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Tuesday, 18 November 2014

Westpac scores highest satisfaction of the big four banks for personal and business customers

The satisfaction level of the personal customers of banks reached an eighteen year record high of 82.6% in October, up from 82.4% in September. Westpac scored the highest satisfaction (81.5%) of the big four for the first time in ten years. It also retained top position among the majors for business customer satisfaction (72.3%).

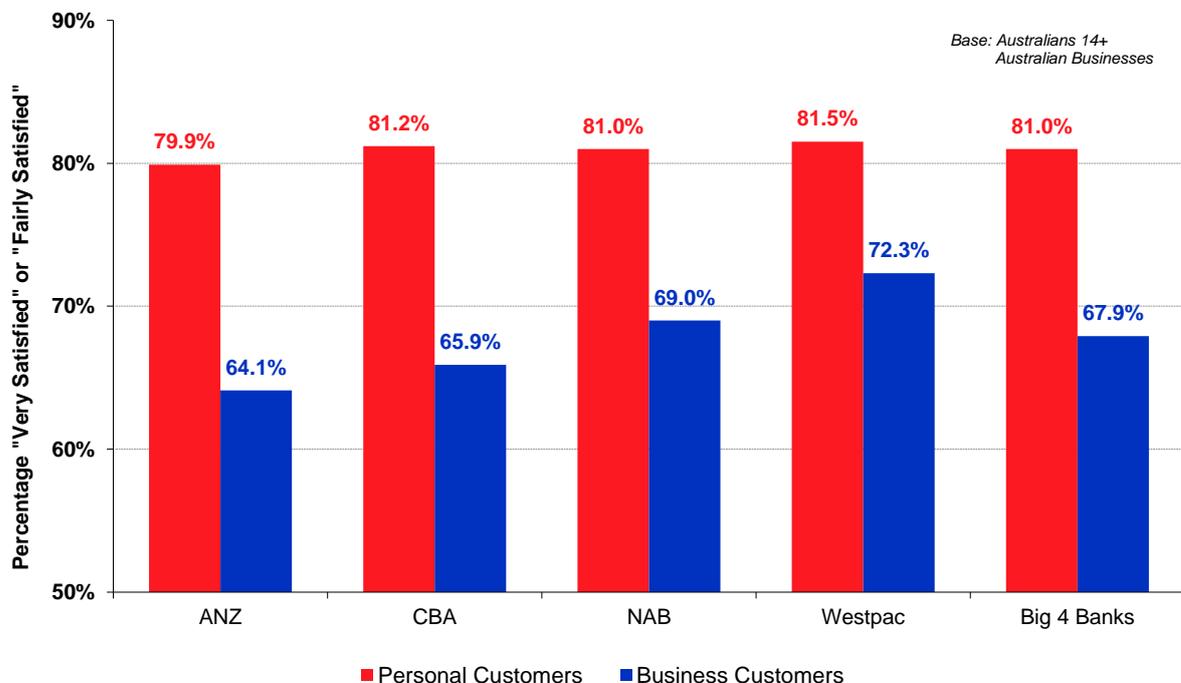
These are the latest findings from the Roy Morgan Single Source survey of over 50,000 people and 12,000 business decision-makers p.a. from the Roy Morgan Business Single Source survey.

Business customers less satisfied than consumers with banks

In the six months to October, Westpac had the highest level of customer satisfaction of the big four among personal customers with 81.5%, followed by CBA (81.2%), NAB (81.0%) and ANZ (79.9%).

Over the same period, Westpac was the clear leader among business customers for satisfaction with 72.3%, followed by NAB (69.0%), CBA (65.9%) and ANZ (64.1%).

Business and Consumer Banking Satisfaction: Big Four Banks



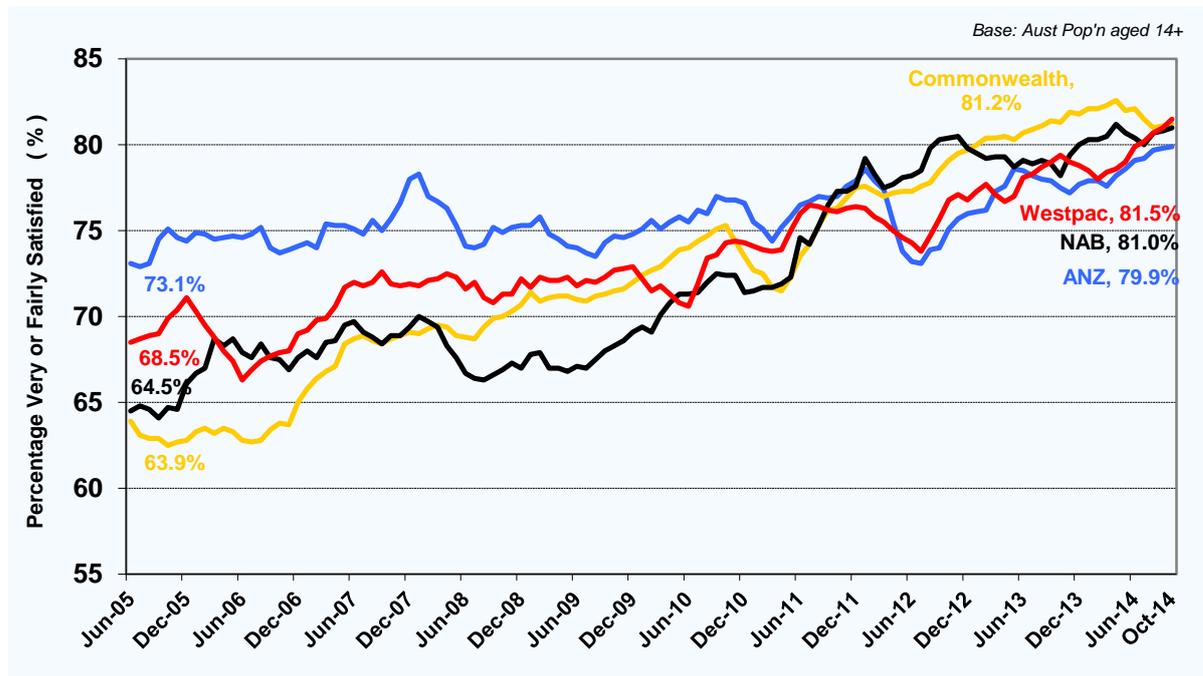
Source: Roy Morgan Research Consumer Single Source; May 2014 – October 2014, Big Four banks, n=18,736.
Roy Morgan Business Single Source, May 2014 – October 2014, n=4,573

All four major banks show much lower levels of satisfaction for their business customers compared to their personal customers. The biggest gap is for ANZ, where business customers are 15.8% points behind its personal customers, while Westpac has the smallest gap with its business customers 9.2% points behind.

Little separates the major banks personal satisfaction ratings

Since 2005 the relative satisfaction rankings of the major banks has seen considerable change. Between 2005 and 2010 the ANZ was clearly on top, whereas they have now slipped to fourth place. The CBA, NAB and Westpac have climbed steadily since 2005 with the result that currently only 1.6% points separates all four banks compared to 9.2% points in June 2005. This closing of the gap gives very little competitive advantage in customer satisfaction to any of the major banks.

Consumer Banking Satisfaction: Big Four Banks



Source: Roy Morgan Research Consumer Single Source; May 2014 – October 2014, Big Four banks, average 6 monthly sample for the Big Four Banks (n=18,308).

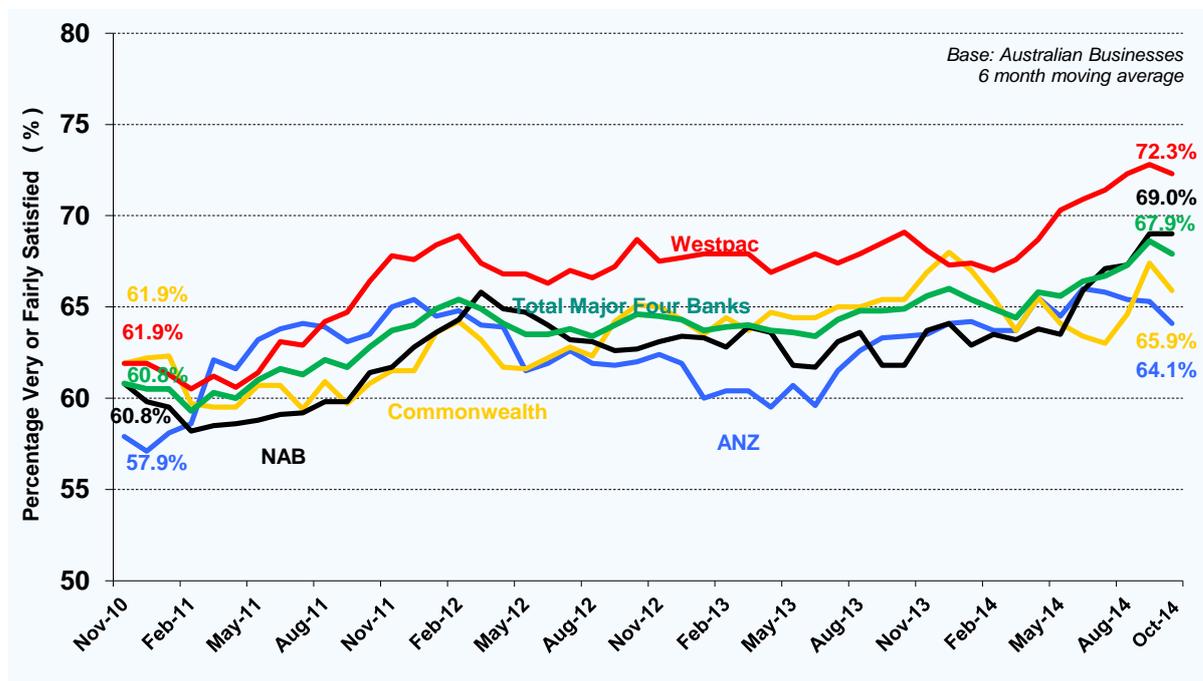
Over the last 12 months the CBA showed a small drop in satisfaction (down 0.1% point) whereas the other majors showed gains, with the NAB the biggest improver (up 2.8% points), followed by ANZ (up 2.4% points) and Westpac (up 2.1% points). The improvements for ANZ, NAB and Westpac were largely as a result of gains made among their non-home loan customers but the CBA had a drop in satisfaction among this group. All four of the major banks still have lower satisfaction levels among their mortgage customers compared to their non-mortgage customers despite low interest rates.

Business customers show some improvement

While consumer banking satisfaction for the big four has continued to increase over the last year (up 1.4% points), business customer satisfaction has improved more (up 3.0% points). In the six months to October 2014, Westpac maintained its lead in business customer satisfaction over the others of the big four with 72.3%, followed by NAB (69.0%), CBA (65.9%) and ANZ (64.1%). NAB was

clearly the biggest improver over the last 12 months (up 7.2% points), followed by Westpac (up 3.2% points), ANZ (up 0.7% points) and CBA (up 0.5% points).

Business Banking Satisfaction: Big Four Banks



Source: Roy Morgan Research Business Banking Satisfaction Report, October 2004. Average 6 month sample for the Big Four Banks (n=6,310)

Although the major banks have made some progress towards closing the gap in satisfaction between their business and personal customers, the business customers remain well behind (67.9% compared to 81.0%).

Norman Morris, Industry Communications Director, Roy Morgan Research says:

“For the past fourteen years the big four banks have been competing strongly for the number one overall satisfaction rating among consumers and have made considerable progress in lifting overall satisfaction levels to the point where very little now separates them. The real satisfaction pacesetters in this banking market are the mutual banks with 89.9% satisfaction compared to 81.0% for the big four. Over the last 12 months the mutual banks have increased their lead over the big four with an increase in satisfaction of 1.8% points compared to 1.4% points.

“There are many reasons for the mutual banks remaining well ahead of the Big Four, these include much higher ratings for things such as making customers feel valued, being transparent and honest about terms and conditions of their products and having fair and reasonable fees and charges.

“The much lower satisfaction levels of business customers remains a problem and should become an increasing focus of the major banks as we have seen over the past decade with personal customers. Low satisfaction among this group will not only be likely to impact on business growth and customer retention but have the potential to be a negative influence on

personal customer satisfaction ratings. This is due to the fact that there is a very close connection between the personal bank and business bank of small business owners.”

For comments or more information please contact:

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About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in New Zealand, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
15,000	±0.8	±0.7	±0.5	±0.3
20,000	±0.7	±0.6	±0.4	±0.3