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### **Which Bank Delights Most?**

Johannesburg - Synovate's definitive ranking of customer satisfaction with South African banks was released yesterday – identifying ABSA as tops in delighting its customers. The South African Satisfaction (SAS) Index™ Banking study conducted by Synovate and endorsed by the Department of Trade and Industry has been conducted for four years. The study measures customer satisfaction levels with the four big banks: ABSA, Nedbank, Standard Bank and FNB. First position has historically been a battle between Standard Bank and FNB, who are essentially tied at second place this year.

Despite ABSA's triumph, the results do not indicate good news for the banking industry as a whole, with an overall decline in satisfaction from 81.3% to 77.1%. In fact, every one of the Big Four saw their satisfaction ratings slide. Still, there is no reason to question the performance of South African banks when looking at global standards. South African banking consumers are actually more satisfied than our American counterparts, which is measured by a similar study titled the American Customer Satisfaction Index (ACSI).

The SAS Index™ measures six factors contributing to overall satisfaction, namely Internet Banking, Call Centre Agents, Staff, ATMs, Telephonic Banking and General Issues, including security and product information available to customers. The highest levels of satisfaction, across the board, were reported with Internet Banking, although satisfaction ratings on all of these factors declined.

Given this uniform decline, it is possible that extraneous factors caused the negative effect. Although speculative, it is very possible that frustration with the FICA identification requirements had an adverse affect on public perception of banks in general. Although the impact of these laws is not direct, negative sentiment caused by these laws could have spilled over to all aspects of the relationship with the bank.

There were a few instances however, where ABSA bucked the trend and improved greatly. Greatest satisfaction levels with ABSA were reported on its Internet banking, specifically with the security measures taken to ensure safe transactions.

For most of the banks three aspects of staff's performance fell within the Zone of Opportunity – an area where performance is not as high as it should be and where it has the greatest impact on overall satisfaction. These aspects include necessary feedback provided on queries and problems, service with minimal referrals and full rectification of problems.

It was also in the area of staff performance that FNB dropped most significantly. Although scores remained high, friendliness of staff and the rectification of problems have become new focus points for this bank.

Nedbank lost points on its ATMs, Call Centre Agents and Internet Banking. Nedbank's customers have higher expectations of their bank than do those of the other banks – leading to lower scores. This poses a greater challenge for Nedbank to deliver in the face of a more sophisticated and critical client base. Although this trend is most marked in Nedbank's results, this is not unique to their customers. Lofty expectations exist across the board, despite a very slight drop this year.

Standard Bank had no big moves up or down, although overall satisfaction dropped about four percentage points. It still leads the pack in terms of ATM convenience and services offered by the machines.

Perceived value of all the banks slumped notably in this year's reading. Customers are not convinced that costs charged by the banks are reasonable. This also had an impact on the General factors affecting satisfaction, where keeping customers informed about fee increases needs to be more effectively actioned. Given the fact that customers are already unhappy about costs, implementing further increases without due warning could seriously impact on trust.

While ABSA's achievement is notable, it must be stated that the competition amongst the Big Four is intensely close – a mere 2.3 percentage points separates the top and bottom performers.

The mission of the South African Satisfaction Index (Pty) Ltd (SAS Index™) is to encourage competitiveness by offering a consumer-driven, objective and neutral comparative measure of service delivery. The core business of SAS Index™ is to provide a comparative benchmark of customer satisfaction across industries, between competitors and ultimately allowing global comparisons

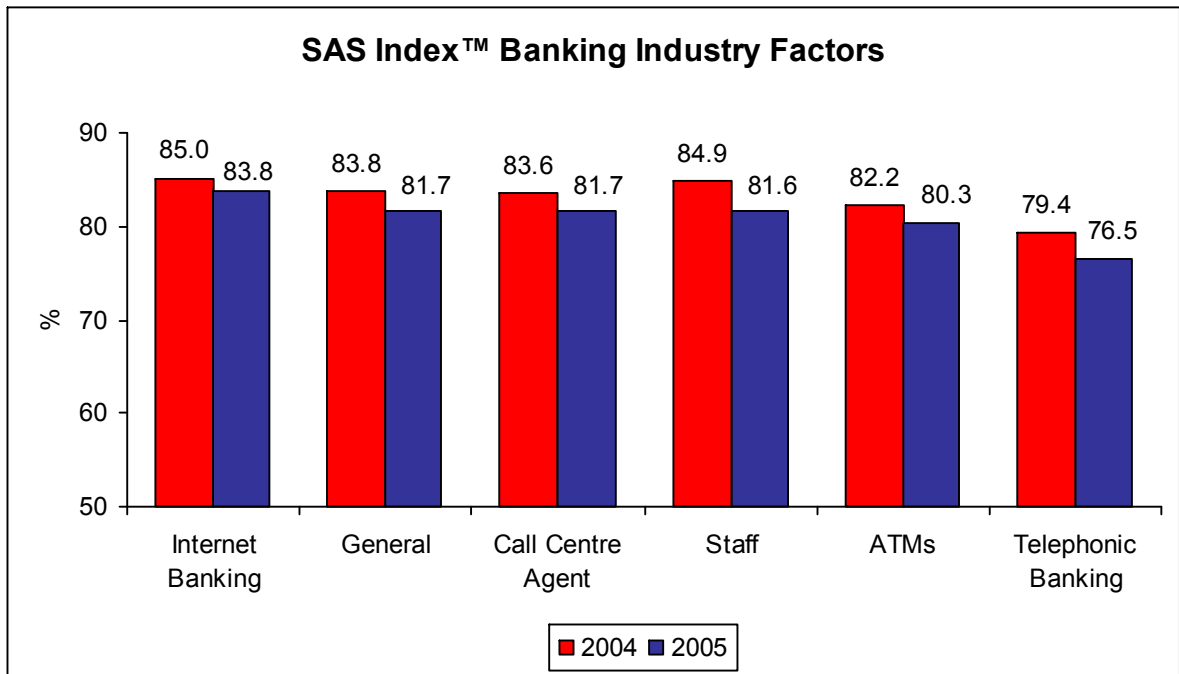
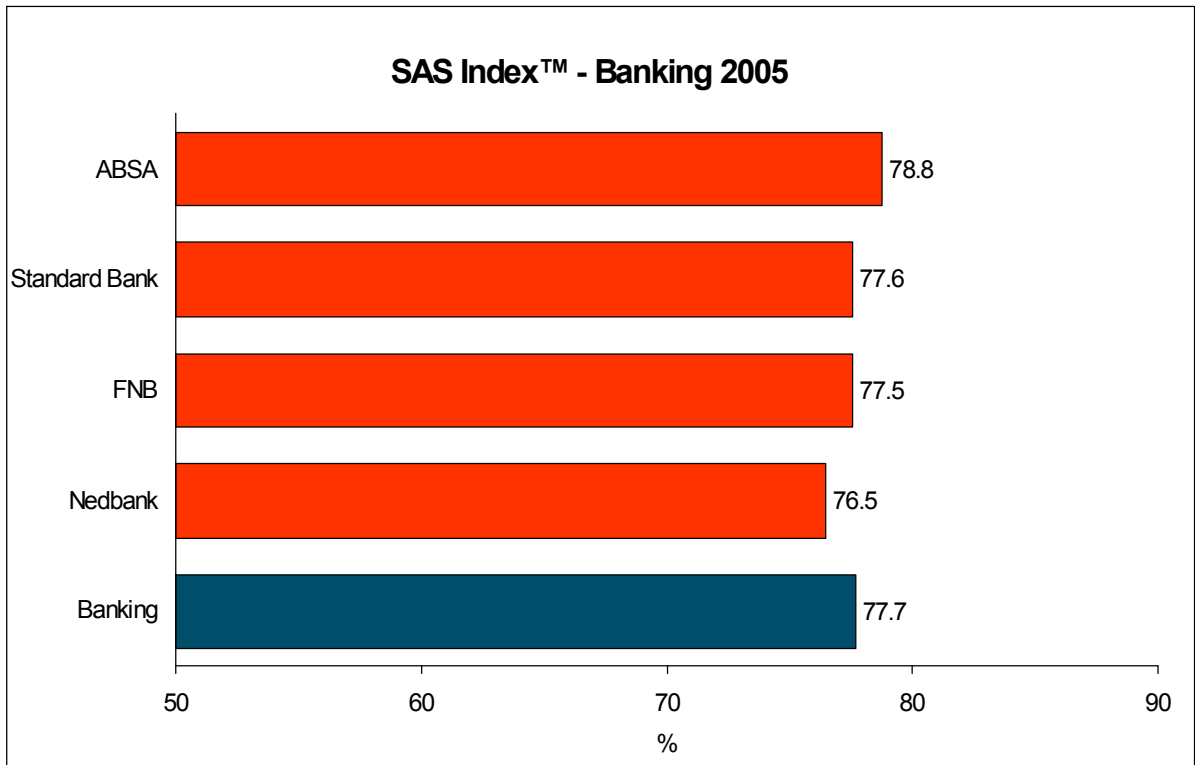
"In the private sector, organisations wanting to compete successfully in any given industry have little choice with regard to the service levels they provide," said Albert McLean, Chief Operating Officer of Synovate Middle East and Africa. "Quite simply, if customers are not satisfied with their service levels, the organisation in question will lose its customers," said McLean.

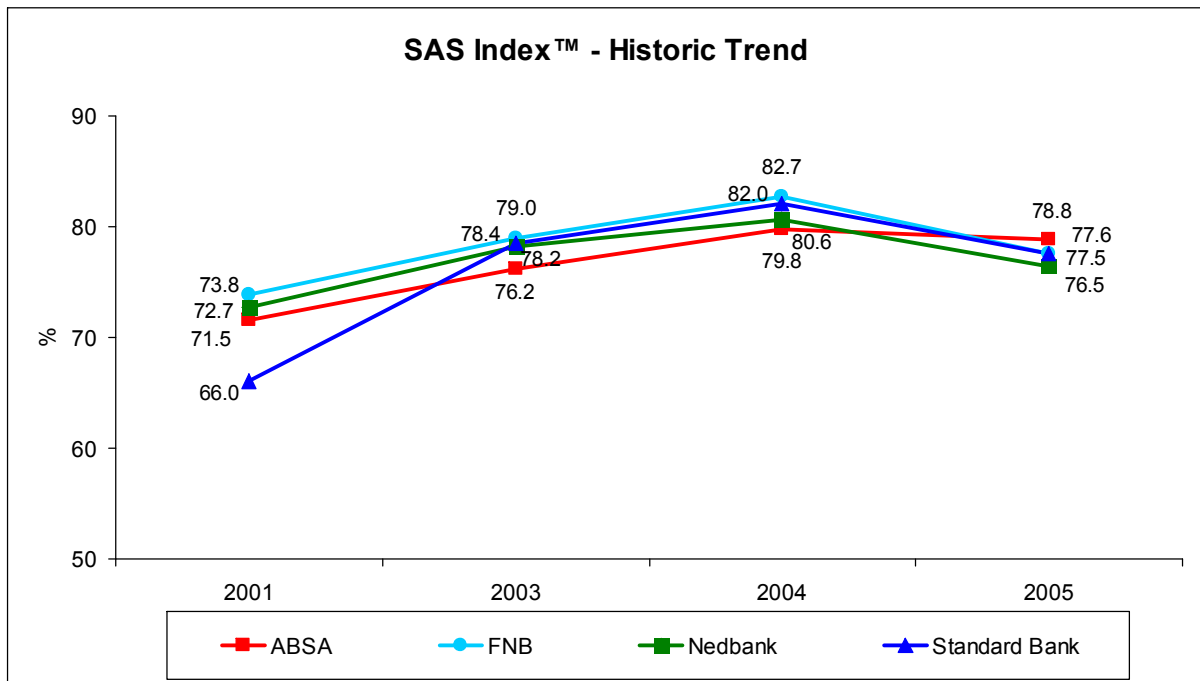
This is the fourth year that SAS Index™ is being conducted by global research company Synovate, South Africa's biggest market research company. The study also includes other industries that have been measured in previous years, such as Telecommunications.

"This measurement of all industries fuels the ongoing drive of local businesses to achieve world-class customer satisfaction," said McLean.

The study consists of standardised questions, consistent for all industries, and incorporates 27 critical drivers of customer satisfaction and delight for each industry. Importantly, the questionnaire does not only measure performance, but also expectations. Customers who have interacted with the service in the last three months are interviewed.

The interviews took place in July and August 2005.





More information can be found at [www.sas-index.co.za](http://www.sas-index.co.za)

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#### About Synovate

Synovate, the market research arm of Aegis Group plc, generates consumer insights that drive competitive marketing solutions. The network provides clients with cohesive global support and a comprehensive suite of research solutions.

Synovate employs almost 5,000 staff in 46 countries.

Synovate in South Africa was formerly known as Proactive Insight.

More information on Synovate can be found at [www.synovate.com](http://www.synovate.com) and [www.synovate.co.za](http://www.synovate.co.za)

#### About Aegis Group plc

Aegis Group plc is the holding company for Carat, its media strategy, planning and buying business, and Synovate, its market research business. These two operating groups provide clients with a range of services across media communications, marketing consultancy and market research. Listed on the London Stock Exchange, Aegis is capitalised at around £1.1 billion and operates in 64 countries. More information is available at [www.aegisplc.com](http://www.aegisplc.com)