

Online business banking still off the mark

(17 June 2008 – Australia) East & Partners' latest Business Banking Customer Satisfaction Monitor (BBCSM) clearly shows that while business banking customers want to use the online banking channel, banks are not delivering to the customers' expectations.

The overall satisfaction rating for this channel is below average at just 4.24 (where 0 is 'very dissatisfied' and 10 is 'very satisfied'). However, a consolation for the banks is that the latest rating represents an upward trend over the last four months.

East & Partners Head of Market Analysis, Robert Morgan, said, "As well as the satisfaction rating trending upwards, the usage of the online banking channel is also increasing amongst business banking customers".

He added, "The channel is now the second most widely used of all the bank channels behind the most popular channel, the Relationship Manager."

At the end of last year, 35.7 percent of business customers were using the online banking channel. The latest BBCSM shows significant growth to almost 1 in every 2 businesses now using this channel.

"While the online channel is growing in usage, the banks' biggest challenge is to meet this growing demand with improved customer satisfaction. At present, online business banking is one of the poorest rated channels in terms of customer satisfaction," Mr Morgan said.

"The issue of technology consistently moving, coupled with the increasing awareness and expectation of customers regarding online interactions, compounds the issue for the banks. However, any bank that gets this channel right in terms of customer satisfaction will undoubtedly have an advantage over its competitors," noted Mr Morgan.

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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