

Friday, 16 March 2018

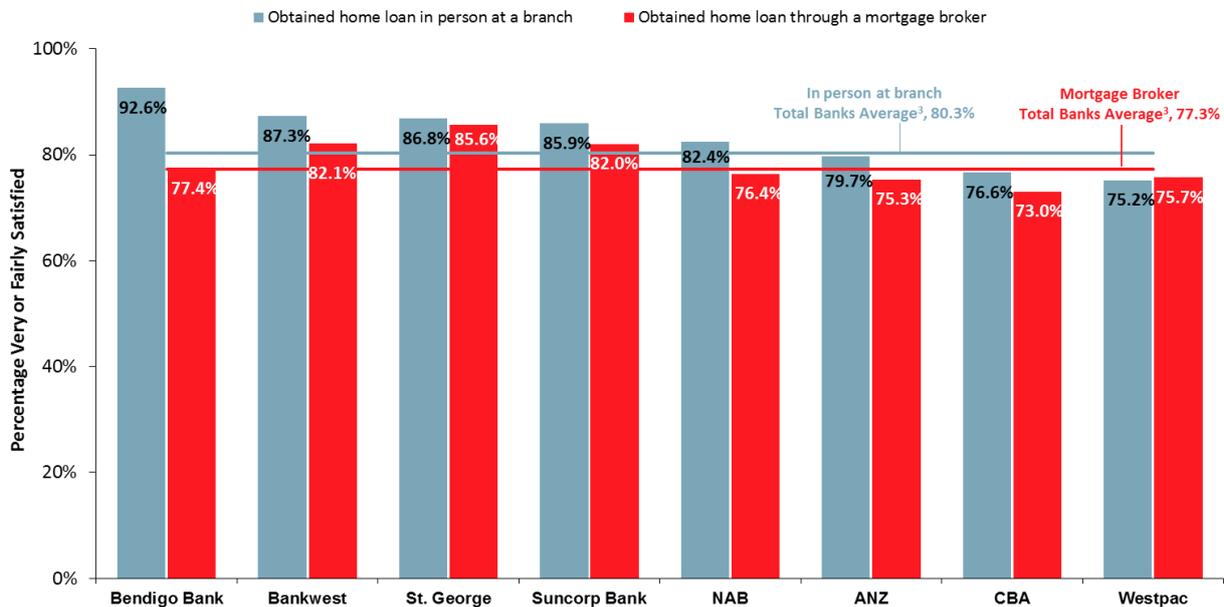
Mortgage customer satisfaction higher when deal directly with bank

New research from Roy Morgan show that home loan customer satisfaction with banks when using a mortgage broker was only 77.3%. This compares to 80.3% when home loans were obtained in person at a branch. Even among more recent home loans (held for under six years) satisfaction with going directly into branch was 81.7% compared to 78.7% for mortgage brokers. This is an important finding because it illustrates the potential impact that a third party can have on the satisfaction level of customers with their banks.

These results cover the six months to January 2018 and are from the Roy Morgan Single Source survey of over 50,000 consumers per annum, including over 12,000 mortgage holders.

Nearly all of the largest banks home loan customers have higher satisfaction with their bank when they obtained their loan in person at a branch, rather than through a mortgage broker. Home loan customers of Bendigo Bank who obtained their loan in person at a branch had the highest satisfaction with 92.6%, followed by Bankwest (87.3%) and St George (86.8%). The best of the big four was NAB with 82.4%, followed by ANZ (79.7%). All of the largest banks, with the exception of Westpac, had higher satisfaction when going direct rather than using mortgage brokers.

Home Loan Consumer Satisfaction: Obtained through Branch vs Mortgage Broker² - Largest Home Loan Banks¹



Source: Roy Morgan Single Source (Australia). 6 months to January 2018, n= 6,052 **Base:** Australians 14+ with home loan. 1. Based on largest number of home loans purchased at a branch. 2. Excludes other methods of obtaining home loans. 3. Includes brands not shown.

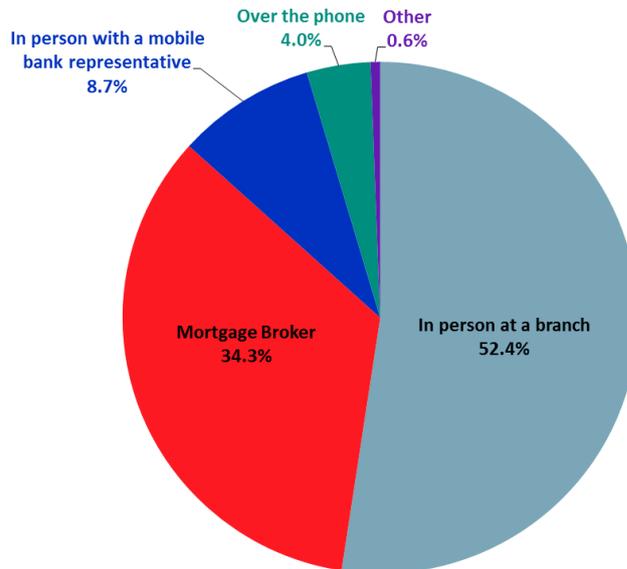
Satisfaction when using mortgage brokers was highest for St George with 85.6%, Bankwest (82.1%) and Suncorp Bank (82.0%). Each of the big four were below the market average (77.3%) for home loan customer satisfaction when using a mortgage broker, with the best of them being NAB (76.4%) and Westpac (75.7%).

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Home loan customers go in person to branch

Despite many channels available to obtain home loans, over half (52.4%) of all current loans were sourced from going in person to a bank branch. This is well ahead of the 34.3% who purchased their loan through a mortgage broker. With these two channels accounting for 86.7% of the current market, it is important for banks to know how they perform in each in terms of customer satisfaction.

Method Used To Obtain Home Loan



Source: Roy Morgan Single Source (Australia). 6 months to January 2018, n= 6,052. **Base:** Australians 14+ with home loan

Other channels used to obtain home loans were, 'in person with a mobile bank representative' (8.7%, satisfaction 78.9%) and 'over the phone' (4.0%, satisfaction 80.3%).

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

“Although mortgage brokers are an important channel for banks to acquire home loan customers, there appears to be an issue that this generally results in lower satisfaction.

“By contrast, customers who obtain their loan by going in person into a branch have higher satisfaction levels.

“The data shown here is only a small part of what is available regarding mortgage customers, their behaviour and satisfaction. The full database enables an in-depth understanding of this important market, including profiles of the type of customers who use each of the major channels to acquire their home loan.”

To learn more about Roy Morgan’s banking and finance data, call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com.

Please click on this link to the [Roy Morgan Online Store](#).

About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan 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
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