



METHODOLOGY
BANK OF THE YEAR
SMALL BUSINESS

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

The CANSTAR *Bank of the Year – Small Business Award* 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 small businesses.

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



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Products
60%

Business Loan
Features
30%

Credit Cards
25%

Deposit
Accounts
45%

Term Loans 50%

Overdraft 50%

Low Rate 40%

Low Fee 30%

Rewards 30%

Business Saver 20%

High Transactor 40%

Low Transactor 40%

Institutional
Factors
40%

Business Banking 40%

Relationship Managers and Support Services 30%

Online Banking Services and Advice 20%

Business Insights and Education 10%

BUSINESS LOANS – FEATURE SCORE

Category	Term Loans	Overdrafts
Loan Terms	60%	95%
Lending Terms	65%	55%
Security Requirements	10%	5%
Loan Purpose Availability	25%	10%
Overdraft Terms	-	30%
Product Functionality	40%	5%
Redraw Facility/Transactional	35%	-
Portability	25%	100%
Repayment Capabilities	20%	-
Split Facility	10%	-
Switch Facility	10%	-



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	10%
Risk Management	25%
Small Business Packages	30%
Equipment Finance	25%
Disaster Relief and Support	10%
Business Insights and Education	10%



Branch Numbers

The score for branch numbers is calculated on the basis that if a bank has at least 1 branch per 25,000 people living in New Zealand, then they should receive the full score.

Relationship manager numbers

The score for relationship manager numbers is calculated on the basis that if there is at least 1 relationship manager present per 40,000 people living in New Zealand, then the bank should receive the full score. Scores are calculated separately for both the North and South Islands.



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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.co.nz if you would like to view the latest star ratings reports of interest.

- Business deposits
- Credit cards
- Credit card rewards
- Home loans
- KiwiSaver
- Online banking
- Personal loans
- Savings accounts
- Transaction accounts
- Term deposits



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