

# Driving Technology-led Innovation For Business Growth

An EastWest Bank Case Study

\$4B

TOTAL ASSETS SIZE (2014)

4<sup>th</sup>

LARGEST AUTO LOAN PROVIDER IN PHILIPPINES (2014)

29%

GROWTH IN LOANS BOOKED (2013-14)

## ABOUT EASTWEST BANK

EastWest Bank, established in 1994, is one of the top ten privately owned domestic banks in the Philippines as measured by assets. The bank is a subsidiary of Filinvest Development Corporation (FDC), one of the leading business groups in the country. FDC operates in various lines of business including real estate, banking, hospitality, milling and farming.

EastWest Bank focusses on innovation in products, services and its processes. The bank has a strong presence in the Philippines and a major part of its revenues come from retail and mid-sized business segments. The bank reported a loan book size of \$2.5 billion in 2014.

## BUSINESS NEED

With the rise in competition, EastWest Bank decided to establish itself as the new benchmark for customer service in lending. As a part of this strategy, the bank wanted to offer differentiated products and services while transforming its business processes to drive cost efficiency and enhance productivity. To support business growth, the bank wanted to adopt better risk management practices and put in place systems that would offer a comprehensive view of the risk exposure.

74%

**INCREASE IN PERSONAL LOAN PORTFOLIO (2013-14)**

54%

**INCREASE IN AUTO LOAN VOLUME (2013-14)**

221%

**INCREASE IN MORTGAGE LOAN BUSINESS (2013-14)**

34%

**GROWTH IN RETAIL LOANS (2013-14)**

21%

**GROWTH IN CORPORATE LOANS (2013-14)**

2X

**INCREASE IN NET INTEREST INCOME (2011-14)**

### SOLUTION

After evaluating a number of solutions for loan origination, EastWest Bank selected Nucleus Software's FinnOne customer acquisition system in 2011 because of its rich functional capabilities, unique features and reputation in the local market. Today, the platform is accessed across 645 branches to process more than 700,000 loans. The system manages more than 50 products across the auto, home and personal loan segments.

### RESULTS DELIVERED

EastWest Bank has witnessed steady business growth since the implementation of FinnOne. In the personal loan segment, which was launched in 2011, the bank witnessed

85% growth (CAGR) from 2011 to 2014. The bank was able to reduce the turn-around time for on-boarding new customers and introduce targeted business offerings. The loan booked volume increased by 45% in mortgage loans segment.

EastWest Bank has successfully expanded its footprint across various regions. The bank is now focusing on acquiring more customers in areas of its presence, and offering better products and services. With the kind of growth the business has experienced, the bank is confident of attaining its business objectives.