



**Euromonitor
International**

Disruptive Trends in Digital Banks in Asia Pacific and Australasia - II: Market landscape

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INTRODUCTION

Scope

Key findings

Why relevant for digital banks, incumbents, non-bank consumer businesses and fintechs?

Five key drivers of profitability for digital banks

Target underserved segment and expand to fully banked population

Digital bank market competitive landscape in Asia Pacific and Australasia

Favourable regulations permitting digital banks promote competition and inclusion

MARKET LANDSCAPE: WAVE 1 AND 2 EAST AND SOUTH ASIA

Japan's banking structure changing following digital shift

Minna Bank Ltd offers unique services targeting digital natives in Japan

UI Bank values face-to-face interactions and supports digitalisation among seniors

Digital banks in China: competitive landscape

Zhongbang Bank (Z-Bank) driving digital banking in Hubei

Chongqing Fumin Bank prioritises unsecured personal lending in Chongqing

Three digital banks in South Korea have simple user interfaces

Digital banks in South Korea have tech and bank shareholders

K Bank focuses on price to gain traction in revenue growth

K Bank's partnership with the cryptocurrency exchange Upbit in Korea

Indian payment banks leverage lean operations and convenience to attract demand

Payments banks partner with finance firms to offer lending and incumbents for cards

Neobanks in India rely on partnerships and customer engagement

List of neobanks and their key partner bank in India

MARKET LANDSCAPE: WAVE 3 AUSTRALIA, HONG KONG, TAIWAN, SOUTHEAST ASIA

Up Bank and U Bank in Australia prioritise secured lending

Spending tracking and open roadmap to engage customers

Xinja shut down given lack of lending and high deposit gathering expenses

Hong Kong's digital banks are backed by a mix of banks and fintechs?

Unsecured lending is the main lending product offered by Hong Kong's digital banks

Hong Kong's digital banks are starting to show a decline in loss

ZA Bank's revenue has surpassed the combined revenue of all other digital banks in HK

Customer engagement: ZA Bank's "Power Draw" encourages engagement and spending

ZA Bank takes gamification and customer engagement beyond the digital world

Lending focus: ZA Bank offers the widest variety of lending products among digital banks

Line Bank tapping on Line for customer acquisition and gamification for deposit gathering

Line Bank to follow WeBank and KakaoBank model to drive progress to profit

Singapore digital banks have been equipped with ecosystem advantage

Transparency and freedom in data sharing

Singapore is a well-served market dominated by three local banks

TrustBank expected to increase physical touchpoints leveraging NTUC FairPrice outlets

TrustBank and GxS Bank likely to accelerate lending product development

Frictionless customer journey is critical to save users' time when banking

Six banks granted digital bank licences under BSP

Tonik Bank driving revenue growth by accelerating launching lending products

Fund transfers now made easier and faster with Tonik

GCash expanded to financial services by partnerships with CIMB

Majority of digital banks in Indonesia belong to the incumbents

Allo Bank offers pay later up to IDR100 million to differentiate in the market

Bank Neo Commerce to launch investment and expand lending portfolio in 2023

Bank Jago goes beyond GoTo ecosystem to accelerate growth

Malaysia's digital banks aim to further advance financial inclusion
Malaysia's digital banks have competitive and experienced shareholders
Malaysia digital banks are equipped with competitive and experienced shareholders
Incumbent banks accelerating digital transformation to defend against challengers
Eight tech players likely to join the race for digital bank licences in Thailand
Digital banks in Vietnam active in building partnerships
Cake digital bank drives lending growth by embedded finance
Investment, savings, discounts and more: How Cake is rapidly gaining customers
TP Bank: How incumbent banks can go digital and adapt to the evolving market
TP Bank: How they made their business profitable

KEY TAKEAWAYS

Key summary

APPENDIX

13 researched markets for consumer finance in Asia Pacific and Australasia
Ranking of digital wallets and Kakao Talk monthly active users (MAU) in South Korea

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