

Peer Comparisons and Benchmarking

SCANTRON®

Survey Services

THE FIRST QUESTION MANY OF OUR CLIENTS ASK IS, "HOW DOES OUR FINANCIAL INSTITUTION COMPARE TO OTHER FINANCIAL INSTITUTIONS?" SCANTRON PROVIDES COMPARISONS OF YOUR RESULTS TO THOSE OF YOUR PEERS, SO YOU KNOW WHERE YOU STAND WITH YOUR CUSTOMERS.

Certain factors can impact peer scores and may distort an institution's apparent relative performance:

The demographic make-up of the customer base. Long-time customers, older respondents and moderate income consumers tend to report higher levels of satisfaction. These customers tend to have fewer options and opportunities to compare the performance of other financial institutions.

A response bias occurs when customers who are more loyal to an institution are more likely to respond to a survey. This can be corrected by stratified sampling. In particular, primary users tend to report higher satisfaction scores.

Regional differences and the urban/suburban/rural distribution of customers can impact scores. The most important use of the Customer Loyalty Index score is tracking performance differences between facilities and tracking over time as discussed under benchmarking.



One national banking services score, measuring overall satisfaction, has been published annually for the past 12 years. This is the American Customer Satisfaction Index (ACSI) from the National Quality Research Center (NQRC) at the Stephen M. Ross Business School at the University of Michigan. Currently, the ACSI score is 75 (78 if the five largest banks are excluded). The ACSI is calculated using an equation that combines expectations, perceived quality, value, problems and loyalty. Their concept of satisfaction comes closer to Scantron's than most others.

In contrast, for the past 22 years the annual American Banker/Gallup Annual Survey has simply reported the percentage of users who are "very satisfied" (currently just over 60%) with their primary institution as their comparative measure across type of financial institution (bank, credit union, savings association) and over time.

Scantron collects responses to every survey question included in our standard question item bank. Periodically, the Customer Loyalty Score is calculated for every respondent. The average Loyalty Score, across all respondents, and for select groups, are then published. In addition, the distribution of results for each of the components is reported so that Scantron clients can determine which areas scored lower or higher than other financial institutions.

From past experience, Scantron clients are more committed to customer satisfaction as shown by willingness to invest in market research. Scantron's clients also tend to score above various national averages such as the ACSI score.

Benchmarking

In addition to using the initial Customer Loyalty Survey as a benchmark baseline, it is also recommended to survey consumers using Scantron's Awareness and Image Survey. This survey allows customers to understand how other financial institutions are perceived by customers and learn from this information.

SURVEY SYSTEM ELEMENTS

Customer Loyalty Index and Peer Performance

Customer Loyalty Survey Questionnaire

Item Bank: a comprehensive list of questions that may be incorporated into a variety of surveys

Preexisting, modifiable survey questionnaires in the following areas:

- Checking Account Survey
- Deposit/Investment Survey
- Lending Solutions Survey
- Awareness and Image Survey

Technical support in these and other areas:

- Sampling
- Peer Comparisons
- Appended Data



For more information, visit us at www.scantron.com or contact your Scantron representative at 1-800-722-6876 or email info@scantron.com.

© 2008 Scantron Corporation. All rights reserved. Scantron and the Scantron logo are registered trademarks, and Achievement Series and Performance Series are service marks of Scantron Corporation. P/N 277-196-002

SCANTRON®