

## A recipe for banking big business in Asia

(3 June 2008 – Australia) The quality of customer support and depth of business understanding are the key ingredients for success in Asia's competitive Institutional Transaction Banking markets.

The latest issue of an ongoing East & Partners report, based on 923 direct interviews with Asia's top 1000 companies, finds these bank customers also assign high importance to fast access to credit lines.

East & Partners financial markets analyst, Peter Drennan said these findings are timely given the fact that many of Australia's leading banks are eyeing Asia for an expansion.

"The Asian Institutional Transaction Banking Report delivers some clear messages about what Asia's big businesses expect from their transaction services providers," he said.

"It found customers assign the highest importance to overall relationship management which simplifies to two main issues – knowing the workings of the customer's business and having a good knowledge of customer's industry."

32.2% of businesses said the key to raising the quality of service boils down to a bank's understanding of their customers' business, with 25.9 percent of businesses saying banks should get to know a customer's industry in order to improve service delivery.

Mr Drennan said although this offered banks a useful insight to support their expansion into the region a number of the incumbent providers enjoyed a clear head start.

"The market is currently dominated by a trio of international banks – HSBC, Standard Chartered and Citibank – which jointly account for more than half of transaction banking relationships with Asian big businesses."

"HSBC and Standard Chartered in particular have been successful in extending their footprint. HSBC now owns a substantial 19 percent of primary transaction banking relationships with Asia's top 100 businesses and Standard Chartered follows closely with 18.7 percent."

"Standard Chartered appears intent on growing further with market leading customer satisfaction performance in many key transaction banking services, whilst HSBC has a tight grip on the Trade Finance market," Mr Drennan said.

"There is a widespread recognition Asia is awash with opportunities but realising success in this market requires major commitment to the customer."

"This means providing a competitive product offering but also a strong focus on service; specifically understanding each customer and recognising the unique workings of their business and industry," he concluded.

### East & Partners Pty Ltd

Level 39, 2 Park St Sydney NSW 2000 Australia

p: +61 2 9004 7848 f: +61 2 9004 7070

[www.east.com.au](http://www.east.com.au)

ABN: 76 072 374 406

### **About East & Partners' Asian Institutional Transaction Banking Markets Program**

East & Partners' Asian Institutional Transaction Banking Markets Report is an ongoing six-monthly research service designed to deliver accurate market intelligence on Asia's Institutional transaction banking markets. The report provides a range of relevant analytics including clear measures of competitive market share, customer churn and mind share. It also includes extensive analysis of product and service satisfaction.

The report is based on interviews with the Top 100 companies by revenue in each of the following markets: Singapore, Hong Kong, Malaysia, India, Indonesia, Philippines, South Korea, Taiwan, Thailand and China.

For more information please contact:

Tanya Glazer  
Marketing Communications  
East & Partners  
t: 02-9004 7848  
m: 0404 474 446  
e: [tanya.g@east.com.au](mailto:tanya.g@east.com.au)