



Press Release

J.D. Power and Associates Reports: Although Optimism among Small Business Banking Customers Improves, Satisfaction and Loyalty Continue to Decline

SunTrust Bank Ranks Highest in Small Business Customer Satisfaction

WESTLAKE VILLAGE, Calif.: 21 October 2010 — While small business banking customers are more optimistic about the economy and their future, compared with one year ago, both satisfaction with and loyalty to their bank continue to decline, according to the J.D. Power and Associates 2010 U.S. Small Business Banking Satisfaction StudySM released today.

The study finds that while customer perceptions of the financial stability of their banking institution, their personal financial outlook and the economic outlook have all improved from 2009, overall customer satisfaction among small business banking customers has declined for a second consecutive year. Overall satisfaction decreases to 711 on a 1,000-point scale from 718 in 2009.¹ Small business customers have the lowest satisfaction levels among customers of the various financial services industries surveyed by J.D. Power and Associates.

Customer loyalty also continues to decline, with only 19 percent of customers in 2010 saying they “definitely will” reuse their financial institution for additional business products, compared with 34 percent in 2008.

“Despite a sense of optimism in the industry among small business owners, it appears that their financial institutions are failing to keep up with their expectations,” said Michael Beird, director of banking services at J.D. Power and Associates. “Banks are a critical support mechanism for small businesses, so these customers may be experiencing some frustration with the lack of support. For example, satisfaction with the availability of credit continues to decline. However, those banks that are able to deliver on key practices and partner with their small business customers have an opportunity to differentiate themselves.”

The study finds that small business banking satisfaction is highest among customers who believe they have a collaborative relationship or partnership with their bank. Key building blocks to a successful partnership include assignment of an account manager who fully understands the customer’s business, ongoing proactive communication, and easy and convenient access to the bank through branch and online channels.

Another critical component to forging a partnership is providing an error-free banking experience. This represents a significant pain point for small businesses, as the number of problems experienced by small business banking customers is more than 1.5 times higher than those experienced by retail banking customers. Problems reported by small businesses—which drive a 110-point decline in satisfaction when they occur—has increased to 36 percent in 2010 from 34 percent in 2009. Fee-related problems are particularly prevalent.

“While customers don’t expect to receive services for free, they become aggravated when blindsided by unexpected charges or by fees that aren’t appropriate to their situation,” said Beird. “Satisfaction is notably higher when customers understand their financial institution’s policies and procedures for charging fees. Therefore, it is

¹ Due to a change in study methodology, scores for 2009 results have been restated to allow for trending with 2010 scores.

crucial that when a new account is opened, banks make sure they understand the small business owner's needs, provide them with the most suitable product and effectively communicate the fees involved."

Now in its fifth year, the study measures [small business customer satisfaction](#) with the overall banking experience by examining eight factors: product offerings; account manager; facility; account information; problem resolution; credit services; fees; and account activities.

SunTrust Bank ranks highest in small business customer satisfaction with an overall score of 751. SunTrust Bank performs particularly well in product offerings, account activities and problem resolution. Huntington National Bank follows in the rankings with a score of 748, and KeyBank ranks third with 747.

The 2010 U.S. Small Business Banking Satisfaction Study is based on more than 6,600 responses from financial decision-makers at small businesses with sales volume from \$100,000 to \$10 million. The study was fielded between July and August 2010.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company operating in key business sectors including market research, forecasting, performance improvement, Web intelligence and customer satisfaction. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on [financial services](#), please visit JDPower.com. Also available are [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#) and more. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

About The McGraw-Hill Companies

Founded in 1888, The McGraw-Hill Companies (NYSE: MHP) is a global information and education company providing knowledge, insights and analysis in the financial, education and business information sectors through leading brands including Standard & Poor's, McGraw-Hill Education, Platts, and J.D. Power and Associates. The Corporation has more than 280 offices in 40 countries. Sales in 2009 were \$5.95 billion. Additional information is available at <http://www.mcgraw-hill.com/>.

Media Relations Contacts:

Jeff Perlman; Brandware Public Relations; Westlake Village, Calif.; (805) 418-8626;
jperlman@brandwaregroup.com

John Tews; J.D. Power and Associates; Troy, Mich.; (248) 312-4119; media.relations@jdpa.com

No advertising or other promotional use can be made of the information in this release without the express prior written consent of J.D. Power and Associates. www.jdpower.com/corporate

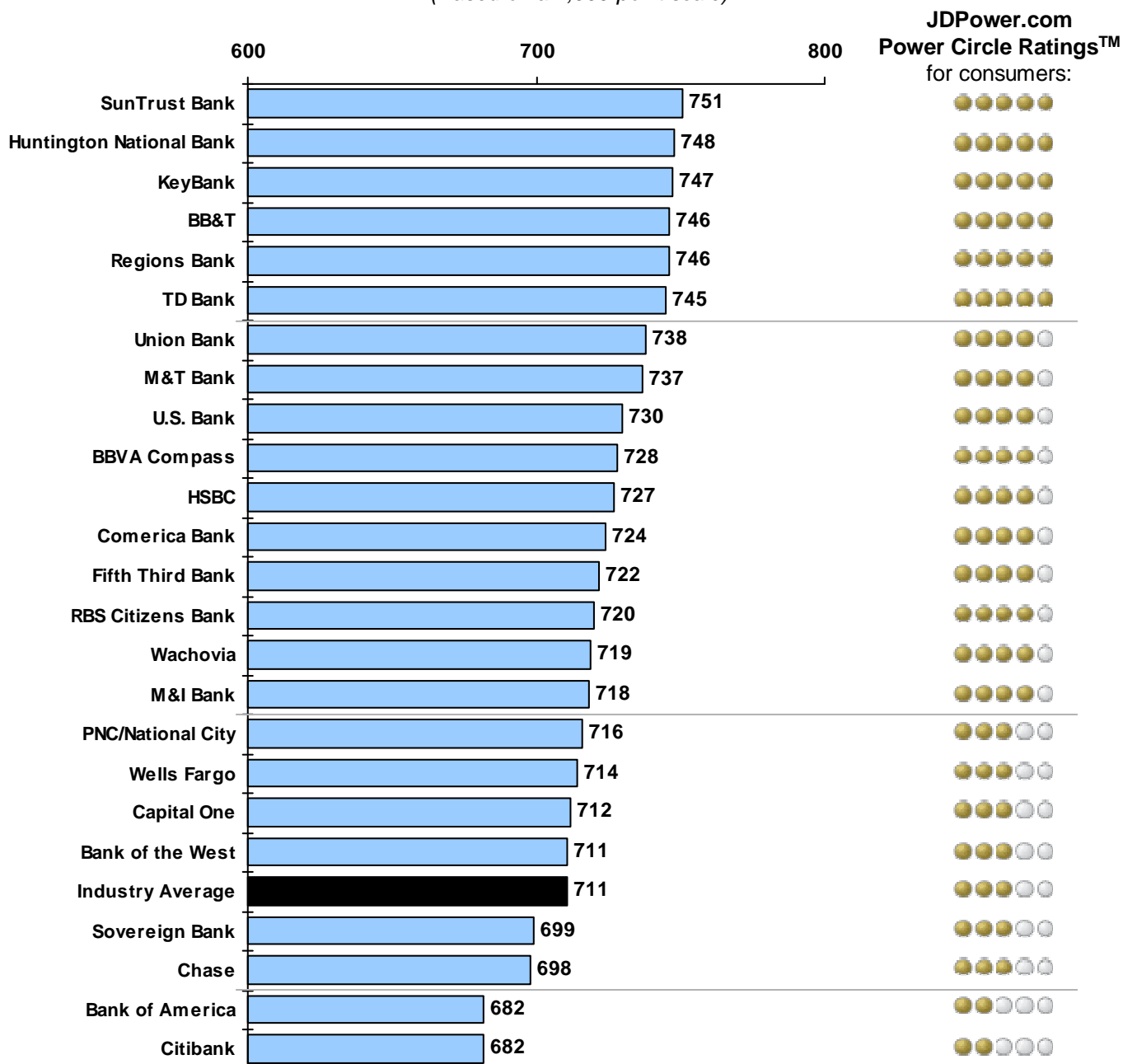
#

(Page 2 of 2)

NOTE: One chart follows.

J.D. Power and Associates 2010 U.S. Small Business Banking Satisfaction StudySM

Customer Satisfaction Index Ranking (Based on a 1,000-point scale)



Source: J.D. Power and Associates 2010 U.S. Small Business Banking Satisfaction StudySM

Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2010 U.S. Small Business Banking Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit jdpower.com/faqs. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates survey results without the express prior written consent of J.D. Power and Associates.