

Poland

Corporate banking in Poland: Terra Incognita?

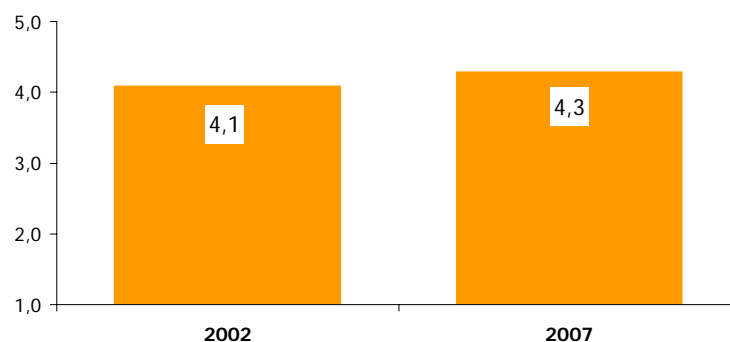
There is an opinion held in Poland that the banking services market follows its own mysterious rules. It is a common feeling that these rules are specific and unique and their functional mechanisms are only known to a small group of experts. Such a way of thinking, even amongst a large group of people dealing with marketing at a professional level, is symptomatic of a deliberate setting of the market against the mechanisms and phenomena occurring in the area of fast moving consumer goods (FMCG). This way of thinking is not entirely devoid of a rational background. After all, market practices show that new financial brands appear on the market just as often as chocolate bars, personal hygiene items or soft-drinks. In the case of the financial services market we also encounter modifications of already existing products less often. The image of stability and security created by the banks and other financial institutions also promotes the perception of this market as being very conservative and resistant to market changes.

However, the free-market economy supported by competition hardly ever allows the maintenance of a safe status quo. This situation also occurs in the financial services market which is a segment of what is apparently the most stable corporate banking.

For many years, GfK Polonia has been performing a cyclical survey of use patterns of banking services and products amongst companies operating in Poland. The research is carried out annually on a sample of 2,000 firms, the respondents being the chief accountants, directors of finance, or, in the case of smaller firms, the owners of the company, who have sole power in making decisions with regard to selecting a bank offer. For comparison purposes, we have selected data from the surveys carried out in the years 2002 - 2007. The most significant changes occurring on the market under analysis may be observed over those five years.

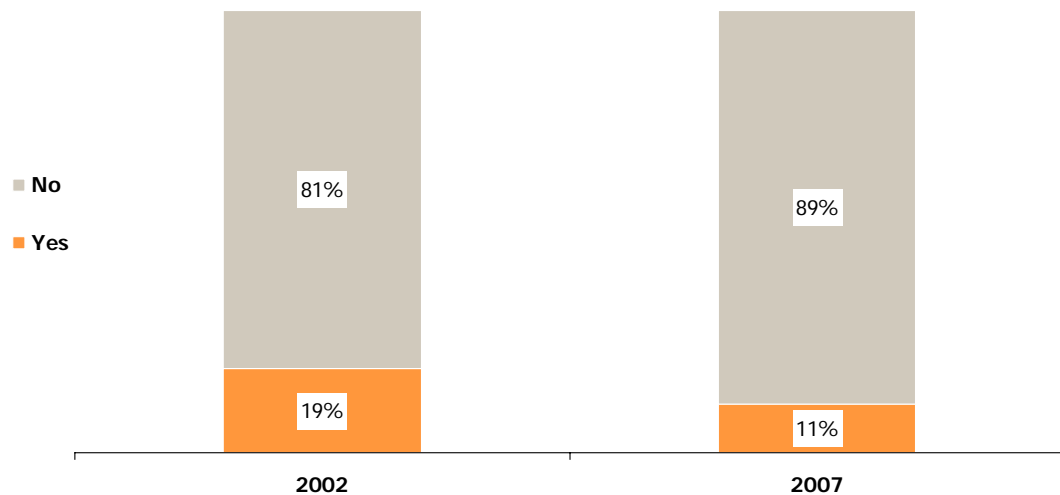
Every year brings an increase in the level of satisfaction on the part of enterprises with regard to quality of service and product offers presented by the banks that serve them. To a great extent, this is linked with changing the model of service with a trend for the direction of contacts with customers to be realized by appointing a nominated guardian/advisor.

Please evaluate your overall satisfaction with the cooperation you have with the main bank for your company.



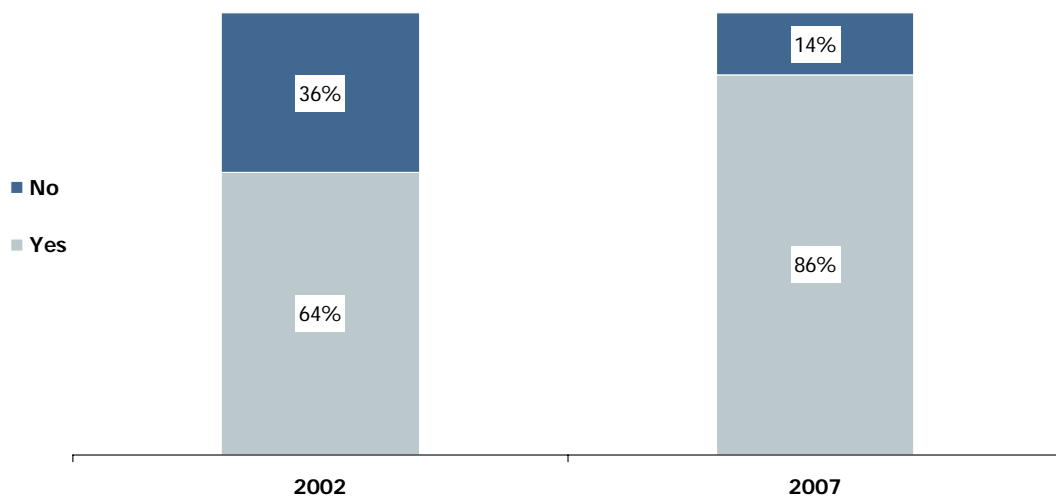
An important factor is that corporate clients not only indicate their increasing level of satisfaction by direct statements. The percentage of firms making complaints about the level of services provided by their banks is also dropping steadily.

Have you, over the last 6 months, made any complaints to any of the banks whose services your company uses?



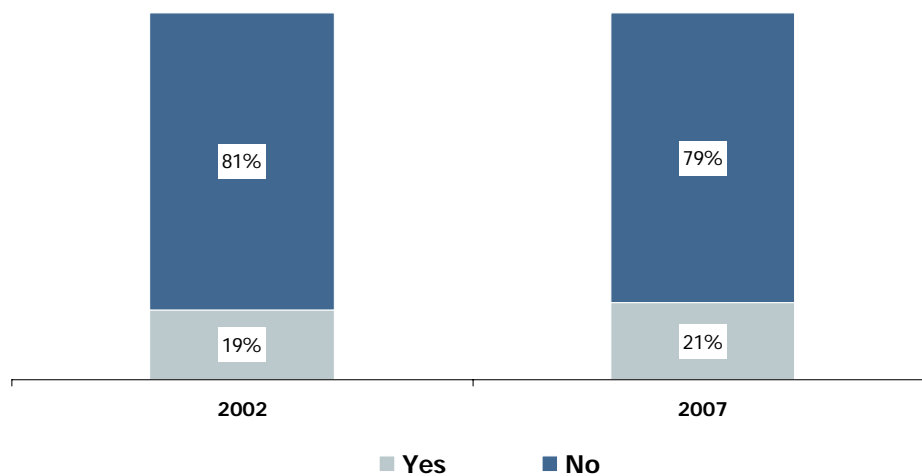
The individualization of services goes together with increasing utilization of modern technologies in maintaining contact with a bank. Over the past five years, the number of companies using banking services via a computer connection with their bank's computer system has increased by a third.

Does your company have a computer connection with the company's bank which allows transactions to be made via a dedicated hard link, a commuted link (via modem) or using the internet?



However, it appears that the increased level of satisfaction and the changes in the model of services do not yet translate into the use of new banking services and products to an adequate extent. The level of intensification of customer contact has remained at a relatively stable level over the last five years.

Has cooperation with any of the banks with which your company cooperates intensified over the past 12 months (e.g. increased number of services which the company is using)?

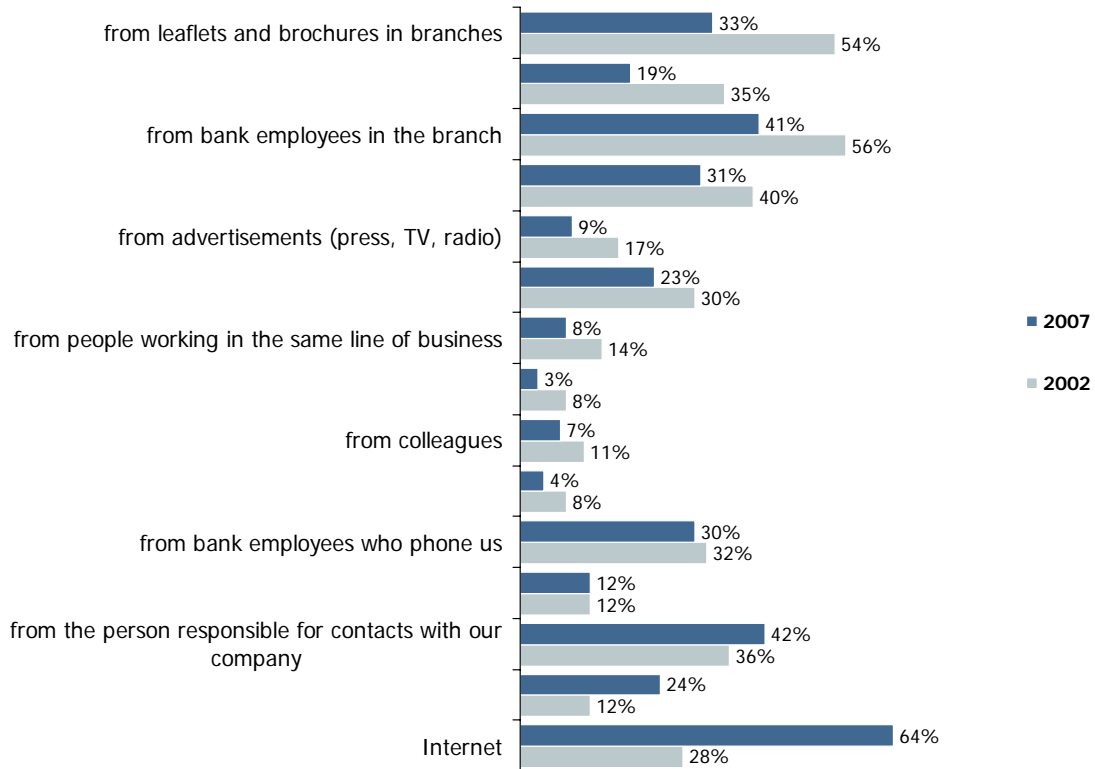


This creates new challenges for the banks operating in the segment of services addressed to the largest firms. It should be assumed that further development of the market will require the presentation of the clients with the possibilities of using a much broader range of products than has been the case so far. This will be possible as a result of the achievements in the past: an increase in the level of customer satisfaction, and a simple and flexible system of service, based on banking advisors and a universal and easy-to-use system of electronic access channels.

Searching for new opportunities for business development requires that banks come up with effective communication solutions. In this area, too, the past five years have brought significant changes. Creating an effective sales system through communication of the offer via leaflets and brochures (both sent by post and available directly in bank branches) is becoming obsolete. Corporate clients visit their banks less and less often, which means that selling new services by a bank clerk in a given branch is becoming less and less popular. Instead, the banking advisor mentioned above becomes increasingly important, visiting the client in their office. At the same time, sales should be supported by communication activities implemented via the Internet (bank websites, topical portals, electronic mailing, and so on.)



From what sources does your company take information about new products and bank offers?



The analysis of only a few basic factors shows how dynamic the market of corporate banking is. On an every day basis, looking at a much broader scope of information arising from the research, we are able to advise our clients on how to operate more effectively in the area of banking services addressed to the largest firms. In the final analysis, corporate banking does not have to be terra incognita!

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