



METHODOLOGY
BANK OF THE YEAR
SMALL BUSINESS

WHAT ARE THE CANSTAR BUSINESS BANKING STAR RATINGS?

CANSTAR *Business Banking Star Ratings* use a sophisticated rating methodology, unique to CANSTAR, which compares the dominant business banking products in Australia. The ratings are aimed at small businesses of varying sizes, with profiles and loan sizes to suit. The specific loan and deposit values are outlined below, and range up to \$500,000.

The results are reflected in a consumer-friendly five-star concept. The star ratings from the CANSTAR *Business Banking Star Ratings* go from a “rising star” through to a five-star product signifying outstanding value.

Rising Stars are allocated to those products that would be rated five-star but have not been in the market for more than six months. Rising Star products will be formally rated in the next rating period once more historical data is available for the applicable product area.

The three business banking products that are given star ratings include:

- Business loans
- Business deposits
- Business credit cards



WHAT IS THE CANSTAR BANK OF THE YEAR – SMALL BUSINESS?

In conjunction with the Business Banking Star Ratings, CANSTAR *Bank of the Year – Small Business* is awarded to the institution that provides the strongest combination of products across the Business Banking Star Ratings profiles, as well as excelling in a range of institutional factors. The award aims to give recognition to the institution that backs up quality products with great service to small businesses. Institutional factors that were considered include:

- Branch coverage
- Relationship manager availability
- Online banking functionality
- Merchant services
- Other business services and advice
- Business insights and education

To be eligible for the award, institutions must:

- Offer loans, credit cards, and deposit accounts to businesses
- Have a branch network in a majority of states/territories.

Please refer to the individual product star ratings methodologies for credit cards, deposit accounts, and business loans for how those products are scored. The breakdown of weighting for each category is displayed in the following methodology tree:



METHODOLOGY



Products
60%

Institutional
Factors
40%

Business Loans
60%

Credit Cards
20%

Deposit
Accounts
20%

Term Loans* 60%

Overdraft* 40%

Low Rate 40%

Rewards 60%

Online Saver 20%

Cash Manager 10%

High Transactor 35%

Low Transactor 35%

Business Banking 40%

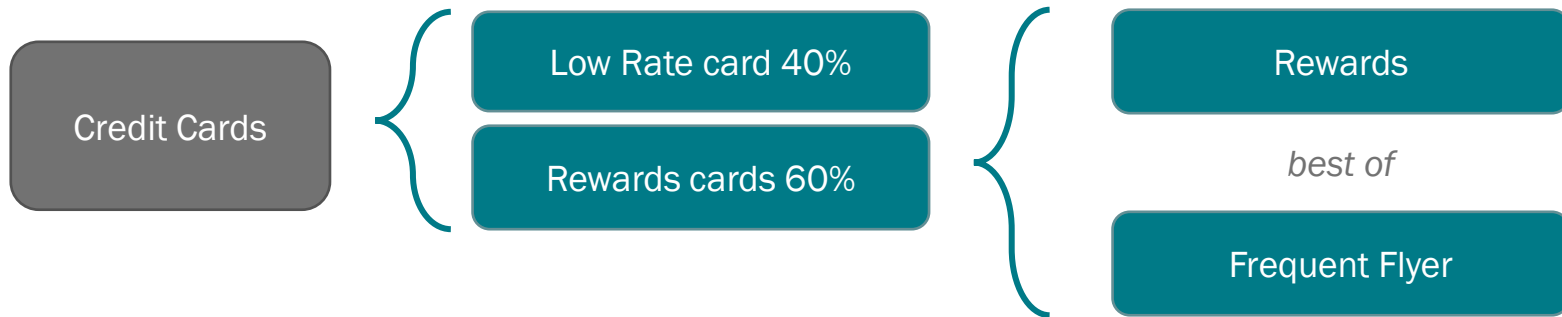
Relationship Managers and Support Services 30%

Online Banking Services and Advice 20%

Business Insights and Education 10%

*Business Loan profiles are further split between commercially (20%) and residentially (80%) secured.

METHODOLOGY – CREDIT CARDS



Credit Card Annual Spend Profile	Weight
\$36,000	25%
\$60,000	40%
\$120,000	30%
\$250,000	5%

An institution's "Rewards card" score is calculated based on whether their products perform better as a general rewards (e.g. cash & shopping vouchers) or as a frequent flyer credit card.



METHODOLOGY – INSTITUTIONAL FACTORS

Feature Category	Weighting
Business Banking	40%
Branch and ATM Functionality	50%
<i>Branch Coverage</i>	85%
<i>ATM Functionality</i>	15%
Online Banking Functionality	25%
Payment Services	25%
Relationship Manager and Support Services	30%
Relationship Manager Coverage	85%
Support Services	15%
Other Business Services and Advice	20%
Start Ups	15%
Risk Management	35%
Equipment Finance	35%
Disaster Relief and Support	15%
Business Insights and Education	10%



Branch & Relationship Manager Coverage Scores

The score for branch and relationship manager numbers is calculated on the basis that if a bank has at least 1 branch per 40,000 people living in each state, then they should receive the full score.

The score for branches and relationship managers is apportioned on a state-by-state basis based on each state's population relative to the population of Australia.



METHODOLOGY

ONLINE BANKING FUNCTIONALITY

Feature Category	Weighting
Online Banking Functionality	25%
Transaction History	25%
Payroll	25%
Payments	15%
Security Limits	15%
Self Service	20%



HOW OFTEN IS THE CANSTAR BANK OF THE YEAR – SMALL BUSINESS RE-RATED?

All ratings are fully recalculated every twelve months based on the latest features offered by each institution. CANSTAR also monitors rate changes on an ongoing basis.

DOES CANSTAR RATE OTHER PRODUCT AREAS?

CANSTAR researches, compares and rates the suite of banking and insurance products listed below. These star ratings use similar methodologies to guarantee quality, consistency and transparency. Results are freely available to consumers who use the star ratings as a guide to product excellence. The use of similar star ratings logos also builds consumer recognition of quality products across all categories. Please access the CANSTAR website at www.canstar.com.au if you would like to view the latest star ratings reports of interest.

- Account based pensions
- Business life insurance
- Deposit accounts
- Health insurance
- Landlord insurance
- Margin lending
- Package banking
- Reward programs
- Travel insurance
- Agribusiness
- Car insurance
- Direct life insurance
- Home & contents
- Life insurance
- Online banking
- Personal loans
- Superannuation
- Travel money cards
- Business banking
- Credit cards
- First home buyer
- Home loans
- Managed investments
- Online share trading
- Pet insurance
- Term deposits
- Youth banking



COMPLIANCE DISCLOSURE AND LIABILITY DISCLAIMER

To the extent that the information in this report constitutes general advice, this advice has been prepared by Canstar Research Pty Ltd A.C.N. 114 422 909 AFSL and ACL 437917 (“Canstar”). The information has been prepared without taking into account your individual investment objectives, financial circumstances or needs. Before you decide whether or not to acquire a particular financial product you should assess whether it is appropriate for you in the light of your own personal circumstances, having regard to your own objectives, financial situation and needs. You may wish to obtain financial advice from a suitably qualified adviser before making any decision to acquire a financial product. Canstar provides information about credit products. It is not a credit provider and in giving you information it is not making any suggestion or recommendation to you about a particular credit product. Please refer to Canstar’s FSG for more information.

The information in this report must not be copied or otherwise reproduced, repackaged, further transmitted, transferred, disseminated, redistributed or resold, or stored for subsequent use for any purpose, in whole or in part, in any form or manner or by means whatsoever, by any person without CANSTAR’s prior written consent. All information obtained by Canstar from external sources is believed to be accurate and reliable. Under no circumstances shall Canstar have any liability to any person or entity due to error (negligence or otherwise) or other circumstances or contingency within or outside the control of Canstar or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication, or delivery of any such information. Copyright 2014 CANSTAR Research Pty Ltd A.C.N. 114 422 909

The word “CANSTAR”, the gold star in a circle logo (with or without surmounting stars), are trademarks or registered trademarks of CANSTAR Pty Ltd. Reference to third party products, services or other information by trade name, trademark or otherwise does not constitute or imply endorsement, sponsorship or recommendation of CANSTAR by the respective trademark owner.

