

PNB Senior Vice-President and Special Assistant to the President on Digital Bank Initiative Paolo Eugenio J. Baltao said that with PNB having the widest global footprint among local banks, they plan to focus on retail lending that would benefit local borrowers as well as overseas Filipinos and their remittance recipients in the country.

“Likewise, we would like to offer online investment solutions. The product and service lineup is still in the drawing board as we identify how we could best serve our clients and attract new ones,” he said.

Meanwhile, RCBC’s Mr. Villanueva said they are not yet looking to apply for a digital license in the near future.

“RCBC does not see the immediate need to apply for a digital bank license, as we have already been, and continue to provide our customers, quality banking services using our innovative, interoperable, and inclusive digital platforms,” Mr. Villanueva said.

Back in June, RCBC President and CEO Eugene S. Acevedo stated at an online briefing their plans for applying for a new license, albeit he did not provide a timetable. He added the bank is currently incubating “at least one” of their business including DiskarTech that they can potentially spin off in the future as a separate digital bank.

Incumbent players that are offering all-online digital services believe there is still much growth

for the sector despite more entrants coming in.

“To capture the underbanked and underserved Filipino market, financial services should be ‘non-intimidating, simplified, secure, and innovation-driven,’” Tonik Digital Bank President Maria Lourdes Jocelyn S. Pineda said in a *BusinessWorld* Insights session back in July, adding that not all of the population are comfortable with using technology to do banking transactions.

CIMB Philippines’ Mr. Manoharan believes the new players will awaken the incumbents to raise their game and push them to the next level.

“We are not even close to anywhere even addressing the early adopters [as] they are still coming in big waves. We have not yet reached that part where we are now searching for the 50 and above. Those below 35 are still coming in very active and in high volume,” he said.

For RCBC’s Mr. Villanueva, current conditions point to the ever-increasing importance of technology as more customers start using or increase their usage of online banking services.

“[W]e believe technology can help promote synergy among banks, regulators, and financial industry partners. More automation is necessary to lessen or manage human contact, which is a banking setup the industry must be able to implement moving forward, if we are to make our business pandemic-proof,” he said. 

