

Future Micro Banking

# DIGITALIZATION AS GROWTH ENABLER

Made and Presented by: BRI Research Institute,  
Micro Business Development Division  
PT Bank Rakyat Indonesia (Persero) Tbk





# FUTURE MICRO BANKING DIGITALIZATION AS GROWTH ENABLER

MICRO BUSINESS DEVELOPMENT DIVISION  
PT. BANK RAKYAT INDONESIA (PERSERO) TBK

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# BRI Group Aspiration

*Subsidiaries Contribute 11.4% to Net Profit*

## BRIvolution 2.0

“To be the most valuable banking group in SEA and champion of financial inclusion”



USD 75 billion market cap



90% financial inclusion



Home to the best talent



Digital-first DNA



Agile & entrepreneurial mindset



Market Leader in Pawn Industry

99.99%

77.6 Tn



National Leader in Community Based Lending

99.99%

50.7 Tn



54.77%

23.7 Tn



Digital Bank focused in MSME especially gig economy

86.85%

12.0 Tn



99.88%

8.0 Tn



General Insurance Provider (property, vehicle, etc)

90.00%

5.6 Tn



99.97%

2.6 Tn



67.00%

1.9 Tn



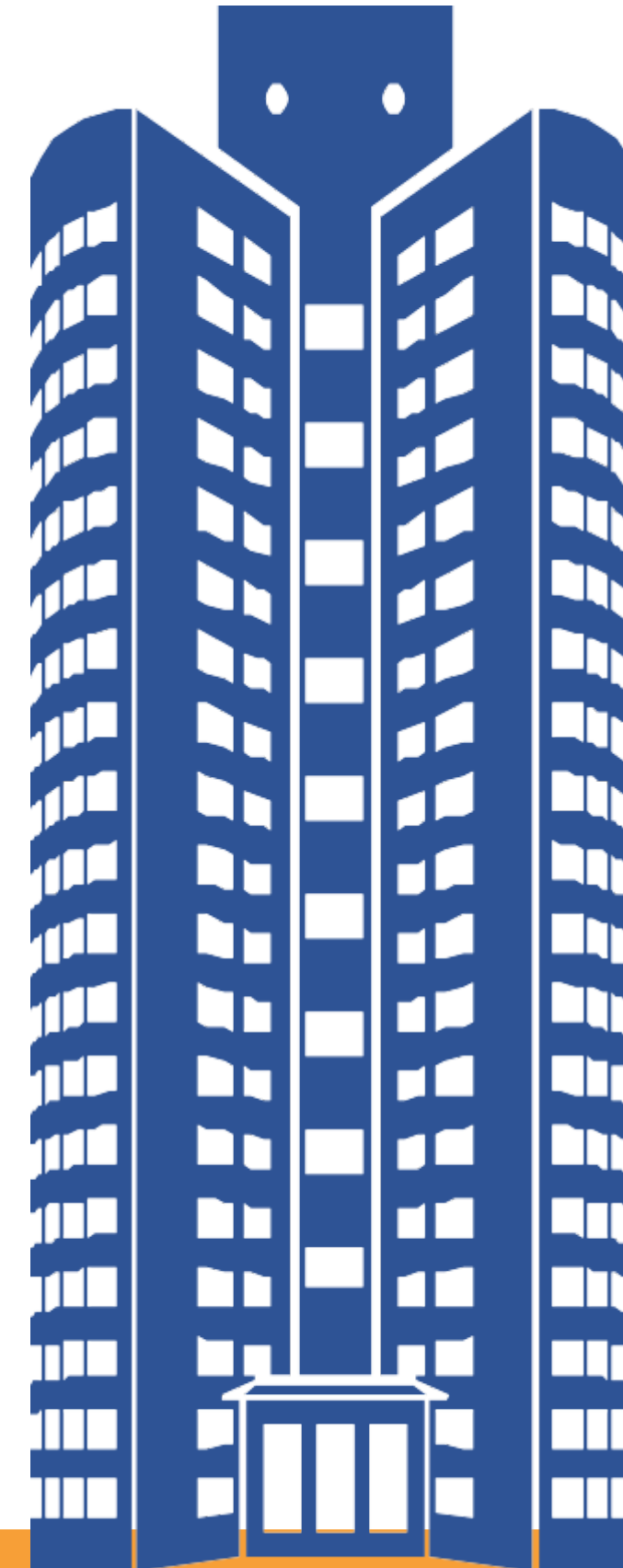
65.00%

271 Bn



100%

22.7 Bn



# BRI Digital Transformation Strategy

**“The digital transformation is not about technology  
is about redefining your value proposition”**

(Jeanne Ross - MIT)

## Digital Transformation Strategy

### -Digitize-

#### Digital Business Optimization

- Efficiency
- New Business Process
- Improve productivity

**Improves Market Position**

### -Digital-

#### Digital Business Transformation

- New Business Model
- Generate new revenue streams
- Improve gross margins

**Changes Market Position**

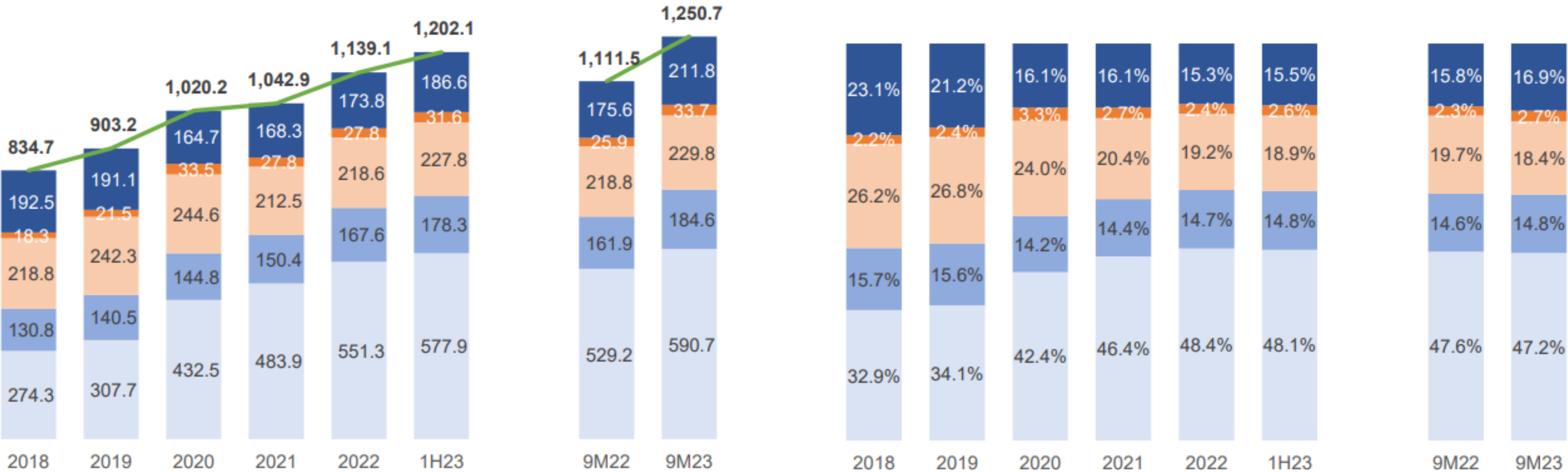




# BRI Loan and Financing Portfolio

Loan Outstanding – by business segment (IDR Tn)

Composition – by business segment (%)



	Micro	Consumer	Small	Medium	Corporate	Total
YoY Growth (%)	11.6	14.0	5.0	30.1	20.6	12.5
(IDR Tn)	61.5	22.7	11.0	7.8	36.2	139.2

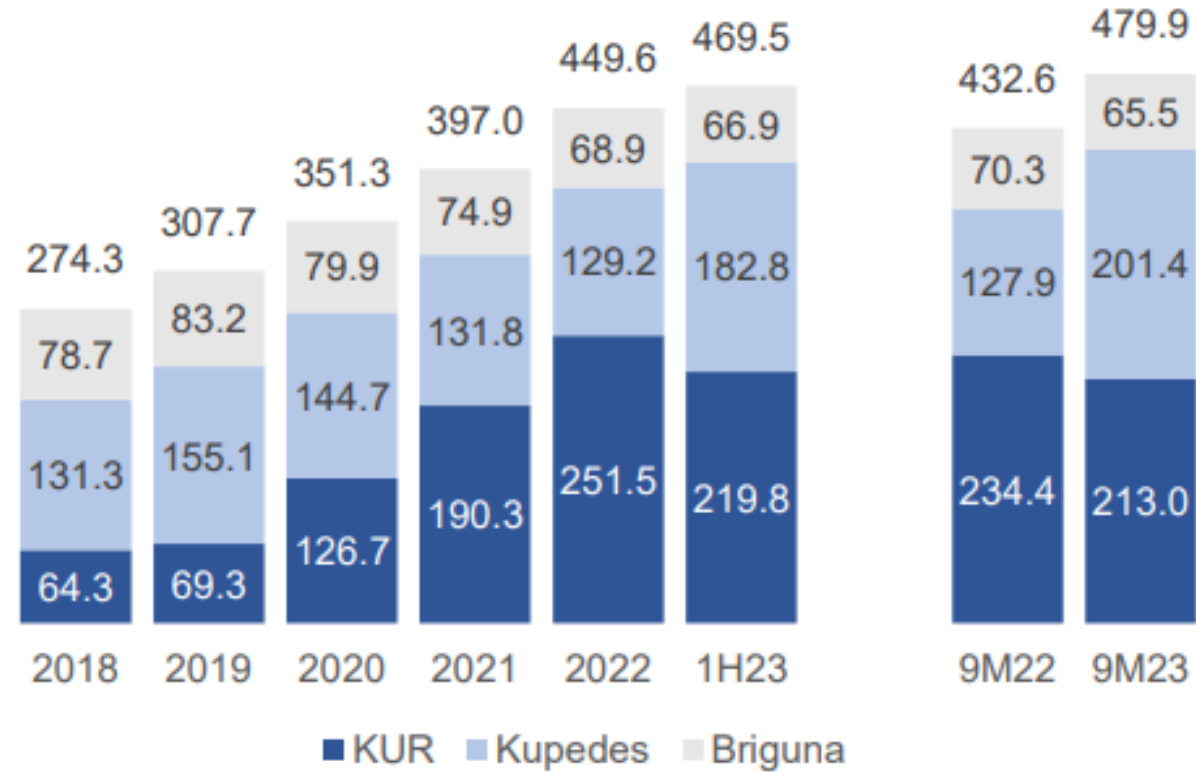
...Micro Driven Persistent Loan Growth Capitalizing On economic Recovery Momentum...



# BRI Loan and Financing Portfolio

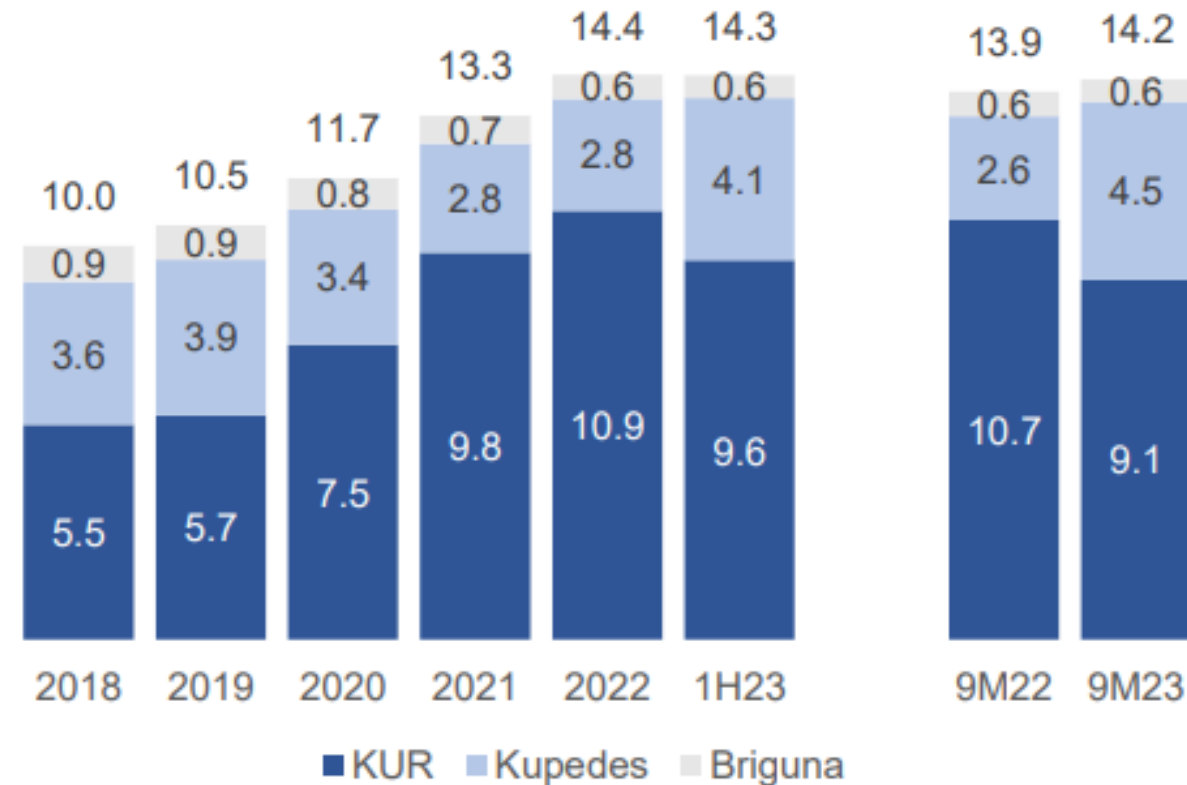
## Micro Loan Outstanding

(IDR Tn)

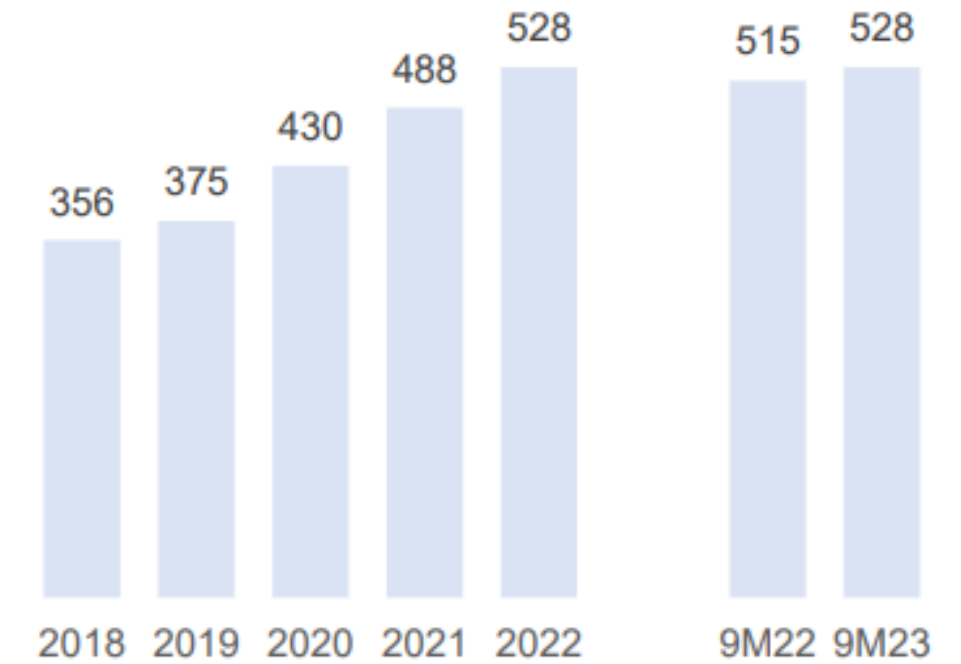


## # Borrowers

(in Mn)



## # Borrowers per Loan Officer



## Growth YoY

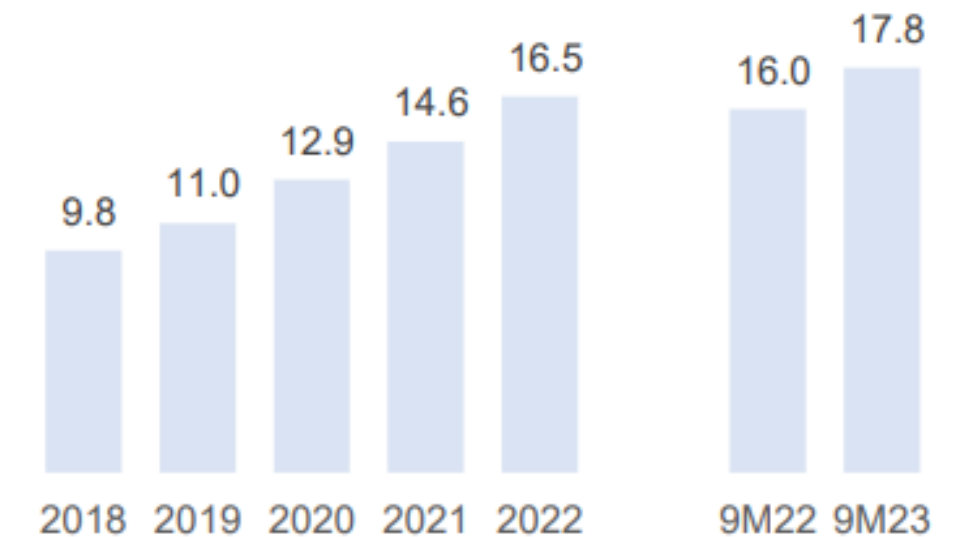
Product	2018	2019	2020	2021	2022	1H23	9M22	9M23
KUR	8.5%	7.9%	82.8%	50.1%	32.2%	-2.5%	35.8%	-9.1%
Kupedes	20.6%	18.1%	-6.8%	-8.9%	-1.9%	43.0%	-2.4%	57.5%
Briguna	10.4%	5.8%	-4.0%	-6.3%	-8.0%	-7.1%	-7.5%	-6.9%
<b>Total</b>	<b>14.5%</b>	<b>12.2%</b>	<b>14.2%</b>	<b>13.0%</b>	<b>13.3%</b>	<b>10.4%</b>	<b>13.9%</b>	<b>10.9%</b>

## Growth YoY

Product	2018	2019	2020	2021	2022	1H23	9M22	9M23
KUR	7.4%	4.5%	31.4%	31.1%	10.8%	-8.7%	15.8%	-14.2%
Kupedes	7.2%	8.7%	-12.8%	-19.5%	2.7%	57.3%	-7.9%	71.6%
Briguna	-1.9%	-3.9%	-9.8%	-10.1%	-13.6%	-10.7%	-13.1%	-10.4%
<b>Total</b>	<b>6.5%</b>	<b>5.3%</b>	<b>11.4%</b>	<b>13.5%</b>	<b>7.8%</b>	<b>3.7%</b>	<b>8.9%</b>	<b>2.3%</b>

## Loan OS per Loan Officer

(in Bn)



Branchless Network	2018	2019	2020	2021	2022	1H23	9M23	YtD
BRILink Agents	401,550	422,160	504,233	503,151	627,012	666,038	698,717	71,705

Office Type	2018	2019	2020	2021	2022	1H23	9M23	YtD
Head Office	1	1	1	1	1	1	1	-
Regional Office	19	19	19	18	18	18	18	-
Branch Office & Special Branch Office	463	462	462	451	449	453	453	4
Branch Overseas Office	5	5	5	6	6	6	6	-
Sub-Branch Office*	609	608	608	588	579	560	559	- 20
Sub-Branch Overseas Office	3	3	3	3	3	3	3	-
BRI Units	5,381	5,382	5,382	5,222	5,156	5,137	5,128	- 28
Cash Office	580	568	547	525	506	521	513	7
BRI Terrace	2,069	2,049	1,867	1,697	1,370	1,161	1,048	- 322
Mobile BRI Terrace	133	133	132	132	117	116	116	- 1
Ship BRI Terrace	3	4	4	4	4	4	4	-
<b>Total</b>	<b>9,266</b>	<b>9,234</b>	<b>9,030</b>	<b>8,647</b>	<b>8,209</b>	<b>7,980</b>	<b>7,849</b>	<b>- 360</b>

E-Channel Type	2018	2019	2020	2021	2022	1H23	9M23	YtD
ATM	22,684	19,184	16,880	14,463	3,863	13,838	13,818	- 45
EDC**	224,618	204,386	198,785	203,027	497,976	565,937	605,900	107,924
CRM	2,609	3,809	5,809	7,407	8,007	8,007	8,974	967
e-Buzz	57	57	57	57	57	57	57	-
<b>Total</b>	<b>249,968</b>	<b>227,436</b>	<b>221,531</b>	<b>224,954</b>	<b>519,903</b>	<b>587,839</b>	<b>628,749</b>	<b>108,846</b>

\*In accordance with POJK No. 12/POJK.03/2021 concerning Commercial Banks, there are adjustments for the types of BRI Unit Offices, Teras BRI and BRI Cash Offices which are included in the category of Sub-Branch Offices. Here, the data is still separated.

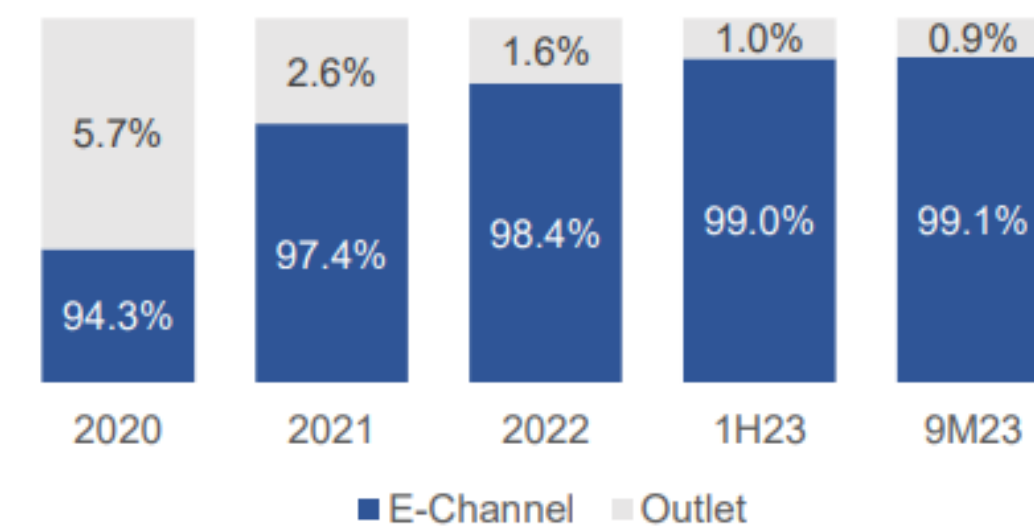
\*\* Since 2022, number of EDC includes government program, managed service, and partnership EDC

## Net Profit per Outlet

(IDR Bn)



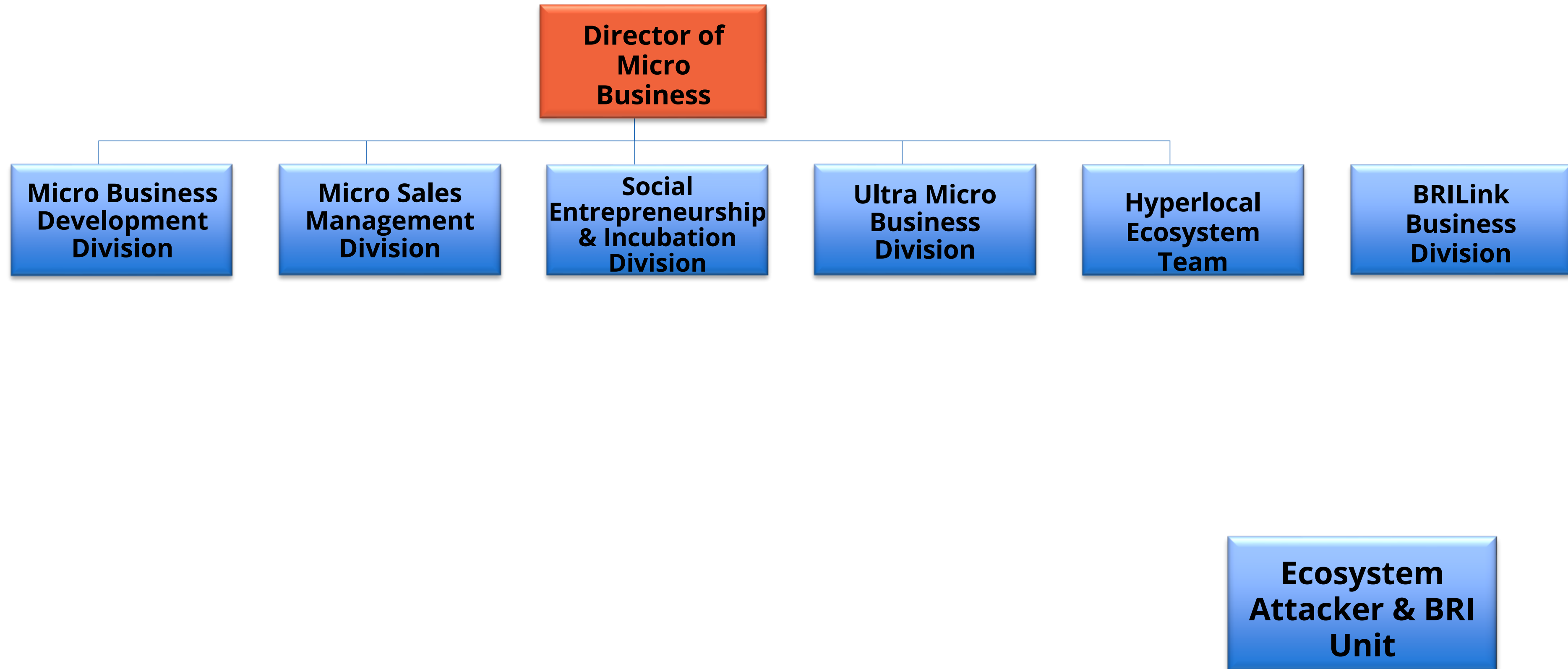
## Outlets vs E-Channel Trx Composition



E-Channel transaction includes: ATM, CDM, BRILinks, BRIMO, and Internet Banking.



# BRI Micro Business Organization in HQ



# Journey Micro Strategy Initiatives

## BRI Memimpin PEN

- Business Follow Stimulus, KUR Rp 126 T
- Penyaluran BPUM, 7,8 juta penerima Rp 18,6 T (dalam 3 bulan)
- Restru COVID Rp 132 T, 4,2 juta debitur

## RE-STRATEGIZING Inisiatif Strategis : 16 "Percepat", 7 "BAU", 2 "add-on"

Percepatan Inisiatif Kunci (semula Jan '21 menjadi Okt'20) :  
**REVITALISASI MANTRI**

- Re-Mapping Wilker : 90rb Desa
- Single Segment : New Rentang Kendali
- Efisiensi Kebutuhan tambahan Mantri

31.327 SEBELUM REVITALISASI MANTRI → 27.691 DENGAN REVITALISASI MANTRI  
Efisiensi Setara Rp 411,5 M

... Micro will maintain its position as a leader in adapting to change in order to offer top-notch facilities and services for the advancement of micro enterprises ...



**Mitra Agen UMi**  
Bisnis Model Kemitraan Mantri – Mitra Agen Umi



**LocaLoka**  
Konsolidator Klaster Usaha Mikro sebagai katalis perluasan usaha



**PARI - Platform**  
Hyperlocal Ecosystem berbasis komoditas unggulan



**BRIKODES**  
Super Platform indikator inklusi & potensi dan arah pengembangan strategi

... Future Transformation of Micro & Ultra Micro Segment will be "The Comet-Collaborative Micro Ecosystem"...



## Network & Delivery Channel

### Collaboration

"Outlet BRI Unit sebagai Co-Location penyedia layanan pengembangan usaha segmen Mikro & Ultra Mikro"

### Partnership

"Monetisasi Bisnis berbasis penguasaan wilayah kerja dengan BRI partner sebagai ecosystem manager"

### Beyond Channel

"layanan perbankan tidak bergantung pada produk, namun hadir dalam setiap touch point Aktivitas keuangan nasabah"



## Data & Risk Capability

### Strengthening Risk Profile

RPC Dinamis

### Business Growth

Psychometric

### Business Intelligence Platform

Penguatan MIS& Organisasi Mikro

Profil Historis Debitur

Personal Scoring



## Human Capital & Organization

### Customer Centric

### Ecosystem Centric

The micro-business sector will go through a transformation to become a **Strategic Business Unit** that specializes in managing ecosystems with stronger ecosystem attacker team and enhanced HC Micro capabilities.



## Business Process & Business Model

### Customer Experience

Adding value to a product/service requires knowing client expectations.

### Platform Based

Developing business model platform to focus in ecosystem business

### Product Rejuvenate

A product must be customer-centric and follows the journey of society's behavior changing

### Open Banking

Hyper-collaboration business model by open banking (API)

2019  
MEMBANGUN  
PONDASI

2020  
IMPLEMENTASI &  
AKSELERASI

2021  
MEMBERI  
BUKTI

2022  
MENGUKUHKAN  
LEGACY

2023  
BUKAN JAGO  
KANDANG

2024  
BERLARI &  
BERINTEGRITAS



## Micro Strategic Initiatives

- 5 Innovation Driven
- 11 Efficiency Driven
- 7 Sustainability Driven



## Micro Culture Activation

#PULANGKERUMAH



## Berkelit dari Covid 2nd Wave

Dengan Growth Mikro YoY 13,0%

## BRISPOT Enhance

Portofolio Balancing  
Laba Rugi Mantri  
Penjualan Produk PA

## Ekosistem

Pemberdayaan  
Desa BRILIAN, Klaster

## Rejuvenasi Produk

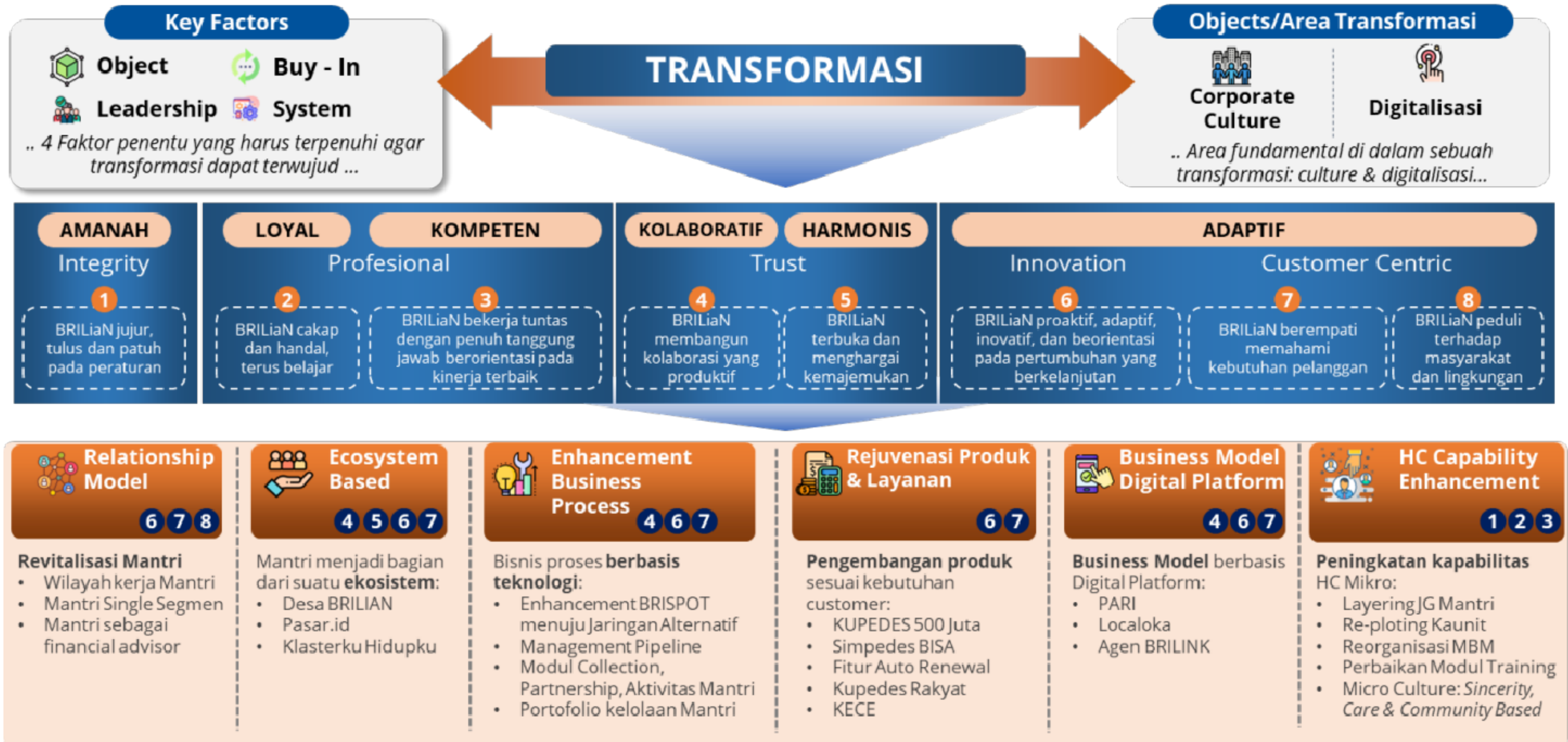
Simpedes BISA,  
Kupedes Auto Renewal  
Kupedes Utama

## Data Analytics

Churn Modeling,  
Sensitivitas BRI Unit



# Micro Business Transformation



# Micro Business Digitalization Highlight

## Area Persaingan



Driver Inklusi / Literasi Keuangan non Bank



Pengembangan Ekosistem



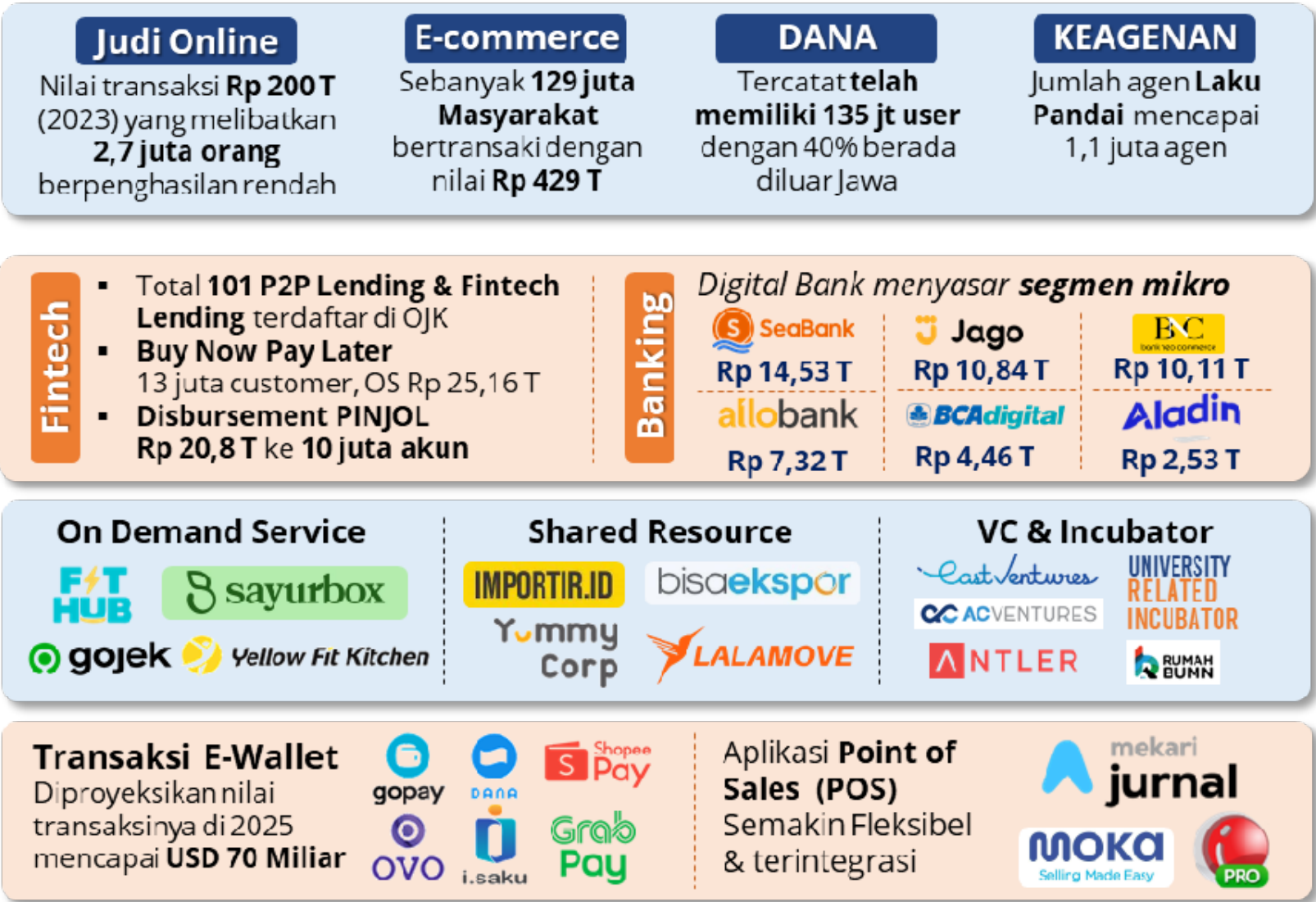
Payment & Transaction



Financing/ Pembiayaan

....Future competition maps will be more open as new organizations take market niches, especially micro segments...

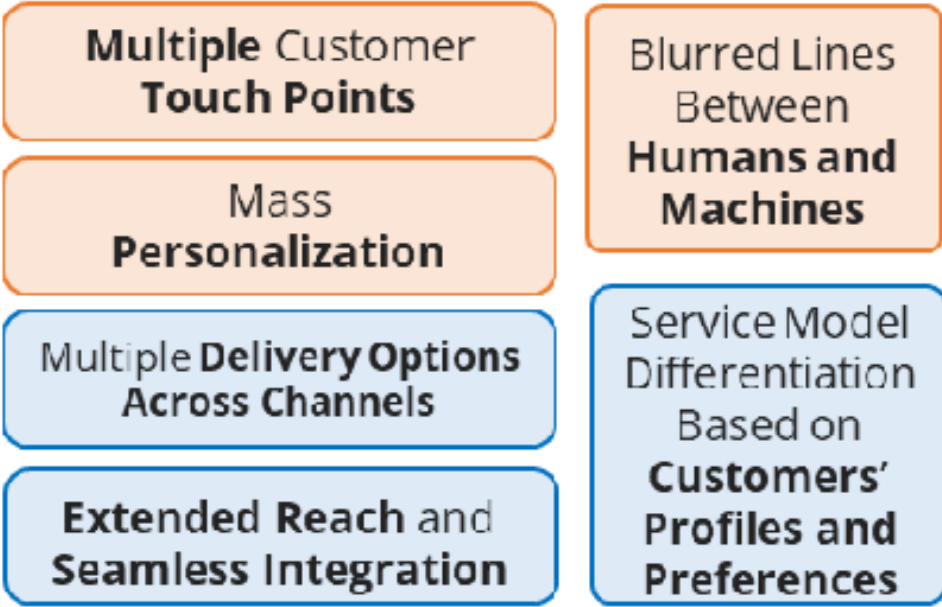
## Entitas Pesaing Potensial



## Journey Delivery Channel



## Future Channel Requirement



Build / develop hypercollaboration

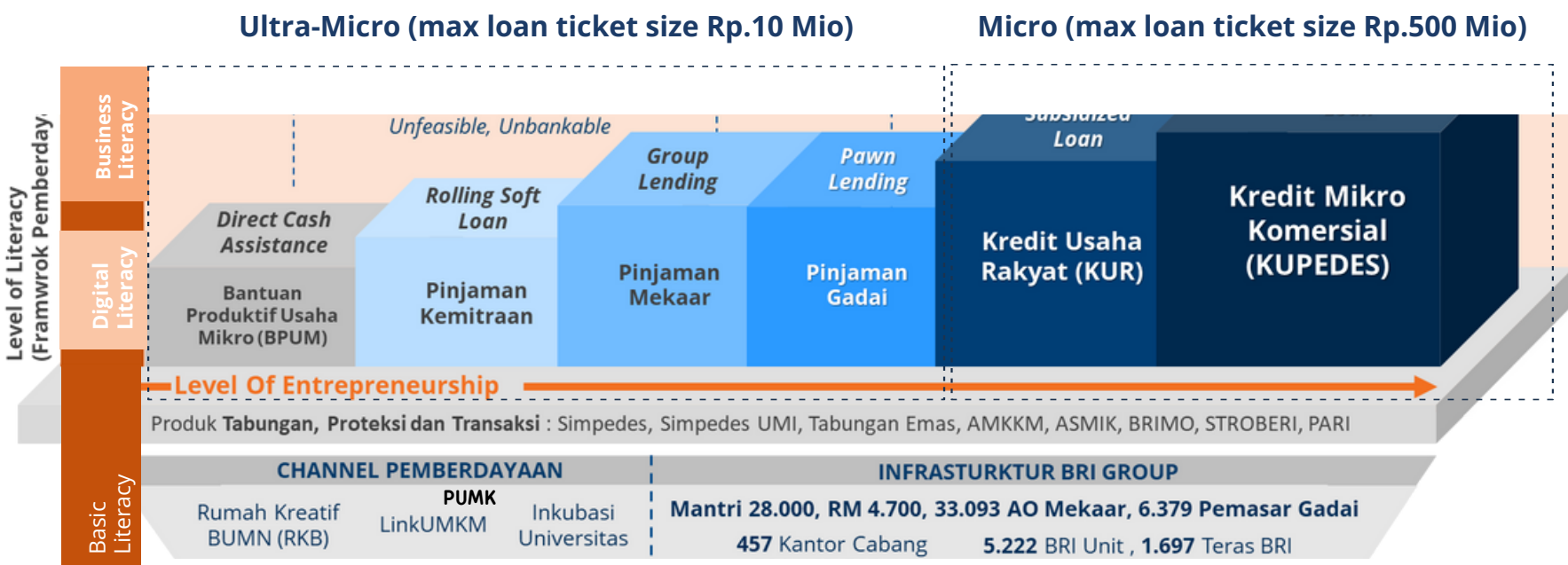
## Business Process Re-Engineering

Re-Modelling Pipeline	Scoring for New Customer (Canvasing)	Dynamic Plafond	Billing Date by Group	Re-Modelling PDWK
Runs scoring using the parameters that are provided for the candidate pipeline.	Specific scoring parameters for out-of-pipeline debtors and BRI savings customers	implementing the dynamic credit limit and tenor for each consumer, whether or not they have BRI savings and loans.	Modify the billing date to a predetermined date to enable the marketers to concentrate on their duties.	PDWK Head Unit will be determined based on vintage analysis & percentage NPL BRI Unit per tiering credit limit.



# Micro Segment Product & Services

## Financing Framework & Infrastructure



	1	2	3	4	5	6
	KUPEDES Kupedes Utama, Kupedes Motor, Kupedes Suku Bunga Khusus, Kupedes until Rp 500 Mio	KUPEDES RAKYAT	KUR Mikro	KUR Super Mikro	PUMK	Pari
Loan Max	Rp. 500 Mio	Rp. 100 Mio	Rp. 100 Mio	Rp. 10 Mio	Rp. 50 Mio	Rp. 200 Mio
Collateral	✓	✗	✗	✗	✗	✗

Credit Without Loan

...There are various types of loans/credit available in the microsegment with different market segments...

## Micro Saving Product

Tabungan BRI

Simpedes Usaha

Derivative of the Simpedes product designed for customers with larger transactional needs

Tabungan BRI

Simpedes

BRI savings account that was initially established and features regular options for prospective customers

Tabungan BRI

Simpedes Impian

BRI saving account as a time deposit with a monthly routine Automatic Fund Transfer (AFT) feature

Tabungan BRI

Simpedes UMi

Variation of the Simpedes product tailored for ultra-micro customer, requiring no initial deposit and free monthly fees

## Micropayment & Ecosystem Product

PARI

The digital marketplace for agricultural commodities is currently aiding over 18,000 farmers, livestock breeders, and fishermen in Indonesia.

localoka

Platform that facilitates the online marketing of products from business groups and MSME

pasar.id

E-commerce platform to support traditional market seller in increasing their revenue through a broader sales reach

Kasir

Tagihan

Point Of Sale (POS) application or cash management application and online-bill management that offered to MSME customers

## Empowerment Platform

desa brilian

Village empowerment programmes in improving independence, financial literacy and digitization of villages

linkumkm

Integrated empowerment platform, covering UMKM scoring up class, literacy and education as well as the UMKM community

AgenBRILink

Layanan Transaksi Keuangan Tanpa Kantor

BRIlink is an extensive BRI's services where BRI acts as an Agent for the customer to serve real-time online banking transactions using BRI's mini-ATM EDC

## Tools for Increasing Business Process Efficiency

BRISPOT

BRISPOT Features

Boost Productivity : Pipeline, Portfolio Balancing, Portofolio Laba Rugi, Mapping Wilayah Kerja, BRILink Partnership

Increase Efficiency : Otomatis Prescreening, Paperless, Pick Up Transaction, Online Register Letter

SENYUM

Implementing BRI Outlet as a joint sales channel for ultra-micro products (financing, group empowerment)

Senyum

1.016 Uker

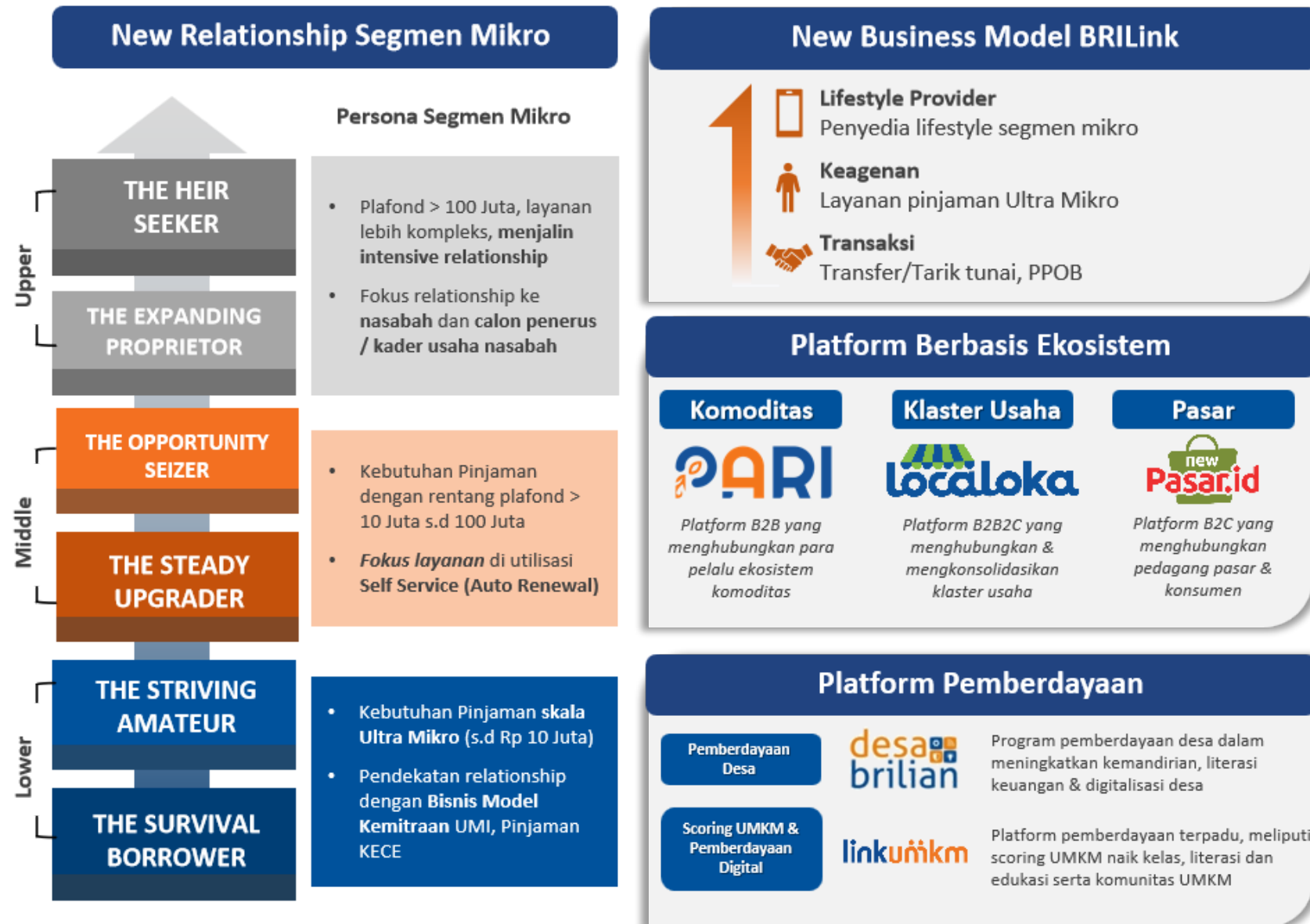
Cross Selling

Co-Selling

Channel Kolaboratif for 3 entity : BRI, Pegadaian & PNM

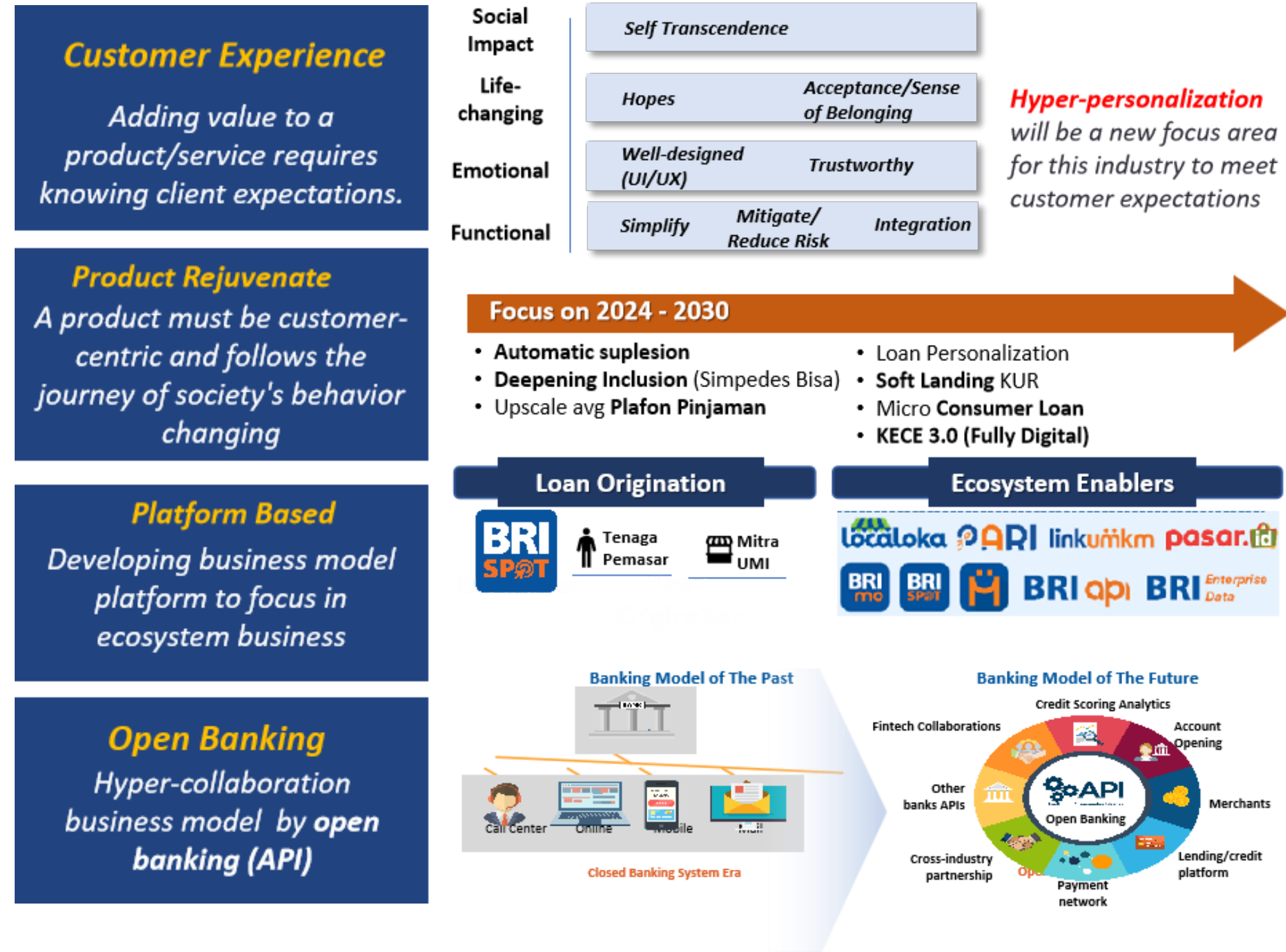
# Business Process & Business Model Re-Engineering

## Current Strategy Micro Business Model & Process



...Business Model & Business Processes are now being prepared to alleviate short-term growth needs as well as be a source of future growth...

## Future Micro Business Model & Process





# Micro Business Innovation Highlight

## GOALS



Shifting from Customer Based to Ecosystem Based



Shifting from Fix Cost to Variable Cost



Shifting from Asset Growth to turn Over



Mempersiapkan model persaingan masa depan

### Enhancement Bisnis Proses

#### Revitalisasi Mantri

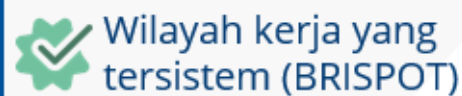
Mendudukkan Mantri di wilayah kerjanya, menjadi seorang Financial Advisor



Implementasi Single Segmen



Partnership dengan Agen



Wilayah kerja yang tersistem (BRISPOT)



Fungsi Financial Advisor

#### Rejuvenasi Produk



Kupedes 500 Juta



Simpedes BISA



KECE 2.0

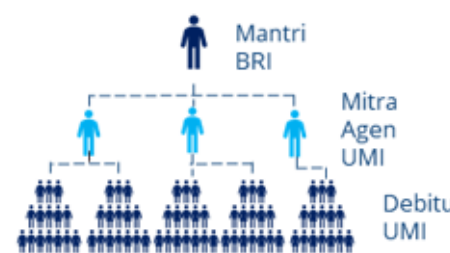


Kupedes Utama



KECEKU

### New Business Model



Jumlah Mitra  
**35.312**

Realisasi Debitur  
**228.749**

Total Plafond  
**Rp 791,5 M**

Transaksi komoditas berbasis Block Chain



- 44 rb user
- Rp 5,02 T GMV
- Rp 1,15 T Dana Talangan

### Ecosystem Based



Platform Ekosistem pasar tradisional  
**6.632 Pasar**



Konsolidator Ekosistem Klaster  
**+11 ribu Klaster**



Pemberdayaan Ekosistem Desa  
**1.882 Desa**

### Data Analytics



**SIMPEDES CHURN MODELLING**



**PROFIL HISTORIS DEBITUR**



**SENSITIVITAS BRI UNIT**



**DASHBOARD SIPK**

### Super Platform

#### BRISPOT

- Laba/Rugi Mantri
- Data Analytics
- Pipeline Management
- Risk Mitigation
- Mantri New Relationship Model
- Jaringan Alternatif

#### BRIKODES

Super platform dengan 3 Fungsi utama:

- Financial Inclusion
- Risk Mitigation
- Business Mapping

#### 5 FITUR DI DALAM BRIKODES



Financial Inclusion



Performa Bisnis



Monitoring DPK vs NPL



Market Potential



Korelasi Kepadatan Ekonomi vs Penetrasi Smartphone

USE CASE | Kota Malang  
Kec. Kedungkandang



**156.808**  
Penduduk Dewasa

**66,91%**  
Tingkat Inklusi

#### Analisis:

Kepemilikan rekening sudah tinggi, maka tugas BRI meningkatkan literasi dalam rangka meningkatkan usage produk financial

### NEXT STEP



**BRIPOST: Jaringan Alternatif**

Enhancement BRISPOT sebagai jaringan alternatif dengan menciptakan bisnis model baru (Mantri 3.0, Micro Network Revamp)



**Intervensi Program Pemerintah dengan Data Analitik**

Pemanfaatan dan permodelan big data untuk meningkatkan tingkat akurasi data penerima Program Pemerintah



**Comperhensive Analytcis: Kebijakan KUR**

Memetakan dampak dan utilisasi KUR melalui riset yang komprehensif sebagai guideline pemerintah dalam menentukan kebijakan desain KUR masa mendatang

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Thank You

