



## Media Release

### **Business customers happier with banks in June**

(24 July 2007 – Australia) Business customers have responded more positively towards their banks in June despite two of the Big Four banks seeing a drop in their Sentiment Score in East & Partners' monthly Business Banking Sentiment Index.

The Business Banking Sentiment Score has improved slightly, up from 41.8 in May to 41.9 in June, reversing a 12 month trend of deteriorating business customer sentiment towards banks.

The Sentiment Score is an aggregated rating metric comprising four different measures of customer sentiment – Empathy, Satisfaction Loyalty and Advocacy.

St George continues to lead the market on overall customer sentiment with Bank of Queensland and HSBC following behind.

In the June Index, St George customers awarded their bank an overall Sentiment Score of 58.5 points, ahead of BOQ and HSBC customers who gave their banks Sentiment Scores of 54.4 and 52.5 points respectively.

National Australia Bank is the best performer among the Big Four banks with a Sentiment Score of 48.5 in June, up from 47.8 in May.

The Sentiment Scores of the other three Big Four banks were less impressive, with ANZ remaining on 43.8 whilst Westpac slipped to 36.5 from 36.7 in May; and CBA faring even worse with its Score falling into the twenties for the first time, hitting a low of 29.5 in June down from 30.1 in May.

NAB was significantly ahead of its Big Four rivals in Satisfaction with 62.0; followed by Westpac on 51.6, ANZ on 49.6 and CBA on 41.4. St George was the best performer in Satisfaction with 74.1 with BOQ second on 65.8 and HSBC third on 66.1.

The Micro Business segment was again the least with happy with banks awarding the banking sector as a whole a Sentiment Score of just 26.3 down from 27.0 in May.

SMEs awarded banks a Sentiment Score of 34.4 down from 34.5 in May. Commercial enterprises were much more positive than their smaller business brethren, giving banks a Sentiment Score of 68.4 up from 67.6 in May.

“The overall Sentiment Score improved for the first time in June but it is larger middle market companies, which are generally relationship managed and the focus of much attention from banks, that have underpinned the more positive rating,” East & Partners general manager, Client Services, Paul Bartholomew, said.

“SMEs and Micro Businesses, on the other hand, continue to rate their banks poorly, and the disconnect and general lack of a relationship between small businesses and their banks seems to show no signs of abating,” he said.

### **About East & Partners’ Business Banking Sentiment Index**

The East & Partners Business Banking Sentiment Index is a monthly survey of business customer sentiment towards banks, providing a monitor of customer satisfaction, loyalty, advocacy and empathy towards business banks. Each month East & Partners’ research team conducts telephone interviews with a sample of 500 businesses nationally, turning over A\$1 to 100 million per annum, comprising:

- Micro Business            175    (\$1-5m turnover enterprises)
- SME                            175    (\$5-20m turnover enterprises)
- Lower Commercial    150    (\$20-100m turnover enterprises)

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