

Size still matters

(23 April 2010 – Australia) Businesses from the top end of town continue to report a significantly higher level of satisfaction with their business banks compared to their smaller counterparts, according to East & Partners' latest Business Banking Customer Satisfaction Monitor (BBCSM).

The latest BBCSM shows that SMEs (businesses with an annual turnover of \$5-25 million) give their banks an overall satisfaction rating of just 4.30 (using a 0 – 10 scale where 0 = very dissatisfied and 10 = very satisfied).

However, those businesses in the \$150-500 million segment give their banks an overall satisfaction rating of 5.59. This translates into businesses from the higher turnover segment providing their business bank with a satisfaction rating that is almost 30 percent more than their SME peers.

Of equal significance is the fact that since March 2009, SME's overall satisfaction rating with their bank has dropped from 4.83 to 4.30 in the latest March 2010 BBCSM. On the other hand, over the same one year period bank satisfaction for those businesses in the \$150-500 million segment has only dropped 0.01.

"While a minority of banks have enjoyed increased satisfaction levels amongst their SME customers, in overall terms, SME satisfaction ratings have continued to fall over the past two years. As a result, a clear discrepancy, based on company size, continues to grow in terms of bank satisfaction" Robert Morgan, head of market analysis said.

"Indeed, our research indicates that, certainly in the short term, this two-tier level of satisfaction is set to continue as SMEs increasingly feel frustrated with their banks compounded by the current credit environment" Mr Morgan concluded.

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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