OCBC takes a FRANK approach with youths

RETAIL STORE CONCEPT TO BRING A NEW BANKING EXPERIENCE

By TAM YU LING

OUT with boring bank branches, in with trendy retail outlets. If Oversea-Chinese Banking Corporation (OCBC) has its way, the young will now shop for banking services through its FRANK programme just as they would for the latest fashion or gadgets.

"FRANK by OCBC" is a new banking programme that was officially launched by OCBC yesterday. It is aimed at the youths and young working adults and is believed to be a first-of-its-kind banking experience.

The brand name "FRANK" is inspired by the phrase "frankly speaking". It aims to convey honesty, sincerity and simplicity, said OCBC.

According to a research commissioned by OCBC of more than 1,000 youths and young working adults, a large majority of young customers feel neglected and disengaged by the product and services that the banking sector provides. FRANK thus seeks to fill in this gap in the market by engaging the youths in a banking experience that is both relevant and meaningful, the bank said.

One unique feature of the FRANK account is the creation of "savings jars". This feature, to be made available to FRANK customers in July, allows the users to better manage their finances and track their cash flows for various savings purposes with just one account. Such a feature encourages financial literacy in the young customer and eliminates the hassle of opening separate savings accounts for various savings and spending purposes.

Account-holders can stand to enjoy higher interest rates under the FRANK programme. While banks typically dish out an interest rate of 0.15 per cent per annum in their normal savings accounts, the FRANK customer will be able to enjoy a higher interest rate of 0.3 per cent per annum. An interest rate of up to 0.6 per cent per annum can be earned upon reaching the required minimum sum of deposits.

The FRANK account comes with the FRANK debit card. Consumers can choose from over 100 designs to customise their debit cards to suit their preferences. The FRANK credit card will be launched within the next few months and can also be personalised likewise.

OCBC has also partnered various retail and entertainment outlets to provide attractive discounts for the FRANK customer. Participating outlets include popular blogshop tracyeinstein.com.sg and Eng Wah Cinemas, among others.

Although the banking programme is targeted at the youth segment, there is no age requirement restricting applicants outside the targeted group from joining the programme.

With its current platform, OCBC has managed to capture 26 per cent of the youth population in Singapore. With the launch of FRANK, OCBC expects to reach out to more than half of Singapore's youth population in 18 months.

"We have captured a large portion of the kids segment in Singapore with our highly popular Mighty Savers programme," said Ching Wei Hong, head of global consumer financial services at OCBC. With the launch of FRANK, there is now "an equally compelling programme to cater specially to the youths and young working adults of today".