

# ***BIMB sees significant impact from SMS banking facility***

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BANK Islam Malaysia Bhd (BIMB) expects its new short messaging service (SMS) banking facility to have a significant impact on efficiency as 90 per cent of its 40,000 cardholders own cellular phone.

BIMB's bankcard centre assistant general manager Abdul Rahim Abdul Razak said BIMB has begun sending SMS notifications on credit card application status and bill payment reminders since early this month, and will soon expand the service to allow interactive services link banking queries.

He expects about 20 to 30 per cent of BIMB cardholders to be early users of the SMS banking service, but is optimistic on a steady pick-up for the service due to the widespread use of cellular phones and the popularity of text messaging.

"The latest service provides an alternative communications mode between (our) cardholders and the bank. It is also faster and cheaper to send an SMS than making a phone call," Abdul Rahim told reporters after a signing ceremony with AKN Messaging Technologies Bhd (AKN MTECH) in Kuala Lumpur yesterday.

A number of banks and credit card issuers have already begun leveraging on the convenience of text messaging to reach their customers, offering services from SMS alerts when approaching credit limit to applying a credit card via SMS.

"The service will be implemented in several phases depending on the take-up rate and need of our cardholders. We have only introduced the one-way SMS service where the bank sends notifications and reminders, and this is free", he said.

The notifications include reminders for outstanding bills, verification of credit card transactions and follow-up matters like incomplete address and documents to hasten card applications.

Currently, cardholders will have to call the bank to provide the details, but soon they will be able to reply via SMS when BIMB rolls-out its interactive two-way SMS banking facility.

Abdul Rahim also said that BIMB did not make a significant investment in providing the SMS service as its partner AKN MTECH is responsible for providing the SMS portal solutions.

AKN MTECH managing director Lim Seng Boon said the company does not expect its current SMS tie-up with BIMB to generate significant revenue in the near future, but is bullish on future prospects due to the phenomenal growth in SMS traffic.

"About 30 to 35 per cent of cellular phone subscribers actively use SMS now, and we easily see this reaching 50 per cent or about five million heavy SMS users in about two years", Lim said.

The agreement with BIMB is for one year but is renewable.

Mesdaq Market-listed AKN MTECH develops content and services for the SMS and multimedia messaging service and distributes its content and applications to cellular network operators and other service-based companies going into mobile transactions.



SMS DEAL... Lim (second left) exchanges documents with Abdul Rahim at the signing ceremony. Looking on are AKN MTECH GM Lester Nei Francis (extreme left) and BIMB assistant GM (IT) Jamil Hassan.