

Press Release

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## **Kiatnakin Bank receives the Best Business Model Execution Award for 2017**

- **KK Bank has successfully implemented its auto loans business model, generating 40% of its new income from auto loans**
- **This strategy has allowed the bank to achieve economies of scale for its auto loans business, with total car financed up by 29%**
- **KK Bank has achieved greater efficiency in approval processes**

**Bangkok, Thailand, 28<sup>th</sup> September 2017— Kiatnakin Bank (KK)** received the **Best Business Model Execution Award** for 2017 at The Asian Banker's Future of Finance in Thailand Awards Programme 2017. The awards ceremony was held in conjunction with the region's most prestigious retail banking event, the Future of Finance in Thailand Convention, held at the St. Regis Bangkok Hotel on September 28, 2017.

### **KK Bank has successfully implemented its auto loans business model, generating 40% of its new income from auto loans**

Last year, the bank has implemented its "One Bank One Dealer" initiative, its business model for financing car buyers through a preferred partner or dealer. KK Bank believes that the key to auto loans business is to treat it different from other loans, where lenders should have a deep understanding of a key market player, the dealers. Through this business model, the bank assists its partner dealers to achieve efficiency in their sales activities, therefore boosting their sales volume, which allows them to offer lower interest rates compared to its competitors.

### **This strategy has allowed the bank to achieve economies of scale for its auto loans business, with total car financed up by 29%**

In 2016, the bank has partnered to with 2,000 dealers, which represents a 25% market share in this segment. By leveraging of its partner dealers market reach, the bank has originated 97% of its auto-loans through dealership. It has financed over 60,000 cars last year, from closed to 50,000 in 2015.

### **KK Bank has achieved greater efficiency in approval processes**

Compared to the traditional model of lender-to-car buyer, this model has proven its faster processing times. By working closely with its partner dealer, the bank was able to reduce its service level agreement time, which increased its approval rate to 65%.

About 200 senior bankers from award-winning banks in 25 countries in Asia Pacific, Middle East and Africa attended the Excellence in Retail Financial Services Convention, which recognises banks' efforts in bringing superior products and services to their customers. The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants, and academics, is the most prestigious of its kind.

A stringent evaluation process across three months based on a balanced and transparent scorecard determines the winners of The Asian Banker International Excellence in Retail Financial Services Awards, and the positions of various retail banks in the region.

### **About The Asian Banker**

The Asian Banker is the region's most authoritative provider of strategic business intelligence to the financial services community. The company is headquartered in Singapore, with offices in Manila, Malaysia, Hong Kong, Beijing, and Dubai, as well as representatives in London, New York, and San Francisco. It has a business model that revolves around three core business lines: publications, research services, and forums.

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