

## Falling levels of Direct Bank Customer Contact

(14 October 2011 – Australia) The number of business banking clients in regular contact with their primary bank has been steadily declining across all enterprise segments, regardless of bank size since early 2010 when it peaked in the midst of the GFC's credit concerns.

The latest Advocacy Monitor from industry consultants East & Partners shows a steady and pronounced decrease in the frequency of contact between primary banks and their business customers with sharp drops of 22.3 percent and 19.2 percent reported by clients of Westpac and Commonwealth Bank (CBA) respectively. National Australia Bank (NAB) maintains the highest contact frequency communication between themselves and their customers with 60.7 percent of NAB business clients reporting they have had direct interaction with NAB over the last month. NAB is followed by two of the regional banks, Bank of Queensland (BoQ) and BankWest (BWA) with direct, personal contact over the last month reported by 54.2 percent and 50 percent of their business customers respectively.

As well as the amount of contact between a business customer and their primary bank, East's latest research indicates who the prime initiator is, either bank or client. Of the Big Four domestic banks NAB and Westpac were reported to be most proactive in initiating customer contact while ANZ and CBA customers more typically reported having to initiate contact with their bank.

SME's were the most likely to have to start communication, with 76.3 percent saying they had been proactive in connecting with their bank rather than the other way round.

East & Partners' Head of Client Service, Amy Nixon, commented "Business customers are still not seen to be advocating the banks willingly but continue to detract from them. A key driver behind this appears to be banks slowing down in their proactive communications with customers. The direction of this one way relationship is driving deterioration in customer satisfaction coupled with falling loyalty."

"This contact pattern is a stark contrast to customer experiences reported mid-GFC, where very high levels of bank-initiated interaction, mostly credit-driven, with their business customers were being reported across the board" Ms Nixon further noted.

### East & Partners Pty Ltd

Level 39, 2 Park St Sydney NSW 2000 Australia

phone: +61 2 9004 7848 fax: +61 2 9004 7070

[www.east.com.au](http://www.east.com.au)

ABN: 23 151 025 599

## About East & Partners' Advocacy Monitor

A bi-monthly Index of business customer advocacy and sentiment toward their banks, based on interviews conducted Australia-wide with a structured sample of over 4,600 middle market and SME customers companies turning over A\$1 to 100 million per annum.

The Index provides a monitor of a number of important drivers of customer engagement behaviour with their banks including advocacy, detraction, empathy, satisfaction, loyalty, channel engagement, advertising recognition, product demand, product advocacy and mind share.

Note: Business customer Segments

- Mid Corporate – A\$20-100 million
- SME – A\$5-20 million
- Micro – A\$1-5 million

For more information or to interview East & Partners, please contact:

Sian Dowling  
Marcomms & Client Services  
East & Partners  
t: 02 9004 7848  
m: 0420 583 553  
e: [sian.d@east.com.au](mailto:sian.d@east.com.au)

### East & Partners Pty Ltd

Level 39, 2 Park St Sydney NSW 2000 Australia  
phone: +61 2 9004 7848 fax: +61 2 9004 7070  
[www.east.com.au](http://www.east.com.au)

ABN: 23 151 025 599