

YONO: SBI launches an Integrated Digital Banking Superapp

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ABSTRACT

Digital banking in India is undergoing significant transformation with the adoption of newer technology, and the formation of the National Payments Corporation of India to give push to electronic transactions. State Bank of India, one of the oldest and largest banks in India, was keen to respond to the evolving banking environment. SBI unveiled a YONO, a leading mobile banking and lifestyle app, that serves as a one-stop shop for banking and lifestyle-related needs in addition to a financial superstore. YONO app is offered by the leading bank from India, State Bank of India. YONO app is a significant digital transformation initiative with the consideration of four pillars: a digital bank for convenience, a financial superstore offering investments and other financial services, an online marketplace with lifestyle products from partners, and an overall digital transformation with analytics that connected these options end to end. The case describes the regulatory environment in India, the evolution of super apps with a global perspective, developing YONO at SBI, the launch of YONO, and specific challenges. In order to improve user experience and customer satisfaction, SBI redesigned its banking application (app), YONO, and presented it as a full-service digital bank (DB) under the new name "Only YONO".

KEYWORDS: Digital Banking, YONO, Transformation, Regulations, Innovation, Financial Inclusion

DISCUSSION QUESTION

- i) What factors contributed to the diversification of Yono into many product lines? What capabilities did YONO SBI leverage?
- ii) What are the challenges and opportunities of YONO's domestic strategies?
- iii) What factors contributed to the success of YONO?
- iv) Considering the objectives of YONO set earlier and given the current competitive scenario (coming up of other banks and bigtech superapps), how should be the new objective setting?
- v) Considering the information given in exhibits and case, what are the strategies to be adopted by SBI to achieve its goal of becoming 'Best Superapp in India' Perception by 2025'?
- vi) How should the management prepare the organization to popularize YONO internally and among bank customers?

INTRODUCTION

Digital banking in India underwent significant transformation with the adoption of newer technology, and the formation of the National Payments Corporation of India to give push to retail electronic transactions. The transition to digital platforms was imperative for State Bank of India, one of the leading and oldest banks in India, to maintain a competitive edge, improve customer experience and enhance its reach. However, the transition was not likely to be without its challenges. The bank was required to respond to the evolving banking environment. Recognizing the growth prospects in digital banking, the State Bank of India was keen to invest in building a robust digital infrastructure and offering a user-friendly interface. There was a trend towards super apps and SBI was keen to offer super apps as part of digital transformation and in line with the market trend. In 2020, Amit Saxena, the then Global Deputy Technological Officer, State Bank of India said “We wanted a customer experience transformation, and we called it ‘YONO,’ — ‘You Only Need One,” (IBM, n.d). YONO was a leading mobile banking and lifestyle app that serves as a one-stop shop for banking and lifestyle-related needs in addition to a financial superstore. The bank was operating in India since the year 1806 when it was initially formed as Bank of Calcutta. Presently, State Bank of India is one of the leading banks with a customer base of 491 million, 2,60,000 employees, 22500 branches, and an annual revenue of USD 52 billion. The bank played an important role in ensuring India’s role as a global financial force. The question was whether YONO could help bank to provide better customer experience and supporting the bank’s aspiration as leading digital transformation with improved convenience. The question was also how the existing customers would adapt the superapp, YONO. It could also attract new customers.

Former SBI Chairman Rajnish Kumar stated, "SBI and its partners are seriously considering converting YONO into a separate independent subsidiary so that SBI and other financial institutions can become its clients," during a speech at the banking and finance conference SIBOS 2020. If SBI succeeds in doing so, it will not only be the first bank in India to separate its technology and mobile application into a distinct company, but it will also be the largest bank startup to date. SBI Chairman Dinesh Kumar Khara stated in October 2020 that the bank is more reliant on the YONO channel and intends to use it as a low-cost customer acquisition strategy in the future. Other banks, especially private banks, have taken note of YONO's success. For example, banks including ICICI Bank Ltd., Kotak Mahindra Bank, and RBL Bank Ltd. are already hard at work developing super apps that briefly combine banking and shopping capabilities. Given these factors and the views of past Chairman of SBI, the dilemma before SBI would be whether it wants to carve out a separate subsidiary out of YONO looking at the merits or demerits of undergoing this massive transformation in the structure of YONO? Also another question that will be grappling in the minds of the decision-makers in SBI is how to sustain the stable growth of YONO given the tremendous competition it faces from other banks who have also developed superapps and also from non bank sponsored super apps? Can SBI carry forward the early mover advantage it had when it was the first bank in India to launch a super app?

DIGITAL BANKING IN INDIA

Digital banking in India has transformed the financial landscape, making banking services more accessible, efficient, and secure. This section explores the concept of digital banking, its various components such as internet banking, card payments, mobile banking apps, and payment apps like UPI. Digital banking refers to the digitization of all traditional banking activities and services that were historically only available to customers when physically inside a bank branch. This includes activities such as money deposits, withdrawals, and transfers, checking/saving account management, applying for financial products, loan management, and more, all conducted online (Ministry of Finance, 2024).

Internet Banking

Internet banking, also known as online banking, allows customers to conduct financial transactions via the internet. This service provides a convenient way for customers to manage their bank accounts from anywhere at any time. Key features include balance inquiries, fund transfers, bill payments, and account

statements (Central Bank of India, 2024). Major banks in India, such as HDFC Bank, ICICI Bank, and State Bank of India, offer robust internet banking platforms (HSBC India, 2024).

Card Payments

Card payments in India have seen significant growth, driven by the increasing adoption of debit and credit cards. These cards facilitate cashless transactions at point-of-sale (POS) terminals, online shopping, and ATM withdrawals. The introduction of RuPay cards by the National Payments Corporation of India (NPCI) has further boosted card usage (National Payments Corporation of India, 2024). As of 2023, there were over 900 million debit cards and 70 million credit cards in circulation in India (Reserve Bank of India, 2023).

Mobile Banking Apps

Mobile banking apps have become an integral part of the digital banking ecosystem. These apps provide a wide range of banking services on smartphones, making banking more accessible and convenient. Popular mobile banking apps in India include HDFC Bank's MobileBanking, ICICI Bank's iMobile, and SBI's YONO (Money View, 2024). These apps offer features such as fund transfers, bill payments, account management, and even investment services (Paisabazaar, 2024).

Payment Apps like UPI

Unified Payments Interface (UPI) is a real-time payment system developed by NPCI that facilitates inter-bank transactions. UPI has revolutionized digital payments in India by allowing users to transfer money instantly using a mobile device. Popular UPI apps include Google Pay, PhonePe, and Paytm (National Payments Corporation of India, 2024). UPI transactions have grown exponentially, with over 15 billion transactions recorded in July 2024 (National Payments Corporation of India, 2024).

Launch of Mobile Banking and Payment Apps

When banks launch mobile banking or payment apps, the typical scenario involves extensive planning and testing to ensure security, user-friendliness, and seamless integration with existing banking systems. Banks often collaborate with technology partners to develop these apps. For instance, SBI collaborated with McKinsey and IBM to develop the YONO app (Business Today, 2021).

Historical Perspective: Mobile Banking and UPI Before YONO

Mobile banking and UPI payment apps were indeed launched in India before the introduction of SBI's YONO in November 2017 (The Finanser, 2020). ICICI Bank's iMobile app, one of the earliest mobile banking apps, was launched in 2008 (Indus Net, 2019). UPI was launched by NPCI in April 2016, with apps like BHIM (Bharat Interface for Money) being among the first to adopt this technology (National Payments Corporation of India, 2024). These early initiatives laid the groundwork for the widespread adoption of digital banking services in India.

Digital banking in India has transformed the financial landscape, making banking services more accessible, efficient, and secure. The evolution from internet banking to mobile banking apps and UPI payment systems reflects the sector's adaptability and commitment to innovation. As digital banking continues to evolve, it promises to further enhance financial inclusion and customer convenience.

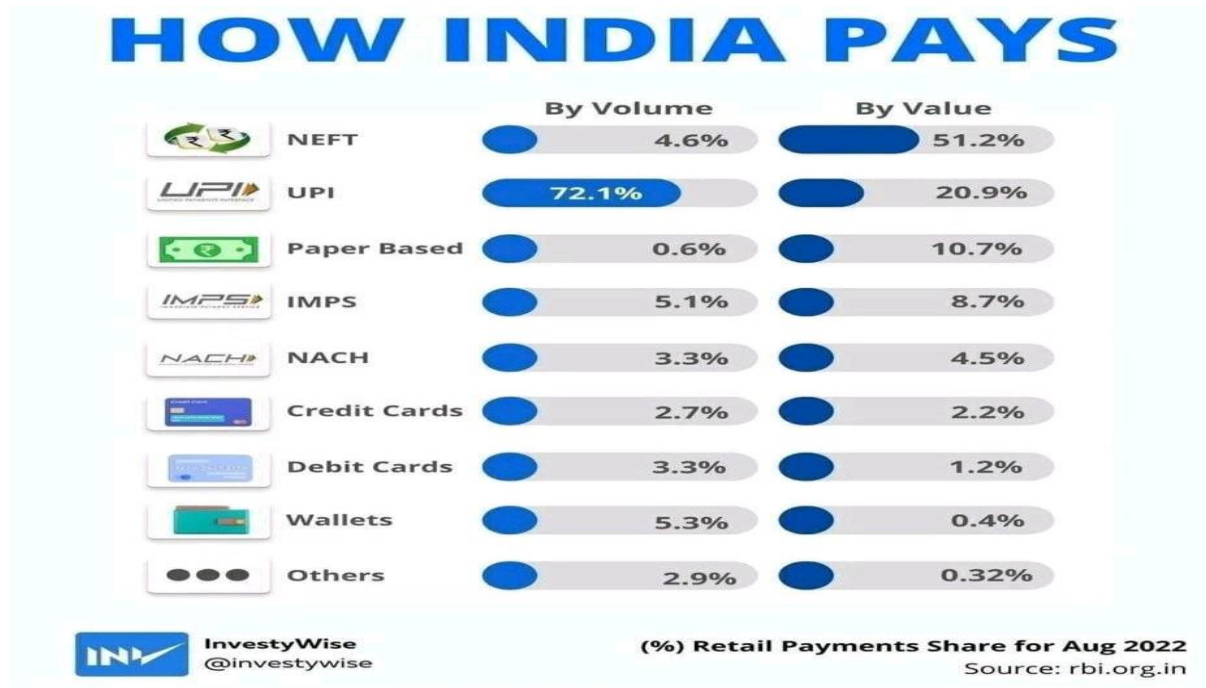
FINTECHS

The Emergence of FinTech in India

India's propensity to use technology for financial services has grown as it became a significant economic force in the world. Over the past four to five years, financial technology, or "Fintech," has grown rapidly, according to an analysis. It should be highlighted that this phrase has gained popularity, as seen by the large increase in 'Fintech' search trends on Google in 2015. This can alternatively be defined as the junction of technology and finance; although technology has always been essential to finance, its

use in finance has only recently drawn more attention. India's payment infrastructure has expanded dramatically over the past ten years as a result of the introduction of new payment methods and interfaces like Immediate Payments Service (IMPS), Unified Payments Interface (UPI), Bharat Interface for Money (BHIM), etc. (Refer Figure 1 for Modes of payment landscape).

Figure 1: Modes of payment landscape



Source: rbi.org.in

Fintech, or financial technology, is a broad field encompassing various types of financial services and innovations driven by technology. Here are the main types of fintechs and examples of companies in each category:

Fintech Categories and Examples

- **Payments and Digital Wallets:** Focus on enabling online and offline payments, often replacing traditional cash transactions with digital solutions.
 - Examples: PayPal (Global), Venmo (USA), PhonePe, Google Pay, Paytm (India), Alipay, WeChat Pay (China).
- **Lending and Credit:** Offer digital platforms for personal, business, and peer-to-peer loans, leveraging data to streamline credit approvals.
 - Examples: LendingClub, SoFi (USA), Zopa (UK), Faircent, Cred, MoneyTap (India), Ant Financial (China).
- **Insurtech:** Focus on modernizing and digitizing the insurance industry through streamlined services and customized policies.
 - Examples: Lemonade, Hippo (USA), Policybazaar, Acko (India), Bima (Africa, Asia)
- **Wealth Management and Robo-Advisors:** Use technology to provide automated, algorithm-driven financial planning or investment management services.
 - Examples: Betterment, Wealthfront (USA), Groww, Zerodha (India), StashAway (Singapore).
- **Cryptocurrency and Blockchain:** Focus on blockchain-based solutions, cryptocurrency trading, and digital assets.

- Examples: Coinbase, Binance (Global), WazirX, ZebPay (India), Ripple (Blockchain-based payments).
- **Personal Finance and Budgeting:** Provide tools for individuals to manage budgets, track expenses, and achieve savings goals.
 - Examples: Mint, YNAB (You Need A Budget) (USA), ClearTax (India), Goodbudget (Global).
- **Regtech (Regulatory Technology):** Help financial institutions comply with regulations through automation and advanced technology.
 - Examples: ComplyAdvantage, Trulioo (USA), Signzy, Perfios (India).
- **Neobanks:** Fully digital banks that operate without physical branches, providing online banking services.
 - Examples: Chime, Varo (USA), Nubank (Brazil), RazorpayX, Jupiter (India), Revolut, N26 (Europe).
- **Investment Platforms:** Enable easy access to trading and investment opportunities, including stocks, mutual funds, and ETFs.
 - Examples: Robinhood, E*TRADE (USA), Upstox, 5paisa (India), eToro (Global).
- **Open Banking and API Platforms:** Facilitate secure sharing of customer financial data between institutions to enable personalized services.
 - Examples: Plaid (USA), FinBox, Setu (India).
- **Buy Now, Pay Later (BNPL):** Allow customers to make purchases and pay in installments, often without interest for short-term plans.
 - Examples: Afterpay, Klarna (Global), Simpl, LazyPay (India).
- **Remittances and Cross-Border Payments:** Facilitate international money transfers with reduced fees and faster transactions.
 - Examples: TransferWise (Wise), Western Union (Global), Remitly (USA), Instarem (India).
- **Crowdfunding Platforms:** Help individuals or startups raise funds from a large pool of backers, often for specific projects.
 - Examples: Kickstarter, GoFundMe (Global), Ketto, Milaap (India).

These categories overlap in some cases, as many fintechs diversify into multiple services.

In India, there were 834 million internet users. As a result, there have been 160 times more digital payments in India since 2003. Similar to this, over 3.2 billion transactions were registered by BHIM UPI in July 2021, indicating a dramatic increase in the use of digital payments in India (Business Standard, 2022). (Refer Figure 6 for landscape of Indian third-party mobile payment landscape). Since digital transactions are predicted to generate 26 lakh new employment and Rs 2.8 lakh crores in additional economic value by 2025 (NEXTIAS, 2022), they have also contributed to socioeconomic development in India. India has seen the highest Fintech adaption rate globally (Refer Figure 2 for Number of users for payments apps).

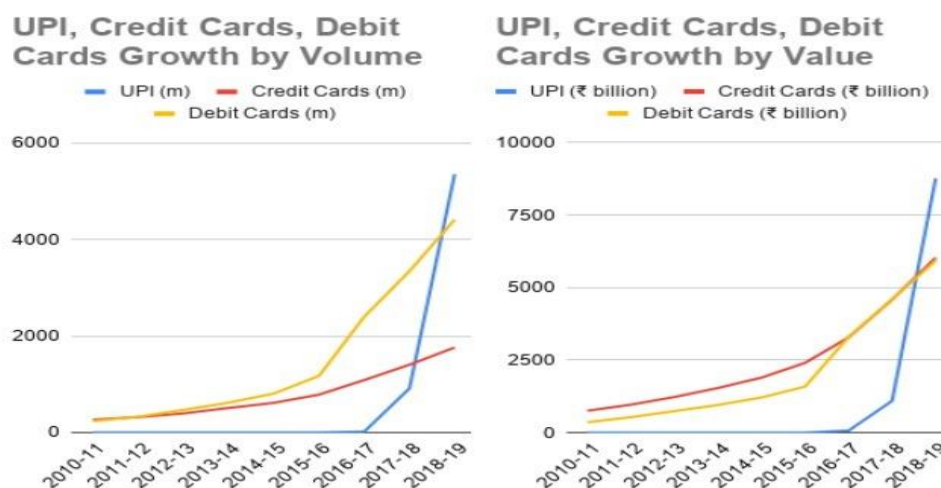
Figure 2: India's Third Party Mobile Payment Landscape

Company	Market Share
Phonepe	43%
Google pay	43%
Paytm payments bank	8%
Amazon pay	1%
CRED	1%
BHIM	2%
Ohers	2%

Source: <https://www.statista.com/statistics/1299298/india-upi-app-market-share-by-leading-app/>

By 2010, there has been a 2x rise in digital transactions. Due to low levels of education and smartphone adoption, this was, however, restricted to the premium retail and B2B segments. The adoption of 3G and 4G technology has strengthened the digital ecosystem even further. By 2013, there were 3.3 crore transactions using digital wallets, and by 2016, there were 10 times as many mobile transactions. (Refer Figure 3 for Growth of UPI, Credit and debit card by volume and value).

Figure 3: Growth of UPI, Credit and debit card by volume and value



Source: <https://officechai.com/startups/upi-officially-beaten-debit-cards-credit-cards-india/>

Government programmes like demonetization in 2016 gave the electronic payments system a boost. Person-to-merchant (P2M) transactions reached a record-high number during this time, and rural internet usage has grown dramatically. Digital payment systems have without a doubt been the leaders of the Indian FinTech business with the introduction of new payment methods like Paytm, PhonePe, MobileKwik, etc.

Mobile wallets in India are offered by Paytm, Google Pay, PayPal, Amazon Pay, etc. These smartphone apps are frequently used to pay for things like ordering food, making purchases, paying phone bills, reserving movie or travel tickets, etc. Even more, a number of companies have created their own mobile app wallets, like Amazon Pay, Starbucks, Walmart, etc. By providing numerous reward points, cash backs, and enormous discounts, they entice people.

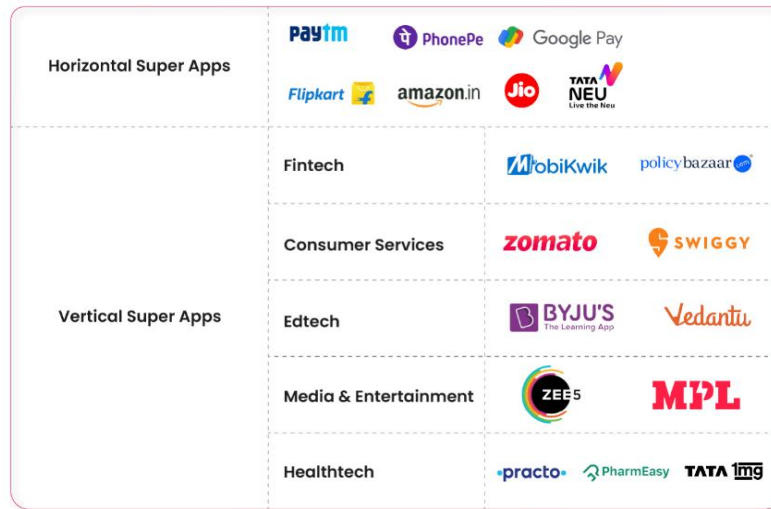
Fintech companies reshaped the market by focusing on emerging technology to offer their users a completely unique experience. The tech industry became competitive, therefore in order to stand out from the crowd, financial services providers (FSP) must both adapt to the industry's constant change and provide a distinctive experience. If a FSP is considering how to provide a better experience, fintech companies have some fantastic ideas that they can incorporate on their mobile app to change how end customers interact with banking and finance.

SUPERAPPS

A super app is a platform created by a business that offers numerous services under one roof. Super apps can be compared to malls in the real world, which provide retail space for a variety of brands and enterprises from different industries. Vertical super apps offer two or more services from a single industry, whereas horizontal super apps give services from two or more sectors through a single app (Refer Figure 4 for landscape of Indian super apps).

Super-apps used financial information about clients from many sources to provide users with services that are suited to their need. For instance, Kakao, a popular super-app in South Korea, offers an e-wallet and a digital bank in addition to other services like ride-hailing, music streaming, and video games. Super-apps use open banking's ability to deliver highly customised experiences as well as to group users' financial activities into a single platform. Users will have less need to utilise their bank's app if they can make payments, track transactions, and check balances via a super-e-wallet

Banks that choose not to engage in the major reorganization of the Western financial services industry run the danger of losing customers. As app fatigue sets in, users are prepared for multipurpose tools that make money management tasks easier. A third of US consumers feel overwhelmed by the sheer quantity of devices and services they have to keep track of, according to Deloitte. Super applications are also seen by many as a cure: PYMNTS estimates that 173 million US people, or 67% of the nation's total population, are interested in utilizing super applications (PYMNTS, 2022).

Figure 4: Landscape of super apps in India

Source: <https://inc42.com/features/huge-market-but-a-lot-of-hurdles-how-can-indian-super-apps-succeed/>.

The market is expanding similarly in Russia. Super-apps earned \$51 billion in sales in 2020, and by 2025, it is anticipated that this industry will have grown by almost 163 percent, reaching \$134 billion (Statista, 2024). WeChat, which has over 951 million monthly active users in China, is the most widely used mobile app, followed by Alipay, which has about 599.95 million monthly active users (Bolle, M.d., 2022).

Furthermore, KPMG research indicates that individuals are beginning to revert to rebundling services in their daily lives. “Instead of having multiple apps for ordering food, ridesharing and payment options, they want just one. Consumers may not be specifically demanding super-apps, but they certainly want the convenience and simplicity that super-apps can offer.”

STATE BANK OF INDIA

The State Bank of India (SBI) is the largest public sector bank in India and a key player in the country's banking system. With a rich history dating back over two centuries, SBI has evolved into a modern financial institution offering a wide range of services. This section explores the history, structure, operations, and impact of SBI on the Indian banking system, supported by data from the Reserve Bank of India (RBI) and SBI's annual reports.

Historical Background

SBI traces its origins to the establishment of the Bank of Calcutta in 1806, which later became the Imperial Bank of India in 1921. In 1955, the Imperial Bank was nationalized and renamed the State Bank of India (State Bank of India, 2024). This transformation marked the beginning of SBI's journey as a public sector bank, aimed at serving the financial needs of the Indian population.

Organizational Structure

SBI operates through a vast network of branches and subsidiaries. As of 2024, SBI has over 22,500 branches and 63,580 ATMs across India, serving more than 500 million customers (State Bank of India, 2024). The bank's operations are divided into various segments, including retail banking, corporate banking, treasury operations, and international banking (State Bank of India, 2024).

Key Financial Metrics

State Bank of India (SBI) reported total assets of ₹61,79,694 million and a net profit of ₹61,077 million in FY 2024, reaffirming its strong market position. Net Interest Income (₹1,59,876 million) contributed to a 2.59% NII-to-assets ratio, while non-interest income (₹51,682 million) accounted for 0.84% of assets. SBI delivered a 1.04% Return on Assets (ROA) and 20.32% Return on Equity (ROE), reflecting strong profitability. Return on Advances stood at 1.65%. Table 1 compares SBI with competing banks.

Table 1: Select statistics for SBI and its competitors

Bank Name	Total Assets (₹ million)	Net Profit (₹ million)	Net Interest Income (₹ million)	Non-Interest Income (₹ million)	Ratio of Net Interest Income to Total Assets (%)	Ratio of Non-Interest Income to Total Assets (%)	Return on Assets (ROA) (%)	Return on Equity (ROE) (%)	Return on Advances (%)
State Bank of India	61,79,694	61,077	1,59,876	51,682.16	2.59%	0.84%	1.04%	20.32%	1.65%
HDFC Bank	36,17,623	60,812.30	1,08,532	49,241	3.00%	1.36%	1.68%	16.10%	2.45%
ICICI Bank	1,87,15,146	4,08,883	7,43,057	2,29,578	3.97%	1.23%	2.18%	17.26%	3.45%
Bank of Baroda	2,23,536.70	17,788.78	44,721.53	14,495.37	20.02%	6.49%	1.17%	18.95%	Not Available

Source: Respective Company's Annual report (FY 2024)

STATE BANK OF INDIA'S YONO

Mumbai, Maharashtra-based SBI is a global public sector bank and statutory authority for financial services. SBI, ranked 221st and the 43rd largest bank globally, is the only Indian bank listed in the 2020 Fortune Global 500 ranking of the world's largest firms. It is a public sector bank and the largest bank in India, with a 25% market share in loans and deposits and a 23% market share in assets. It is the fifth-largest employer in India with about 250,000 employees. During the fiscal year 2020–21, each employee contributed a net profit of \$10,000 (SBI, 2023) (Refer Table 1 for the net profit and other financial data of SBI and its competitors).

With the help of its many subsidiaries, such as SBI General Insurance, SBI Life Insurance, SBI Mutual Fund, SBI Card, etc., the Bank successfully diversified its commercial operations. With 229 offices spread over 31 different foreign nations and a broad worldwide presence, it is able to function across time zones. In March 2001, SBI and BNP Paribas jointly established SBI Life Insurance Company Ltd., with SBI providing 74% of the total capital and BNP Paribas providing the remaining 26%. With a quarter of the market and over 45 crore customers served by its vast network of over 22,000 branches, 62617 ATMs/Automated Deposit cum Withdrawal Machine (ADWMs), and 71,968 Business Correspondent (BC) outlets, SBI is the largest bank in India. The bank's core values of service, transparency, ethics, civility, and sustainability serve as the foundation for its unwavering focus on innovation and customer centricity (SBI, 2023).

SBI offers consumers the integrated digital banking platform YONO (You Only Need One) to give them access to a range of financial and other services. Both Android and iOS users can download the YONO app. YONO went live on November 24, 2017. The bank envisioned something more than a

digital convenience. The bank took into consideration the following four main pillars: an online marketplace including lifestyle products from partners, a digital bank with exceptional convenience, a financial superstore providing investments and other financial services, and overall digital transformation with analytics.

The Bank's ongoing effort to offer cutting-edge digital banking products to all its customers nationwide included a Digital-First approach. SBI made investments to create the bank of the future. SBI YONO was expected to play a critical part in pioneering India's transformation through the digitalization of the banking system as the country's digital payments landscape rapidly changes. With YONO, SBI was keen to reach out to the millennials in India. With a demographic dividend of 60 % of the population which was less than 35 years and the segment which prefers to go online for various needs, the question was whether YONO could make a difference.

“In India, 60% of the population is less than 35 years old,” says Amit Saxena, Global Deputy Chief Technology Officer at SBI (IBM, n.d). By merging services, goods, and features into a single mobile app with a platform that could integrate data across third-party products and improve the client experience, YONO would become a competitive edge. However, the bank was required to put significant efforts to coordinate multiple systems in order to provide a smooth user experience.

To ensure the success, the bank envisioned following pillars: a digital bank for convenience, a financial superstore that offered investments and other financial services, an online marketplace featuring lifestyle products from partners, and an overall digital transformation with analytics that connected all of these options. “SBI YONO is the dominant neo banking club with 54 million monthly active users. According to SBI's assessment, YONO is valued at around \$40 billion but analysts say that it would have surpassed or hit \$50 billion in 2021” (IBM, n.d). In order to improve user experience and customer satisfaction, SBI redesigned its banking application (app), YONO, and presented it as a full-service digital bank (DB) under the new name "Only YONO".

With unique prices, YONO offered services from more than 100 e-commerce businesses, including online shopping, travel planning, taxi and train reservations, cinema tickets, online education, and offline retail. YONO provides standard mobile banking services like loans, financial transfers, cashless bill payment, and bank account opening. The smartphone app can be used to make ATM withdrawals without using any ATM card (Refer Table 2 for Evolution timeline of YONO app since 2017).

Table 2: Evolution timeline of YONO app since 2017

2017	2018	2019	2020	2021
<ul style="list-style-type: none"> Launch of YONO 	<ul style="list-style-type: none"> Introduction of YONO lite (earlier “SBI Anywhere Personal”) 	<ul style="list-style-type: none"> YONO cash 	<ul style="list-style-type: none"> Introduction of MPIN YONO Krishi 	<ul style="list-style-type: none"> Login through mobile number

Source: Company document

According to Rajinish Kumar, chairman of the bank, at the time of the launch, “Customers could open an SBI account in five minutes. It enabled customers to transfer money with only four clicks, apply for loans, get overdraft facility against fixed deposits, and use chatbots for support”. The State Bank of India (SBI), the largest bank in the nation, came up with the super app YONO (You Only Need One) after first considering building a "Online Marketplace" to appeal to millennials. The project was known as "Project Lotus." The bank selected IBM as its technology partner and McKinsey & Co. as its consultant. The SBI team, the consultants, and the project's IT developers were all located in the same office, while the bank hired a separate building for the YONO team. There were some challenges in the way of the team's ambitious goal of launching the services by September 2016. Finally, November 2017 was chosen as the debut date. The entire project took approximately two years for completion.

- SBI launched YONO (You Only Need One), a digital bank specifically to cater to the financial needs of all retail customers and particularly the millennials.
- YONO simplify banking solutions and makes the banking experience quick and frictionless.
- YONO allows access to around 100 plus e Commerce sites.
- It has AI-enabled Chatbot to support customers queries 24/7.

Business model

- Digital Banking:** SBI YONO is an all-inclusive mobile app to perform a lot of its banking functions, which includes YONO pay, E-deposits, card services and loans. And this allows users to bank to bank transfer, BHIM UPI, create deposits and keep track of loans and other services.
- Financial Super Store Services:** Their non – banking financial services includes creating portfolios, mutual fund investments, SBICAP securities investment and insurance services, bill payments and booking IRCTC tickets.
- Online Marketplace:** Customers would be able to fulfil their lifestyle requirements across 14 categories using the site. For consumers, the bank offers personalised offers and savings thanks to partnerships with more than 60 online retailers. Flipkart, Mamaearth, Samsung are just a few of its important e-commerce partners (Which changes from time to time) (see Table 3 to get a glimpse of YONO's products and services).

Table 3: YONO's products and functionality

<i>Name</i>	<i>Functionality</i>
Accounts	To monitor existing accounts
YONO Pay	Transfer to own/other accounts, UPI Payments through phone number or QR code, Bill payments, Tax assistance
YONO Cash	Withdraw cash without a physical debit card, Cardless shopping
Deposits	Plan and monitor deposits. To open new deposits.
Investments	Options to invest in mutual funds, options to open Demat and Trading accounts, options to learn about investing.
Loans	To apply for new loans and monitor existing loans.
Insurance	All types of insurances.
Cards	To monitor and apply for new credit cards.
Online shopping	To know about latest offers by SBI across 80+ e-commerce websites
Service Request	Online version of all bank services
YONO Krishi	Khata – Agri loans application platform, Bachat – credit card investments and insurance solutions, Mitra – Agro advisory hub, Mandi – Market place for all farm needs

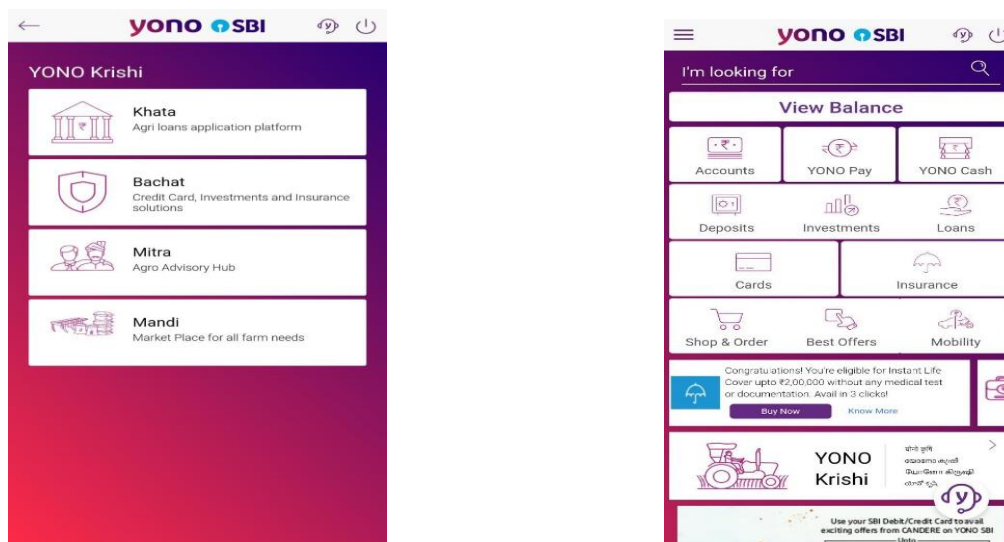
Source: Author Analysis

Customer Onboarding: The YONO platform saw 96% of eligible savings accounts established, showing significant momentum in new customer onboarding (Business Standard, n.d.). On September 27, 2021, the YONO mobile app was made available for opening NPS accounts. Since it is a thorough end-to-end process, the consumer is not required to transmit the physical form to CRA (Central Recordkeeping

Agency). PRAN generation happens right away. This year witnessed the opening of 49,051 new accounts, or 29.60% of the total number of Whole Bank accounts opened (SBI, 2022).

YONO Krishi: By providing our farmer customers with access to continuing digital advances relevant to their agricultural needs, a Bank initiative called YONO Krishi seeks to prepare them for the future. It is a comprehensive multilingual platform for clients in the agriculture business that was introduced in 2019. By the end of FY2022, more than 24 lakh YONO Agri Gold Loans worth \$37,500 crore had been authorised (Business Standard, 2022). In August 2020, YONO Krishi, a streamlined KCC Review via the YONO procedure, was made available. It enabled consumers to have their KCC accounts reviewed online in a paperless, presence-free way without having to physically visit a branch. (Refer Figure 5 for Yono krishi page and snapshot of YONO app)

Figure 5: Yono krishi page and snapshot of YONO app



Source: Sbi Yono app screen shot

YONO Global Outreach: In September 2019, SBI launched YONO Global services in nine countries, beginning with operations in the UK. With the goal of offering its clients digitalized remittance and other services, it is currently planning to extend YONO Global to Singapore and the United States. SBI is merging PayNow and YONO Global in Singapore and intends to introduce this improved service soon (Republic World, 2023).

Developing YONO at SBI

State Bank of India partnered with IBM to benefit from the global expertise of IBM. The intention was to use the latest and best available from the boutique of IBM. In addition to IBM, there was involvement of stakeholders such as IBM partners, client partners, agencies, and consultants. To kick start the process, the stakeholders were involved in a agile user focused IBM Garage methodology which included a design thinking workshop with the involvement of topics such as strategy design thinking, agile development, and execution. Thereafter, the team focused on solution with the consideration of user interface and user experience. The IBM journey covered key banking task such as transferring funds, paying bills or taxes, and analyzing customer spends. Various use cases of cardless ATM withdrawal were discussed and solutions were obtained. Customer journey for various loan task such as home loan, car loan, agriculture loan were discussed. It was also decided to consider various situations such as marketplace association, purchasing insurance, mutual fund and securities. The bank deliberated

on security measures with an objective to build trust. State Bank of India worked with IBM to come out with intelligent workflows, and building a robust system of security and stability. Various application of newer technologies such as artificial intelligence (AI), blockchain automation, 5G, advanced analytics, and cloud were considered. As a result, the State Bank of India could launch a digital mobile marketplace in three months. With considerable iterations and user focus design and customer experience, this resulted in designing an exceptional customer experience (IBM, n.d.).

Launch of YONO

The launch of YONO met with a pleasant experience for customers. This helped the State Bank of India to expand e-commerce partners. More than 100 partners across 21 categories are involved in developing apps, services, and discounts that keep customers engaged. Also, e-commerce partners have contributed to the continuous development of the YONO ecosystem of user-friendly goods and services. The development of significant apps, services, and YONO user discounts by more than 100 partners in 21 categories is what drives the success of the mobile platform. “To retain a customer, you have to keep them excited, keep them engaged and keep offering something new. So, that’s why YONO has been such a great product,” Saxena says.

SBI's reliance on its partnership with IBM stems in part from the potential of new financial alternatives. “Every month, IBM helps us build new journeys for our customers, which helps keep them engaged,” Saxena says.

“We have a lot of partners,” Saxena continues. “They have been a great support during this—but IBM is different from any of them. IBM has extended all the support that we have asked from them.” In order to transform its business procedures and processes into digital YONO experiences, SBI collaborated with IBM to reinvent them. Because new IBM Garage journeys build upon pre-existing knowledge, they are easier to navigate. The bank removed traditional paperwork and unnecessary steps as more processes migrated online.

The launch of YONO resulted in following benefits

- i) More than nine million YONO logins
- ii) Consideration of 100 + digital customer journeys
- iii) More than 10 million cardless ATM withdrawals.
- iv) About 6,50,000 mutual fund transactions sold through YONO
- v) More than 4,00,000 life insurance policies sold through YONO
- vi) About 64 million YONO mobile app downloads.

Collaboration, Coordination Complexities And Fintech Partnerships

To enhance commercial growth, SBI will work to expedite its digital agenda and form collaborations with fintech firms and NBFCs. Overall, FY22 was a significantly better year than the previous year, as the rate of economic activity increased. Given that the economy has become more open, there is less of a need for new stimulus measures, the current pace seems to be sustainable. Therefore, it is critical that the bank keep adjusting to the shifting operating environment. Therefore, now is the ideal time to begin the Bank's long-overdue reform while also monitoring emerging banking trends, particularly in India. As a result, the Bank will continue to advance both its front and back offices' digital strategy. SBI YONO's scope and reach will be increased, and its user interface will be improved. The bank will use sophisticated analytics in business operations to acquire deeper insights into internal data and how to

use it effectively. To increase the bank's presence and reach, mutually beneficial ties with fintech companies and NBFCs will also be further investigated.

Some Partnership models:

1. SBI partnered with Uber to provide instant vehicle finance to drivers.
2. Ezetap and SBI partnered for merchant acquisition through mobile POS.
3. SBI and Snapdeal partnered to create a digital real-time analytics tool to assign credit scores to sellers on the platform.

Competition Challenges

Some of the competitors in India's superapp market comprising both bank and non bank led apps are as follows:

Kotak Kaymall – Kaymall is an all-in-one online shopping and travel destination. KayMall offers transactions that are simple, secure, and quick. You can use KayMall to:

- Purchase airline, bus, and hotel reservations using Goibibo;
- Purchase rail tickets through an IRCTC Authorised Partner;
- Conduct online shopping through Flipkart;
- Utilise Indiamags to subscribe to magazines
- Shop for everything from clothing to gadgets to mobile accessories to home goods to cosmetics and much more.

It has collaboration with many third party applications such as IRCTC, Goibibo, Flipkart, Amazon, Nykaa man, Bigbasket, Tata1mg

Amazon Pay- Owned by Amazon, Amazon Pay is an online payment processing business. In India, it debuted in February 2019. For the UPI IDs, it collaborates with Axis Bank. Customers can quickly, simply, and securely make payments from their bank accounts by connecting their bank accounts to their Amazon mobile apps. Customers can use UPI to pay for goods and services on the Amazon website or other retailer websites. Following PhonePe, Google Pay, and Paytm as the top UPI facilitators in the nation, Amazon Pay UPI comes in at number four. Amazon Pay handled 68.8 million transactions totaling Rs. 6,286 crore in October 2021. In 2021, it was revealed that Amazon Pay had gained 5 crore new users in India (Manikandan, 2021).

BOB World - In September 2021, Bank of Baroda debuted BOB World, a one-stop digital banking platform. The programme will offer "seamless, contactless, and simple" banking services all under one roof. With more than 220 services, the app, which is accessible through the Google Play Store and the App Store, will cover 95% of all retail banking services available to customers both domestically and abroad.

Bob World App Features:

What's new: BOB World Benefits, bus booking, compare & shop, credit score, debit card controls, flight booking, hotel booking, UPI and invite and earn.

Financial Services: Transferring money within the bank, sending money to other banks (through IMPS, NEFT, RTGS, and UPI), paying bills, purchasing a FASTag, getting a personal loan that has been pre-approved, etc.

Non-financial services: Mini-statement, account balance, 360-degree account view, services relating to chequebooks, changing of mPin, setting of transaction restrictions, change of app password, etc.

Other services: Updates to Aadhaar, transaction histories, ATM and branch locations, account statements, TDS certificates, debit card PIN settings, interest certificates, purchasing of gift cards and reloadable cards, etc.

Services involving re-direction to host website: Locker, Demat, Insurance, Life certificate, NPS account opening, loans and BOB credit card.

Payments: NPS contribution and pay direct taxes.

ICICI Bank iMobile - In December 2020, ICICI Bank introduced "iMobile Pay," a payment and banking app that may be utilised by clients of any bank. Over 2.5 million customers of various banks have used the app as of five months after debut. Customers of any bank can use the 'iMobile Pay' app to link their bank account, create a UPI ID, and begin making payments to any UPI ID or merchant. They can also pay bills, make online recharges, and transfer funds to any other bank account, payment app, or digital wallet. They can also apply for a credit card, a house loan, or other ICICI Bank banking services like opening a savings account (ICICI, n.d.).

HDFC Payzapp - The e-wallet Payzapp was introduced by HDFC Bank in 2015. The app is powered by Mastercard and Visa. To access the limitless benefits of the e-wallet, users can link their debit or credit cards from HDFC Bank, as well as those from other banks, to their PayZapp application. PayZapp offers a range of capabilities, such as the ability to transfer funds to another PayZapp wallet or bank account, make reservations for meals or vacation, receive cashbacks, discounts, and incentives, and quickly recharge mobile and DTH plans, among many other things.

Google Pay - 2015 saw the debut of Google Pay under the name "Android Pay." It was changed to Google Pay in 2018. In order to promote in-app purchases and tap-to-pay transactions on mobile devices, it is billed as a mobile payment platform and electronic wallet developed by Google. Users can make payments using Android phones, tablets, or watches. With transactions totaling INR 2.74 Lakh Cr, the payment juggernaut held just about 37.5% of the market. Currently, Google Pay has more than 10 million businesses spread across 19,000 pin codes, enabling 15 billion transactions yearly for more than 220 million consumers (Streamlyn Academy, 2023).

Phonepe - In December 2015, Sameer Nigam, Rahul Chari, and Burzin Engineer founded PhonePe. The PhonePe app, which is based on the UPI, launched in August 2016. Flipkart, a Walmart subsidiary, is the owner of it. PhonePe allows users to send and receive money, recharge mobile phones, DTH, data cards, pay utilities, pay for goods at stores, invest in liquid assets, buy insurance, mutual funds, gold, and silver, and pay for mutual and mutual funds. PhonePe users can utilise the Switch platform to pay for Redbus tickets, purchase Ola rides, and reserve hotels and flights on Goibibo. In 15,700 cities and villages, approximately 2.5 million offline and online merchant locations accept PhonePe as a form of payment. In June 2018, the app attracted 10 million users, and in December 2019, it processed 500 million transactions. Currently, it has about 35 million registered members and more than 15 million active users each month (Wikipedia, n.d.).

Paytm - Digital payments are Paytm's main line of business. Customers and businesses can use Paytm as a payment gateway to make secure payments using credit cards, bank accounts, and other e-wallets. Additional payment options offered by Paytm include cellphone recharges, bill payments, movie tickets, taxi, train, and aircraft tickets, loan payments, insurance, foreign exchange, and more. Customers can seamlessly make purchases on various retail and online ecommerce sites by immediately

linking their bank accounts and credit cards to their Paytm accounts. With more than 150 million active users per month and a 15% month-over-month growth rate, Paytm continues to dominate the market for offline merchant payments (THE HINDU businessline, 2021) (Refer Figure 7 for Number of users for payments apps).

Each of YONO's rivals have a unique set of advantages. In the superapp market, BOB World and YONO were in direct competition in every industry subvertical from payment to lending to crowdfunding. On the other hand, ICICI Bank iMobile, a long-standing participant in the BFSI sector in India, excelled in the areas of banking, insurance, wealth management, and distribution. Paytm was establishing itself as a serious contender in the fintech market and had remained active in the payment, lending, insurance, wealth management, and crowdfunding subsectors.

FUTURE OF YONO: 'ONLY YONO - THE NEW DIGITAL BANK (YONO 2.0)'

YONO 2.0 played a pivotal moment for the bank as it undertakes a complete overhaul of its traditional internet banking application. The aging infrastructure, once maintained separately, is set to undergo a transformation, embracing the contemporary aesthetics of YONO themes and reimagined user journey flows. This revamp aims to breathe new life into the digital banking experience, aligning it with the modern standards and expectations of the users. YONO 2.0 introduced a seamless omni-channel platform, positioning the mobile application as the successor to the existing YONO, and the web version as a replacement for the conventional INB (internet banking). This strategic move enhances accessibility and user experience, fostering a unified digital banking environment across different channels. Building on the success of YONO 1.0, the YONO Branch portal is slated to be migrated to the YONO 2.0 infrastructure. This migration underscored the commitment to a cohesive digital ecosystem, promoting consistency and efficiency in branch operations.

With a focus on cutting-edge technology, cloud infrastructure, and superior customer experience, the 'Only YONO' technical capability is set to redefine digital banking. Built on a foundation of availability, scalability, reliability, and robustness, it aims to handle high volumes while meeting benchmarked Key Performance Indicators (KPIs) for transactions per second, concurrent logins, transaction success rates, and other critical metrics. The incorporation of analytics further enhances its capabilities, positioning 'Only YONO' as a state-of-the-art digital banking solution.

The design philosophy of 'Only YONO' is geared towards agility, allowing the bank to roll out multiple journeys swiftly. This approach ensures a continuous cycle of improvements, meeting evolving business expectations and maintaining a competitive edge in the retail segment. By harnessing the power of technology, YONO 2.0 is poised to be a dynamic force in the digital banking landscape, setting new standards for innovation and customer-centric solutions.

CURRENT CHALLENGES AND PROBLEMS FACING SBI

A pertinent dilemma before SBI would be whether it wants to carve out a separate subsidiary out of YONO looking at the merits or demerits of undergoing this massive transformation in the structure of YONO. Also another question that will be grappling in the minds of the decision makers in SBI is how to sustain a stable growth of YONO given tremendous competition it faces from other banks who have also developed superapps and also from non bank sponsored super apps? Can SBI carry forward the early mover advantage it had when it was the first bank in India to launch a superapp?

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TEACHING NOTE

YONO: SBI launches an Integrated Digital Banking Superapp

Synopsis

Digital banking in India is undergoing significant transformation with the adoption of newer technology, and the formation of the National Payments Corporation of India to give push to electronic transactions. State Bank of India, one of the oldest and largest banks in India, was keen to respond to the evolving banking environment. SBI unveiled a YONO, a leading mobile banking and lifestyle app, that serves as a one-stop shop for banking and lifestyle-related needs in addition to a financial superstore. YONO app is offered by the leading bank from India, State Bank of India. YONO app is a significant digital transformation initiative with the consideration of four pillars: a digital bank for convenience, a financial superstore offering investments and other financial services, an online marketplace with lifestyle products from partners, and an overall digital transformation with analytics that connected these options end to end. The case describes the regulatory environment in India, the evolution of super apps with a global perspective, developing YONO at SBI, the launch of YONO, and specific challenges. A pertinent dilemma before SBI would be whether it wants to carve out a separate subsidiary out of YONO looking at the merits or demerits of undergoing this massive transformation in the structure of YONO. Also another question that will be grappling in the minds of the decision makers in SBI is how to sustain a stable growth of YONO given tremendous competition it faces from other banks who have also developed superapps and also from non

bank sponsored super apps? Can SBI carry forward the early mover advantage it had when it was the first bank in India to launch a superapp?

Teaching Objectives

1. To examine factors contributed to the diversification of Yono into many product lines
2. To examine challenges and opportunities of YONO's domestic strategies.
3. To suggest factors contributed to the success of YONO?
4. To assess strategies to be adopted by SBI to achieve its goal of becoming 'Best Superapp in India' Perception by 2025'
5. To devise steps for popularizing YONO internally and among bank customers?

Target Group

This case is suitable for postgraduate courses in general management, banking, and technology for management students.

Theoretical Linkages

The case can be linked to development of new product, innovation diffusion model, factors contributing to new product success, and business model for new product in a technological environment.

Teaching Plan

<i>Discussion Plan</i>	<i>Duration</i>	<i>Description</i>
Participant's feedback on mobile apps, and evolution of digital banking environment	20 mins	Participants will share their experience with regard to usage of mobile apps, their advantages and limitation. Participants will share their understanding on role of fintech, role of regulatory environment, and the role of superapps.
Developing YONO	20 minutes	Participant will discuss about developing YONO at SBI, business model at YONO, comparison with competing apps, diffusion of mobile app- YONO adoption
Diversification of YONO	10 minutes	Is diversification of YONO the right strategy?
Factors contributing to the success of YONO	20 minutes	Discuss Innovation diffusion model and discuss the aspects of innovation diffusion model relative advantage, compatibility, simplicity, trialability, and any other factors,



Wrap up	10 Minutes	Consolidating the feelings of participants on the aspect of digital transformation for banks, fintechs, and other players.
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Assignment Questions:

- i) What factors contributed to the diversification of Yono into many product lines? What capabilities did YONO SBI leverage?
- ii) What are the challenges and opportunities of YONO's domestic strategies?
- iii) What factors contributed to the success of YONO?
- iv) Considering objectives of YONO set earlier and given the current competitive scenario (coming up of other banks and bigtech superapps), how should be the new objective setting?
- v) Considering the information given in exhibits and case, what are the strategies to be adopted by SBI to achieve its goal of becoming 'Best Superapp in India' Perception by 2025'?
- vi) How should the management prepare the organization to popularize YONO internally and among bank customers?

Case Analysis

Qi) What factors contributed to the diversification of Yono into many product lines? What capabilities did YONO SBI leverage?

YONO started as an app to target millennials. But in the coming years SBI decided to diversify the app enough to include different segments. It varied from youngsters to farmers. They introduced a special section for farmers named YONO Krishi. They offered shopping services by joining hands with almost 60 e-commerce companies. They included sections for investors. Investors had services like opening demat accounts, buying bonds, investing in mutual funds etc. YONO also provided a financial analyzer to help young investors. YONO is also trying to bring innovative changes like smart wearables for paying. To constantly be a market leader in this super app segment, timely changes and innovation is really important. It also need to respond to customer needs on regular basis. The main factors that helped SBI to make this diversification is the huge customer base and the subsidiaries of SBI. The vast and diverse customer base of SBI first let YONO pick up the number of users by millennial users and then concentrate on other segments. SBI capital and SBI mutual funds helped them to create the investment segment of app. It would have also helped to make the spending analyzer. SBI credit cards will be useful to give offers through various e-commerce platforms. SBI also used their alliance with companies like Titan to introduce innovative features as smart wearables.

Qii) What are the challenges and opportunities of YONO's domestic strategies?

YONO is an almost perfect app with some big niggles. One of the biggest challenges of YONO is to optimize their app. YONO customers complain about frequent technical glitches which make the app unusable. Even though they used the latest technology in IBM's arsenal. It could not keep up with customer demands. As this is an app which facilitates the use of money, for customers technical glitch means risky and a chance to lose money. This will make customers not to use the app because of the fear of losing money. The app also needs a little bit of polish because the graphics look unattractive and outdated. One other big niggle which will cause a loss of substantial amount of customer base is that YONO does not support regional languages. Except in YONO Krishi, only English is available for communication and navigation through the app. This will pose a problem for some of the customers as they won't be familiar with English. YONO have an opportunity to capture rural and elderly market as they are one of the most trusted banks in India. YONO can take leverage on that customer base. Giving the regional languages will definitely give a boost for userbase. The next opportunity is the reward system. As of now only offers are the offers through e-commerce websites and reward points. They have to make this reward system more attractive and progressive in order to retain and attract more customers.

Qiii) What factors contributed to the success of YONO?

Discuss the attributes of innovation such as relative advantage, compatibility, simplicity, trialability, and observability.

Relative advantage is the degree to which the new product is better than the available products. Factors driving relative advantage are economic benefits arising due to cost savings, generating more revenue, and more profits, performance advantage due to improved effectiveness and better quality, improved convenience due to better ease of use, and social factors to prestige and cultural relevance. Compatibility is about the products or system are aligned with the existing way of working, past experiences, and prevailing values. Simplicity is about how easy

is to understand and use. Trialability considers how innovation can be experimented with on a limited basis. Observability is the extent to which usage is visible to others. Simplicity is the extent to which an innovation can be considered relatively easy to understand and use.

Relative Advantage: As regards to relative advantage, following is the comparison with other competing apps (see **TN Exhibit 1**). We have analyzed it on parameters such as fund transfer via UPI, Instant account opening, special interface for senior citizens, personal loans, investment options, demat account, mobile wallet, spending analysis, insurance products, agriculture support, lifestyle products, travel tickets, debit and credit cards, food wallet, Fastag, and bill payments. Among total of 16 parameters, SBI has advantage in 14 parameters except special interface for senior citizens and food wallet. SBI need to consider special features for senior citizens since SBI is a legacy bank with rich heritage and it is likely that absolute numbers using SBI facility would be high. A special hand holding can be provided to senior citizens.

TN Exhibit 1 Comparison between banking super apps

<i>Sr No</i>	<i>Parametr</i>	<i>SBI Yono</i>	<i>Paytm payments bank</i>	<i>BOB World</i>	<i>HDFC Payzapp</i>	<i>Kotak Kaymall</i>
1	Fund transfer via UPI	✓	✓	✓	✓	✓
2	Instant account opening	✓	✓	✓	✓	✓
3	Special Interface for senior citizens			✓		
4	Personal loans	✓		✓		✓
5	Investment options	✓		✓		
6	Demat account opening	✓				
7	Mobile wallet		✓	✓	✓	
8	Spending analysis	✓				
9	Insurance products	✓				✓
10	Agriculture support	✓				
11	Lifestyle Products	✓		✓	✓	✓
12	Travel Tickets	✓		✓	✓	✓
13	Debit and credit cards	✓	✓		✓	✓
14	Food wallet		✓			
15	FASTag	✓	✓		✓	
16	Bill payments	✓	✓	✓	✓	✓

Source: Respective company website

Compatibility: It is likely that YONO super app can be compatible for digital natives who would like an integrated interface. In terms of spending pattern analysis, the app can undertake modification to suit specific segments such as armed forces, government employees, private sector employees etc.

Simplicity: The perception of super app should be such that it is easy to onboard for the app. Once the customers are onboarded successfully, bank need to monitor the transactions. It need to develop handy demo videos. Bank need to develop use cases of various scenarios and send a message how simple it is for them to use.

Trialability: The bank can offer trialbility features for various use cases.

Observability: The bank need to undertake various campaigns on media including social media describing the benefit of super apps and how it can help the customers to solve the problems and offer integration feature at higher scale.

Enabling conditions: At that time the smartphone market in India was growing at a rapid pace and mobile data and services were going through a paradigm shift. This made smartphones and mobile data really cheap and accessible. This caused higher penetration of smartphone usage to different customer segments. In the early stages, only youngsters were using smartphones. But then everyone including middle-aged and old people also started using it. It made YONO's penetration very easy. Popularization of smartphones helped a lot to increase the customer base of YONO. The UPI revolution also took place at the same time. The number of transactions increased due to the launch of UPI. The YONO also gained its own space in the middle of that along with the popularization of UPI. The huge customer base of SBI helped for the initial onboarding of customers. The demonetization in 2016 also made the transactions via the internet more popular which in turn helped YONO. The COVID pandemic paved a huge path to the success and wide acceptance of YONO. When no one was able to go physically to banks due to the lockdown and they had to make transactions, they were forced to find an alternative solution for it. So customers who were not willing to use the YONO app were forced to use it. Once get used to online transactions they will always go for it. So pandemic was also a factor that helped the growth and wide acceptance of YONO.

Qiv) Considering objectives of YONO set earlier and given the current competitive scenario (coming up of other banks and bigtech superapps), how should be the new objective setting?

YONO started as a project to attract milleniels to SBI. They provided offers and services which will attract and help the young customers of YONO. As the time passed the app grew quickly to serve different customer segments, thanks to the smartphone revolution in India. The YONO was the first super app of that kind any many followed that lead. Almost all the banks have a similar app now. HDFC'S payazapp and kotak's kaymall are examples. As the competitors are growing, there is a need for YONO to improve their strategies and to change their objectives. Compared to these apps YONO is far ahead in terms of features offered. But it have some issues to tackle such as major technical glitches which will help them to improve a lot. YONO have indirect competition from apps such as Paytm and Gpay. First YONO should concentrate on adding missing features such as regional language support. To stay ahead of the game they should make the app more userfriendly and they have to make the retention rates high. For that they have to introduce good reward systems as competitors are already providing good reward

systems. YONO's new objective is to grow as a digital bank for which the regulatory body i.e RBI have to remove the regulations for that.

Qv) Considering the information given in exhibits and case, what are the strategies to be adopted by SBI to achieve its goal of becoming 'Best Superapp in India' Perception by 2025'?

It is already a best superapp among the superapps in banking sector, but in order to compete with other non-banking supeapps some of the measures are to be taken. A huge customer base is one of the major factor for the success of a super app. And their timely launch at the time of demonetization where people started using payment applications rather than cash. SBI YONO leads neobanking club with 54 million monthly active users. SBI YONO can be used only by customers having physical account with SBI or by opening new account in online mode through YONO app. Other people who needs to use YONO just for availing other services like lifestyle is not possible unless they have an account in either of the above mentioned modes. A good marketing strategy should be built to increase the awareness among SBI customers and non- SBI customers. The app is not user friendly and causes lot of technical glitches frequently.

Qvi) How should the management prepare the organization to popularize YONO internally and among bank customers?

A centralised bill payment system for sbi employees can be launched as a feature in the app to promote sbi employees to use the application. Only 12% of the SBI customers who are holding physical account with SBI are currently using YONO. There is lack of awareness among the customers, so every branch can advise and facilitate customers to use YONO app when they come for transaction to the bank. They can initiate awareness camp on benefits and ease of using YONO. . A good marketing strategy should be built to increase the awareness among SBI customers and non- SBI customers. They can start providing cashbacks, coupons and vouchers to their customers to increase the usage. Specific advantage and offers for first time users will attract more customers to start using the application.