

Friday, 26 October 2018

Increased satisfaction with New Zealand banks

New results from Roy Morgan show that customer satisfaction with banks in New Zealand in the 12 months to September 2018 was 79.1%, an increase from 77.0% in the 12 months to September 2017. The increase was a result of seven of the nine largest banks showing improved satisfaction, with TSB Bank the biggest improver up 5.9% points, followed by The Co-Operative Bank up 4.9% points and Westpac up 3.9% points.

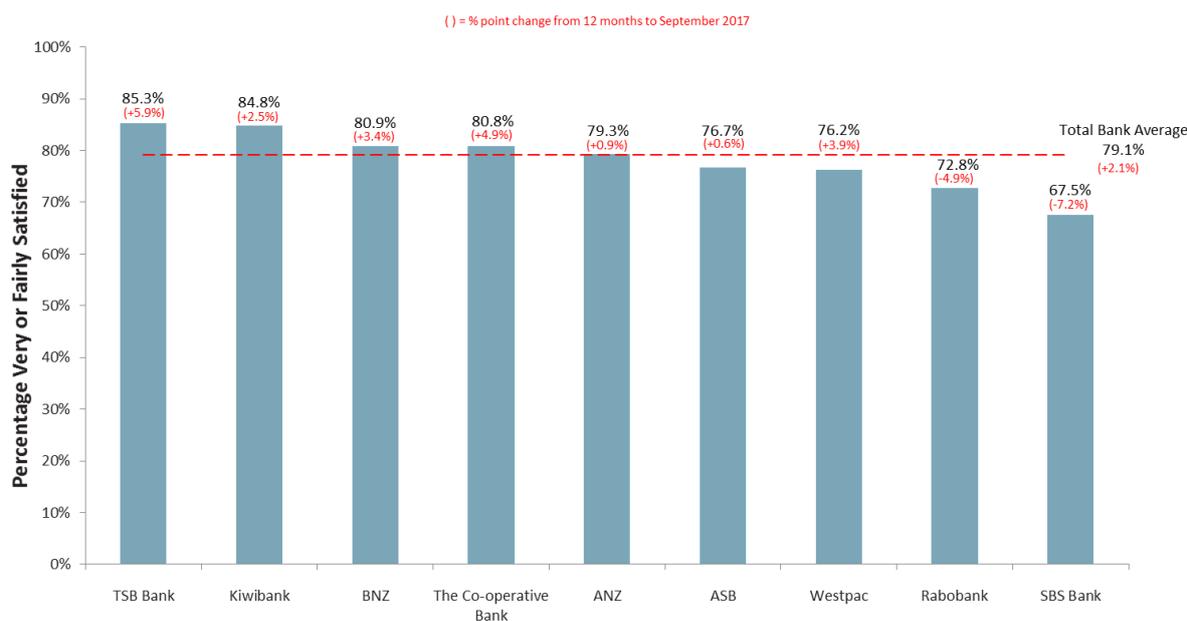
These results are from Roy Morgan's Single Source (New Zealand) survey which includes interviews with over 6,000 banking and finance consumers per annum.

TSB Bank and Kiwibank top satisfaction ratings

TSB Bank has the highest customer satisfaction of the nine largest New Zealand banks with 85.3%, followed closely by Kiwibank on 84.8%. These two are well ahead of third placed BNZ (80.9%) and The Co-Operative Bank (80.8%).

The banks performing below the market average (79.1%) were ASB (76.7%), Westpac (76.2%), Rabobank (72.8%) and SBS Bank (67.5%). The only two of the major banks to show a decline in satisfaction over the last year were SBS Bank (down 7.2% points) and Rabobank (down 4.9% points).

NZ Consumer Banking Satisfaction - Largest Consumer Banks¹



Source: Roy Morgan Single Source (New Zealand), 12 months to September 2017, n = 6,293; 12 months to September 2018, n = 6,409.

Base: New Zealanders 14+.1. Based on customer numbers.

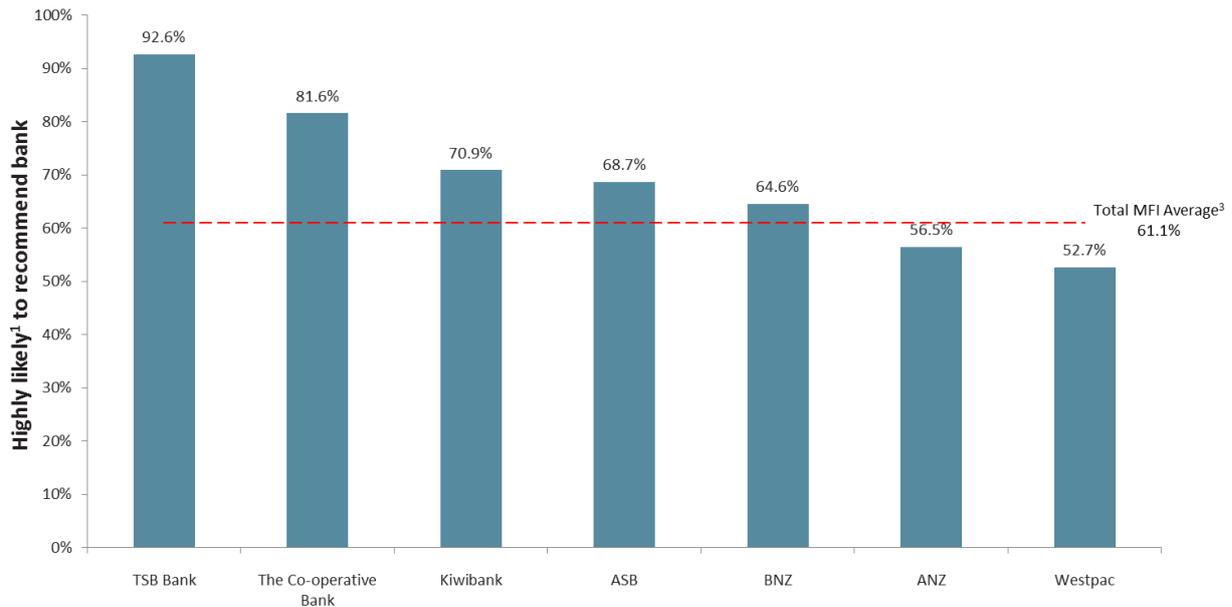
TSB Bank the clear leader for customer advocacy

Of the TSB customers who consider them to be their MFI (main financial institution), 92.6% say they would be very likely to recommend TSB to a friend or colleague (based on a rating of 8, 9 or 10 on a 10 point scale). They are followed by The Co-Operative Bank with 81.6%, Kiwibank (70.9%) and ASB (68.7%).

The customer average for high advocacy across all MFIs is currently 61.1%, which is an increase from 59.2% 12 months ago. The ANZ on 56.5% high advocacy and Westpac (52.7%) are the only major banks below the average. This analysis is based on fewer banks due to some having a low number of MFI customers.

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High Likelihood¹ of Recommending MFI Bank - Largest MFI Banks²



Source: Roy Morgan Single Source (New Zealand), 12 months to September 2018, n = 6,409.

Base: New Zealanders 14+, total gave MFI 6,226. 1. Highly likely to recommend bank based on a score of 8, 9 or 10 on a scale where 1 = very unlikely or 10 = very likely. 2. Based on MFI customer numbers. 3. Includes MFIs not shown.

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

“There are positive signs of improving satisfaction among New Zealand banks, with seven of the top nine showing higher ratings over the last year and as a result lifting the total banks overall satisfaction by 2.1% points to 79.1%. Despite this strong overall performance, not all banks are rating well as shown by the wide gap in satisfaction levels between the highest and lowest performers and the fact that two of the largest banks are performing below average.”

“In terms of MFI customers being very likely to recommend their bank to others (i.e. high advocates), this is also an important customer focused metric that shows major differences in bank performance from just over half for the poorest performer to over 90% for the best.”

“Satisfaction and Advocacy are both important in measuring customer predisposition and loyalty towards their bank. With this in mind, banks need to understand their position on both of these metrics relative to their major competitors and learn from the best performers.”

“The data shown here is only a small part of the New Zealand consumer finance data available from Roy Morgan. Other data covers over ninety financial institutions and includes all types of banking products, insurance and superannuation. The full database enables a truly holistic and unique understanding of consumers’ financial behaviour and trends gathered from over 6,000 interviews per annum. To find out more, ask Roy Morgan.”

To learn more about Roy Morgan’s bank customer satisfaction 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