

Media Release

CBA customer service program bearing fruit

(11 August 2004 – Australia) Commonwealth Bank's "Which new Bank" customer service restructure appears to be paying off with the bank improving both its share of corporate customers and its relationship management performance in the commercial segment, according to East & Partners.

On the day CBA announces its full year result, East's latest Corporate Account Penetration research shows the bank now owns 21 percent of corporate banking relationships in the key transaction services area, up from 18.4 percent a year earlier.

CBA has also improved its share of the commercial – or middle corporate – markets, owning just under a quarter of the overall market. CBA is also the leading commercial bank to SMEs with 20.4 percent of primary relationships.

In the corporate segment, CBA is steadily improving its service and relationship performance, according to Top 500 CFOs and Treasurers interviewed for the research program.

East & Partners principal analyst Paul Dowling said that almost 12 months down the track and a raft of senior management changes later it was difficult to know just successful the "Which new Bank" transformation program was proving to be.

However, he said East's research showed the bank was gaining traction on the customer satisfaction side of the program.

"We have no view currently of whether the program is leading to internal cost reductions at the Bank but we're picking up noticeable improvement taking place around the service level and relationship management performance," he said.

"CBA's product performance remains middle of the road, which suggests that their improved performance overall can be attributed to the "Which new Bank" emphasis on service.

"Essentially, CBA is not so much re-engineering product as looking to improve the way it's delivered to customers," Mr Dowling said.

"Our research shows CBA's share of wallet inside its existing customer base is climbing, and the bank is registering customer acquisition," he said.

Principal Transaction Banker to Corporates

(A\$340 million plus turnover per annum)

% of Total Primary Relationships

	June 2004	December 2003	June 2003
CBA	21.0	19.6	18.4

Source: East & Partners Corporate Account Penetration Program

Principal Transaction Banker to Commercials

(A\$20 – 340 million turnover per annum)

% of Total Primary Relationships

	February 2004	August 2003	February 2003
CBA	24.4	23.1	22.7

Source: East & Partners Commercial Transaction Banking Program

Principal Transaction Banker to SMEs

(A\$5 – 20 million turnover per annum)

% of Total Primary Relationships

April 2004

CBA	20.4
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Source: East & Partners SME Banking Markets Program

Relationship Management Performance Rating – Corporates
(A\$340 million plus turnover per annum)

Average Satisfaction Rating Reported

1 — 2 — 3 — 4 — 5
(satisfied) (dissatisfied)

	April 2004	October 2003	April 2003
CBA	2.55	2.67	2.83
Total	2.83	2.93	3.05

Source: East & Partners Corporate Customer Satisfaction Program

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