American Express is a global travel, financial and network services provider. Founded in 1850, it has since grown to be a Fortune 500 company. The company provides individuals with charge and credit cards, travellers' cheques and other stored-value products. American Express is the world's largest charge card issuer, the world's largest travel company and the world's largest travellers' cheques issuer. It also offers financial planning, brokerage services, mutual funds, insurance and other investment products. It operates in 175 countries with 2,300 offices across the world. It is the parent organisation of three major companies: American Express Travel Related Services (TRS), The American Express Bank Ltd. (AEBL) and American Express Financial Advisors.

In India, the company offers a full range of travel, financial and network service products. American Express established its first office in India in 1921 in Kolkata. Since then it has grown to become the leading travel related services and banking organisation in the country. Its Indian operations encompass:

- **The American Express Bank Ltd. (AEBL)**
  AEBL commenced its operations in India in 1921. Since then it has grown to become the leading travel related services and banking organisation in the country. Its Indian operations encompass:
  - **American Express Travel Related Services**
    This is an integrated division that offers cards, consumer financial services, travel services and travellers' cheques to individual and corporate customers. A market leader in corporate travel, TRS has the largest travel network with 64 Travel Service Offices and extensive merchant processing capabilities across the country.
  - **American Express (India) Private Ltd. Finance Centre – East (FC-East)**
    Set up in 1994, this is a 100 per cent Export Oriented Unit (EOU) which operates as a Finance Centre for the consolidation of accounting and financial processes for the American Express Company’s businesses around the world. Located in New Delhi, the FC-East is American Express’ first venture into the pioneering concept of shared servicing, and is one of three such centres in the world.
  - **American Express Global Service Centre**
    This provides voice and data based processing to support a variety of the company’s card, financial services and travel-related businesses in the US and other countries. It provides fraud and risk modelling and financial processing to American Express customers worldwide. These operations also involve partnerships with outsourcing vendors and are an important part of the company’s efforts to expand its global infrastructure base. Global Service Centre’s Asia operations commenced in January 2001, and it is headquartered in India representing the company’s continued focus on India as a primary location for developing additional servicing capacity to support global businesses.

American Express' card and cheques are accepted widely, and are available in a variety of currencies. The company is a market leader in the global travellers' cheques market, and is the market leader in the US Dollar-billed Corporate Card for overseas use in 1986. In June 1993, the company launched the Rupee-billed personal card, which is the fastest-growing premium card in India today.

- **Leader in Indian travellers cheques market**
  In India, the total size of the travellers cheque market is estimated over US$ 1 billion a year and has been growing at about 2-3 per cent a year whereas American Express sales grew at over 20 per cent in 2003-04. American Express estimates that over 50 per cent of Indian leisure travellers carry travellers cheques and it has a significant market share in India.

**Factors for success**

**Wide portfolio with innovative products**
American Express has been continuously launching innovative products in its stronghold areas of credit cards and travellers' cheques:

- **American Express pioneered the US Dollar-billed Corporate Card for overseas use in 1986.**
- **In June 1993, the company launched the Rupee-billed personal card, which is the fastest-growing premium card in India today.**
- **It launched the Rupee-billed Corporate Card in 1996, which provides corporations in India with access to a world class system for better management of their business-related travel and entertainment (T&E) expenses.**
- **American Express is the market leader in this segment.**
- **The company launched India's first Corporate Purchasing Card: The American Express Corporate Purchasing Card (CPC). This is an expense management solution designed to help corporations achieve process and purchasing efficiencies, while enhancing financial control.**
- **It launched the award winning Membership Rewards™ programme in 1996.**
- **Co-branded cards: American Express has tied up with other corporates like Indian Airlines, Mahanagar Telephone Nigam Ltd. (MTNL) and India Today Group to launch innovative co-branded credit cards. These co-branded cards give its customers exclusive privilege offers while purchasing the respective partner's product.**
• E-credit card: American Express has launched a card with online fraud guarantee, in which the customer will not be held responsible for any unauthorised charges online. It has launched this card in order to reduce apprehension in minds of people regarding usage of credit cards on the Internet. This product is targeted at customers who prefer the convenience of online servicing, while retaining all the conventional advantages of a plastic card.
• Corporate cards for Small and Medium Enterprises (SME): The total travel and entertainment expenditure by the SME segment in India is around US$ 2.7 billion. American Express has launched a corporate cards programme targeted towards this segment. With this card, SMEs would be able to control their travel and entertainment expenses and thereby improve their margins.
• American Express is a leader in the Business Travel Services segment and offers services to leading multinationals and Indian corporations.
• American Express offers travellers’ cheques, which are widely distributed through travel service offices, representative offices, moneyexchangers and banks. The company is a market leader in this segment.
• American Express is the largest retail foreign exchange services provider in the country through American Express Foreign Exchange Services India Limited (AEFESIL).
American Express also offers a portfolio of financial services products in India:
• Savings and investment products like savings accounts, money market funds, mutual funds, Money + and Money + personal accounts and tax advantaged investments;
• Transaction products like current accounts, multi-currency accounts, ATM cards and investment management accounts;
• Liability products such as current deposits and time deposits, unitised time deposits and, sweep accounts also form a part of the American Express Service Portfolio.
• American Express also offers asset products like personal loans;
• Insurance products are offered through various strategic tie-ups.

Brand building
American Express has actively promoted its brand with the help of memorable advertisement campaigns in both, print as well as television media. Some of its older television advertisement campaigns still have spontaneous recall.
American Express has also leveraged the power of its Blue Box logo very well. Since its introduction in 1975, the American Express Blue Box has become one of the world’s most recognised corporate identifiers.
BusinessWeek ranked American Express among the top 15 brands in the world valued at US$ 17.68 billion.

Leveraging Indian retail financial services market through effective alliances
With more and more Indians travelling abroad, there is a huge potential for travellers’ cheques and similar foreign exchange products. American Express has realised this and has tied up with newer channels like travel agents and other banks to improve its distribution reach.
American Express has tied up with various financial institutions to provide a complete range of financial service solutions to its customers. It has tied up with Aviva for Life Insurance solutions. For General Insurance, it has tied up with Royal Sundaram. For investment products, the bank provides its customers information and access to a set of pre-screened Mutual Funds and other investment instruments.

Commitment towards employees
American Express is committed to its employees and hopes to achieve a competitive advantage by aligning its employees with its organisational goals. This focused approach toward employees has resulted in American Express India featuring in the top ten positions in the Best Employers in India Study conducted by Business Today & Hewitt for two consecutive years - 2002 and 2003. In fact it was voted as the second best employer in India for 2003.

Leveraging the India Advantage
American Express is considered a pioneer in off-shoring processes to captive centres in India. The company has set up global back office operations to leverage the skilled manpower available in India:
• American Express (India) Private Ltd, Finance Centre – East (FC-East): This centre handles accounting and financial processes for American Express’ businesses around the world.
• American Express Global Service Centre: This centre provides support to the company’s card, financial services and travel-related businesses in the US and other countries.

American Express: AT A GLANCE
• Global travel, financial services provider, 175 countries, 2,300 offices
• World’s largest travel company, World’s largest travellers’ cheques issuer, World’s largest charge card issuer
• Indian operations: American Express Bank Ltd; American Express (India) Pvt. Ltd; Finance Centre – East (FC-East); American Express Global Service Centre
• Leader in the Indian travellers’ cheques market
• Factors for success: Wide portfolio with many innovative products, Brand building through memorable logo and advertising Effective alliances; Commitment to employees
• For Amex, India is : A global back-office hub