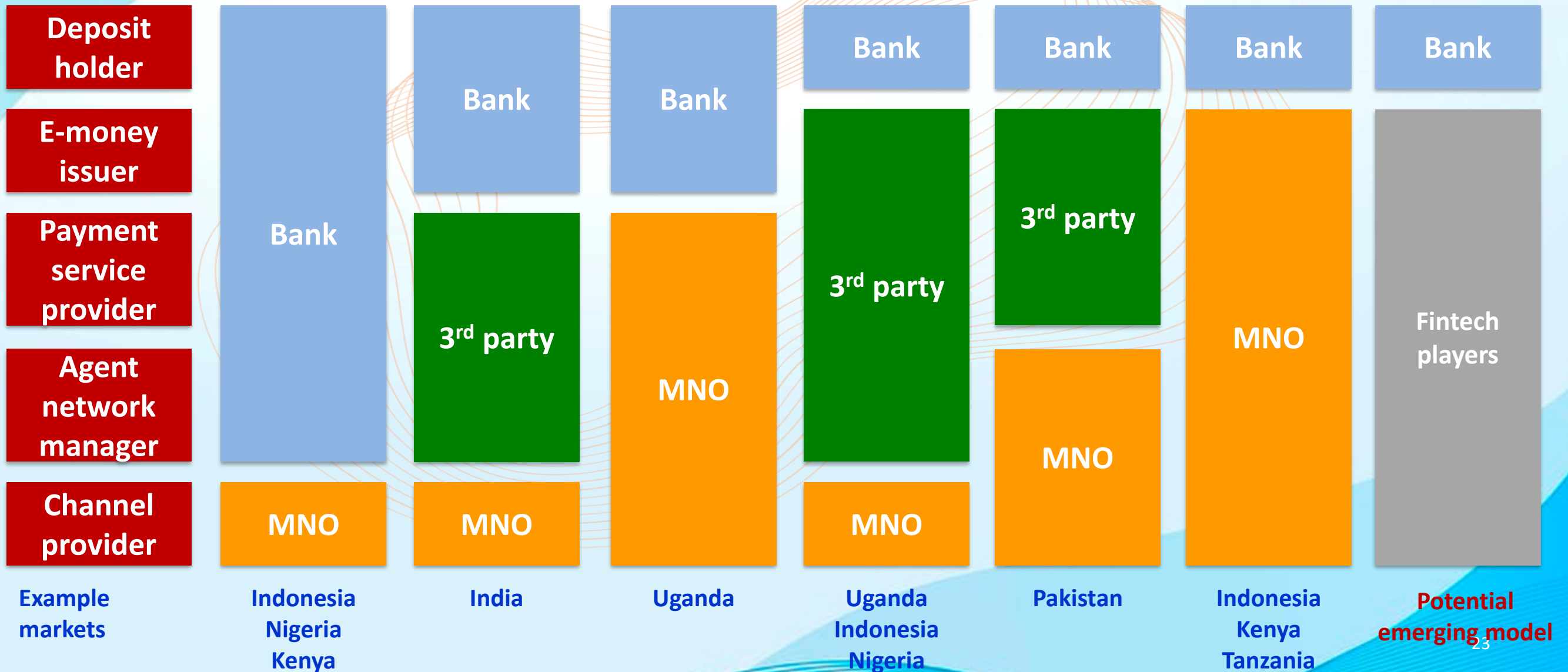
3

Digital Banking Strategy

Fintech take over Banking Business

Fintech is starting to take over banking business in several countries one by one

MNO: Mobile Network Operators



5 Critical Capabilities to Accelerate Winning in Disruptive Market Landscape



Digital Banking Strategy (1/4)

In the Future... Every Company Will Be a Fintech Company



Dulu sulit dan mahal untuk mulai mengembangkan produk digital, apalagi layanan keuangan...

Namun tidak lagi dengan berkembangnya berbagai layanan IT Managed & Cloud Computing & platform API.

Source: LifeatSREDA

Digital Banking Strategy (2/4)

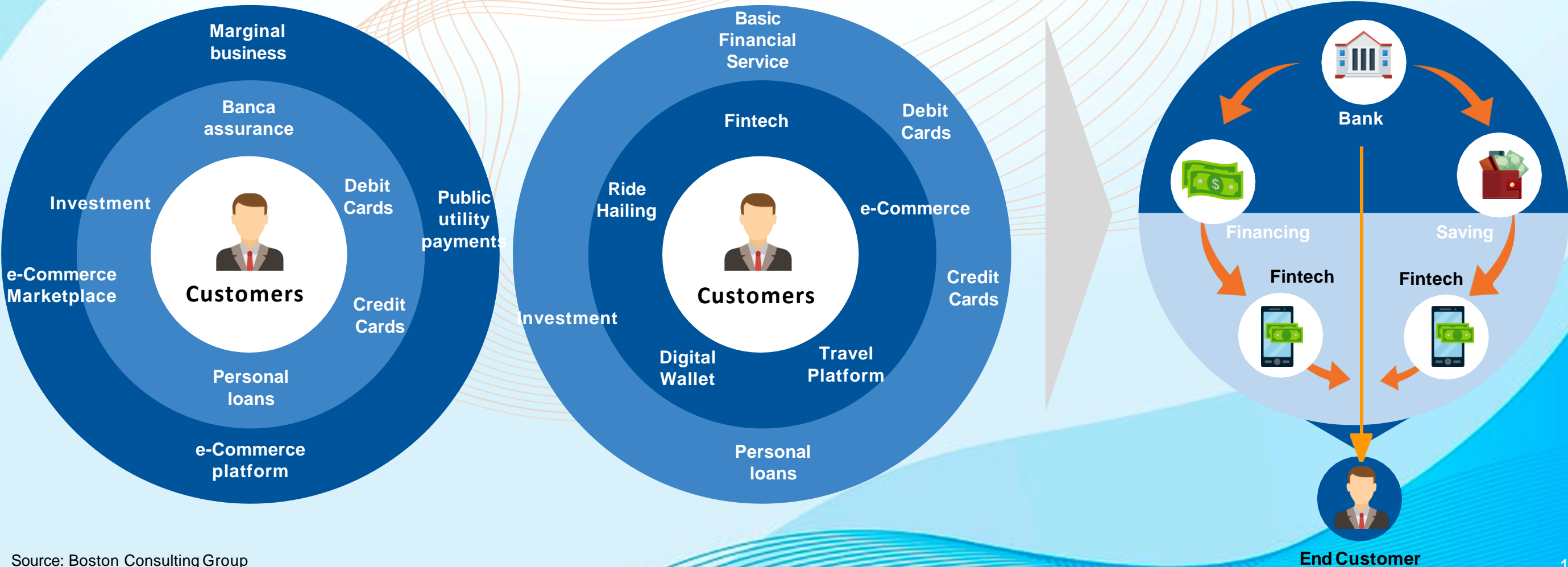
Banking Playbook Evolution: Offensive & Defensive Playbook in Banks

In the old retail model, customers use banking products & services directly. In digital era, customers are offered options to consume services from e-Commerce, ride-hailing, travel sites and banking products becoming a basic services, no longer the frontline of customers' first contact. Banks need to embrace banking model of the future: Open Banking.

Old Retail Banks Model

New Retail Banks Model due to Internet Disruptors

Creating a New Distribution Channel for Bank



Digital Banking Strategy (3/4)

New Skillset



Create New Job Description



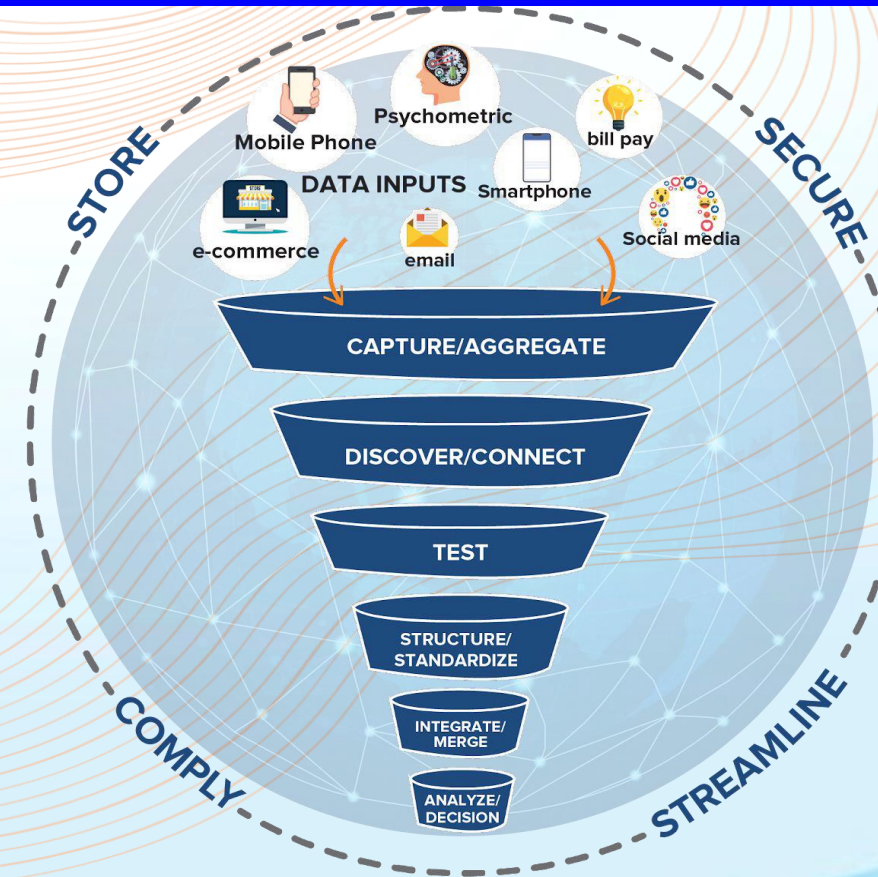
Train the Existing Employees



Hire New Employees with New Skills

1. Desain modular bisa memberikan pengalaman yang ditargetkan dan dipersonalisasi sepanjang siklus hidup pelanggan
2. Integrasikan layanan dan perluas kemampuan, hubungkan ekosistem Anda dengan lancar
3. Lakukan peningkatan yang ditargetkan pada bagian mana pun dari tumpukan perbankan Anda sambil meminimalkan risiko
4. Solusi cloud generasi berikutnya yang dibangun berdasarkan pengalaman dunia nyata

Menjangkau dan Memberikan Solusi pada Segmen Paling Kompleks Dengan Big Data & AI



Smart & Responsible

Smart & Responsible Digital Banking Services

- AI for hyper-personalization
- Predictive behavior
- Enable ecosystem collaboration to offer digital banking services as cross-sector experience

Digital Banking Strategy (4/4)

8 Strategies for Successful Digital Transformation of the Banking Sector

1. Building a digital culture: Leadership Commitment and Vision, Employee Training and Skills Improvement, Collaboration and Cross-Functional Teams
2. Improving customer experience: Omni-Channel Banking, Personalization and Targeted Marketing, Streamlined Onboarding and Account Opening Processes
3. Ticketless WhatsApp Queue System.
4. Leveraging data and analytics: Data-Driven Decision Making, Predictive Analytics for Customer Behavior and Risk Assessment, Fraud Detection and Prevention
5. Leveraging emerging technologies: Ai-Powered Chatbots and Virtual Assistants, Robotic Process Automation (RPA), Blockchain Technology for Secure Transactions.
6. Strengthening Cybersecurity Measures: Multi-Factor Authentication and Biometrics, Continuous Monitoring and Threat Detection, Data Encryption, and Secure Data Storage.
7. Regulatory and compliance considerations: Privacy and Data Protection Regulations, Compliance With Know Your Customer (KYC) and Anti-Money Laundering (AML) Requirements.
8. Change management and employee resistance: Communicating the Benefits of Digital Transformation, Employee Involvement and Engagement in the Transformation Process.

terima kasih . . .
thank you . . .

PERBANKAN DIGITAL: MENUJU BANK 4.0

Perkembangan bisnis perbankan digital dan *fintech* saat ini sedang menuju Revolusi 4.0, dan ini merupakan *unavoidable era*. Konsekuensinya, pada level pertama setiap insan atau *user* mesti menerima pengetahuan digital yang diperlukan dalam transaksi sehari-hari; pada level kedua kalangan profesional wajib memahami dan dapat menjalankan aplikasi digital dengan prima; dan pada level ketiga pemangku kepentingan yang terkait dengan kebijakan, regulasi, dan pengelola sistem pembayaran digital dan *fintech* mampu menjalankan sistem, mengatur, mengawasi, dan melindungi *customer* dan *consumer*.

Peran digitalisasi dan *fintech* secara sistem pembayaran dikelola oleh Bank Indonesia (BI) dan secara bisnis berada di bawah payung Otoritas Jasa Keuangan (OJK). Bila dipetakan, kegiatan usaha yang berada pada payung OJK berada pada Revolusi 3.0, sementara *fintech* berada pada Revolusi 3.5. Secara paralel, institusi jasa keuangan yang ada dalam lingkup OJK dan bisnis *fintech* tengah bertransformasi menuju Revolusi 4.0.

Buku ini membahas sistem pembayaran; apa dan bagaimana perbankan digital saat ini dan di masa yang akan datang, utamanya dalam menyongsong Revolusi 4.0; serta bagaimana perbankan masa depan menjadi Bank 4.0. Beberapa paparan akan mengadopsi bagaimana perbankan di Indonesia menjalankan bisnisnya dengan produk perbankan digital. Sebagai pendalaman riil, akan diketengahkan beberapa studi kasus perbankan digital, antara lain bagaimana Bank Mandiri menoreh karya kekiniannya dengan mengembangkan perbankan digital dan juga bagaimana Citibank membangun perbankan digital dalam melayani nasabahnya.

Penerbit
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BANKING 151

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