

Media Release

Business Banking Advertising Facing Uphill Battle

(5 March 2014 – Australia) Business banking advertising recall continues to plummet to record lows, results from East & Partners latest Business Banking Index show.

In 2010 up to three quarters of all Australian CFO's and treasurers directly interviewed by East & Partners recalled business banking advertising by the Big Four.

That figure has declined to 61.9 percent in January 2014, with regionals and other smaller lenders also finding it increasingly difficult to distribute their core value offering among the wider market.

Of greater concern is the number of enterprises that did not recall any business banking advertising.

18.5 percent of businesses in January 2014 did not recall any business banking advertising whatsoever. This represents a four-fold increase from the 4.2 percent of businesses who did not recall any advertising in 2010.

First Recalled Business Bank Advertising, by Bank

% of Respondents recalling Advertising over the Past Month

	2010 (N: 779)	2012 (N:798)	2014 (N: 984)
Big Four	74.2	69.5	61.9
Regionals	5.3	6.9	3.0
Internationals	1.8	5.3	4.4
Other	14.5	2.6	12.2
None	4.2	15.7	18.5
TOTAL	100.0	100.0	100.0

Source: East & Partners Business Banking Index – January 2014

Westpac currently rates the strongest in terms of brand recognition, narrowly ahead of CBA and ANZ while BOQ rates the strongest among the regionals.

Martin Smith, Senior Markets Analyst at East & Partners, stated that these trending results highlight the need to employ new approaches in connecting with businesses that now hold higher expectations of their primary business bank.

“Technology is having a more pronounced impact on how businesses interact with their bank, which is clearly impacting the effectiveness of advertising and PR to both small and large enterprises”

“Improving Mind Share continues to rank as the leading conduit to higher Market Share and Wallet Share growth”

“Providing a unique perspective on important product and service related issues in the form of thought leadership initiatives cuts through the competitive jostling for businesses wallets more so now than ever, as customer advocacy dips further and broad based advertising appears to be missing the mark”

About the East & Partners Business Banking Index

The bi-monthly Business Banking Index explores the shifting preferences customers place on Mind Share, Customer Advocacy and Satisfaction when ranking their sentiment towards Australian banks. The research formulates Bank index scores from over a thousand interviews with Institutional, Corporate, SME and Micro businesses spanning all Business Depositor segments. The breadth of the BBI analysis delivers market-spanning conclusions on how highly customers regard their bank. Bank index scores monitor key drivers of customer engagement behaviour including Mind Share, Loyalty, Proactivity, Empathy, Detraction and Advocacy.

Market Segments:

- › Institutional – A\$725 million plus
- › Corporate – A\$20-725 million
- › SME – A\$5-20 million
- › Micro – A\$1-5 million

For more information or for further interview based insights from East & Partners on the Business Banking Index, please contact:

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