



# NAB, St George create spaces for co-working

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Winemaker Adam Marks has a regular co-working space he uses in Melbourne. That is not unusual – sites for small businesses and start-ups are increasingly common all over Australia.

What's less common, however, is that Marks uses a space created by National Australia Bank at its newly constructed 700 Bourke St office. Adjacent to Melbourne's Southern Cross station, NAB has created The Village, a space with Wi-Fi, desks, private spaces and meeting rooms for the free use of business customers. It has more meeting rooms on the floor above.

"It's a good space for me," says Marks, a NAB customer who regularly comes to town from his winery Bress, 130 kilometres north-west of Melbourne. "I come in and find that [concentration] zone and off we go [working]."

The number of mobile workers is soaring – research company IDC predicts an extra 300-million people will embrace the practice between 2010 and this year, bringing the global total to 1.3 billion.

While co-working hubs are not new – names like Fishburners, Hub Sydney, Hub Melbourne and LaunchPad are well-known and different sites already target different market niches – but the growth also gives anyone with a real estate footprint the chance to cater to the mar-

ket. For banks, it is a win-win, as it gives them the opportunity to better utilise their space, make customers more 'sticky' and, of course, convert new ones.

The Village wins new business for NAB, as non-customers who come to meet existing NAB clients at the facility get exposed to it.

"[A conversion rate of] one-third would not be too far from the truth," says David Bannatyne, the bank's general manager for small business.

Earlier this month NAB tested a pop-up co-working facility in central Geelong. It is also looking to roll out permanent facilities in each mainland capital, Bannatyne says.

"Sydney is one of the next places we want to look at," he says. "There is a team looking at it now."

Westpac-owned St George bank set up its first co-working space in Sydney's Chatswood early last year and earlier this month opened a second one in Perth.

"We are taking advantage of space that we have which is being under-utilised and thinking about how we turn that into a benefit for us and our customers," says Phillip Godkin, St George's general manager for business banking.

Godkin doesn't quantify the new business created by its Business Hubs, but says they create a sense of community among its small-business customers, which is good for the bank.

"There are a lot of consulting-type

business, some distributors, some importers," he says. "But the ability to get together with people who are running similar-sized businesses – they've got common issue, common problems – has been terrific."

Further, those businesses work with each other. Marks is now producing a coffee-table book about his winery with the help of an independent editor he met at The Village.

But views on what works differ. Bannatyne says it's hard to repurpose existing sites, as NAB needs ground floor space and the fitout is "not cheap".

Godkin, however, is more relaxed. St George's existing hubs reuse office space above the ground level.

"I'm confident I can stick old business desks in an old school hall with Wi-Fi," he says.

"As long as I'm getting the right people turning up, most of the value would be realised."

## Key points

**NAB and St George are offering workspace for business customers.**

**Co-working hubs typically provide Wi-Fi, desks and meeting rooms.**



Winemaker Adam Marks uses a co-working space created by NAB at its Bourke St, Melbourne office. PHOTO: JESSE MARLOW