

SMEs continue to vent their dissatisfaction

(27 July 2009 – Australia) SMEs' overall satisfaction with their business banks continues to fall, according to East & Partners' latest Business Banking Customer Satisfaction Monitor (BBCSM). This level of dissatisfaction is in stark contrast to that of businesses from the top end of town, whose satisfaction with their banks has remained significantly higher and relatively steady over the past twelve months.

A year ago, SMEs gave their banks an overall satisfaction rating of 5.31 (where 0 = very dissatisfied and 10 = very satisfied), but in the June 2009 latest edition of the BBCSM, this has dropped to just 4.60, representing a fall of almost 14 percent. The overall satisfaction of bigger businesses that turnover \$150-500 million annually has fallen by less than 1 percent over the same twelve month period.

"There is a clear discrepancy, in terms of bank satisfaction, between SMEs and their bigger peers. Although the banks are trying to get closer to the SME segment, there is obviously room for improvement, especially against the backdrop of the current economic environment," said Robert Morgan, East's head of market analysis.

"The good news is that all the banks appear to be deploying more Relationship Managers (RMs) in the SME segment. RMs are by far SMEs' most preferred method of bank interaction, so we would expect to see an improvement in bank satisfaction among SMEs," Mr Morgan added.

Overall, the market average business banking satisfaction rating for June 2009 was 4.85, a decrease from last month's score of 4.89. The fall is the tenth consecutive monthly decrease in overall satisfaction.

Of the Big Four, no bank saw an increase in satisfaction this month, with CBA taking the biggest hit. NAB maintains the top Big Four satisfaction rating, with a score of 6.56 this month.

In fact, of all the banks, only the highly rated Regional banks, as well as St George, increased their overall business banking customer satisfaction this month.

The top rating this month in overall satisfaction went to the Regional banks, with a satisfaction score of 6.62.

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About the East & Partners' Business Banking Customer Satisfaction Monitor

The Business Banking Customer Satisfaction Monitor is based on interviews conducted each month Australia-wide with a structured sample of 850 companies turning over A\$5-500 million per annum, some 10,200 direct interviews with business banking customers annually.

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