

Friday, 1 March 2019

Mortgage customers more satisfied dealing with banks than mortgage brokers

Home loan customers who obtained their loan in person at a bank branch have a higher satisfaction rating with 77.2%, compared to 75.1% satisfaction for those who used a mortgage broker. Dealing in person with a mobile bank representative had the highest satisfaction with 80.6%. It is important to note that even among more recent home loans (held for under six years), satisfaction with going to a branch to obtain the loan was 79.8% compared to 77.7% for mortgage brokers.

These are some of the latest findings from Roy Morgan's Single Source survey which is based on in-depth interviews conducted face-to-face with over 50,000 consumers per annum in their homes, including over 12,000 mortgage holders. These latest results are based on interviews conducted in the six months to January 2019.

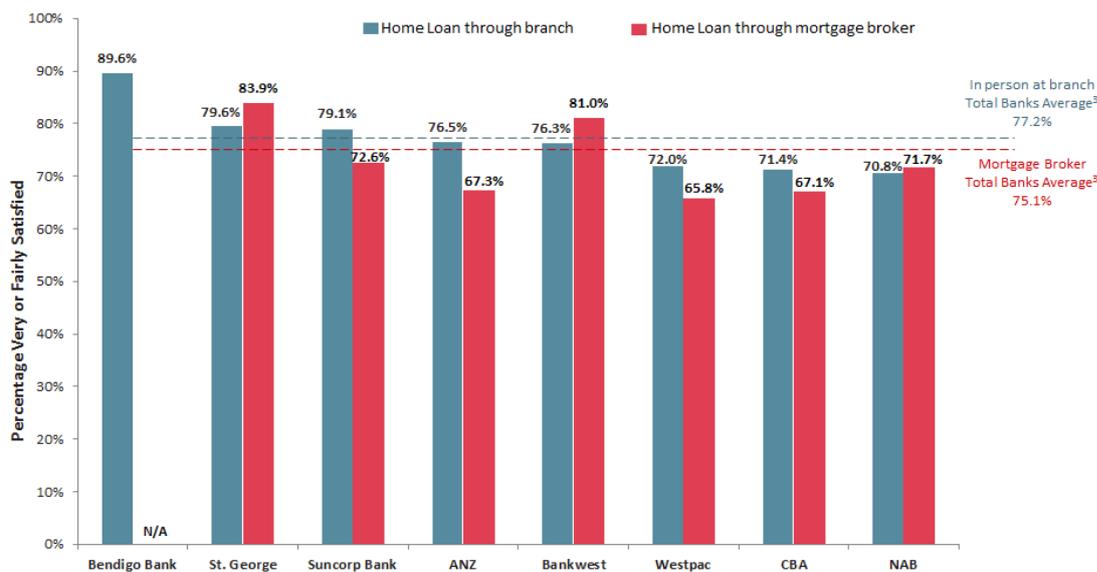
St George and Bankwest have highest mortgage broker satisfaction

The following chart shows that among the largest home loan banks, St George has the highest satisfaction with loans obtained through mortgage brokers (83.9%), closely followed by Bankwest (81.0%). The big four banks home loan customers all have much lower satisfaction with mortgage brokers than their smaller competitors, with the best being the NAB (71.7%), followed the ANZ (67.3%), CBA (67.1%) and Westpac (65.8%).

Satisfaction among those obtaining their home loan through a branch was clearly the highest for Bendigo Bank with 89.6%, well ahead of their nearest major competitor, St George on 79.6%. The ANZ was the best of the big four with 76.5%.

The satisfaction with home loan customers of the ANZ, Westpac and CBA who obtained their loan through a mortgage broker is lower than for those using a branch. This is not only a drag on their home loan customer satisfaction but as a result it negatively impacts their overall customer satisfaction.

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



Source: Roy Morgan Single Source (Australia), 6 months to January 2019, n = 24,895.

Base: Australians 14+ with home loan, n = 6,012. N/A = small sample. 1 Based on number of home loans. 2 Excludes other methods of obtaining home loans. 3 Includes banks not shown.

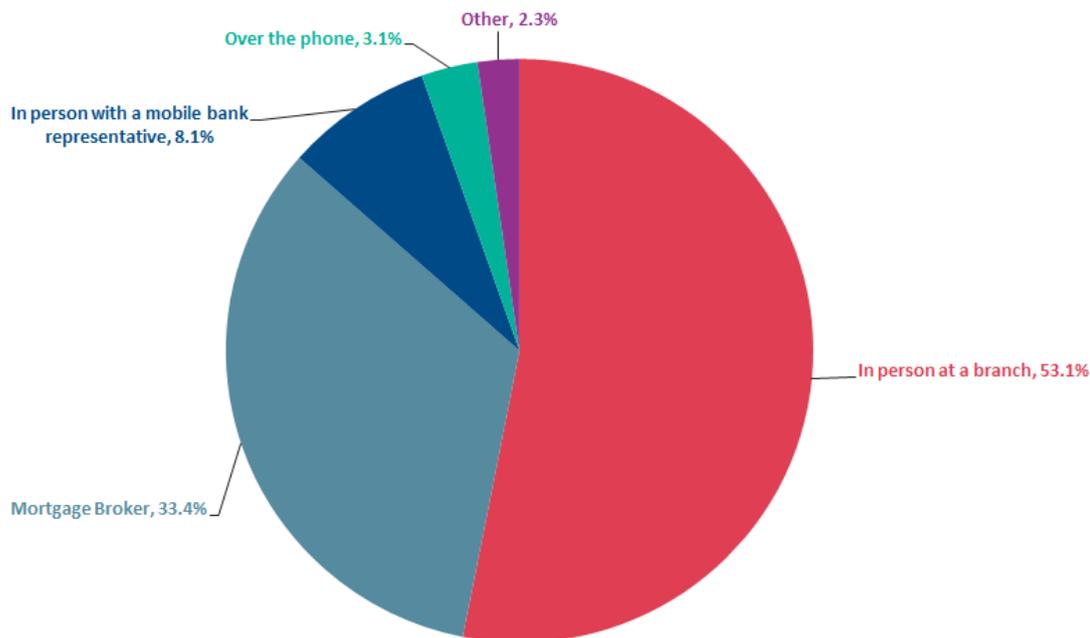
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Branches the most popular source of home loans

Despite the many channels available to obtain home loans, over half (53.1%) of all current loans were obtained from going in person to a bank branch. This remains well ahead of the 33.4% who purchased their loan through a mortgage broker. With these two channels accounting for 86.5% of the current market, it is important for banks to know their relative performance in each in terms of customer satisfaction.

Other channels used to obtain home loans that are measured for all major banks are, 'in person with a mobile bank representative' (8.1%, satisfaction 80.6%) and 'over the phone' (3.1%, satisfaction 74.0%).

Method Used to Obtain Home Loan



Source: Roy Morgan Single Source (Australia), 6 months to January 2019, n = 24,895.
Base: Australians 14+ with home loan, n = 6,012

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

"Mortgage brokers are an important channel for obtaining home loans but they have received considerable adverse publicity in the Financial Royal Commission. As a result, there now appears to be a number of issues that are negatively impacting bank home loan customer satisfaction when loans are sourced from them. By contrast customers, who obtained their home loan by either going to a branch or dealing in person with a mobile bank representative, overall have higher satisfaction than those that use brokers."

"Although mortgage brokers have had a number of negative issues highlighted by the Royal Commission, there is a large variation in their satisfaction across the major banks and as a result there will be lessons to be learnt by understanding the better performers."

"The data shown here is only a small part of what we have available regarding mortgage customers, their profile, behaviour and satisfaction with providers and channels. To find out more simply ask Roy Morgan."

To learn more about Roy Morgan's Home Loan 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