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UOB: Affluent Southeast Asians travel with an eye on the dollar

First region-wide travel programme lightens load on the pocket

Singapore, 23 November 2016 – According to the UOB Affluent Consumer Survey 2016¹, travel is a significant part of the lifestyles of affluent Southeast Asians. On average, more than nine in 10 of the respondents from Indonesia, Malaysia, Singapore and Thailand go overseas on holiday at least once a year. Yet, in light of slow global economic growth and as their financial considerations grow more pronounced, the well-heeled travelers are opting to holiday within the region.

The survey found that more than six in 10 polled have chosen Asian destinations for their vacations. In fact, Asian countries, with the exception of Australia, were the top five travel destinations in the past 12 months.

Mr Francis Tan, UOB Economist noted that Asian countries benefit from Southeast Asian travellers who are looking to keep within a travel budget as well as increased intra-regional air connectivity.

“Given the weak regional currencies, Southeast Asians with a yen for travel could be choosing Asian destinations to maximise their purchasing power. This is aided by the increasing number of flights within the region, resulting in more competitively-priced flights to these destinations,” said Mr Tan.

The survey also found that travel expenses is one of the top considerations for respondents when planning their next holiday destination.

Ms Jacquelyn Tan, Managing Director and Regional Head of Cards and Payments, UOB, said that to stay relevant in serving the affluent Southeast Asian population, businesses must provide cost-efficient products and solutions that suit their needs today.

“From credit cards such as the UOB PRVI Miles that help customers earn frequent flyer miles faster to travel deals, wealthy customers in the region want products and services that can meet their lifestyle needs and this includes their travel habits.

¹ The UOB Affluent Consumer Survey 2016 polled 2,030 respondents, aged 25 years and above with a minimum Assets Under Management of S\$150,000, from Indonesia, Malaysia, Singapore and Thailand.

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“To match the travel expectations of the affluent in Southeast Asia, we have embarked on regional partnerships with strategic travel-related brands to strengthen our offers to these customers. These partnerships continue to enhance our suite of offerings as we increase our market share in this segment. We aim to grow our regional credit and debit cards base by 35 per cent and total billings by 40 per cent in the next four years,” said Ms Tan.

Strategic partnerships key to UOB’s regional growth ambitions

To meet its regional cards growth ambitions, UOB has partnered established names in the travel sector such as Singapore Airlines and Kaligo for the Bank’s first-ever region-wide travel campaign. The campaign aims to help customers stretch their vacation dollar.

With Singapore Airlines, UOB cardmembers across the region stand a chance to receive up to 60,000 KrisFlyer miles², which can be redeemed for a round-trip ticket to London or Los Angeles, by spending S\$300 in a single receipt³. UOB is giving away an equivalent of 10 million KrisFlyer miles in total until 31 January, which can also be redeemed for SilkAir, Scoot and Tigerair flights. This means that customers would be able to derive more value out of their year-end shopping and travelling, which is traditionally when they spend the most.⁴

Earlier this year, UOB also introduced the UOB Privileges Passport, a regional rewards programme that offers cardmembers access to exclusive local benefits while travelling in Singapore, Indonesia, Malaysia and Thailand. For example, through partnerships with premier shopping malls such as Bangkok’s Siam Paragon, Siam Centre, The Emporium Thailand and EmQuartier, a Singapore cardmember can enjoy the same suite of benefits and rewards available to a Thai-issued UOB credit card.

Ms Tan added, “As Southeast Asia’s affluent continue to strike a balance between their wanderlust and their economic sensibilities, we anticipate that intra-regional travels will continue to grow among this segment. As such, we will continue to explore partnerships with relevant brands to ensure a robust suite of regional offerings that are relevant to our customers.”

– Ends –

² Customers will be given the equivalent of KrisFlyer miles won in UNI\$.

³ This is part of UOB’s first ever regional year-end campaign. From November to January 2017, customers can win the over 10 million KrisFlyer miles that are up for grabs as well as more than 500,000 prizes, including flights to popular destinations like Bali and Tokyo.

⁴ Source: UOB card data

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About United Overseas Bank

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. UOB is rated among the world's top banks: Aa1 by Moody's and AA- by Standard & Poor's and Fitch Ratings respectively.

In Asia, UOB operates through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia and Thailand, as well as branches and representative offices.

UOB plays an active role in the community, focusing on art, children and education. It has, over more than three decades, held the longest-running art competition in Singapore, the UOB Painting of the Year, which has since been extended across Southeast Asia. In recognition of its contributions to the arts, UOB was conferred the Singapore National Arts Council's Distinguished Patron of the Arts Award for the twelfth consecutive year in 2016. UOB also encourages its employees across the region to be involved in its regular volunteer activities. This includes the annual UOB Heartbeat Run which is held in China, Indonesia, Malaysia, Singapore and Thailand.

For media queries, please contact:

Maybelline Tan
Group Strategic Communications and Customer Advocacy
Email: Maybelline.TanWL@UOBgroup.com
Tel: 6539 4062

Carrie Ann Mathews
Group Strategic Communications and Customer Advocacy
Email: Carriann.Mathews@UOBgroup.com
Tel: 6539 4064