



**Westpac**  
**Australia's First Bank**

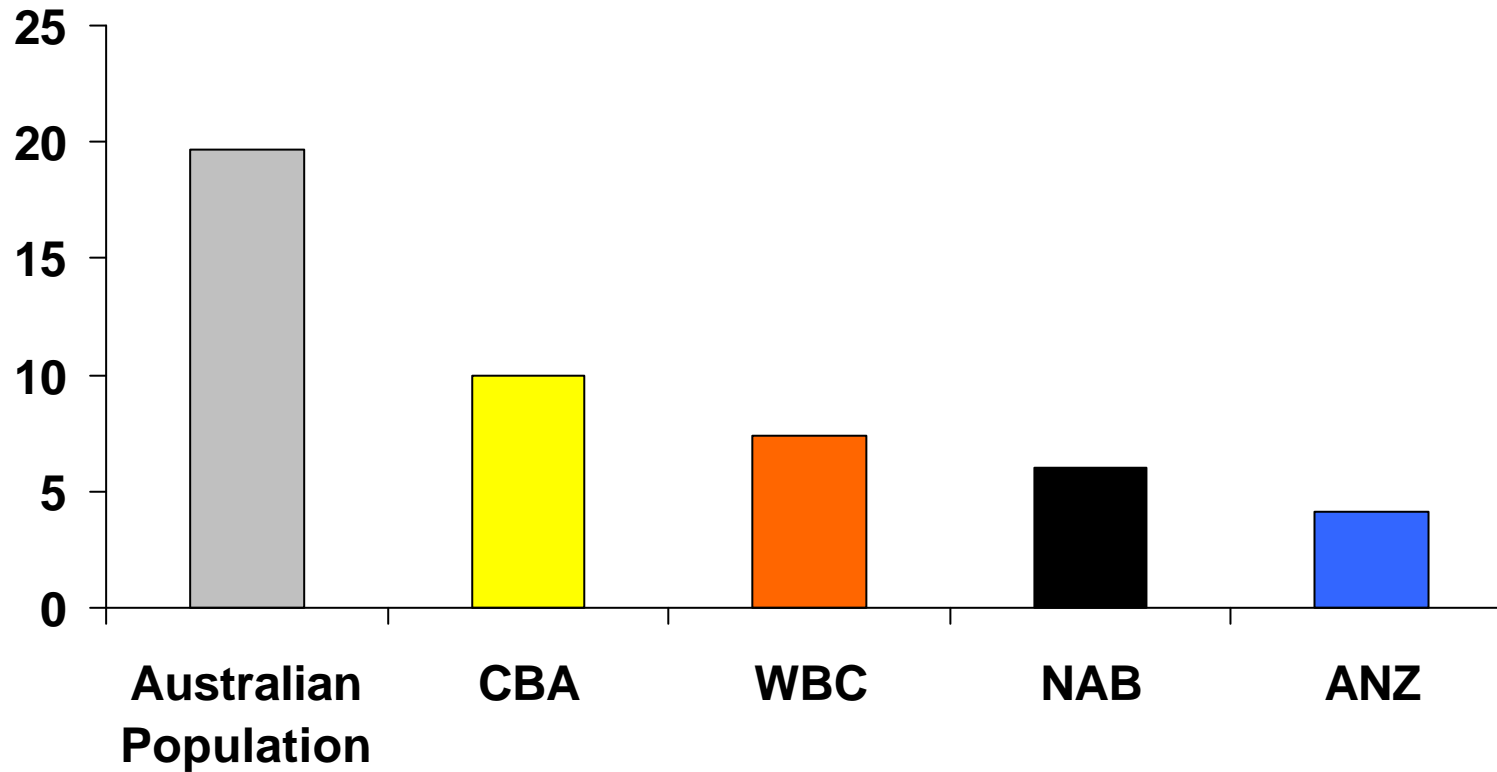
# **Business and Consumer Banking**

**David Clarke**  
**Group Executive**

**1 August 2002**

# Scale in customers

## Australian Customer Numbers

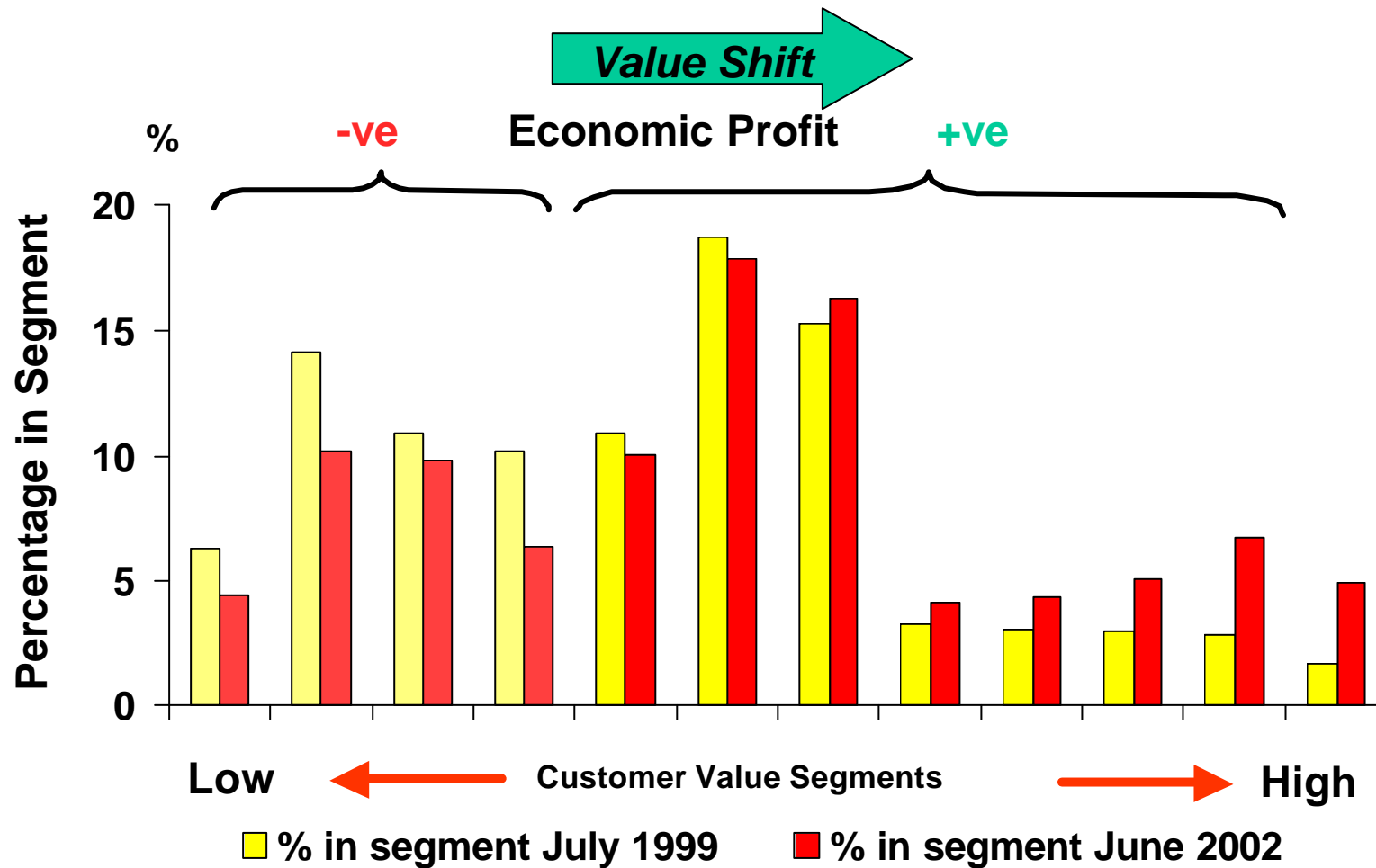


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Source: ABS, company reports

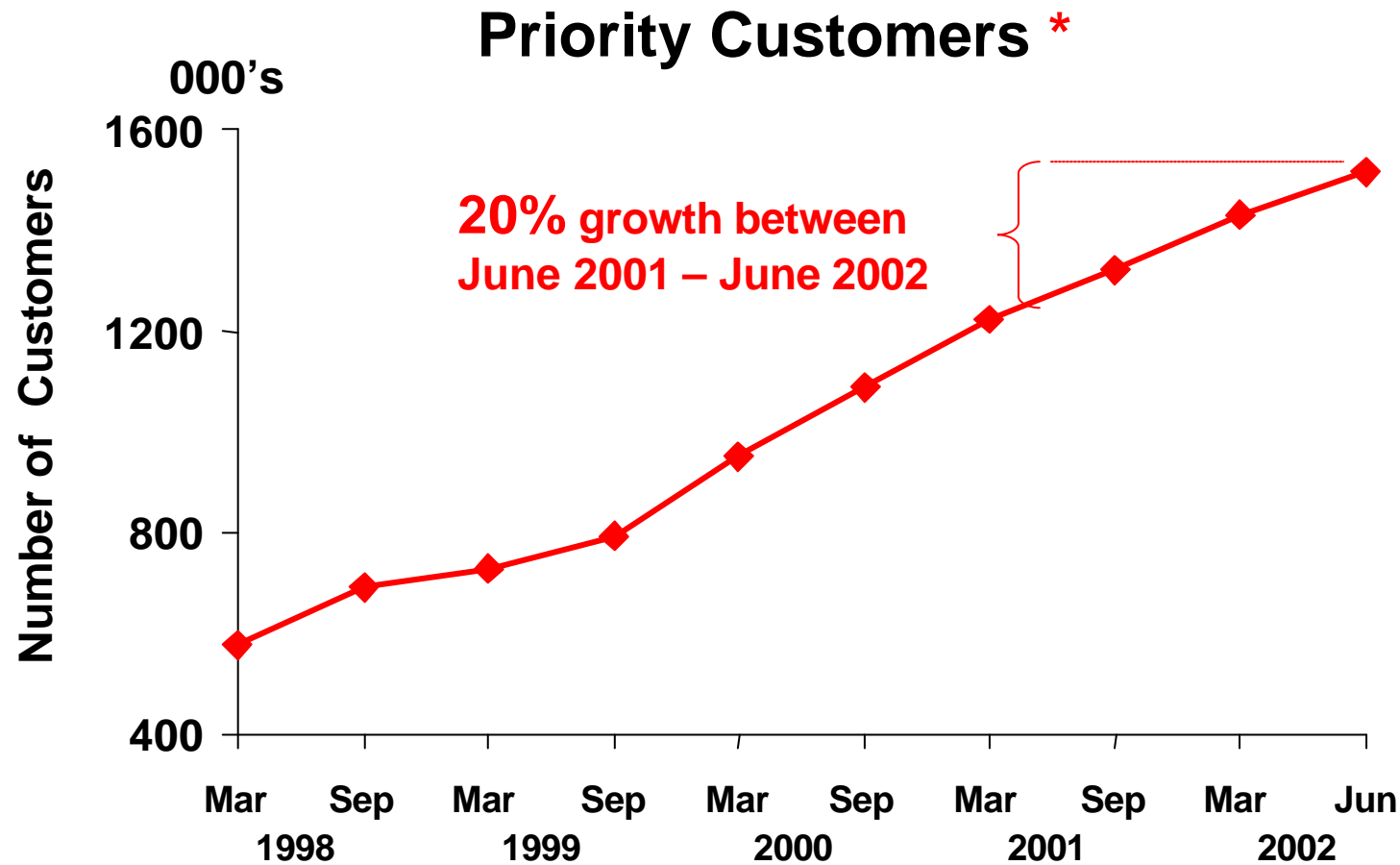
# Building on existing momentum

Australian personal and business customers



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# Deepening relationships



\* Priority customers are those with whom we have significant, typically multi-product, relationships.

# Strategic themes

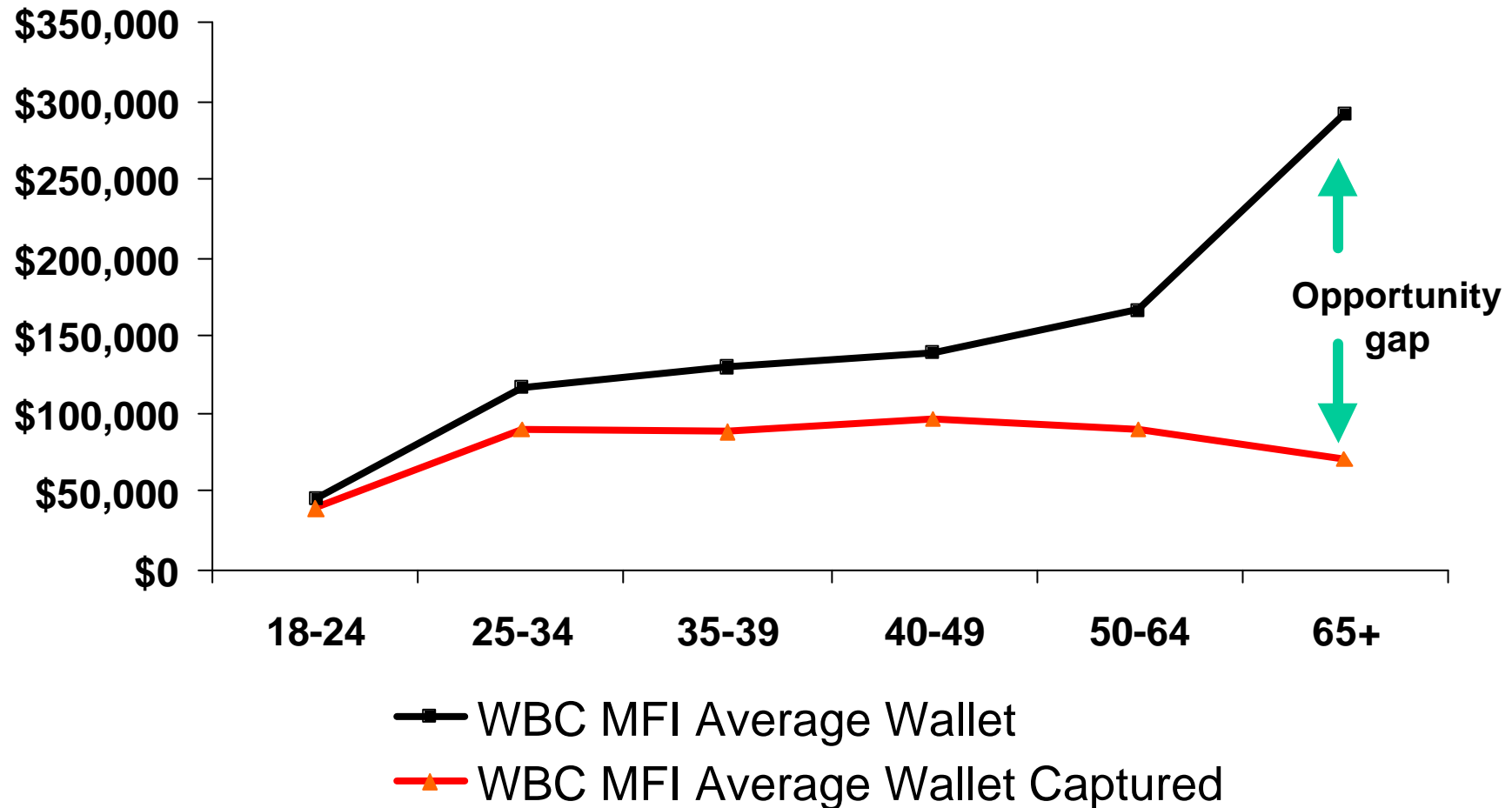
- **Continue to deepen relationships by revolutionising the customer experience:**
  - building human capability
  - understanding needs
  - appropriate offerings
  - simpler processes
  - optimising footprint

# Focus and measures of success

Key Segment Focus
<ul style="list-style-type: none"><li>• <b>Consumer:</b><ul style="list-style-type: none"><li>➤ grow mass affluent (wealth creation)</li><li>➤ hold mass market</li></ul></li><li>• <b>Business:</b><ul style="list-style-type: none"><li>➤ SME</li><li>➤ wealth management</li></ul></li></ul>

Key Success Measures
<ul style="list-style-type: none"><li>• <b>Share of wallet</b> ↑</li><li>• <b>Customer satisfaction</b> ↑</li><li>• <b>Market share</b> ↑</li><li>• <b>Employee commitment</b> ↑</li><li>• <b>Cost to income</b> ↓</li><li>• <b>Economic profit</b> ↑</li><li>• <b>Brand image:</b> ↑ (dynamism, customer focus, community, trust)</li></ul>

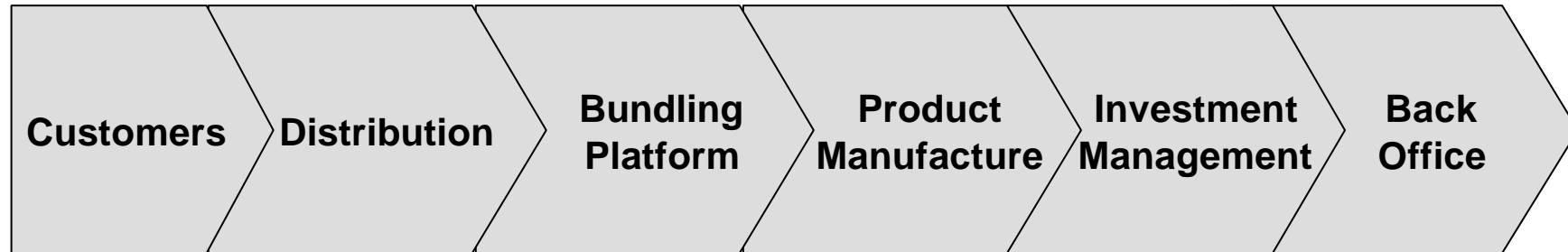
# Mass affluent opportunity



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Source: Roy Morgan

# Wealth management opportunity



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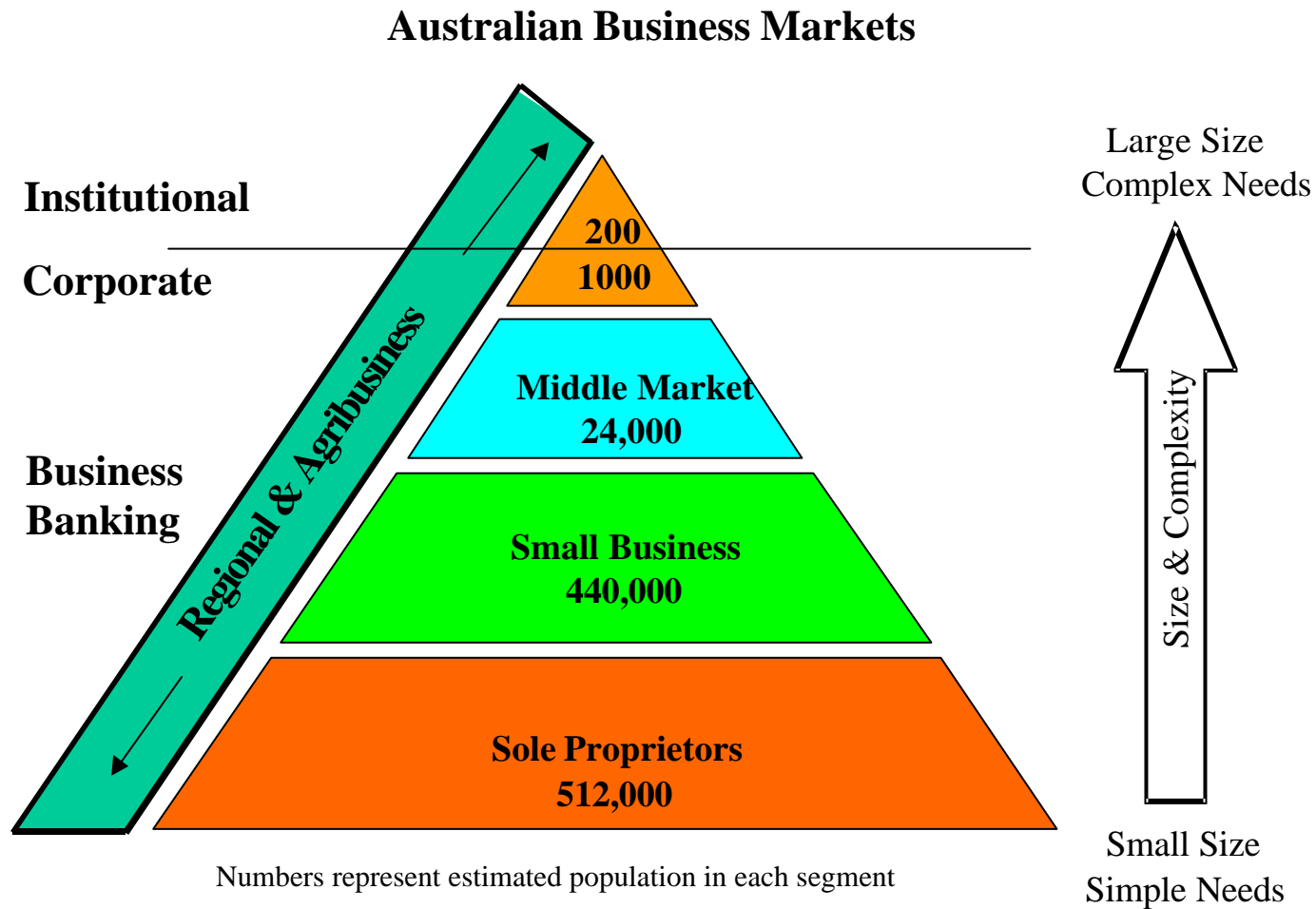
- Leverage 7.4m customer base
- Apply CRM capability
- Penetrate customers outside Westpac
- Grow planner numbers
- Segment planner force
- Access independent planners
- Enhance sales & service platform
- Corporate super
- Enhance wrap/master trust capability
- Enhance product range
- Development & execution excellence
- Structured investments
- Scale
- Solid performance
- Rated funds
- International alliances
- Increase leverage
- Improve efficiency



= Rothschild value added



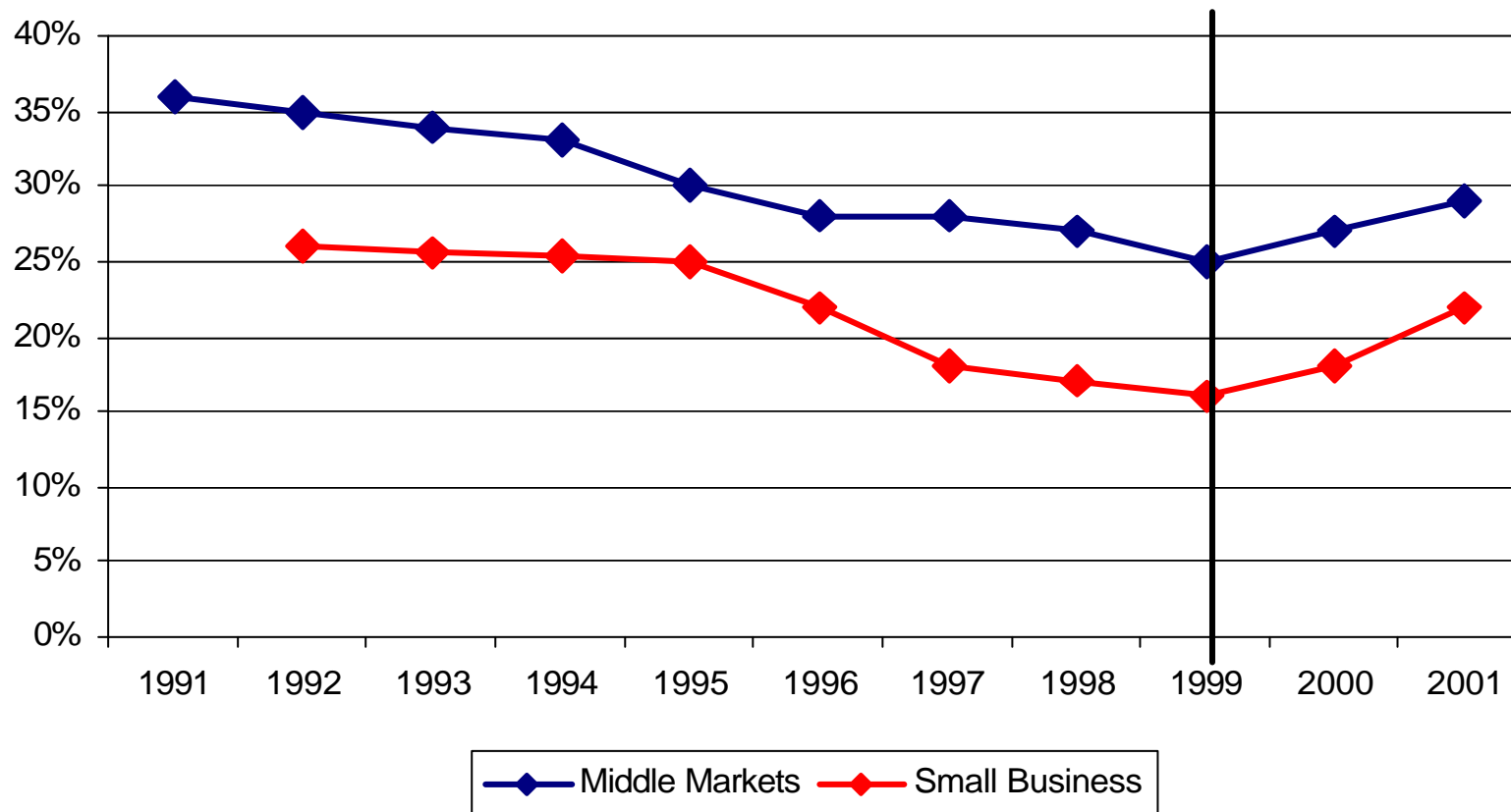
# SME: The strategic opportunity



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# Business: market share gains

## % of customers with a Westpac relationship

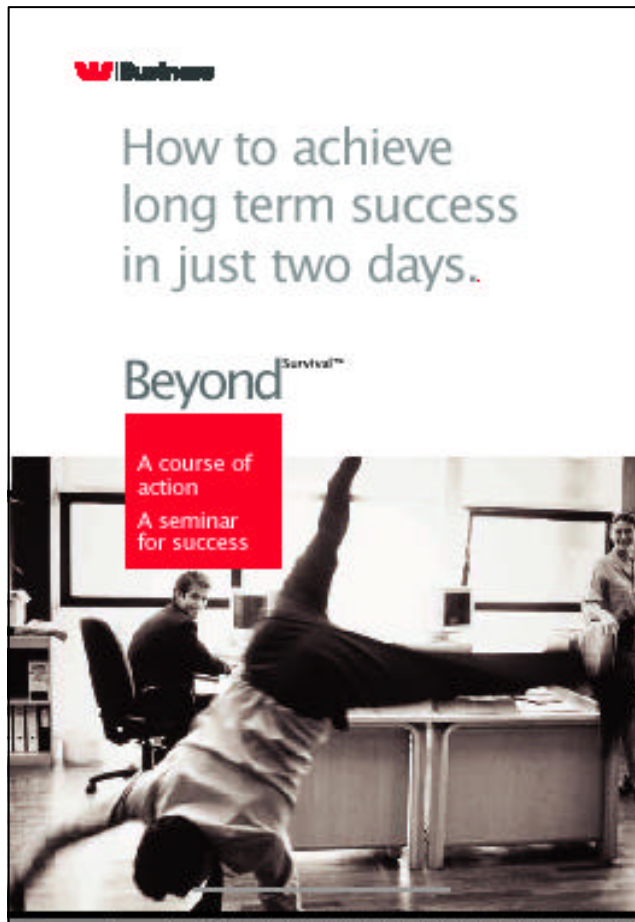


Source: Greenwich Associates

## **SME: focused on the customer**

- **We are focused on building on our position by:**
  - **Helping them successfully manager their businesses**
  - **Understanding how they want to interact with us:**
    - On-line
    - Focus on the branch
  - **Getting smart about what we know**

# Helping manage their business



**“ It’s great to hear financial reports in a language that I can understand. Thankyou. ”**

**“ A hands on approach works well for most people and I was no exception. Within the first hour, it was as though someone had turned the lights on. ”**

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# Understanding how they want to interact with us...

The screenshot shows the Westpac Business Banking website homepage. The browser address bar displays <http://www.westpac.com.au/internet/publish.nsf/Content/BB+HomePage>. The navigation menu includes Personal Banking, Business Banking, Corporate Banking, and Westpac Info. The main content area features the Westpac logo and the heading "Westpac Business Banking". A left sidebar contains a "Main menu" with links to Online Banking, Online Broking, Apply Online, and Purchasing, along with various service categories like Cashflow Management and Insurance. The central section is titled "What's new in Business Online" and includes a photo of a man in a white shirt and a list of updates: "Latest tax traps and how to avoid them," "Download a free networking e-book," "Get 20 per cent off Quicken and MYOB," and "Online Banking and Westpac B2Buy customers sign in to Business Online. Register or test drive." To the right, there are several promotional boxes: "4.55% pa and at call access" with a percentage icon, "Business Life is here" with a megaphone icon, "Cashbook solution" with a laptop icon, and "Credit checking" with a green checkmark icon. A right sidebar contains sections for "EzyBAS" (with a "Register" link), "Security guarantee" (with a "safe as a bank" link), and "Did you know..." (with an "apply and submit" link).

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# Business online success

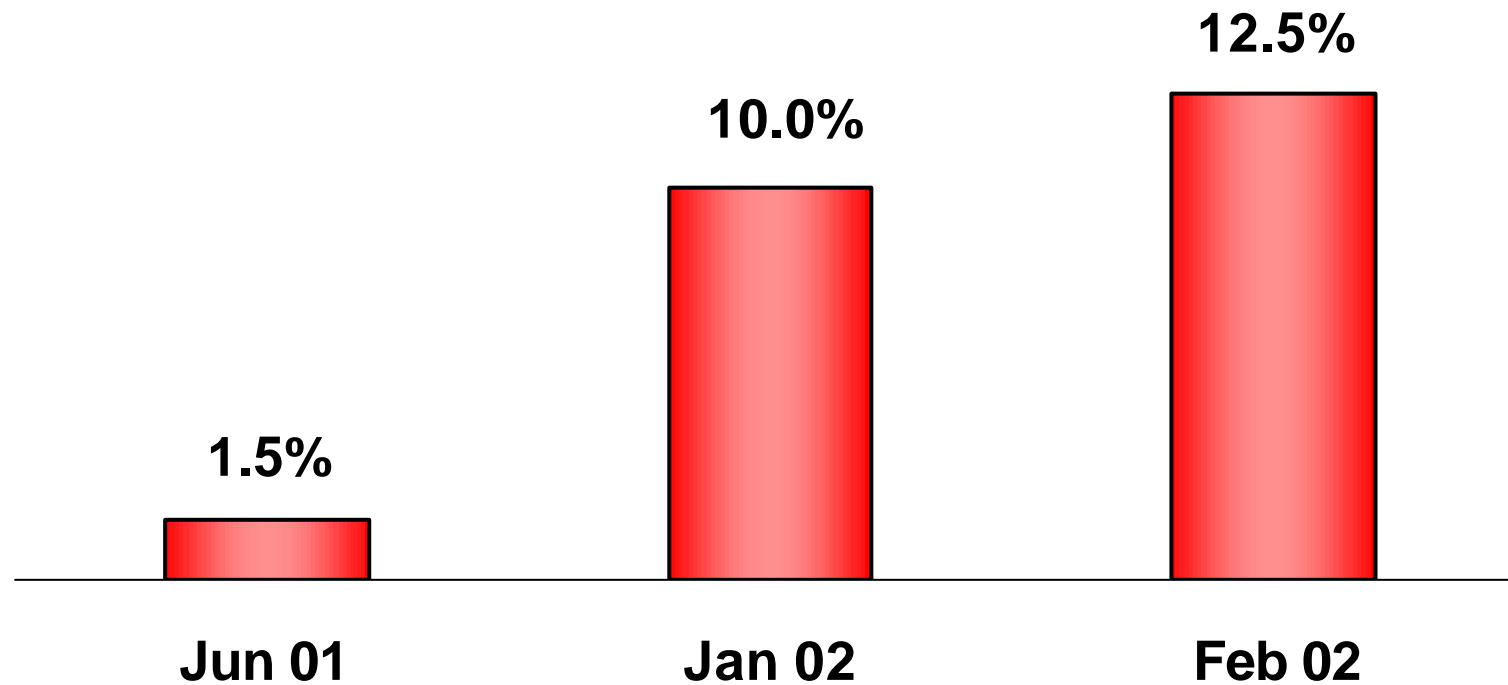
- **Registrations increased by 20%**
- **32% of business customers active online users**
- **Value transactions doubled in 12 months to \$1.1bn in June 2002**
- **Our online business customers are the most satisfied in the market (91.6%)**

# Business capability in branches

- **Importance of intellectual footprint**
- **Improving business capability in branches**
- **Kicking off with 110 branches; 250 trained staff**
- **Great results: doubling of referrals and accounts opened**

# Getting smart about what we know

## Small Business Lead to Sale Conversion Rates

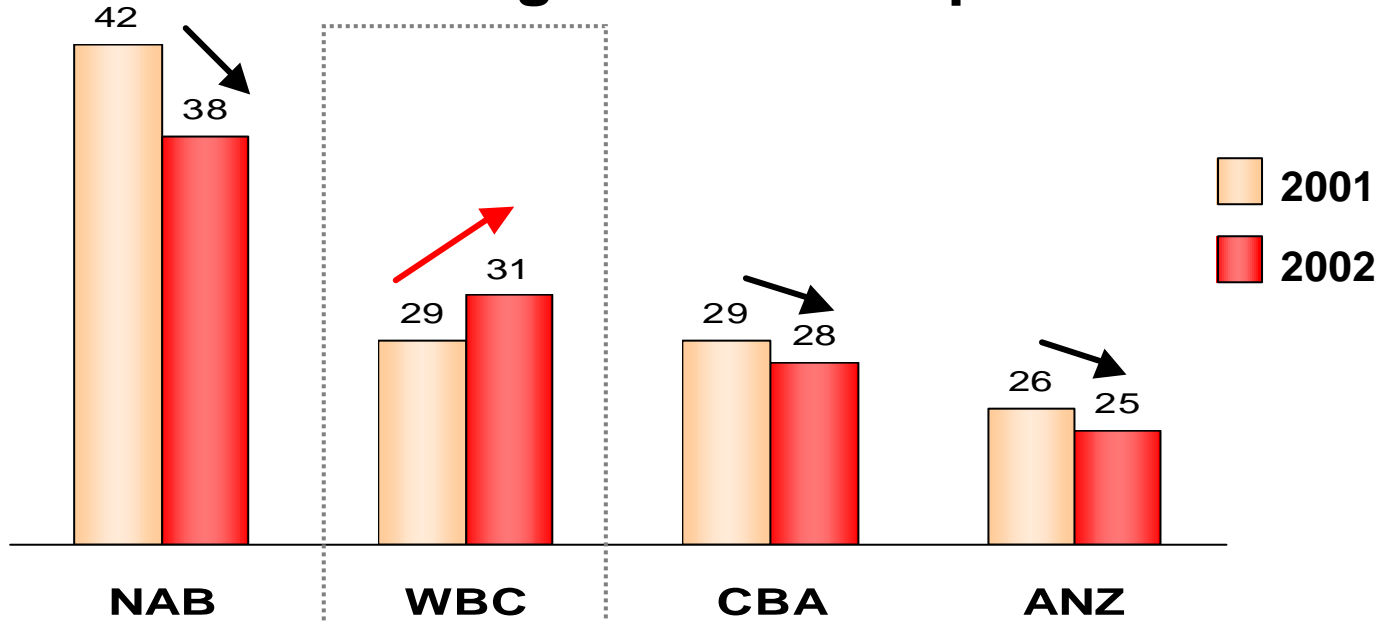


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# Growing relationships

% of customers holding a relationship with each bank



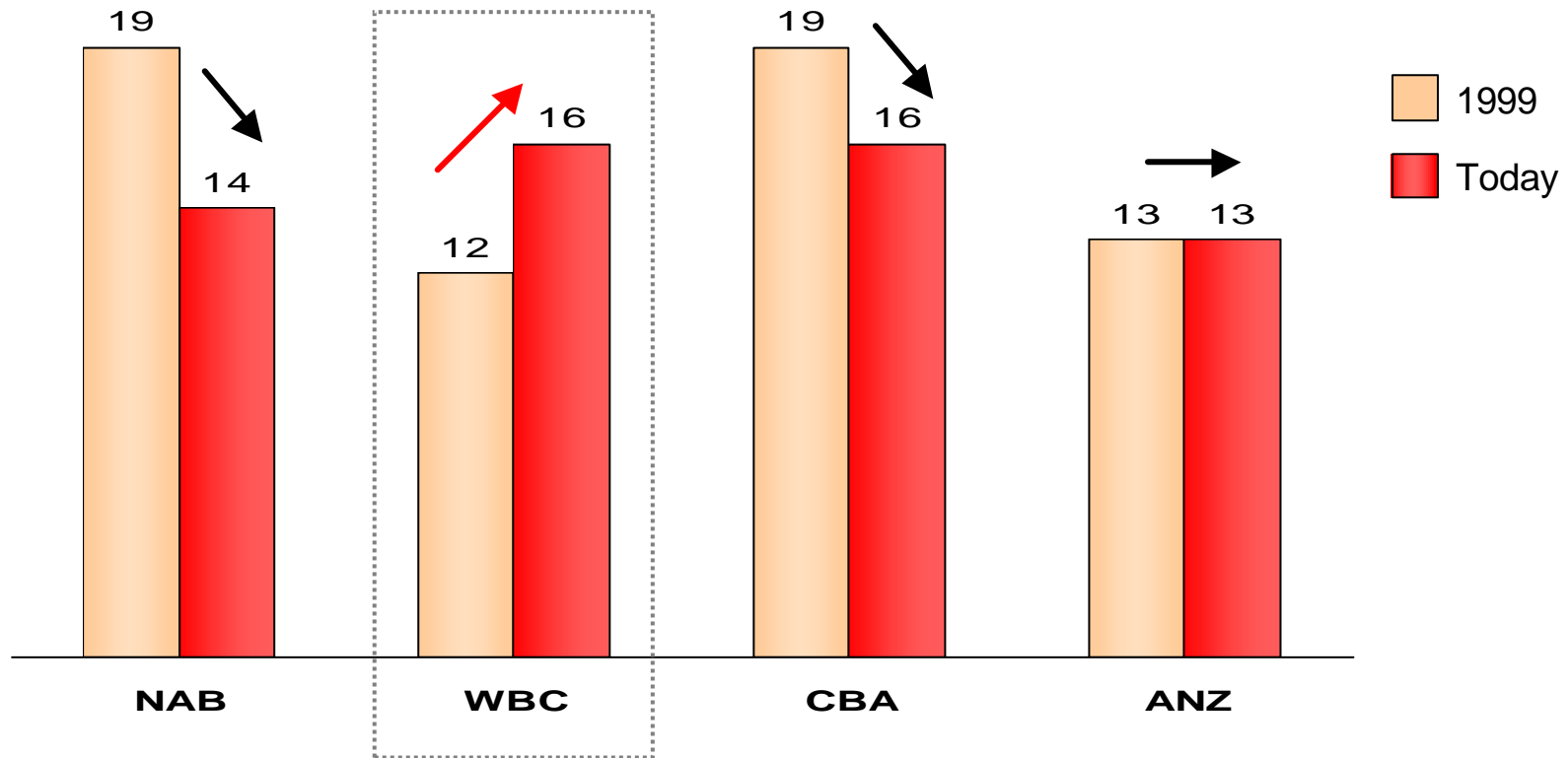
	NAB	WBC	CBA	ANZ
Lead relationships as % of customers	73	74	68	69
% satisfied or very satisfied	53	57	43	49
% at risk	15	12	22	14

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Source: Greenwich Associates; companies with turnover between \$5m and \$100m

# Top of customers' minds

## Small Business : Bank chosen if switching tomorrow



Source: Greenwich Associates



 .westpac.com.au