

**J.D. Power Reports:
Small Business Banking Satisfaction Rebounds
As Fees Stabilize and Banks Focus on Customer Satisfaction**

TD Canada Trust Ranks Highest in Small Business Banking Customer Satisfaction

WESTLAKE VILLAGE, Calif.: 25 September 2014 — More small-business owners in Canada have a clearer understanding of their banking fees and fewer are experiencing a change in their fee structure, creating an overall more satisfying experience with their bank, according to the J.D. Power 2014 Canadian Small Business Banking Satisfaction StudySM released today.

The study measures small-business customer satisfaction with their primary financial institution across eight factors: channel activities; account manager; facility; fees; product offerings; account information; credit services; and problem resolution. The channel activities factor is comprised of six subfactors: branch, website, ABM, IVR, call centre and mobile.

Overall small business banking satisfaction improves to 735 (on a 1,000-point scale) in 2014, up from 718 in 2013.

In contrast to 2013, when changes in small business fee structures resulted in a 17-point drop in fees satisfaction from 2012, fee structures have stabilized in 2014 and banks are doing a better job helping small-business customers understand their fees. In 2014, fees satisfaction improves by 31 points from 2013, driven by fewer customers experiencing a change in fee structure year over year (31% vs. 39%, respectively) and more small businesses completely understanding their fees (37% vs. 32%, respectively).

“Having fewer fee changes certainly helps improve satisfaction, but banks are also doing a better job of executing in a number of areas, from onboarding new small-business customers to the day-to-day management of their customers such as proactively contacting customers and discussing their business needs,” said Jim Miller, senior director of banking at J.D. Power. “Small-business customers are tough to please because they want it all from their bank—convenience, branch offices, online banking for self-service and a manager who knows their business.”

Nearly two-thirds (62%) of small-business customers indicate their bank has assigned a representative to manage their relationship, up from 58 percent in 2013. When an account manager is assigned, satisfaction averages 759, but drops to 705 when a manager is not assigned to an account. Additionally, 45 percent of small businesses perceive their account manager completely understands their business, an increase from 39 percent in 2013. When small businesses have an account manager who completely understands their business, satisfaction is 830, compared with 701 when the account manager either partially or does not understand their business at all.

KEY FINDINGS

- The study finds that 34 percent of small businesses opened at least one account with their primary bank during the past 12 months, up from 32 percent in the 2013 study. Moreover, 61 percent of

small-business customers indicate their bank representative completely identified their needs during the account opening process, up from 56 percent in 2013.

- High satisfaction is related to loyalty as only 5 percent of small-business customers with high satisfaction (satisfaction scores of 800 or higher) say they “definitely will” or “probably will” switch banks in the next 12 months, while 28 percent of small businesses with low satisfaction (scores of 600 or less) intend to switch banks.
- Satisfaction with online activities improves 28 points year over year. On average, small-business customers who use online banking log in to their bank account nearly twice per week or 101 times each year, compared with 69 times for personal banking customers.
- Small-business customers visit their bank’s branch office an average of 32 times each year, compared with 10 visits for personal banking customers.
- Satisfaction among small businesses with annual sales of \$75,000 to \$249,000 increases by 22 points in 2014 to 742. That increase is attributed to significant improvements in three factors: fees (+46 points); account activities (+22); and facility (+20).
- Satisfaction among small businesses with annual sales of \$250,000 to \$2.49 million averages 729 in 2014, up 17 points from 2013, while satisfaction among small businesses with annual sales of \$2.5 million to \$10 million averages 743, a 16-point improvement.

Study Rankings

TD Canada Trust ranks highest in overall satisfaction with a score of 760 in 2014, a 36-point improvement from 2013. Scotiabank ranks second (750), followed by RBC Royal Bank (737).

The 2014 Canadian Small Business Banking Satisfaction Study, which was fielded in May and June 2014, includes responses from 1,348 small-business owners or financial decision-makers who use business banking services in Canada.

Media Relations Contacts

Beth Daniher; Cohn & Wolfe; Toronto, Canada; 647-259-3279; beth.daniher@cohnwolfe.ca
John Tews; J.D. Power; Troy, Mich; 248-680-6218; media.relations@jdpa.com

About J.D. Power and Advertising/Promotional Rules www.jdpower.com/about-us/press-release-info
About McGraw Hill Financial www.mhfi.com

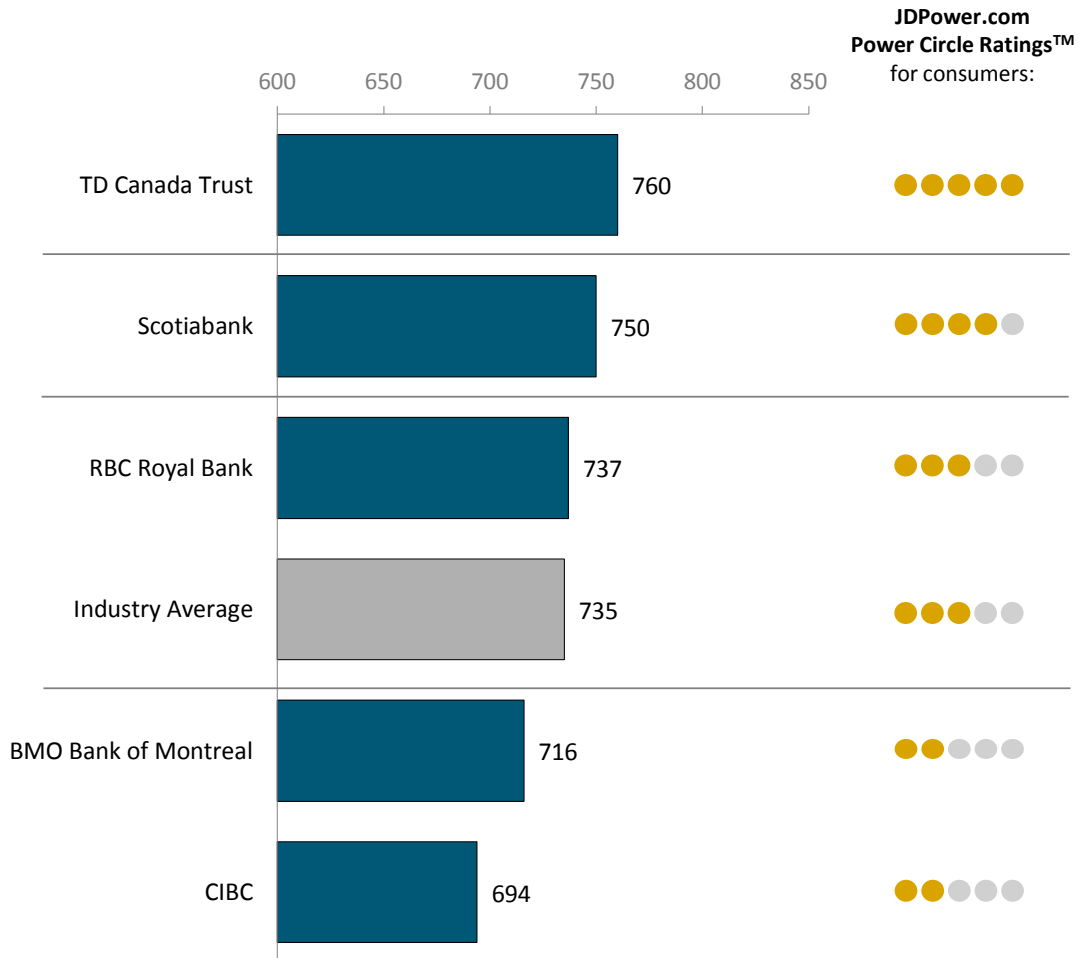
#

(Page 2 of 2)

Note: One chart follows.

J.D. Power 2014 Canadian Small Business Banking Satisfaction StudySM

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



NOTE: Included in the study, but not ranked due to small sample sizes, are ATB Financial; Desjardin/Caisses Populaires; HSBC Bank; Laurentian Bank of Canada; and National Bank of Canada

Source: J.D. Power 2014 Canadian 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 for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.