

MEDIA RELEASE

BROKER CHANNEL SET TO EXPAND WITH DIGITAL REVOLUTION

Wednesday, 14 March 2012: ING DIRECT is predicting current customer trends in banking will result in an increasing demand for broker and digital channels at the expense of branches. Speaking at the AB&F Mortgage Innovation conference today, ING DIRECT Executive Director Distribution, Lisa Claes, said the rapid digitisation of distribution is driving the change.

Claes said internet adoption and the diffusion of new technologies like smart phones, is facilitating instant banking for customers and in the same vain, instant feedback.

“There are many things in life we can’t control, climate change, the cash rate, unemployment or the European debt crisis but we can control how the customer interacts with us.

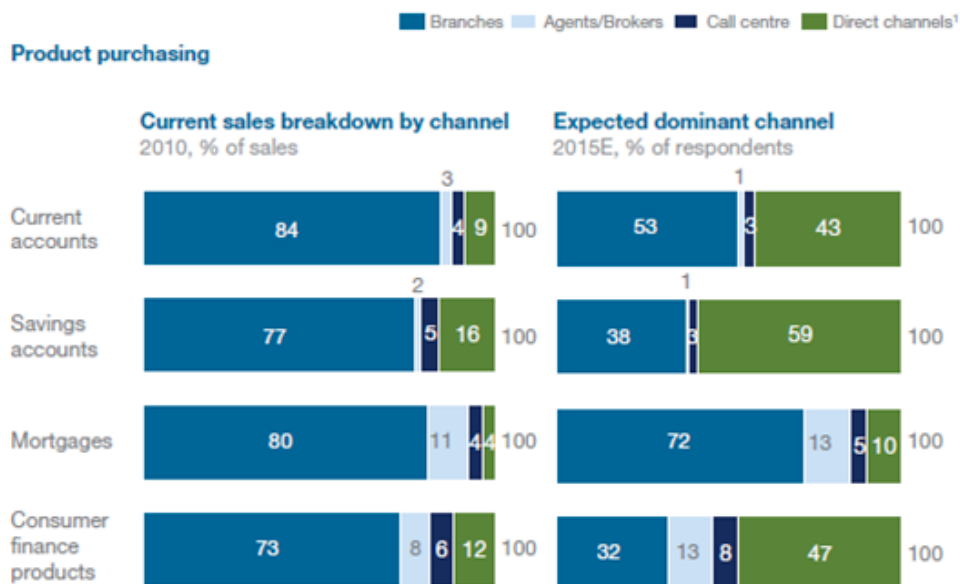
“Claes called out the most powerful contemporary customer influence in the context of broker distribution as the power of recommendation.

“Social media allows the current and future generations of customers to demand, recommend or condemn and they will use this power to drive a brokers’ business forward or drive it into the ground,” said Claes

Claes also looked at the trends from ING DIRECT’s overseas markets where Mortgage distribution through brokers is fairly immature in Europe (11%) compared with Australia (at 43%) and then at ING DIRECT - which sells nine out of ten mortgages through third parties. According to research, this trend is set to increase further in the next three years (*see graph below*).

“While the “how” of mortgage delivery and application is changing, never before has service been a top priority.

“Intuitive CRM and completely paperless mortgage application systems are beginning to emerge in the market and these prove how exciting the digital age will be for the industry – but they won’t compete with the broker offer rather they will complement it,” said Claes.



1 Internet, ATM, Mobile

Source: EFMA online survey across 150+ European banks, April 2011

About ING DIRECT

ING DIRECT pioneered branchless banking in Australia by offering the first online, high interest, fee free savings account. Our low cost operating model allows us to pass these savings on to the customer in the form of great value products and services. Today, ING DIRECT has more than 1.4 million customers with \$26 billion in deposits and \$38 billion in mortgages and a range of innovative banking products.

Please note ING DIRECT is never abbreviated to ING.

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