

Roy Morgan

— Research —

Discover your edge

A close-up, slightly blurred photograph of the Australian flag, showing the red, white, and blue stripes and the white seven-pointed star on a dark blue background. The flag is draped and appears to be moving, creating a sense of depth and texture.

Roy Morgan
— Research —

State of the Nation

Australia

Spotlight on the changes to the Financial
Services Market since the
1997 Financial System Inquiry
(Wallis Report)

1st April 2014

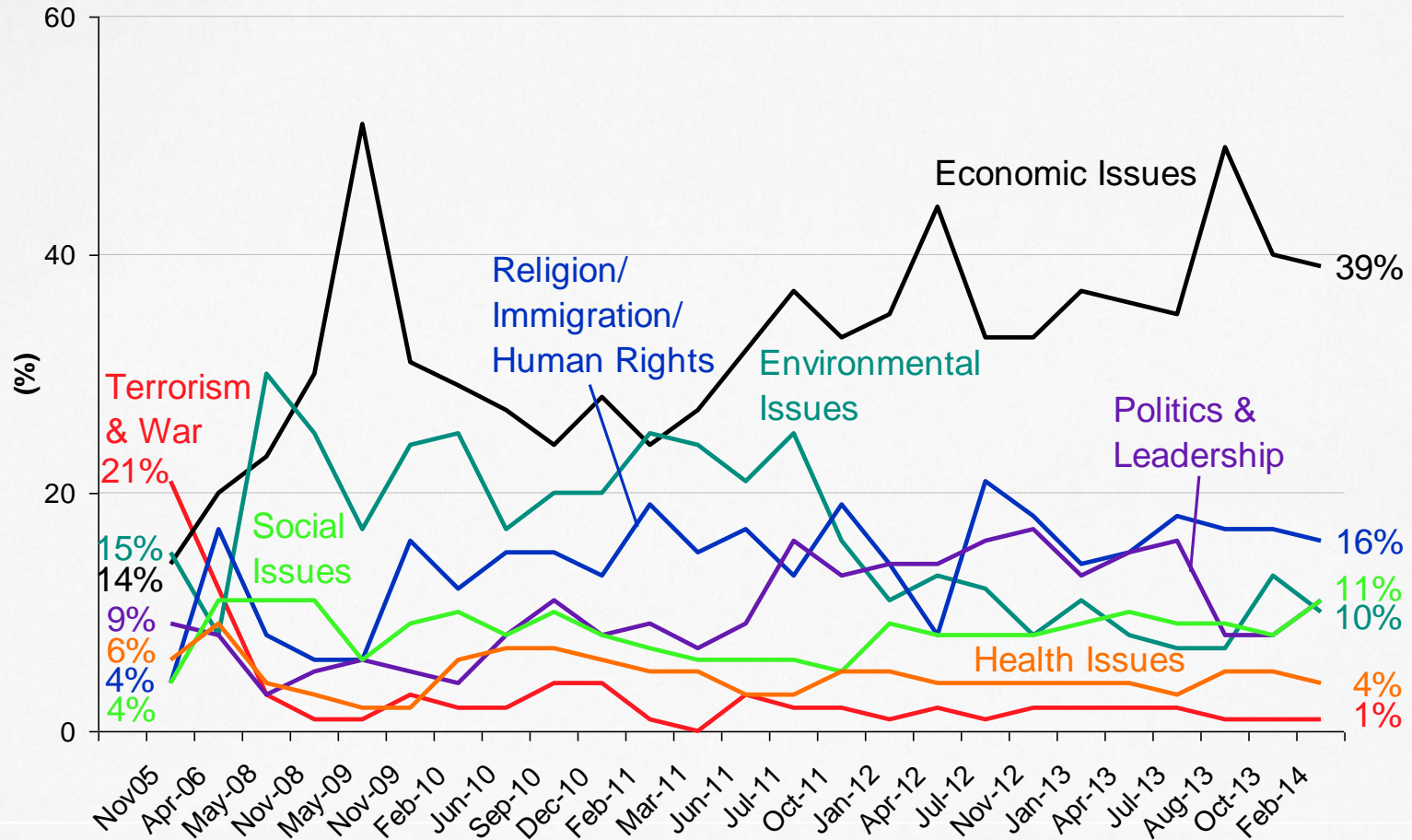
Who can remember 1997 – that's before Facebook

In 1997

- *85% of Australians read the newspaper in hard copy*
- *Only 40% had mobile phones*
- *None of us knew that our phones weren't 'smart'*
- *Only 15% had a degree*
- *The 30% of Australians who had internet at home, had dial-up*
- *1-in-3 believed homosexual couples should be allowed to adopt children*
- *46% owned their home outright (it's now 34%)*
- *And just over a quarter (27%) of Australians were 50 or older*
- *The A\$ exchange rate was .60 to US\$*

Overview

Most Important Issues Facing Australia



Base: Australian population aged 14+

Source: Roy Morgan Research; Nation-wide telephone poll, February 4-6, 2014 (n = 664)

Australia Today



[1] Roy Morgan Face-to-Face; March 22/23, 2014;
Australian population aged 14+

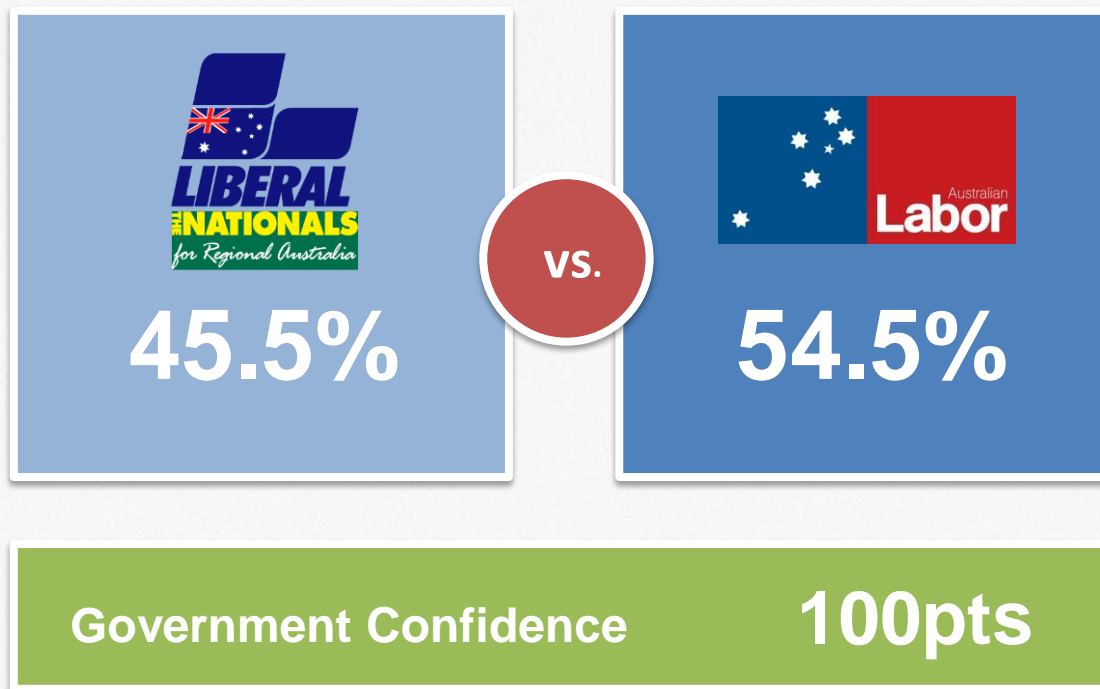
[2] Roy Morgan Face-to-Face Survey; February 2014;
Australian population aged 14+ in Workforce

[3] Roy Morgan Business Single Source; February 2014

[5] FuelWatch; February 2014

[6] APRA; December 2013

Australians' Voting Intention



Spotlight on:

Financial Services

Changes since the 1997 Financial System Inquiry (Wallis Report)

Financial Services Market Growth

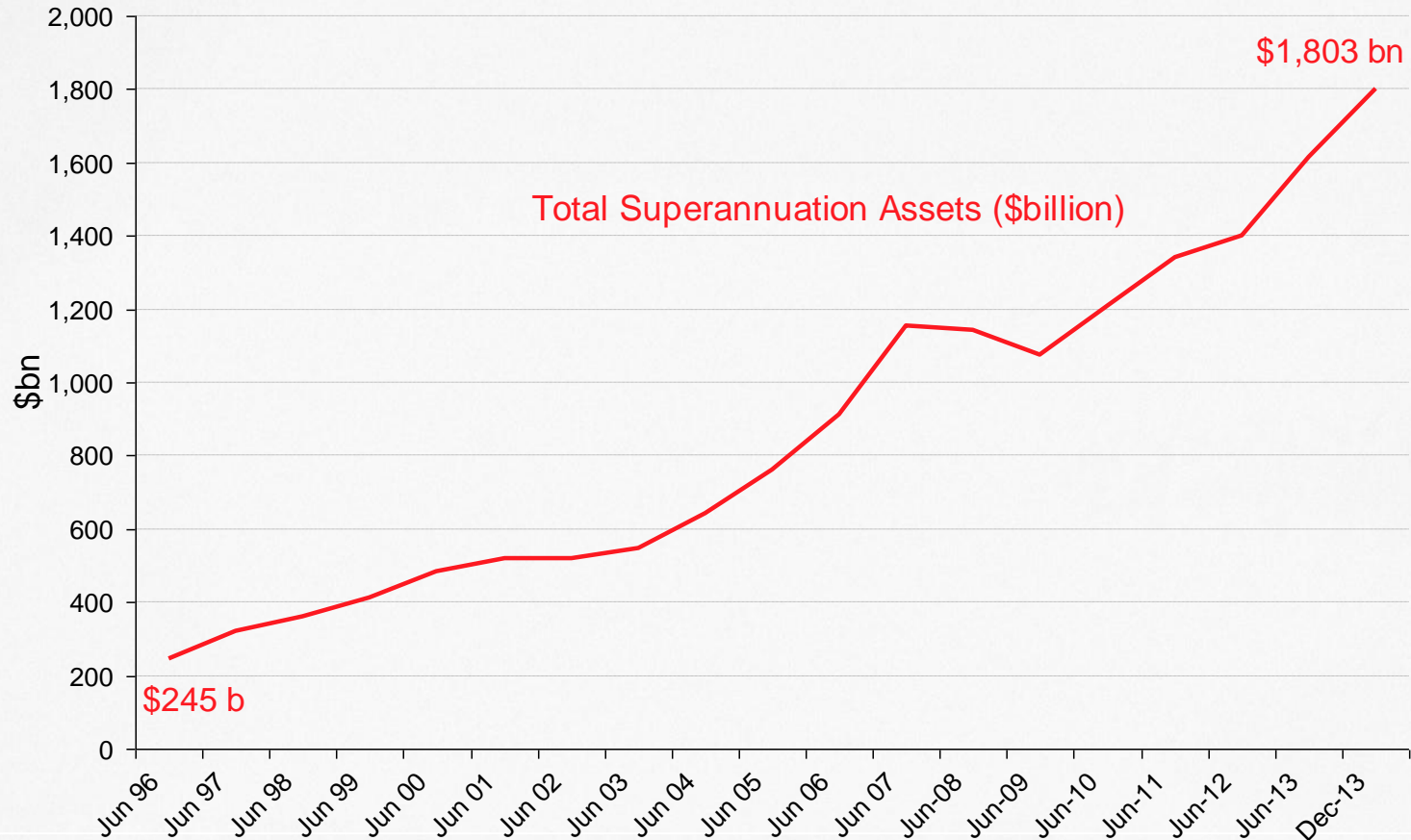
	1997	2013	% Change
Australian Population (14+)	14.79m	19.19m	+ 29.8%
Value of Consumer Financial Services *	\$867bn	\$3,398bn	+291.9%

Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

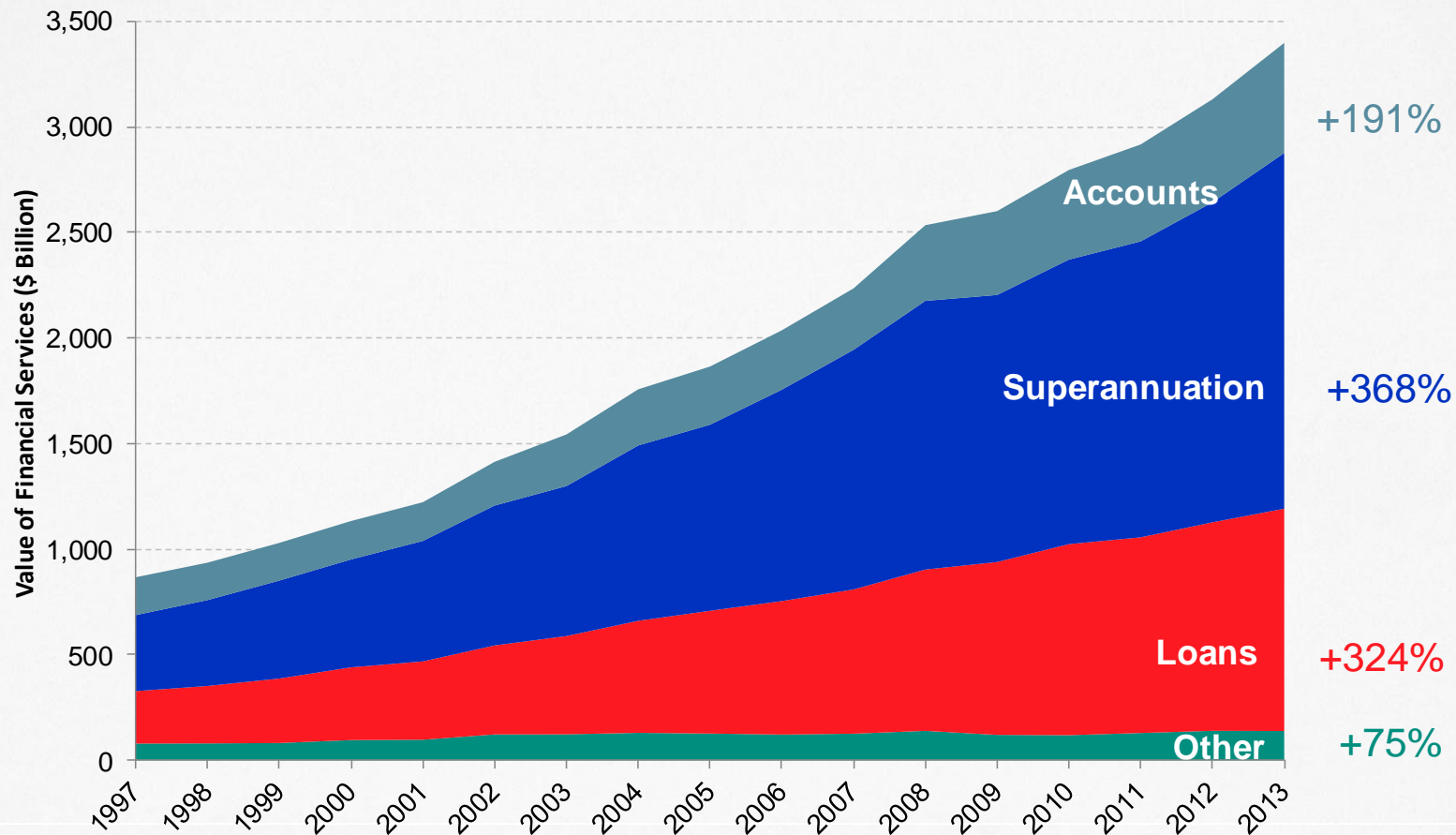
* Loans, Superannuation, Accounts and Other products

Total Superannuation Assets



Growth in Financial Services

1997 to 2013



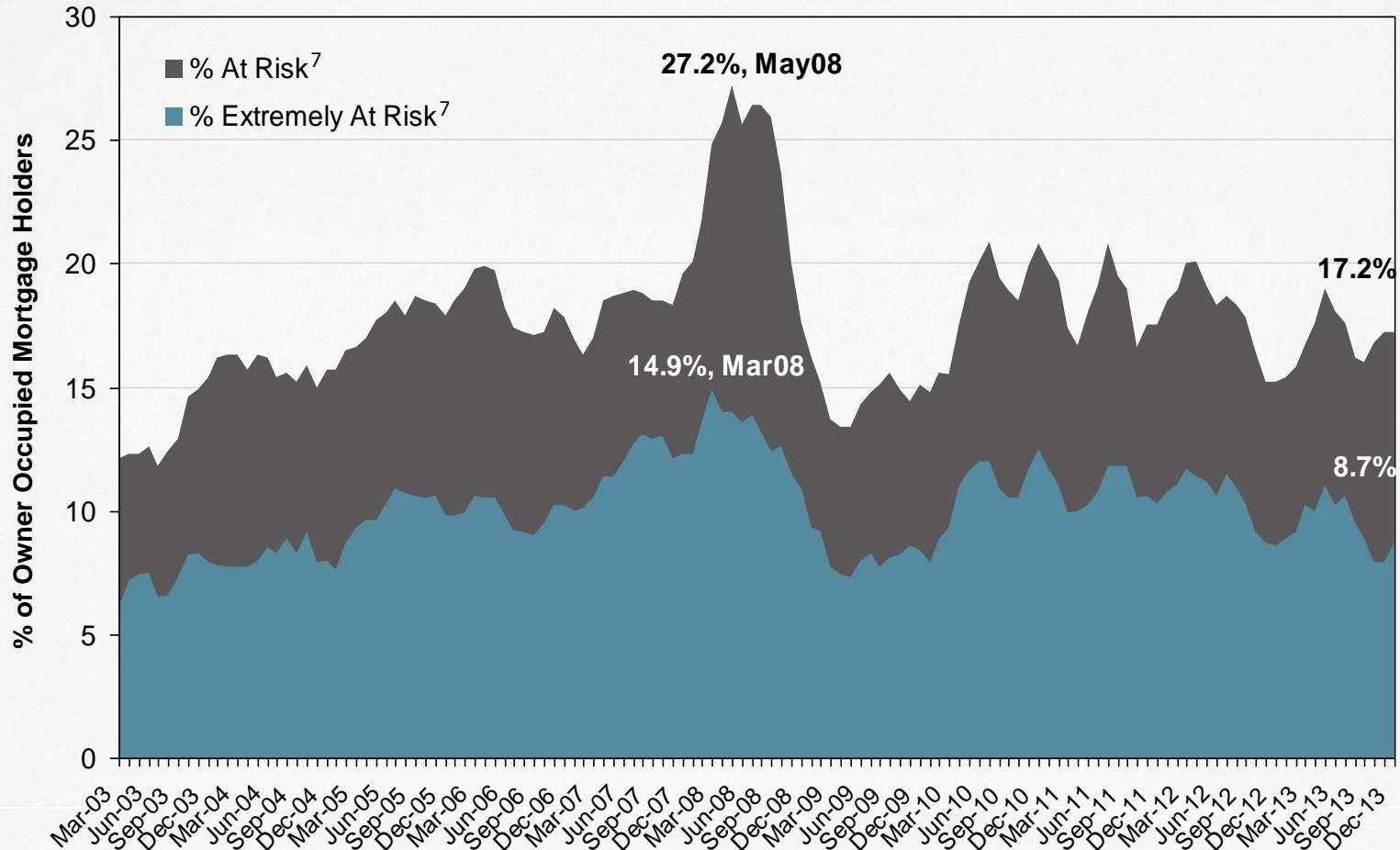
Base: Australian population 14+

Source: Roy Morgan Research; 12 month rolling average

Discover your edge

Mortgage Stress

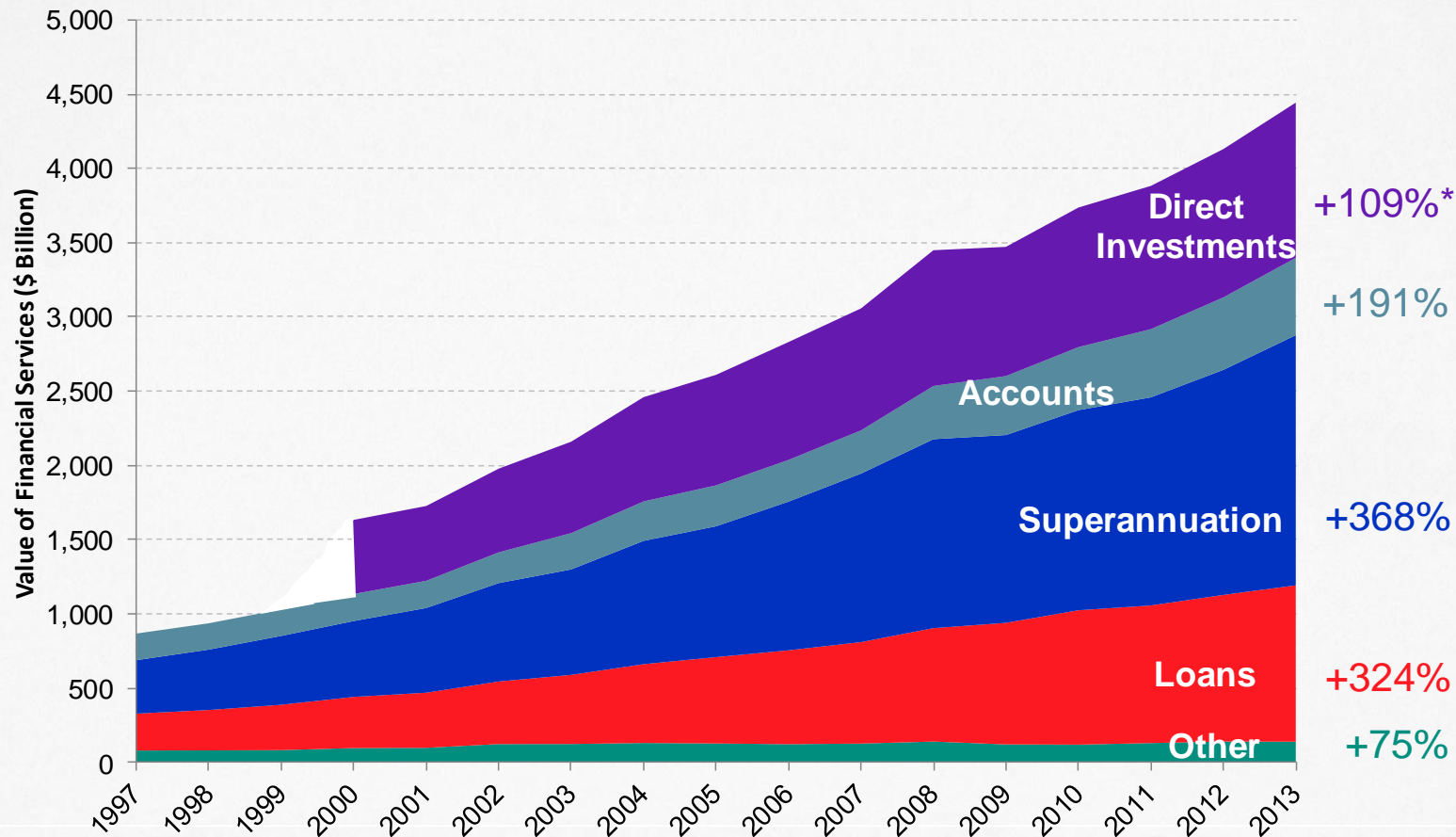
(Percentage of Owner Occupied Mortgage Holders 'At Risk')



Base: Aust. Population 14+ who have mortgage on home living in.

Source: Roy Morgan Research; 3 month moving average

Growth in Financial Services with Direct Investments 1997 to 2013



* Direct Investments data collected from 2000; includes shares and investment properties

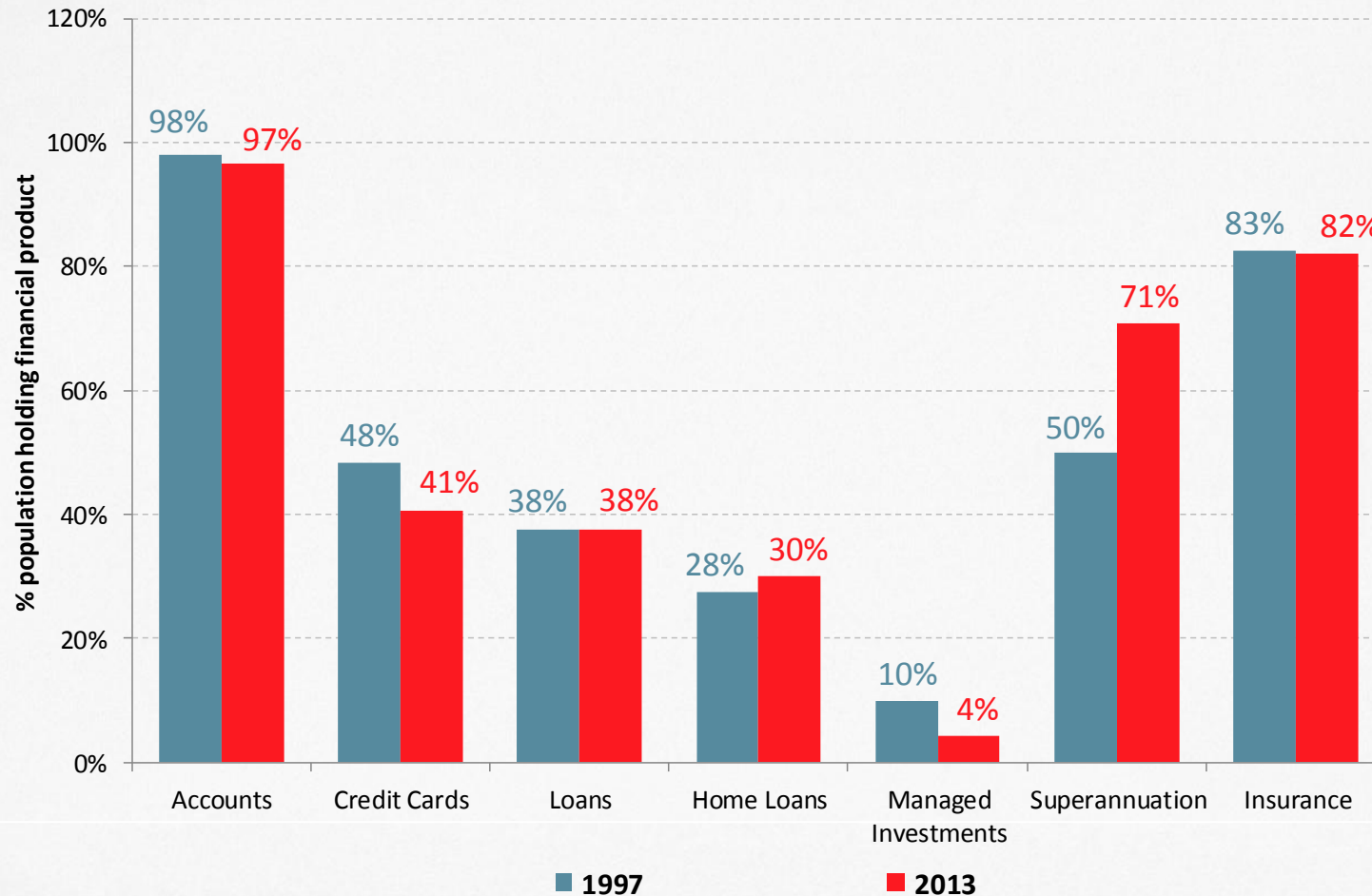
Base: Australian population 14+

Source: Roy Morgan Research; 12 month rolling average

Growth in Self-Managed Superannuation

	Growth from 2004 - 2013
Total Superannuation*	+ 103%
Self-Managed Superannuation**	+ 290%
Currently Self-Managed Superannuation Funds Account for over 30% of Superannuation Balances	

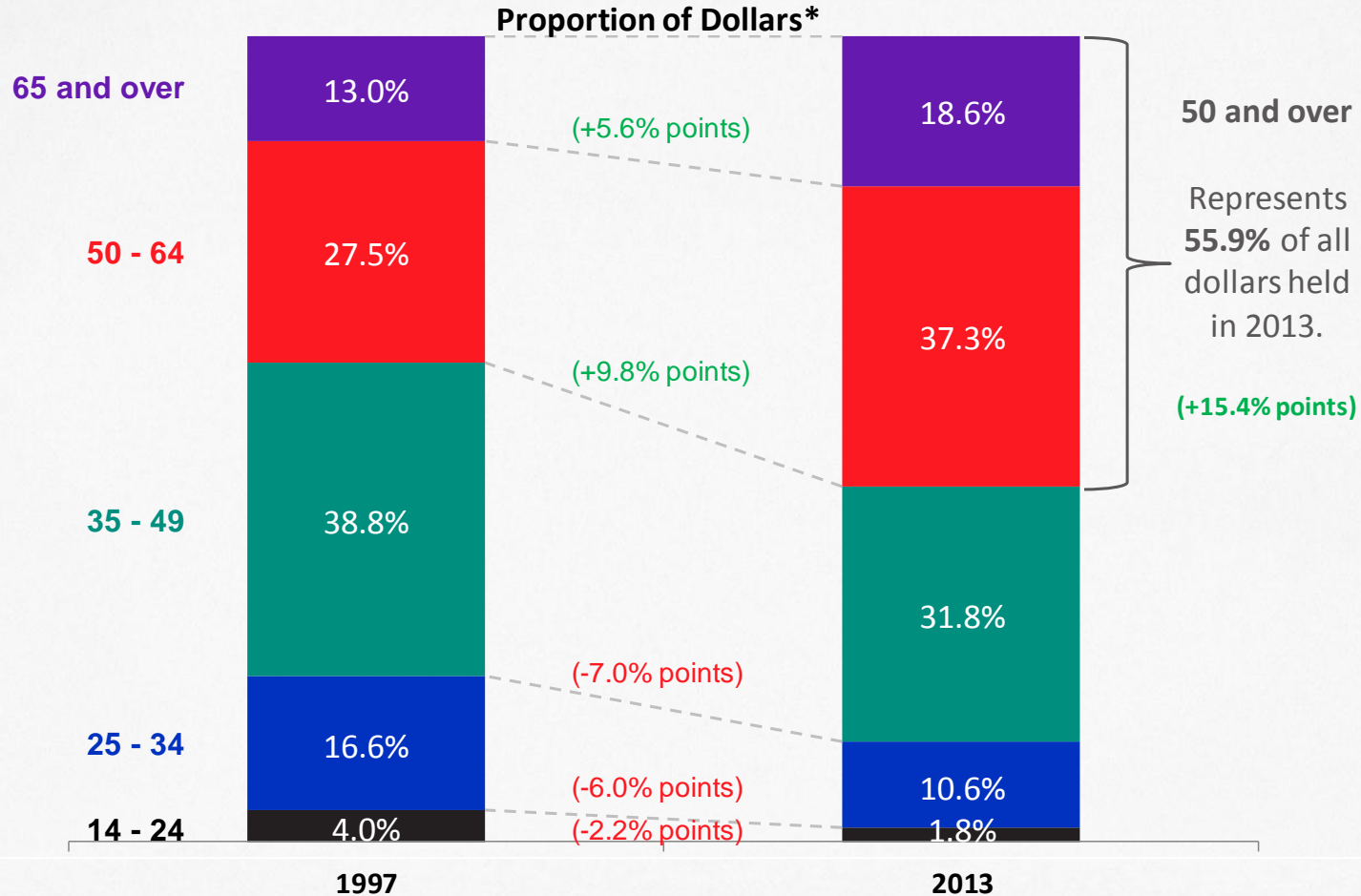
Change in Financial Products Held 1997 / 2013



Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

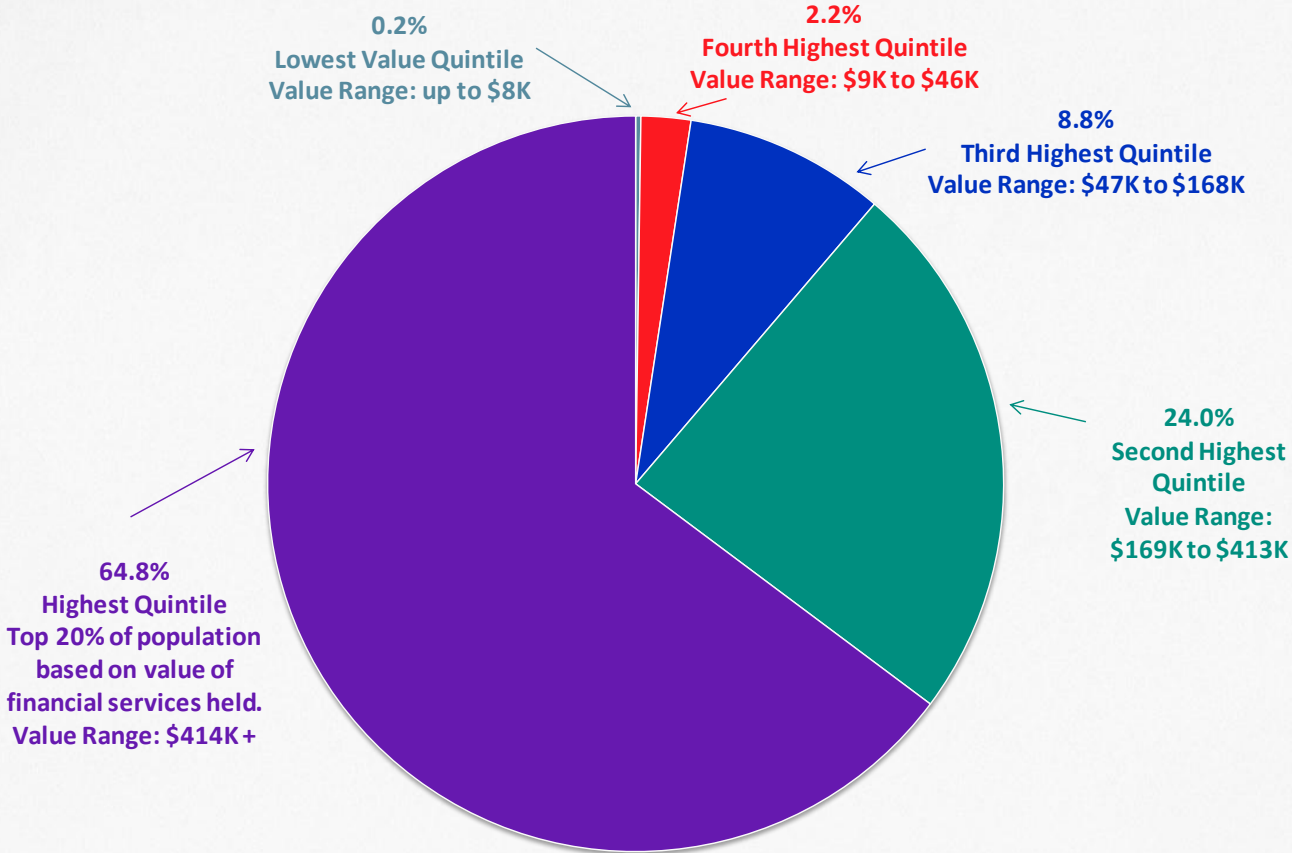
Proportion of Financial Services Dollars held by Age Group



* Financial Service dollars are the total value of loans, superannuation, accounts and other products. 12 months to December 1997/2013.

** Proportion of the population as at June 1997/2013. Source: ABS

Proportion of Financial Services Dollars Held By Quintiles



Base: Australian population 14+
Source: Roy Morgan Research; 12 months to Dec 2013

Quintiles by Helix Personas

Top 5 Helix Personas in the Highest Quintile Australia



101 Bluechip



103 Self-made
Lifestylers



104 Status
Matters

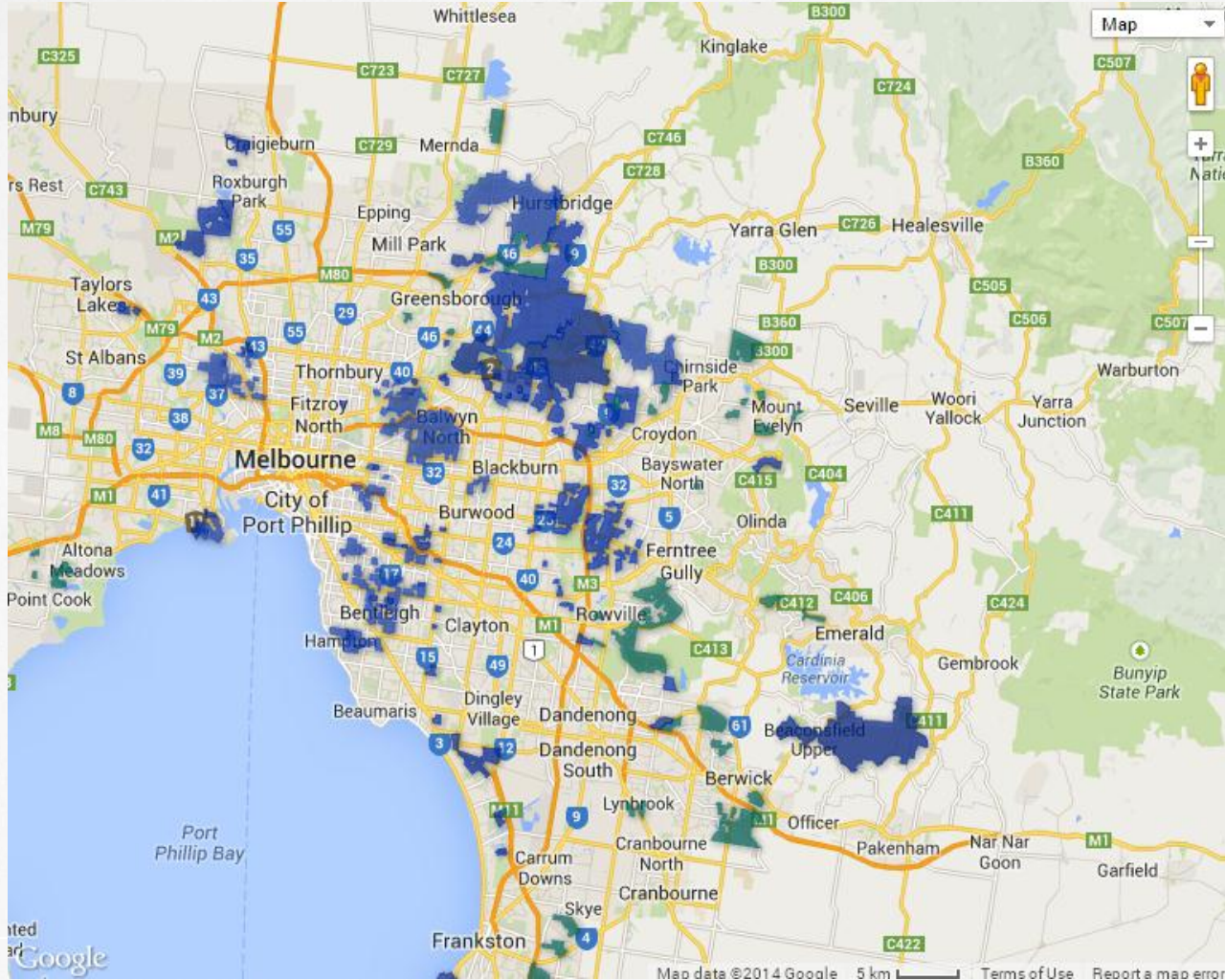


102 Smart
Money




302 Careers
and Kids

VIC – Top 5 Helix Personas in the Highest Quintile



Top 5 Helix Personas in the Lowest Quintile Australia



708
Strugglestreet



707 New
Beginnings



509 Doing it
Tough

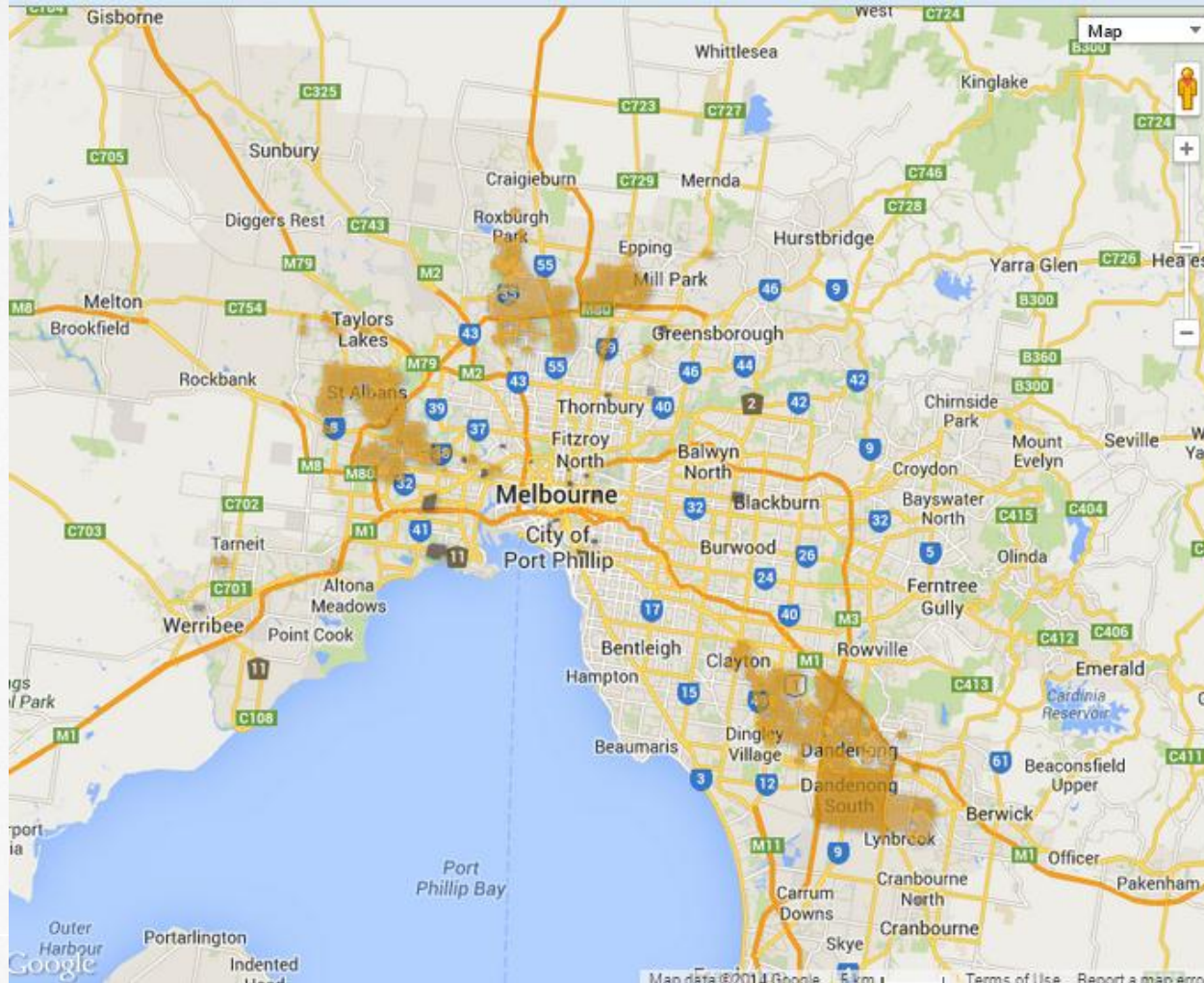


709 Coupon
Clippers



505 Aspiring
Immigrants

VIC – Top 5 Helix Personas in the Lowest Quintile



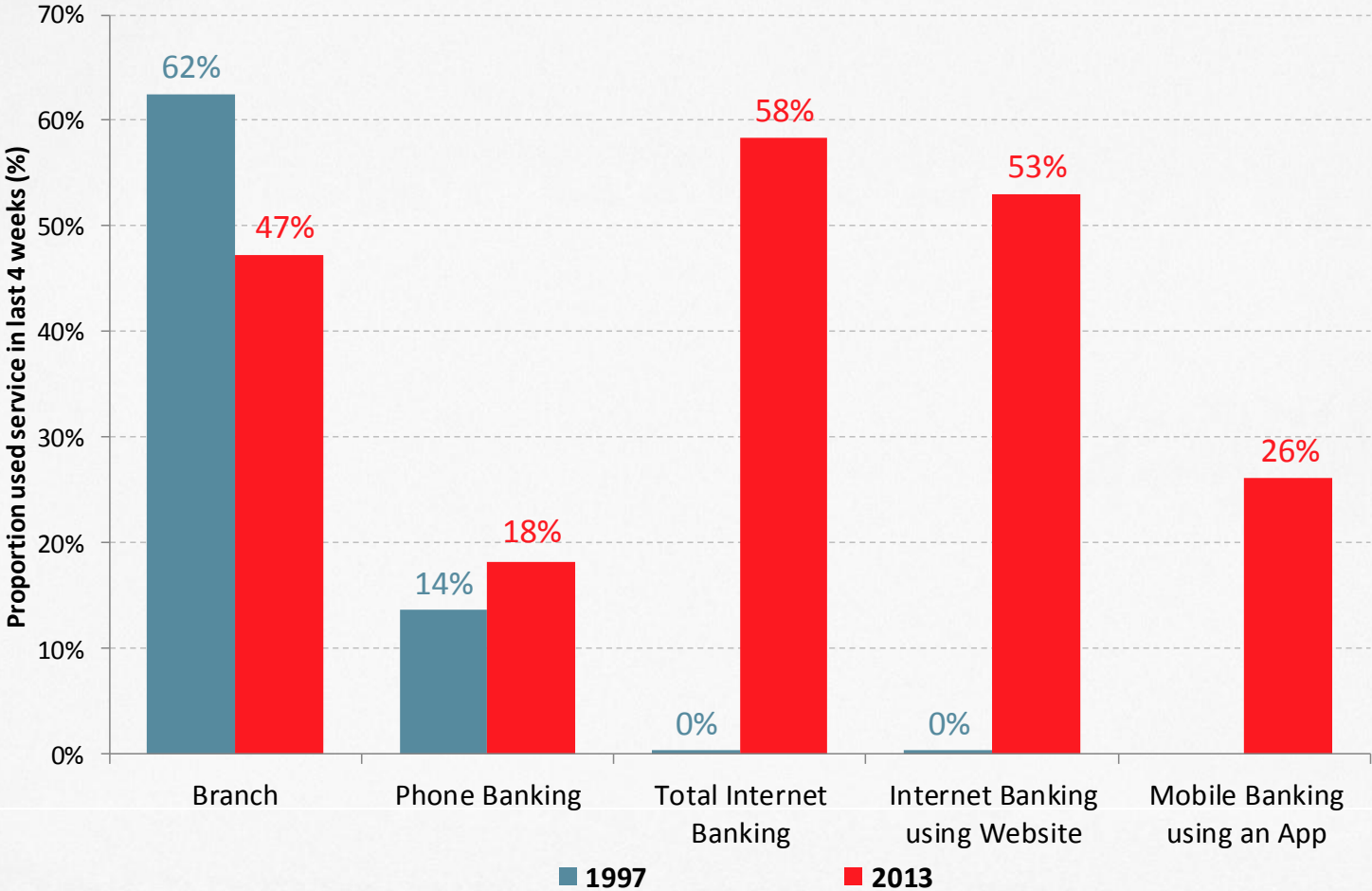
Base: Australian Population 14+

Source: Roy Morgan Research ; Oct 2010 – Dec 2013

Impact of Technology on Financial Services

Major Banking Channels used in Last 4 Weeks

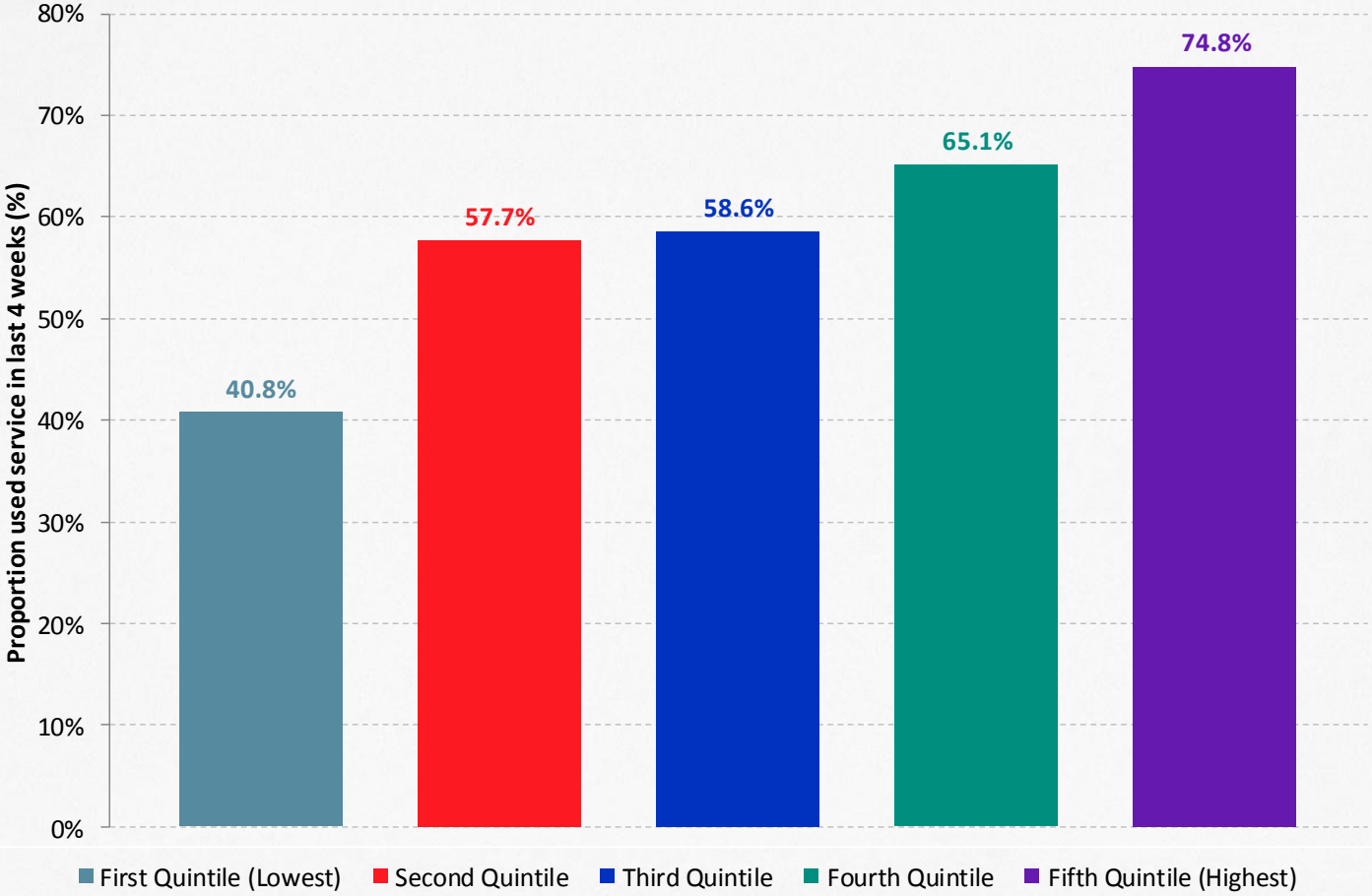
1997 / 2013



Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Internet Banking used in Last 4 Weeks by Financial Services Quintiles

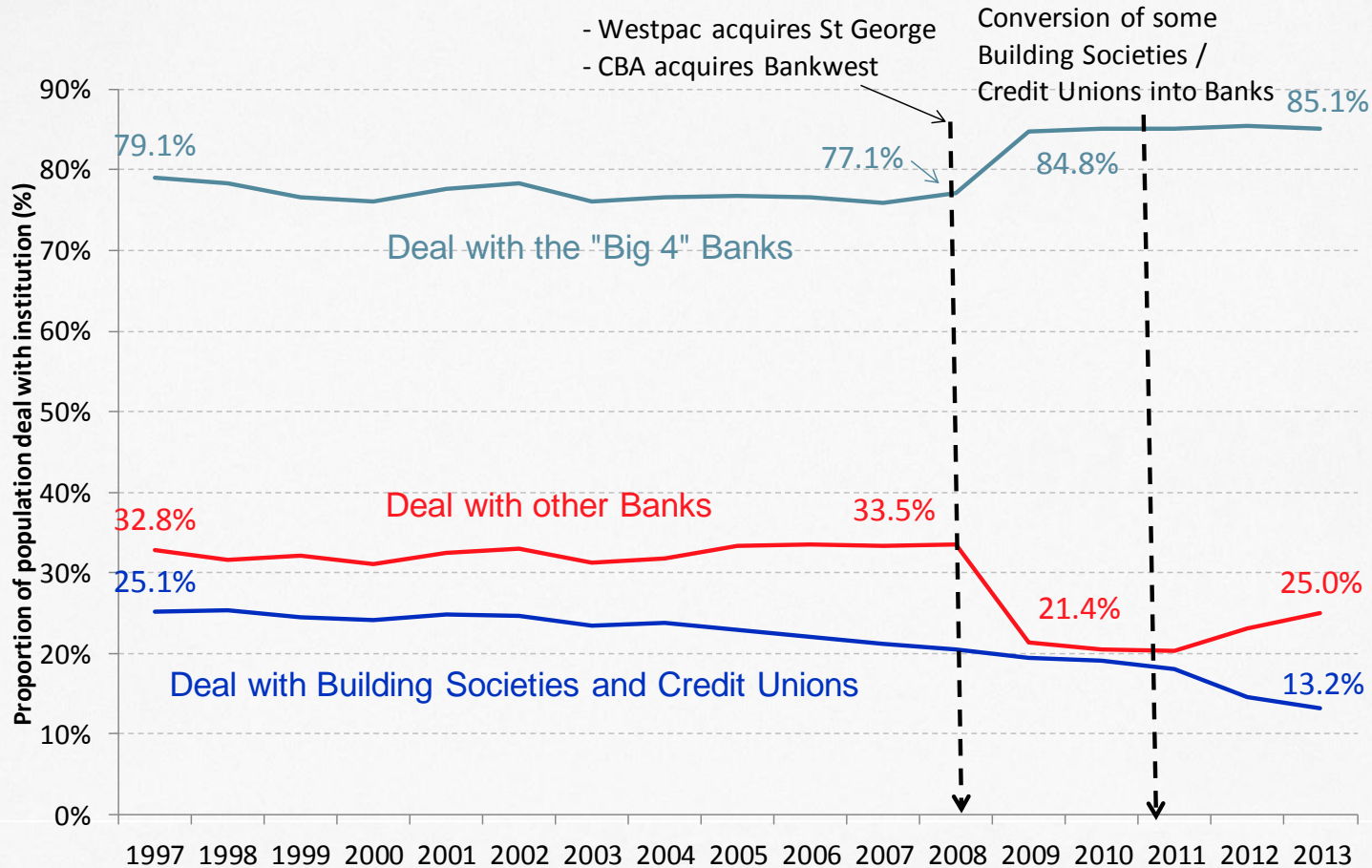


Source: Roy Morgan Research; 12 months to Dec 2013

Quintiles based on value of Financial Services (i.e. the total value of loans, superannuation, accounts and other products).

Competition in Financial Services

Market Strength of the "Big 4" Banks By Customer Penetration

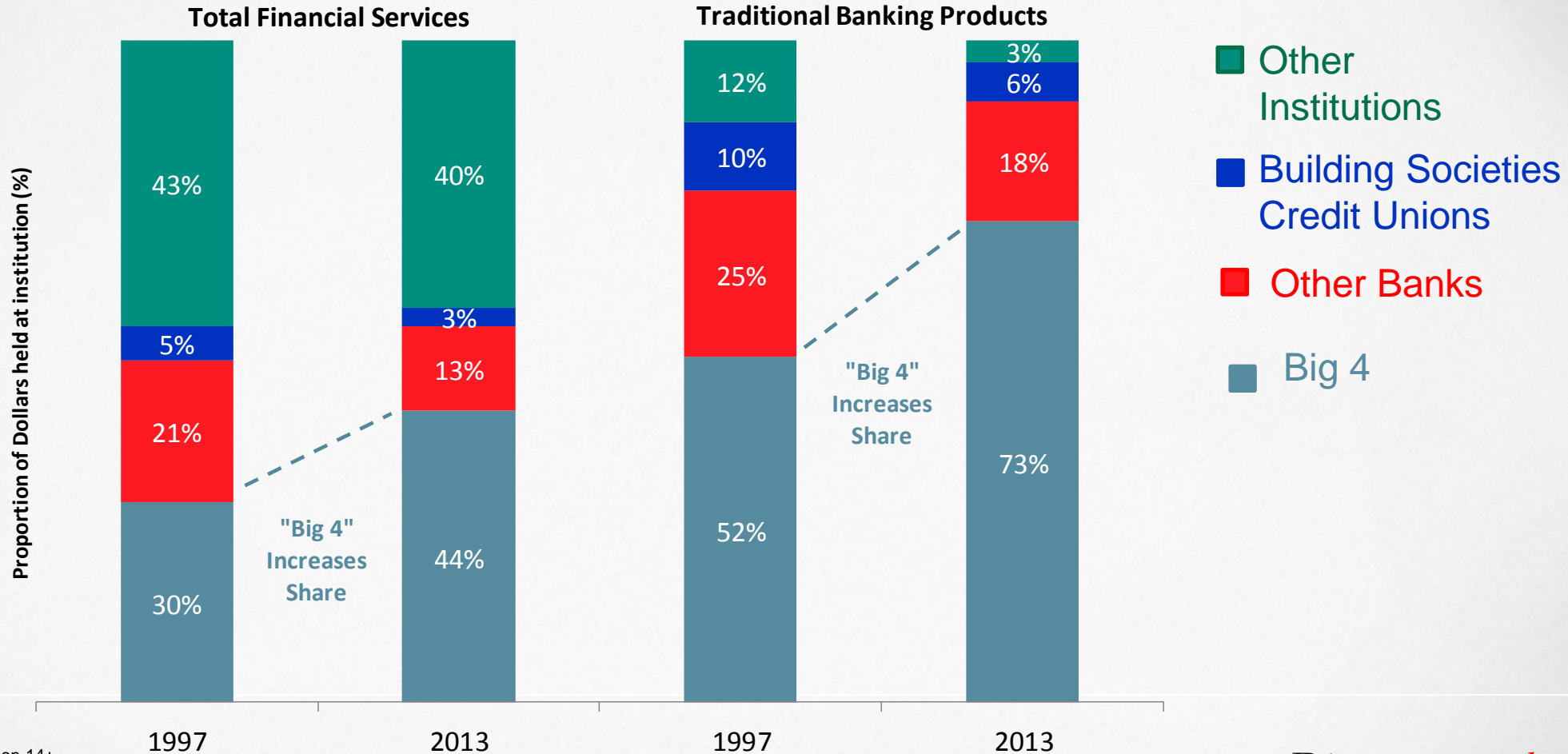


Base: Australian Population 14+; Traditional Banking Products

Source: Roy Morgan Research; 12 month rolling average.

Market Strength of the "Big 4" Banks

By Dollar Share

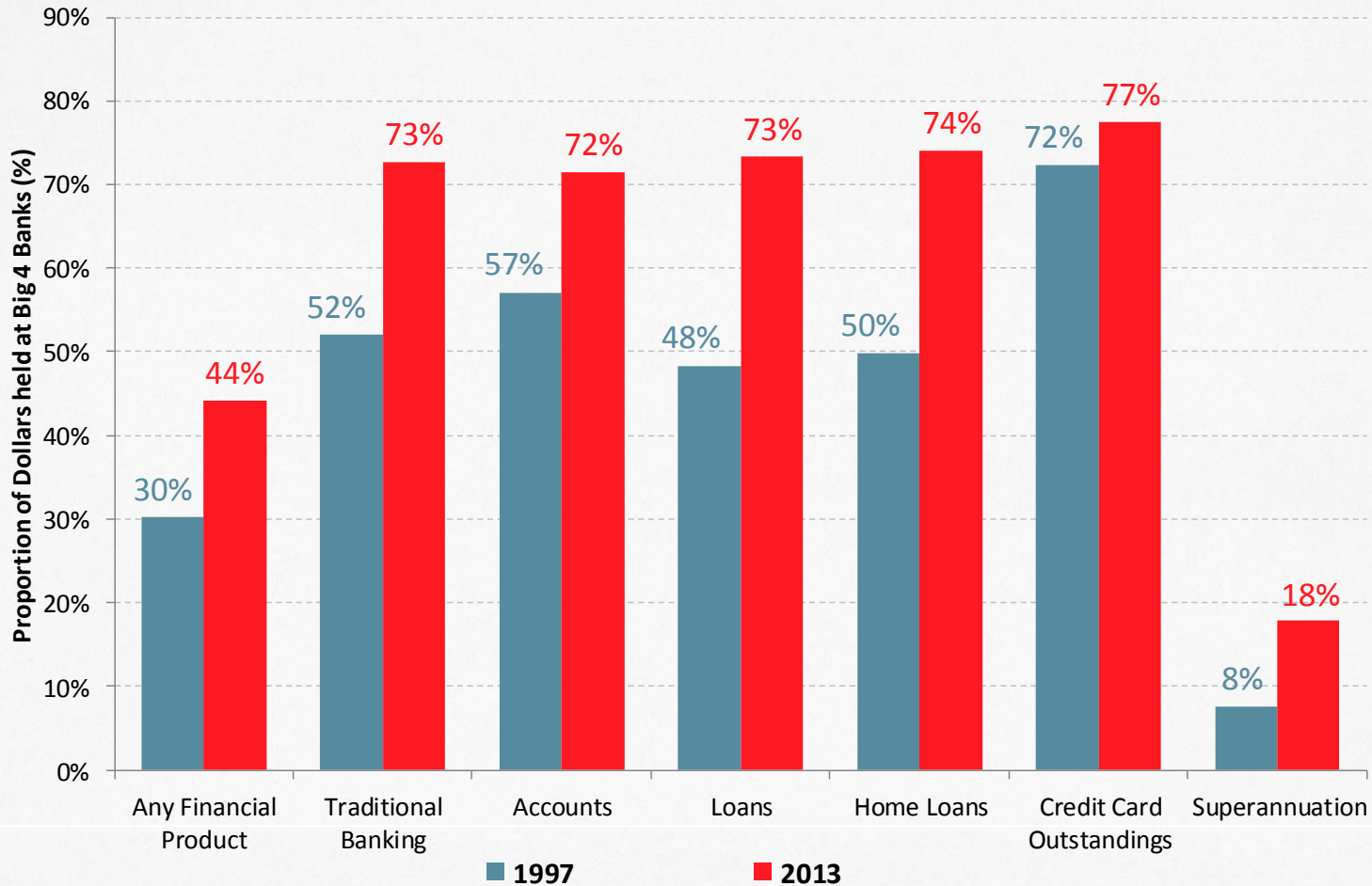


Base: Australian Population 14+.

Source: Roy Morgan Research; 12 months to Dec 1997 and 2013

Market Share of “Big 4” Banks by Product

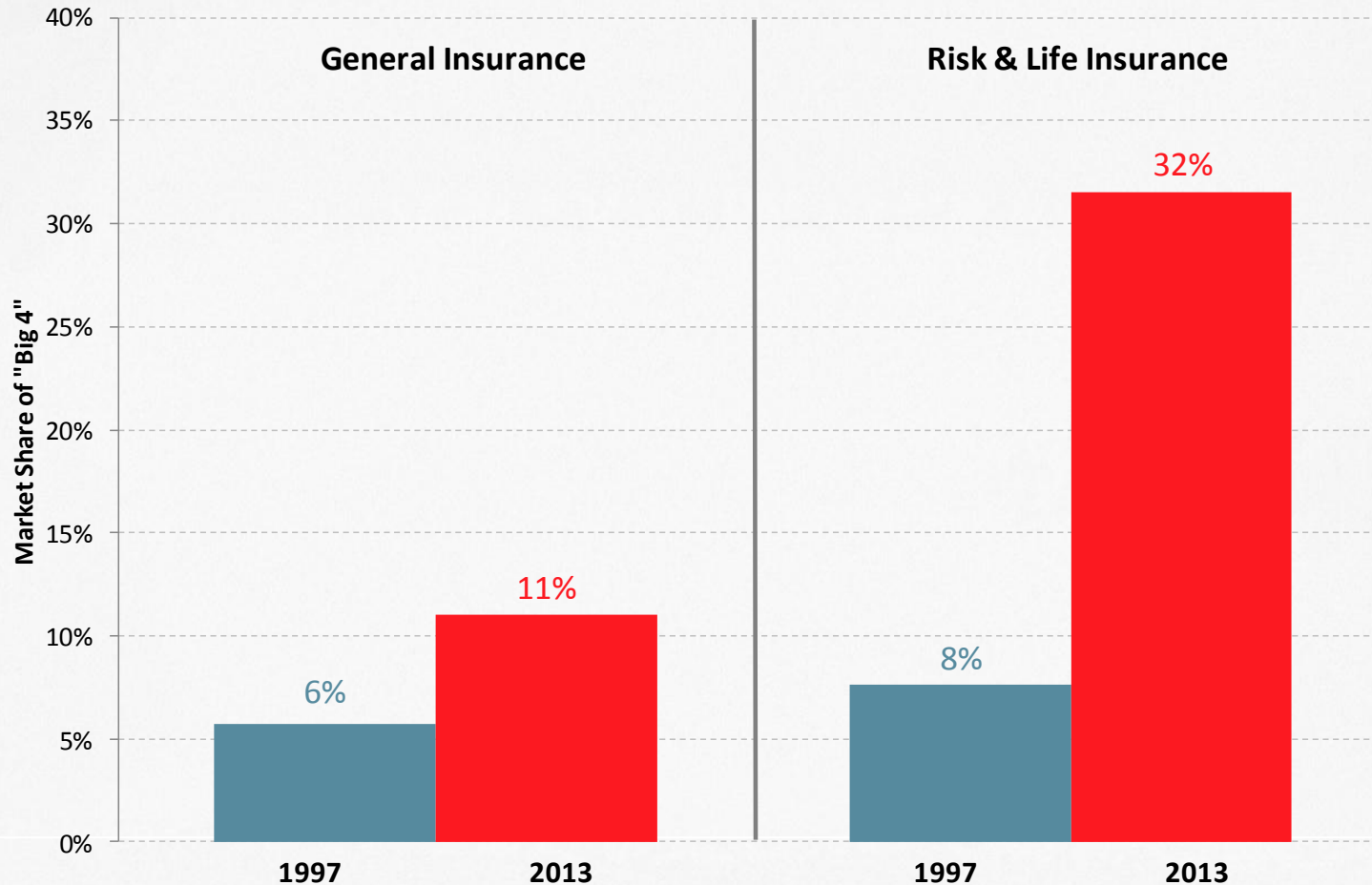
1997 / 2013



Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Insurance Market Share of "Big 4" Banks 1997 / 2013

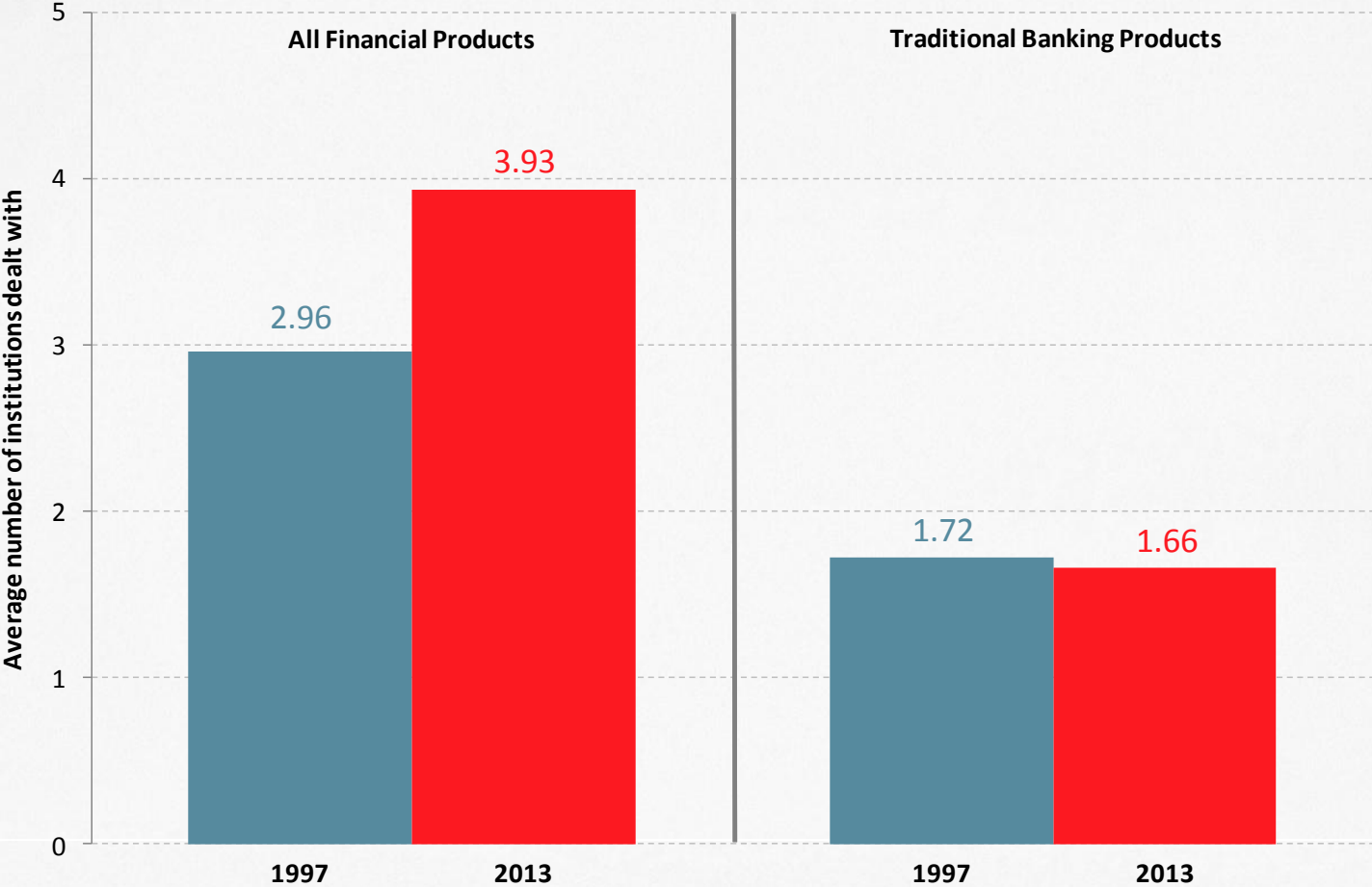


Base: Australian population 14+ with General Insurance/ Risk and Life Insurance

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Customer Loyalty in Financial Services

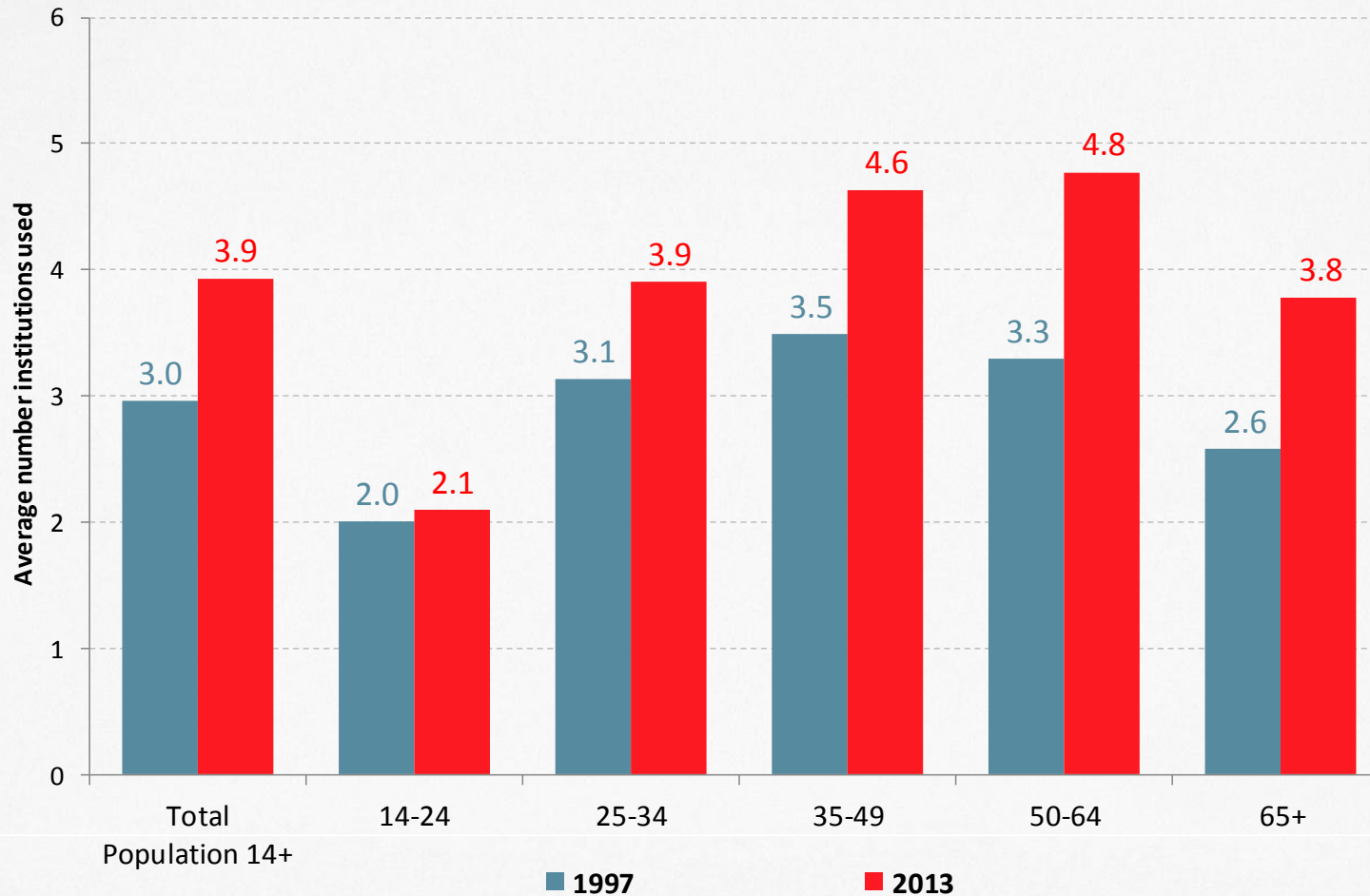
Number of Financial Institutions Dealt With



Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Number of Financial Institutions Dealt with By Age – 1997 / 2013

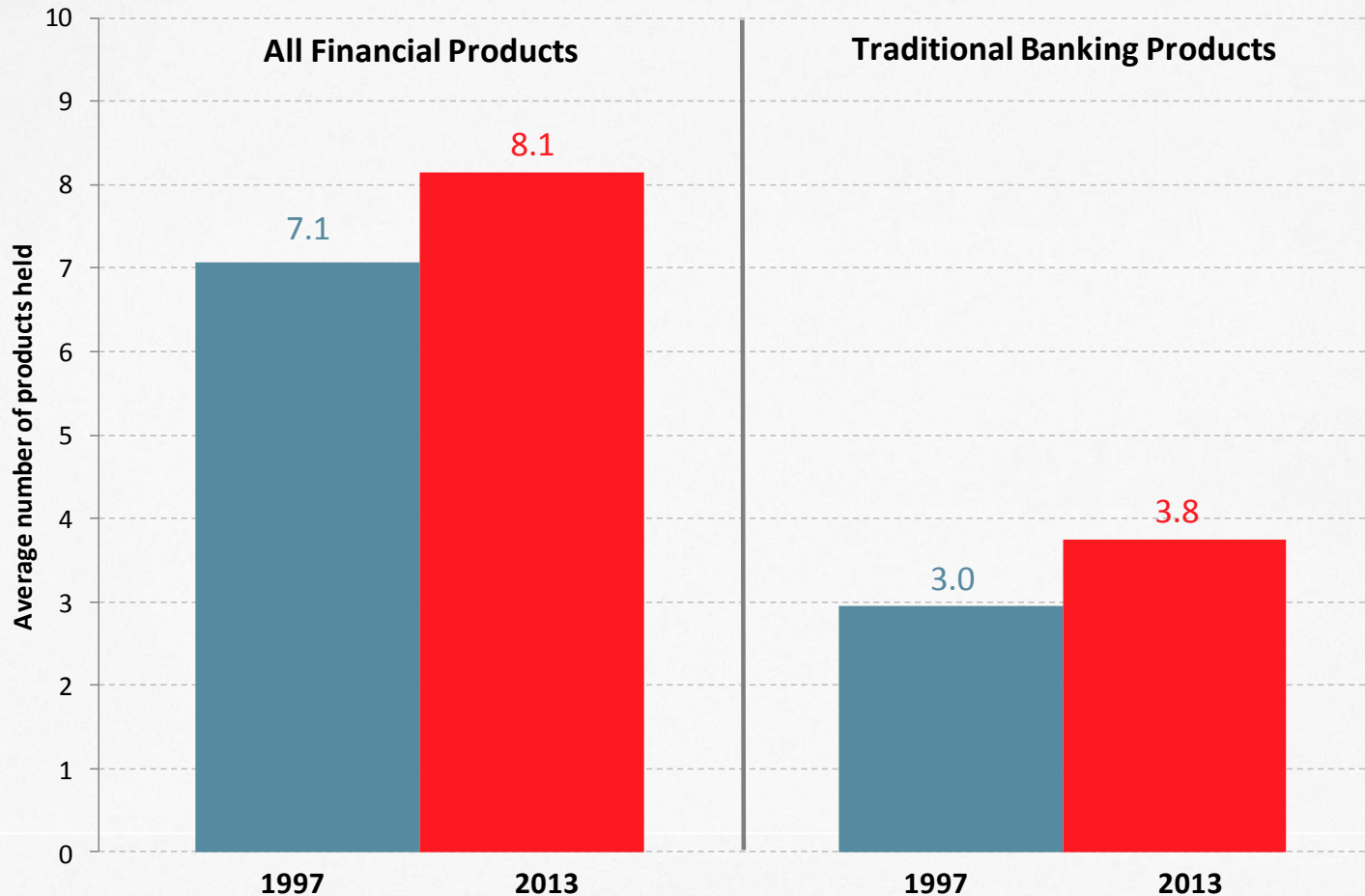


Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Average Number of Financial Products Held

1997 / 2013

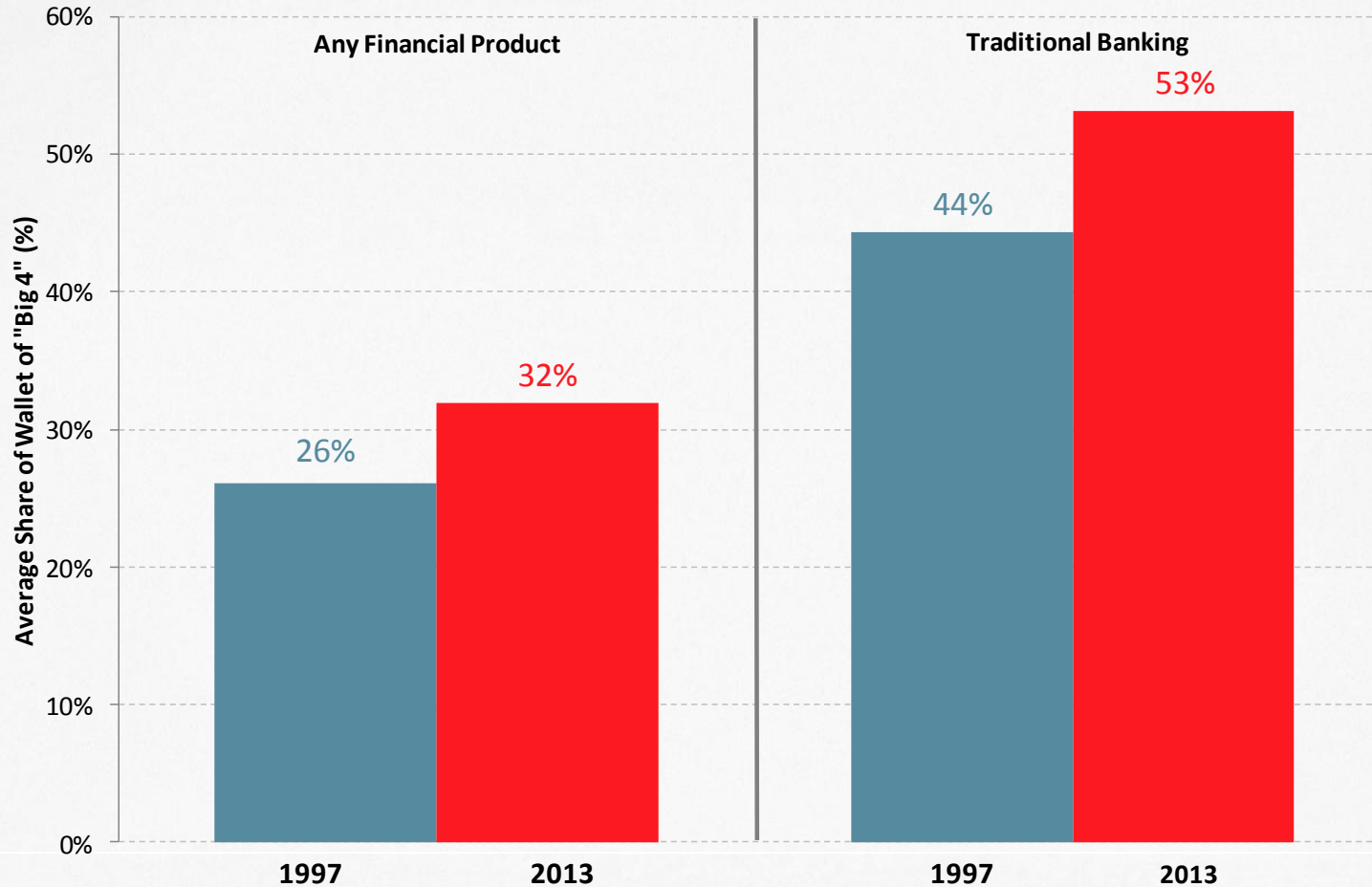


Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Share of Wallet (“Big 4”)

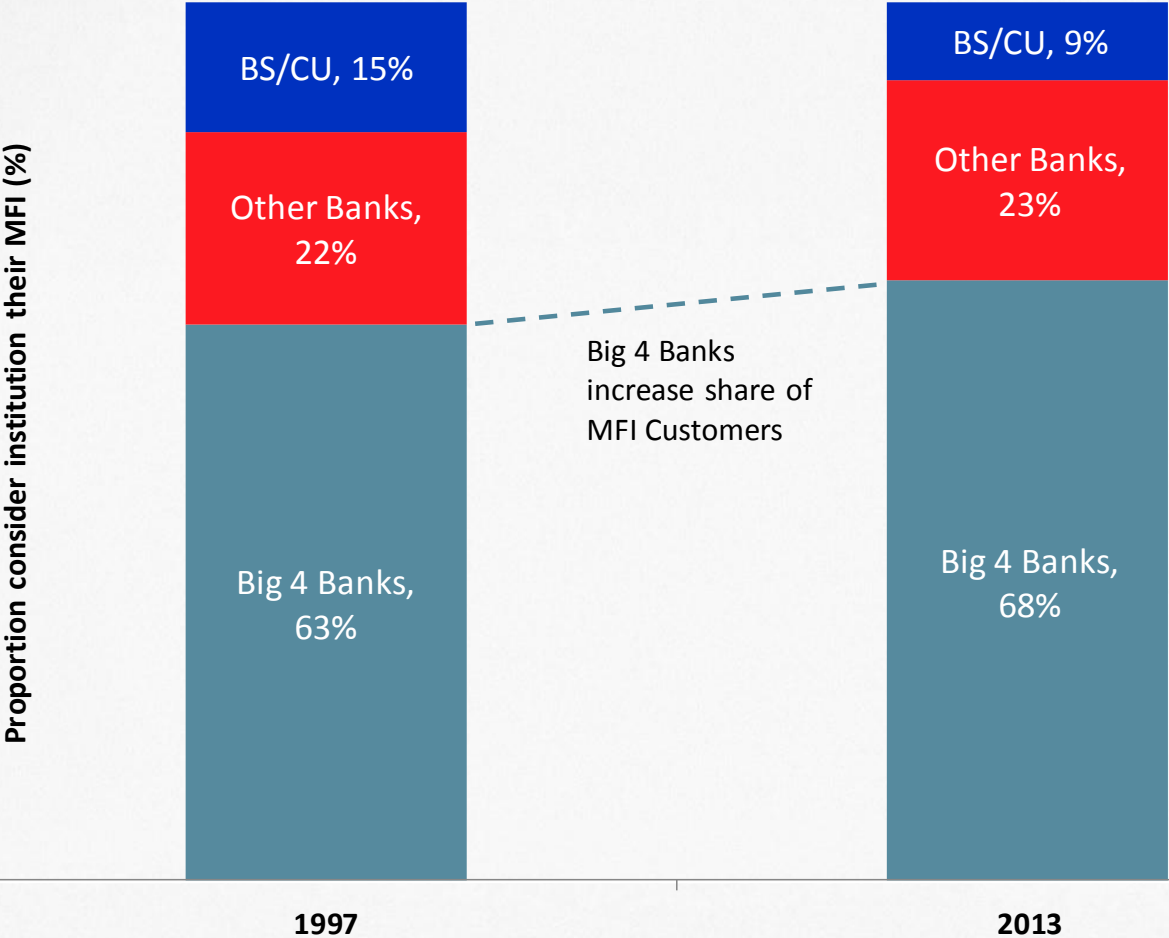
1997 / 2013



Base: Australian population 14+ who deal with “Big 4” banks

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Main Financial Institution

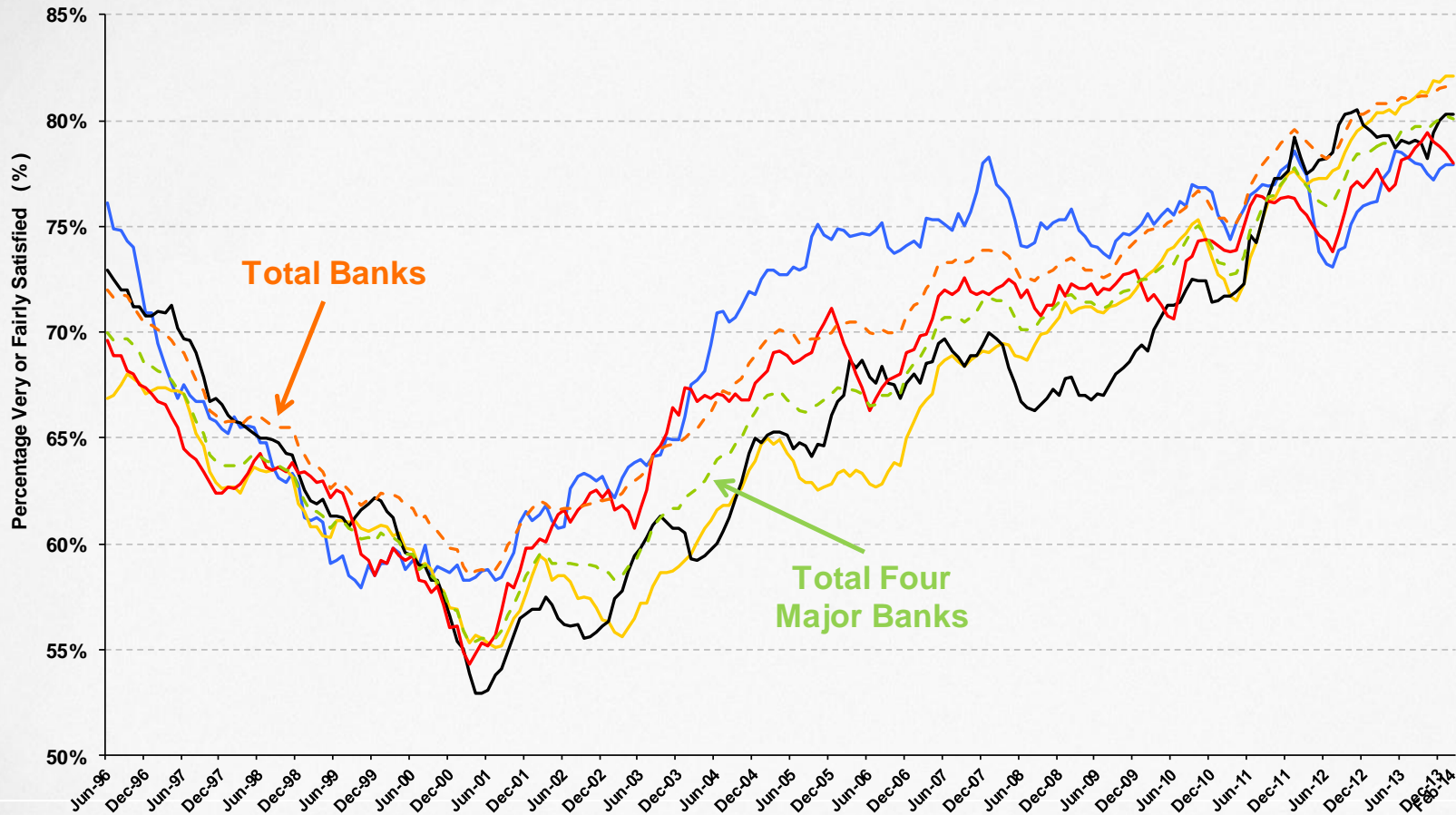






Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Customer Satisfaction

Customer Satisfaction – “Big 4”

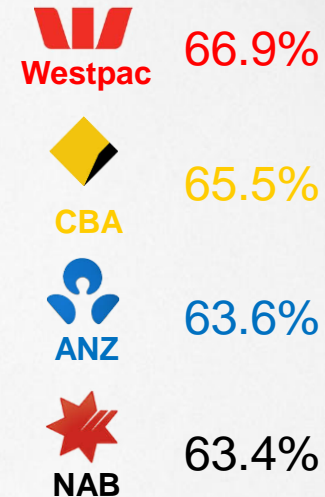
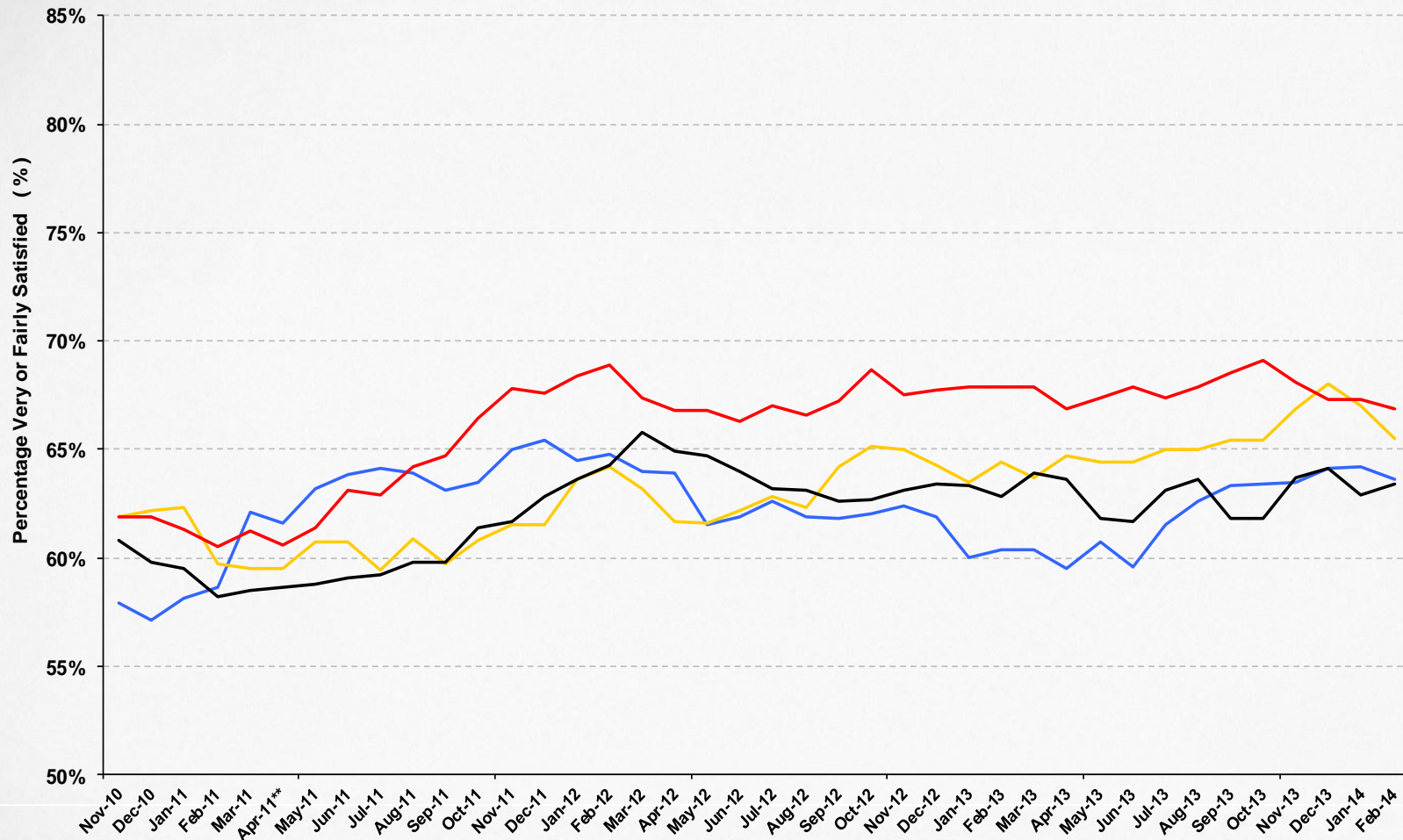


-  82.1%
-  80.3%
-  78.0%
-  77.9%

Base: Australian population 14+

Source: Roy Morgan Research; 6 month moving average to Feb 2014

Business Satisfaction – “Big 4”



** 7 months to April 2011.

Source: Roy Morgan Research Business Single Source, January 2014, average 6 monthly sample size: n = 6,730.

Business Banking - Image of Main Financial Institute

Top and Bottom four opinions

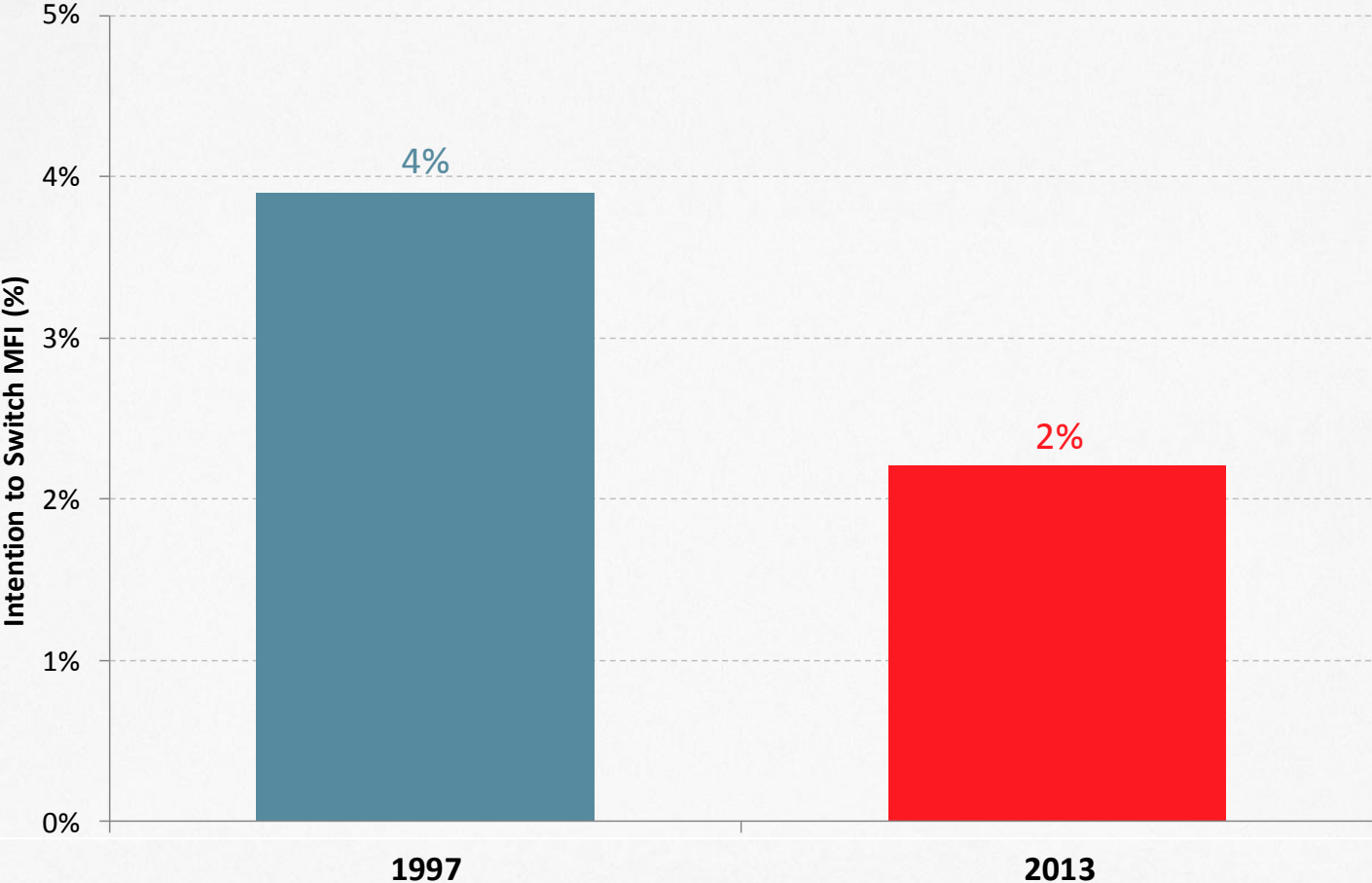


Base: Australian Businesses

Source: Roy Morgan Research Business Survey; 12 month to Dec 13

Customer Switching

Intention to Switch MFI in the next 12 months

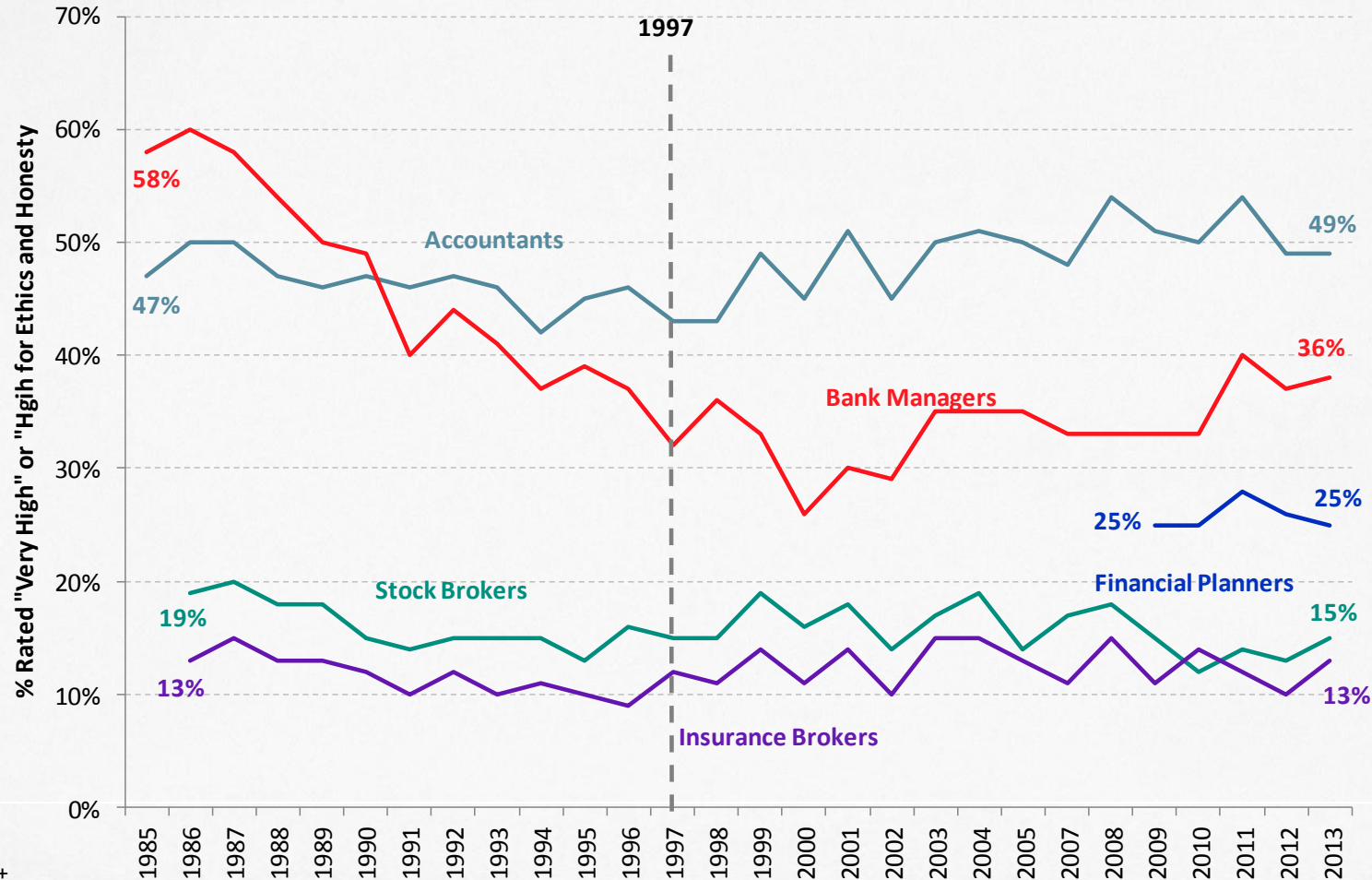


Base: Australian population 14+

Source: Roy Morgan Research; 12 months to Dec 1997 and Dec 2013

Opinion of Finance Professionals

Rating of Professionals in Financial Services on “Ethics and Honesty”



Base: Australian population 14+

Source: Roy Morgan Research; Annual Image of Professions Survey

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