



FAME 5.0 – Open Innovation Challenge

*FAME – Solutioning for the future
#FirstAmongEquals*



Detailed Problem Statements

Problem Statement 1

About the department – Digital Platforms

The Digital Platforms at IDFC First Bank is a key function within the bank's Technology & Digital Transformation division. It is responsible for designing, developing, and managing the bank's digital ecosystem, with a primary focus on delivering seamless, secure, and user-friendly digital banking experiences.

The department plays a crucial role in the development and continuous enhancement of the IDFC First Bank Mobile App, ensuring it aligns with the bank's strategic goals of digital transformation, customer-centricity, and innovation. It works closely with various internal teams, including product management, customer experience, risk & compliance, and marketing, to ensure that the app meets the evolving needs of customers in a fast-paced digital world.

Key responsibilities of the department include:

- App Development & Maintenance: Ensuring the mobile app is functional, secure, and regularly updated with new features.
- User Experience (UX) Design: Creating an intuitive and engaging interface that enhances customer satisfaction.
- Digital Innovation: Exploring new technologies and features to keep the app ahead of the competition.
- Integration with Core Banking Systems: Ensuring seamless connectivity with the bank's backend systems for real-time data and service delivery.
- Customer Feedback & Analytics: Using data and user insights to continuously improve the app and enhance customer engagement.

The department is at the forefront of IDFC First Bank's digital transformation journey, and its work is critical in positioning the bank as a modern, customer-focused, and tech-driven financial institution.

Background / Backstory on the Problem Statement

Context:

In today's digital-first era, mobile banking has evolved from a convenience feature to a core pillar of customer experience and brand loyalty in the financial services industry. With the rapid adoption of smartphones, internet connectivity, and digital literacy, customers now expect instant access to their financial services, real-time updates, and personalized interactions—all through a single, intuitive mobile application.

Banks that fail to meet these expectations risk losing customers to more agile, tech-savvy competitors, including neobanks, fintech startups, and even traditional banks that have invested heavily in digital transformation. The mobile app is no longer just a tool for transactional banking, it is a key touchpoint for customer engagement, brand perception, and long-term retention.

For IDFC First Bank, the mobile app represents a critical opportunity to differentiate itself in a competitive market. While the app offers essential features such as account management, fund transfers, bill payments, and loan applications, it has not yet fully leveraged its potential to create a unique and memorable experience for users.

Moreover, in an environment where customers are increasingly price-sensitive and value-conscious, the opportunity to deliver a premium experience at no additional cost is a powerful proposition. This means offering features and services that typically come with a premium subscription or fee—but making them accessible to all users at no charge.

By repositioning the mobile app as a digital platform that elevates the customer experience to a premium level, without cost, IDFC First Bank can not only increase user satisfaction and retention but also attract new customers who are looking for value, convenience, and innovation.

This is where your role comes in. As part of this initiative, you are being asked to think creatively and strategically about how to position the IDFC First Bank Mobile App as a unique value proposition, with a strong emphasis on how it can deliver a premium experience to customers, at no cost.

Problem Statement

Challenge:

Despite the growing importance of mobile banking, many customers still perceive banking apps as generic tools that do not offer much beyond basic functionalities. IDFC First Bank's mobile app, while functional, is not standing out in the market. It is not effectively communicating its unique features, benefits, or value to customers, and as a result, it is not fully contributing to the bank's growth in the digital space.

Key Insight:

What if the IDFC First Bank Mobile App could elevate the customer's experience to a premium level, without charging them a single rupee? Imagine a mobile app that offers exclusive features, personalized services, and a seamless digital experience, all at no additional cost to the user.

Objective:

As part of this initiative, you are tasked with identifying and proposing how to position the IDFC First Bank Mobile App as a unique value proposition to customers, with a focus on delivering a premium experience at no cost. Your goal is to increase customer engagement, drive digital adoption, and ultimately boost the bank's business.

What you need to do:

- Analyze the current features of the IDFC First Bank Mobile App.
- Identify top two gaps or areas where the app can differentiate itself from competitors.
- Propose a clear, customer-centric, and innovative positioning strategy for the app, with an emphasis on how it can offer a premium experience at no cost.
- Highlight how this positioning will lead to increased usage, customer satisfaction, and business growth for the bank.

Deliverable:

A presentation or written proposal outlining your unique value proposition for the IDFC First Bank Mobile App, along with a clear rationale and expected business impact, including how the app can deliver premium experiences without any additional cost to the customer.

Problem Statement 2

About the department – Credit Cards

At **IDFC FIRST Bank**, credit cards are more than just payment instruments — they serve as powerful brand ambassadors. Seamlessly integrating payments, lending, and lifestyle benefits like cashback, travel privileges, and flexible EMI, our cards become trusted daily companions for customers. Each transaction is an opportunity to strengthen engagement, build trust, and deepen banking relationships.

Within this ecosystem, the **Credit Card Transaction Authorization** plays a critical role by monitoring payment success rates and working proactively to reduce transaction declines. Through enhancements in our mobile application, targeted customer communication, and innovative feature development, we strive to ensure smoother, more reliable transaction experiences for our users.

Background / Backstory on the Problem Statement

Summary of major declines credit card users face:

Decline Category	Description	Share of Total Declines
Insufficient Balance	Transactions declined due to insufficient balance available	40%
Card Control Preferences	Transactions blocked due to user-defined settings:	19%
	- Online usage disabled	
	- Domestic transaction amount restricted	
	- Contactless usage disabled	
	- International usage disabled	
	- POS usage disabled	
	- International transaction amount restricted	
	- ATM usage disabled	
Incorrect PIN	Wrong PIN entered during transaction	9%
Invalid Credentials	Incorrect CVV, expiry date, or other card details entered	3%

Problem Statement

Design a comprehensive solution to reduce real-time credit card transaction declines

Your solution should cover:

1. Industry Benchmarking

- Research and incorporate best practices from global leaders in payments and fintech to reduce transaction declines.
- Highlight how these practices can be adapted to IDFC FIRST Bank's ecosystem.

2. Proactive Customer Alerts

- Propose mechanisms to alert cardholders *before* a transaction fails Think about real-time, contextual, and personalized interventions.

3. Behavioral Change Campaigns

- Suggest creative campaigns to educate users

4. Feature & Communication Enhancements

- Recommend changes to the mobile app or customer communication strategy that can empower users to avoid declines.

 **Note: Do not limit your thinking to the points above. We encourage bold, creative, and tech-forward ideas**

Problem Statement 3

About the department - Affordable Mortgage Loans

As the Product team for Affordable Mortgage, the team is responsible for:

1. Creating a differentiated product by curating features that set it apart in a competitive market
2. Understanding customer needs and preferences through thorough market research.
3. Identify opportunities to improve existing products or develop new ones.
4. Managing the health of products to ensure seamless service delivery of existing services
5. Ensuring that our products comply with RBI regulations and effectively manage associated risks
6. Growing the bank's affordable mortgage portfolio

Background / Backstory on the Problem Statement

At all times, we are guided by our Bank's motto of **Customer FIRST**. We want to lend keeping customer first at every step and want to be the industry leaders in our segment.

We have access to almost 8000 pin codes across India which includes Rural, Semi Urban as well as Urban pin codes. We have an overall AUM of 13500 crores and operating at an ROA of approx. 2%.

India's affordable mortgage finance market is estimated at around Rs. 18.4 Trillion. Consists of Home Loan (HL) and Loan Against Property (LAP) which further grows at 13-15% CAGR for HL and 15% CAGR for LAP. Public Sector banks lead the market holding around 40%, followed by Housing Finance Companies(34%) and then Private banks(20%). Factors like Increased Urban Growth, Rising dominance of Tier 2/3 cities, technological and Economical shifts are driving the growth of the product.

A hindsight into our products:

Affordable HL= Ticket size<50 Lakhs, Affordable LAP= Ticket size<50lakhs.

Problem Statement

At all times, we are guided by our Bank's motto of **Customer FIRST**. We want to lend keeping customer first at every step and want to be the industry leaders in our segment.

We invite innovative minds to create a unified solution keeping all aspects of Product Management in mind while drafting an impact report. We are looking for an Ideal ROA of 3.5%.

1. Devise new distribution Channels which will help us reach deeper geographies while keeping origination cost low.
2. Identify untapped geographies, peri urban areas offering highest growth and affordability.
3. Measure resource needs and define risk mitigation plan which would help scale book growth and reduce P&L strain.
4. Propose an ideal metric dashboard for ROA trajectory, disbursement projections and gross NPAs.
5. Estimates on the benefits that Product Affordable Mortgages will benefit from the ideas based on your proposal.

Problem Statement 4

About Department: Retail Liabilities

The Privilege Program team is a part of the Retail Liabilities vertical of the branch, with the aim of creating a differentiated savings account offering curated specifically for the HNI segment.

Currently, IDFC FIRST Bank has three program's namely – FIRST Select, FIRST Wealth and FIRST Private (Launched in 2022), which cuts across various banking products horizontally offering preferential rates on various product catalogues. The customers onboarded to Privilege Program enjoy superior banking experience across all banking touchpoints with a completely digital onboarding process.

The Privilege Program team works with various stakeholders across different BUs ranging from Digital Solutions, Branch banking, Private Banking to Marketing and operations, ensuring smooth functioning and premium experience through-out customer life cycle.

Background / Backstory on the Problem Statement

Over the past few years, **IDFC FIRST Bank** has carved a unique space in Indian banking with a reputation for **transparency, innovation, and customer-first thinking**. From building one of the most intuitive mobile apps in the industry, the bank has consistently disrupted traditional models with simplicity, speed, and trust at its core.

With India's HNI base expanding rapidly, a significant opportunity now lies in becoming the **primary banking partner for affluent individuals and their families**. To serve this segment, the bank offers tailored premium propositions — **FIRST SELECT, FIRST WEALTH, and FIRST PRIVATE** — each with differentiated privileges, wealth offerings, and lifestyle benefits.

But tapping into this opportunity isn't just about creating more products or benefits. The real challenge lies in:

- **Identifying and onboarding quality HNI customers**
- **Ensuring program eligibility and sustainable engagement**
- **Becoming the default bank for the entire family's financial needs**
- **Preventing misuse or unqualified account sourcing at scale**

Problem Statement

Devise a fresh, scalable strategy to help IDFC FIRST Bank acquire high-potential HNI customers into its premium banking programs. Your solution should ensure quality profiling, reduce misuse of program benefits, promote program maintenance criteria, and deepen engagement and ensure stickiness.

The primary aim is to ensure that IDFC FIRST Bank becomes the primary bank for the customer and their family.

Problem Statement 5

About Department: Customer Experience (CX) in Banking

Department Overview:

The **Customer Experience (CX) Department** is at the forefront of the bank's digital transformation journey. It is responsible for designing and orchestrating customer journeys across all touchpoints—branch, digital, contact center, and social media.

The department works cross-functionally with IT, Operations, Risk, and Marketing to ensure that every customer interaction is frictionless, personalized, and value-driven.

In recent years, the department has invested in omnichannel platforms, CRM systems, and analytics tools. However, with the rise of Generative AI, there is a unique opportunity to leapfrog into a new era of **proactive, predictive, and emotionally intelligent customer service**.

Background / Backstory on the Problem Statement:

Despite significant digital investments, customer service in banking continues to face persistent challenges:

- **Fragmented Experiences:** Customers interact across multiple channels but often receive inconsistent service.
- **Reactive Support:** Most service models are designed to respond to issues, not prevent them.
- **Operational Inefficiencies:** High Average Handling Time (AHT), low First Contact Resolution (FCR), and rising cost-to-serve.
- **Limited Personalization:** Service interactions are often generic, missing contextual relevance.
- **Agent Challenges:** Frontline teams lack real-time insights and struggle with complex queries.

At the same time, **customer expectations are evolving rapidly**. They demand instant, intelligent, and empathetic support, similar to what they experience with leading tech platforms.

Fintechs and global banks are already experimenting with **Gen AI-powered assistants, predictive service models, and AI-augmented agents**.

This presents a strategic inflection point: Can traditional banks **reimagine customer service** using Gen AI to deliver **industry-first experiences**?

Problem Statement 1/2

Reimagining Customer Service in Banking with Gen AI

Your bank is a leading institution serving millions of customers across urban and rural India. While digital adoption is growing, customer service metrics have plateaued. The leadership team is seeking a **transformational strategy** to redefine customer service using **Generative AI and emerging technologies**.

As part of the Customer Experience team, your challenge is to design a **tech-first, industry-defining customer service strategy** that:

1. Leverages Gen AI to:

1. Automate and personalize customer interactions across chat, voice, email, and app.
2. Empower agents with real-time knowledge retrieval, sentiment analysis, and contextual recommendations.
3. Predict customer intent and proactively resolve issues before they arise.

2. Benchmarks against global leaders in banking and fintech (e.g., JPMorgan Chase, DBS, Revolut, Nubank) to identify best practices and innovation gaps.

3. Proposes industry-first ideas that could redefine customer service in Indian banking—moving beyond chatbots and IVRs to intelligent, anticipatory service.

Problem Statement 2/2

4. Demonstrates measurable impact on:

1. **Customer Experience:** CSAT, NPS, digital adoption.
2. **Operational Efficiency:** AHT, FCR, cost-to-serve.
3. **Compliance & Risk:** Data privacy, auditability, and ethical AI use.

5. Addresses challenges around **AI governance, bias mitigation, and customer trust.**

Expected Deliverables:

- A strategic blueprint with a clear vision, use cases, and implementation roadmap.
- A conceptual tech architecture or prototype (visuals encouraged).
- A benchmarking matrix comparing your solution with global best-in-class.
- A business case with ROI projections and risk mitigation strategies.

Bonus Points For:

- Use of Gen AI for multilingual support, fraud detection, or financial literacy.
- Integration of Voice of Customer (VoC) and real-time feedback loops.
- Scalable ideas that can be extended to rural or underbanked segments.



Thank You!