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DIGITAL CREDIT SOLUTIONS: A GAME CHANGER IN COMMERCIAL VEHICLE FINANCING

*Customer lifecycle management is undeniably an essential aspect of our operations at Tata Motors Finance. Managing the entire customer journey, from acquisition to retention and beyond, involves a combination of strategies and technologies to ensure a seamless and personalized experience, shared **Neeloy Majumder**, Chief Operating Officer – Technology, Tata Motors Finance, in an exclusive interaction with **Shruti Jain** of **Elets News Network (ENN)***

With your extensive experience spanning two decades, could you elaborate on the specific digital transformations and tech initiatives you've spearheaded at Tata Motors Finance and their impact on the company's operations and customer experience?

One of the key initiatives was Tata Motors Finance's strategic foray into working capital and Opex digital credit line solutions, particularly the Fuel Loans program. We recognized that fuel expenses as well as operating expenses were a significant overhead cost for our CV customers owing to elongated repayment cycles. To address this pain point, we developed a digital credit platform, allowing the customers to seamlessly access on-tap fuel loans 24x7. This initiative not only provided financial relief to our customers but also deepened our relationship with them.

Furthermore, our digital credit suite extends to cover the servicing and maintenance needs of fleet operators, enabling seamless operations within their business ecosystem. Commercial vehicle users can access on-the-spot credit lines through Tata Motors Finance's Customer One app, covering expenses such as vehicle repairs, spare part replacements, and AMC services.

We harnessed AI-driven chatbot technology to elevate the customer experience at our dealerships. By deploying chatbots capable of swiftly assessing the loan eligibility of potential customers right on the field, we empowered our dealers to offer real-time financing options to customers. This not only enhanced the overall purchasing experience but also boosted our loan application conversion rates and reduced disbursal turnaround times.

From an operational standpoint, these digital transformations have reduced paperwork, minimized manual interventions, and significantly enhanced data accuracy. In terms of customer experience, these initiatives are proving to be game changer, making access to funds more efficient and seamless.

Customer lifecycle management is a crucial aspect of any financial institution. Can you discuss the strategies and technologies Tata Motors Finance employs to effectively manage the entire customer journey, from acquisition to retention and beyond?

Customer lifecycle management is undeniably

an essential aspect of our operations at Tata Motors Finance. Managing the entire customer journey, from acquisition to retention and beyond, involves a combination of strategies and technologies to ensure a seamless and personalized experience. We employ a range of strategies and technologies to effectively oversee the entire customer journey, from acquisition to retention and beyond.

We have implemented a robust Customer Relationship Management (CRM) infrastructure that allows us to capture, track, and manage customer interactions and data throughout their journey with us. This enables us to provide personalized services and maintain a comprehensive record of customer interactions.

With digital transformation in progress at Tata Motors Finance, we have actively embraced and integrated technology to enhance the efficiency of our operations

Furthermore, our dedicated Key Account Management team focuses on building and nurturing strong relationships with strategic fleet customers. They serve as a direct point of contact for personalized assistance and support, ensuring that our customers' needs are met effectively through tailor made financing as well as leasing structures.

We utilize advanced analytics to gain insights into customer behavior and preferences. This data-driven approach enables us to design targeted marketing campaigns and product offerings, enhancing the overall customer

experience. In addition, we have leveraged innovative digital loan products and platforms to enable us to offer a seamless and efficient digital lending experience, meeting the evolving needs of our customers.

We have established partnerships with service centers, enabling EMI-based payment options for vehicle repairs. This not only adds convenience for our customers but also strengthens our relationship with them.

These strategies and technologies collectively enable us to not only acquire and retain customers but also ensure that their entire journey with Tata Motors Finance is smooth, personalized, and satisfactory.

In your role, you've led key customer-facing platforms such as mobile banking, CRM, and AI chatbots. Can you provide examples of how these platforms have improved customer engagement and satisfaction within Tata Motors Finance?

In my role, I've overseen significant customer-facing platforms, including mobile banking, CRM, and AI chatbots. These platforms have had a profound impact on enhancing customer engagement and satisfaction within Tata Motors Finance's lending ecosystem, particularly because our solution development is linked to on-ground requirements of our customers.

We've deployed Our AI chatbot Tim to streamline the loan approval process, providing customers with quick and accurate responses regarding their eligibility and loan status. This has not only reduced waiting times but has also made the application process more convenient and efficient.

In addition, through our CRM system, we actively track Net Promoter Scores (NPS) and customer feedback. This real-time data allows us to identify areas for improvement promptly and respond to customer concerns, ultimately leading to higher satisfaction rates.

With digital transformation in progress at Tata Motors Finance, we have actively embraced and integrated technology to enhance the efficiency of our operations. As a result, a substantial portion of our workflows has transitioned into a digital format. This transition simplifies the process for our customers, enabling them to electronically submit the necessary documents. This not only expedites the decision-making process but also minimizes the inconvenience typically associated with paperwork, ultimately contributing to a



more streamlined and convenient customer experience.

As Tata Motors Finance embraces digital transformation, what challenges have you encountered along the way, and how has the company addressed these challenges to ensure a smooth transition into the digital age?

As Tata Motors Finance embarks on its journey of digital transformation, the integration of technology plays a pivotal role in reshaping not just our business, but the commercial vehicle industry at large

While launching our digital product offerings, our goal was to prioritize a 'first-time-right' approach, guaranteeing the highest levels of accuracy and efficiency in our customers' loan acquisition journey. To achieve this, we embraced state-of-the-art tech solutions, significantly reducing errors and elevating the overall application experience for our valued customers.

Significant team efforts were dedicated to the initial phases of our digital journey, which included the establishment of Tata Motors Finance's first dedicated IT Infrastructure Development Centre in Pune. Leveraging the city's thriving technology ecosystem, we created a centralized hub for tech solutions, propelling Tata Motors Finance's digital transformation endeavors. This facility represents a significant milestone in our digital transformation journey and reaffirms our commitment to innovation and customer-centricity. The center plays a pivotal role in the development of multiple go-to-market pilot projects and the creation of tech solutions for all our business teams. It is instrumental in simplifying complex operational processes through the power of technology.

In alignment with sustainability, Tata Motors Finance has been able to automate paper-centric processes, transitioning them into online procedures, thus promoting environmental responsibility

Prioritizing customer feedback, we have invested significant human efforts in extensive research to understand their unique needs. This feedback has been instrumental in shaping our approach, leading to the development of new product offerings that provide round-the-clock availability, enhanced flexibility, and convenience through technology-enabled solutions. Examples of such offerings include drop-line Overdraft (OD), Fuel Loan, Repair Loan, among others, all accessible 24x7.

With a focus on sustainability and innovation, what are Tata Motors

Finance's long-term goals and strategies in terms of leveraging technology to support these objectives, especially in the context of the rapidly evolving automotive and financial sectors?

In the rapidly evolving automotive lending sector, focusing on sustainability and innovation is not only a responsible choice but can also provide a competitive advantage. At Tata Motors Finance, we recognize its importance, and the role of technology is sustaining long-term goals and strategies.

By offering specialized financing packages for e-vehicles, Tata Motors Finance aims to encourage the transition to cleaner transportation options in the passenger vehicle fleet segment.

We recognize that the future is in the digital and the way forward is through digital. We intend to further streamline our operations and enhance the customer experience by investing in digital platforms and automation, enabling seamless access to our digital lending products such as fuel loans and particularly Opex financing.

Through technology, we aim to provide strategic personalization to our customers by leveraging artificial intelligence (AI) and machine learning algorithms, enabling us with better customer centric outreach and product offerings.

Furthermore, we aim to enhance risk profiling and management through advanced data analytics and predictive modeling. These tools enable more accurate assessments of credit risk and real-time portfolio monitoring, allowing for proactive risk management and minimizing credit and operational risks.

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As part of our renewed philosophy of 'Winning Together,' we are fostering synergy among our employees and customers to achieve collective outcomes, adding significant value in the long run.

Through these comprehensive strategies, Tata Motors Finance aims to position itself as a leader in providing sustainable financial solutions and innovative customer experiences in the ever-changing landscape of automotive lending. •