

Monday, 18 December 2017

## Satisfaction with big four banks improves in November

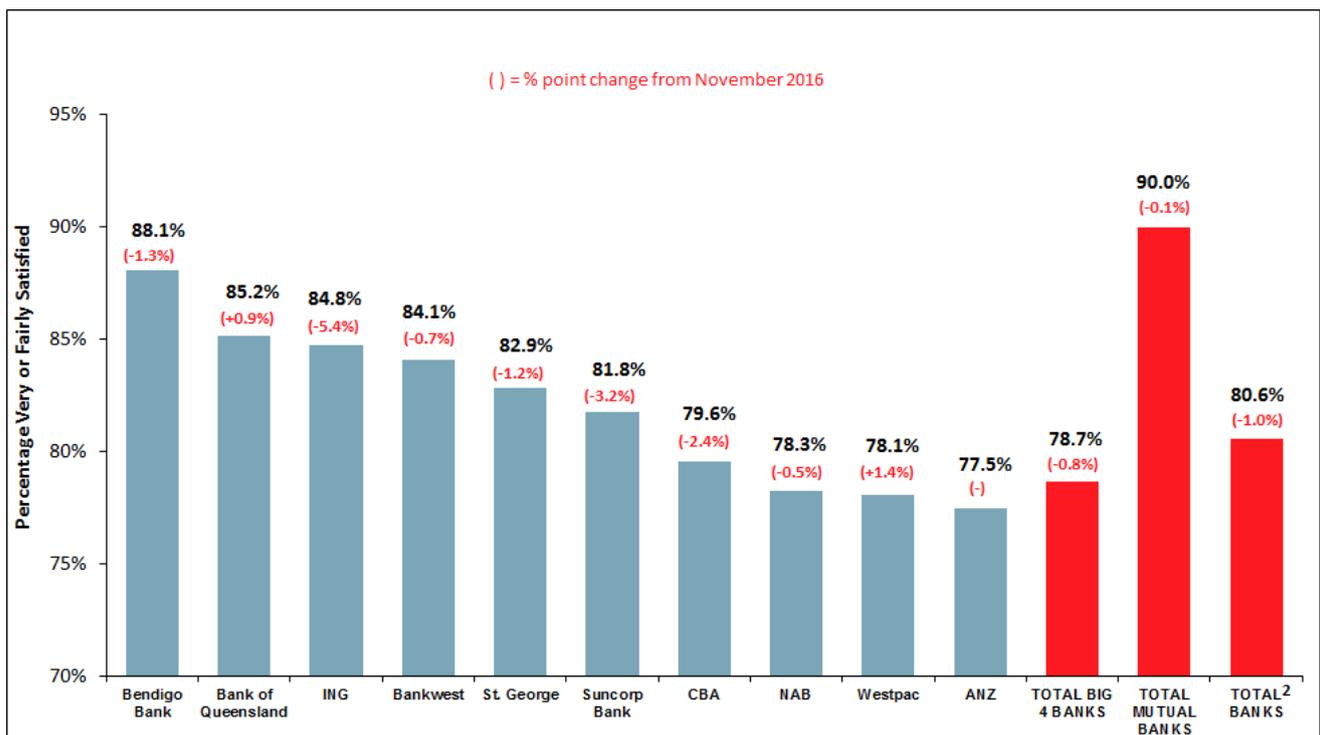
New research from Roy Morgan shows that customer satisfaction with the big four banks in the six months to November 2017 was 78.7%, up from 78.6% in October. Although this is down by 0.8% points over the last 12 months, it must be seen in the context of the long term trend which shows that they have generally shown a positive upward trend since their low point of 55.3% recorded in 2001.

These are the latest findings from Roy Morgan's Single Source survey of over 50,000 consumers per annum.

### Bendigo Bank remains satisfaction leader of the ten largest consumer banks

Among the ten largest consumer banks, Bendigo Bank had the highest satisfaction in November with 88.1%, followed by Bank of Queensland (85.2%), ING (84.8%) and Bankwest (84.1%). The CBA remained the best of the big four with 79.6%, followed by NAB (78.3%), Westpac (78.1%) and ANZ (77.5%). Outside of the ten largest banks, it is the mutual banks as a group that have the highest satisfaction with 90.0%, well above the overall bank average of 80.6%.

### Consumer Banking Satisfaction - 10 largest Consumer Banks<sup>1</sup>



1. Based on customer numbers 2. Includes banks not shown **Source:** Roy Morgan Single Source (Australia). 6 months to November 2016, n = 24,727; 6 months to November 2017, n = 24,915 **Base:** Australian 14+

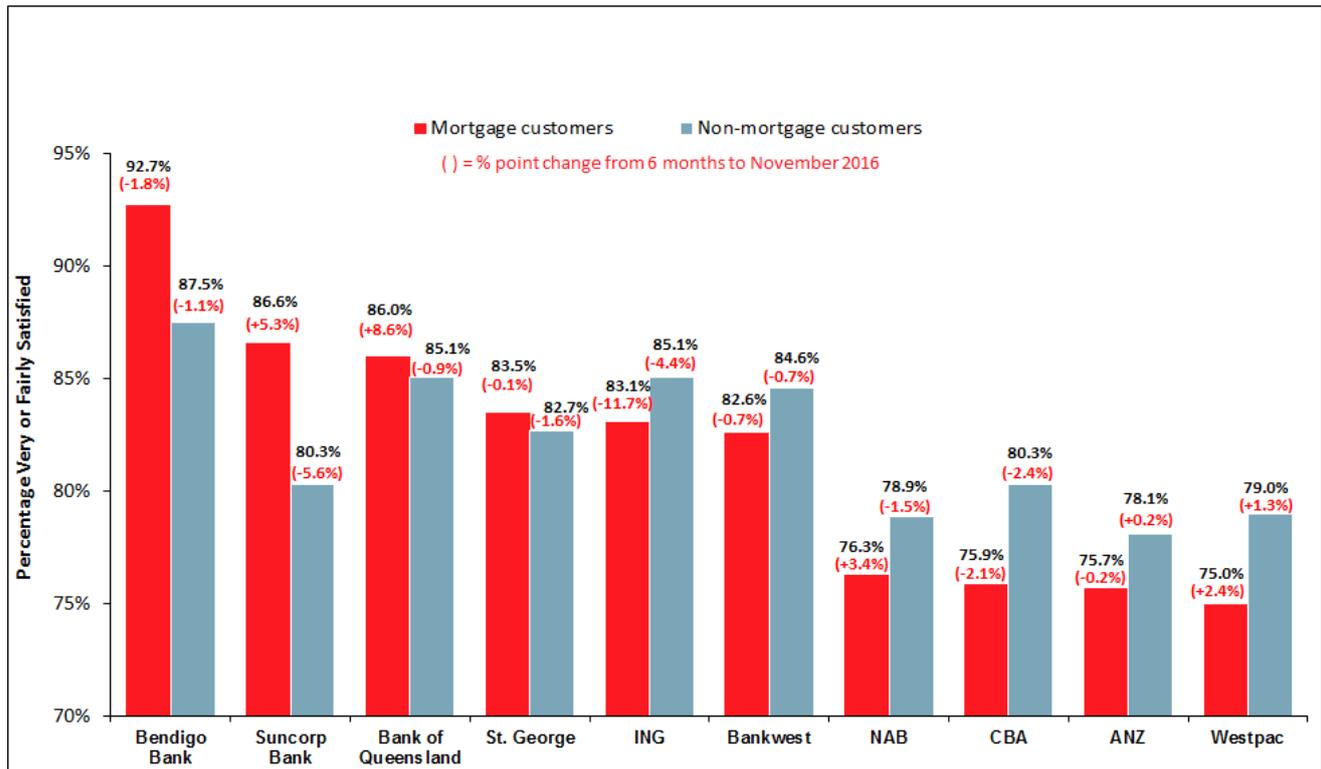
Although satisfaction for banks in total declined by 1.0% points over the last year, several of the largest banks went against this trend, with Westpac up 1.4% points, Bank of Queensland up 0.9% points and ANZ remained unchanged. Among the other big four banks, the CBA had the biggest decline (down 2.4% points), while NAB declined by 0.5% points. The biggest declines in satisfaction

among the largest banks outside of the big four were ING (down 5.4% points) and Suncorp Bank (down 3.2% points).

### Mortgage customers of the big four continue to be a drag on overall satisfaction

The mortgage customers of each of the big four banks continue to have lower satisfaction ratings compared to their other customers and the home loan customers of the smaller banks, this is despite historically low home-loan rates. Over the last 12 months, satisfaction among the big four's home-loan customers has closed the gap marginally on their other customers with an increase of 0.3% points to 75.7%, compared to a drop in satisfaction of 1.1% point for non-home loan customers (to 79.4%).

### Satisfaction of Mortgage and Non-mortgage Customers 10 Largest Consumer Banks<sup>1</sup>



1. Based on Customer numbers **Source:** Roy Morgan Single Source (Australia). 6 months to November 2016, n= 24,727; 6 months to November 2017, n= 24,915 **Base:** Australians 14+.

Bendigo Bank continues to have the highest home-loan customer satisfaction (of the ten largest) with 92.7%, followed by Suncorp Bank (86.6%) and Bank of Queensland (86.0%). The NAB has the highest home-loan customer satisfaction of the big four with 76.3% (up 3.4% points over the last year), followed closely by CBA (75.9%), ANZ (75.7%) and Westpac (75.0%).

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

*“Satisfaction with banks was trending up strongly between 2001 and 2014 and over the last three years it has plateaued rather than showing any real signs of a decline. It is important to understand this long-term trend because it is easy to get side-tracked by the impact of short-term events, which happen regularly but generally have little lasting effect.*

*“In the highly competitive home-loan market, the small banks have much higher satisfaction with their home loan customers than do those with the big four. This remains a big challenge for the majors as they generally attract most of the negative publicity surrounding interest rate increases, profit announcements and customer problems. Another*

issue for the big four is the somewhat surprising fact that in the current low interest rate environment their home loan customers have lower satisfaction than their non-home loan customers.

“Roy Morgan has been the industry currency in consumer financial behaviour for over two decades and is now able to offer two insightful reports that looks at the factors that drive bank customer satisfaction and advocacy. These reports are the ‘Drivers of Customer Satisfaction’ and ‘Drivers of Advocacy’.”

**For comments or more information about Roy Morgan Research’s banking and finance data, please contact:**

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### Related research reports

View our banking and finance satisfaction reports, including the [Customer Satisfaction: Consumer Banking in Australia report](#) and the [Advocacy Report: Financial Institutions report](#) and the [Drivers of Satisfaction and Advocacy reports](#).

### 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 Indonesia, 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
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2