

Media Release

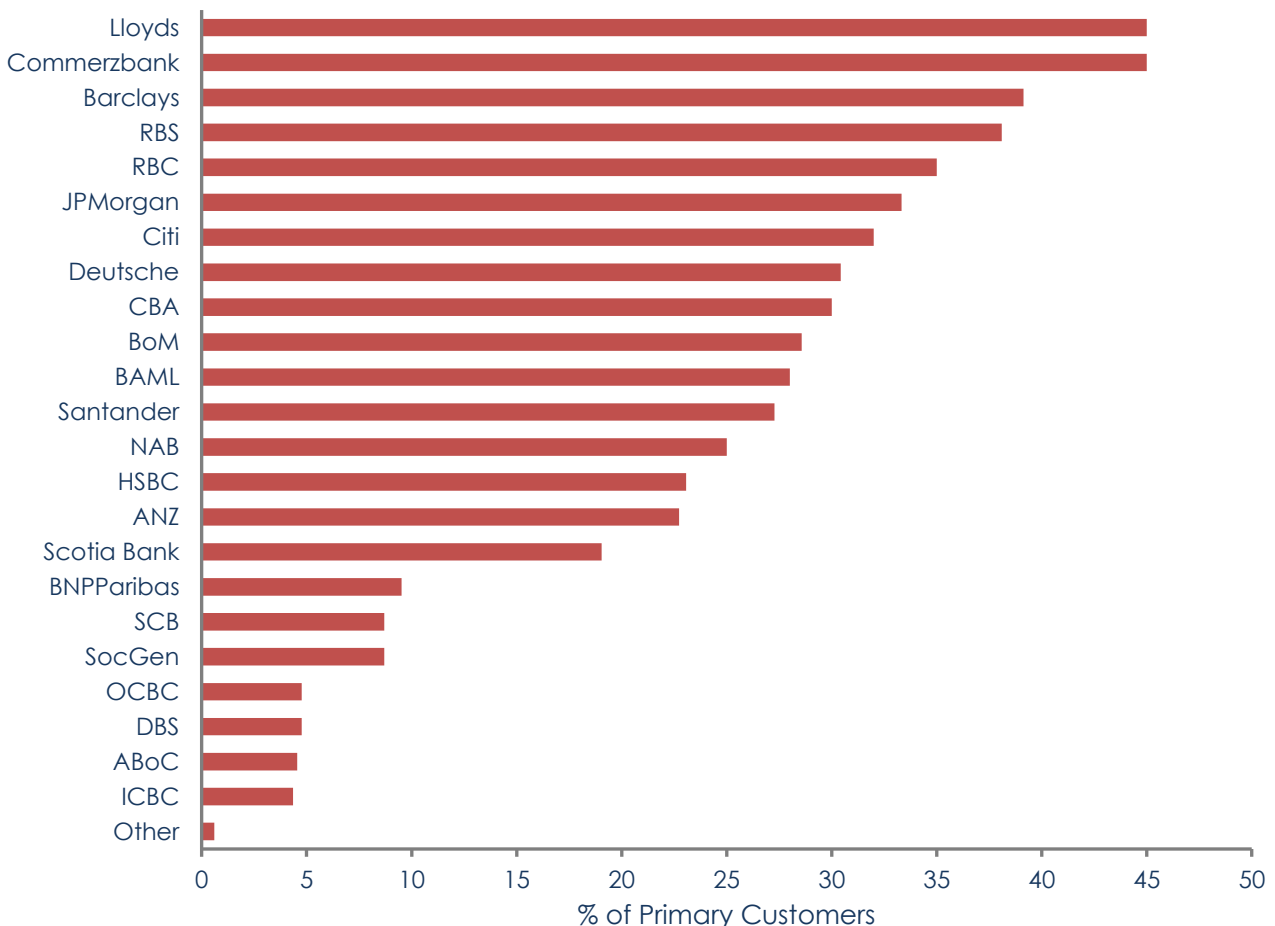
Onboarding issues directly impacting bottom lines with biggest global enterprises walking away from their banks

(29 October 2019 - Global) Nearly all banks are losing business from existing clients due to their onboarding processes, according to East & Partners' latest global insight report.

The report "Getting it Right – The Future of Client Onboarding in Financial Services" provides a demand side view of corporate behaviour, experiences and global best practice, following interviews with 737 of the top 100 enterprises across each of Australia, China, Canada, Germany, Hong Kong, Singapore, UK and US.

The research showed that while most banks are losing revenue, some are struggling far more than others. Only three banks had not lost additional business from their transaction banking clients as those clients looked to expand into other products – Bank of China, China Construction Bank and UOB. While all other providers captured in the research had existing clients walk away from product conversations, it was the European banks that suffered the most. Barclays, Lloyds and Commerzbank have each had nearly 50 percent of their largest transaction banking clients leave a product conversation to pursue it elsewhere with another provider due to their onboarding process.

Providers who have had treasurers walk away from them as a preferred provider due to too stringent/governance heavy onboarding processes

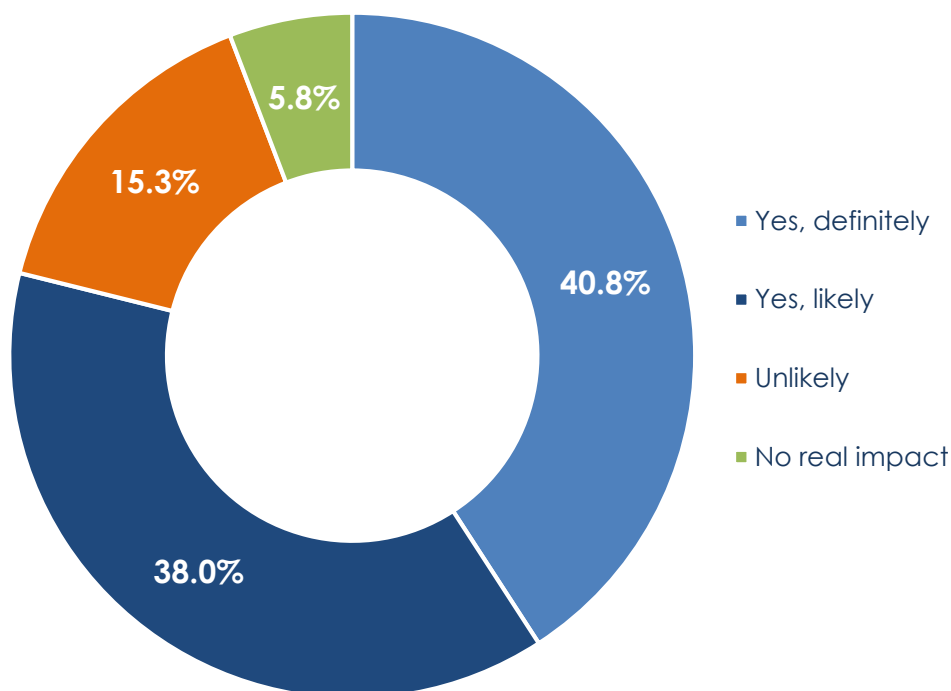


The main issue highlighted by Treasurers is the time taken to go through the process with the typical time experienced for new or extended services a staggering 3.8 months. Bank of America, Bank of Montreal, Barclays, CBA, Commerzbank, JPMorgan, Lloyds, NAB and Scotia Bank were all highlighted by their clients as taking above 3.8 months to complete onboarding.

Martin Smith, East & Partners Head of Markets Analysis commented "client acquisition is a far more costly procedure than client retention. Three out of four treasurers of large enterprises report that their current provider's onboarding process impacts the likelihood of them conducting additional business with them. Banks are seemingly overlooking a mission-critical opportunity to increase revenues.

"For those banks who get it right, onboarding is seen as a significant part of the retention process regardless of cost and solution offering and critically important to sustainable revenue growth," Mr. Smith continued.

Does an existing provider's onboarding process impact the likelihood of return business?



About the research

"The Future of Client Onboarding in Financial Services" report is a granular and detailed view of the global corporate client onboarding market in financial services.

The report looks at which banks perform best in terms of onboarding experience across various product areas and service factors as well as pain points, time taken for onboarding to complete, the risks associated with poor onboarding, country variances and the impact of open banking and technology development.

Using a structured questionnaire East & Partners directly interviewed the CFOs and Treasurers of 737 of the Top 100 corporates in each of eight countries, Australia, Canada, China, Germany, Hong Kong, Singapore, United Kingdom and the USA, with an even mix across MNCs and large domestic enterprises. A very defined population of the largest 800 corporates across these countries was approached. All interviews were conducted on a direct basis with the individual responsible for the banking function within the corporate.

More information on the report can be found [here](#)

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About East & Partners

East & Partners is a leading specialist business banking market research and analysis firm. The firm's core expertise is in the provision of analysis and advisory services tailored for the commercial, business and institutional banking markets across Asia Pacific, Australasia, Europe and North America