



Savanta:

Corporate reputation

Have business banks recovered from the
sins of the past?

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Make Better Decisions

Corporate reputation of the past

Many of us will remember the global financial crisis of 2008. This crisis highlighted serious issues within the industry, such as unethical practices, excessive risk-taking, and inadequate regulation. All this eroded trust among the general public.

Since then, many banks have taken steps to restore trust and improve their corporate reputation. They have implemented stricter regulations, enhanced transparency, made efforts to rebuild customer confidence and more recently looked to introduce or act on their own organisation's ESG policy (and designed products and services to help businesses act on theirs).

Ultimately though, whether an individual trusts the corporate reputation of the banking industry will depend on a range of factors, including their own perceptions, experiences, and the overall actions and behaviour demonstrated by banks in their interactions with customers and the wider society.



Savanta has used one of its surveys to better understand how businesses rate their business bank in terms of corporate reputation

MarketVue Business Banking from Savanta: A continuous survey of 15,000 financial decision makers in UK businesses and over 10 years of historical data

Current corporate reputation

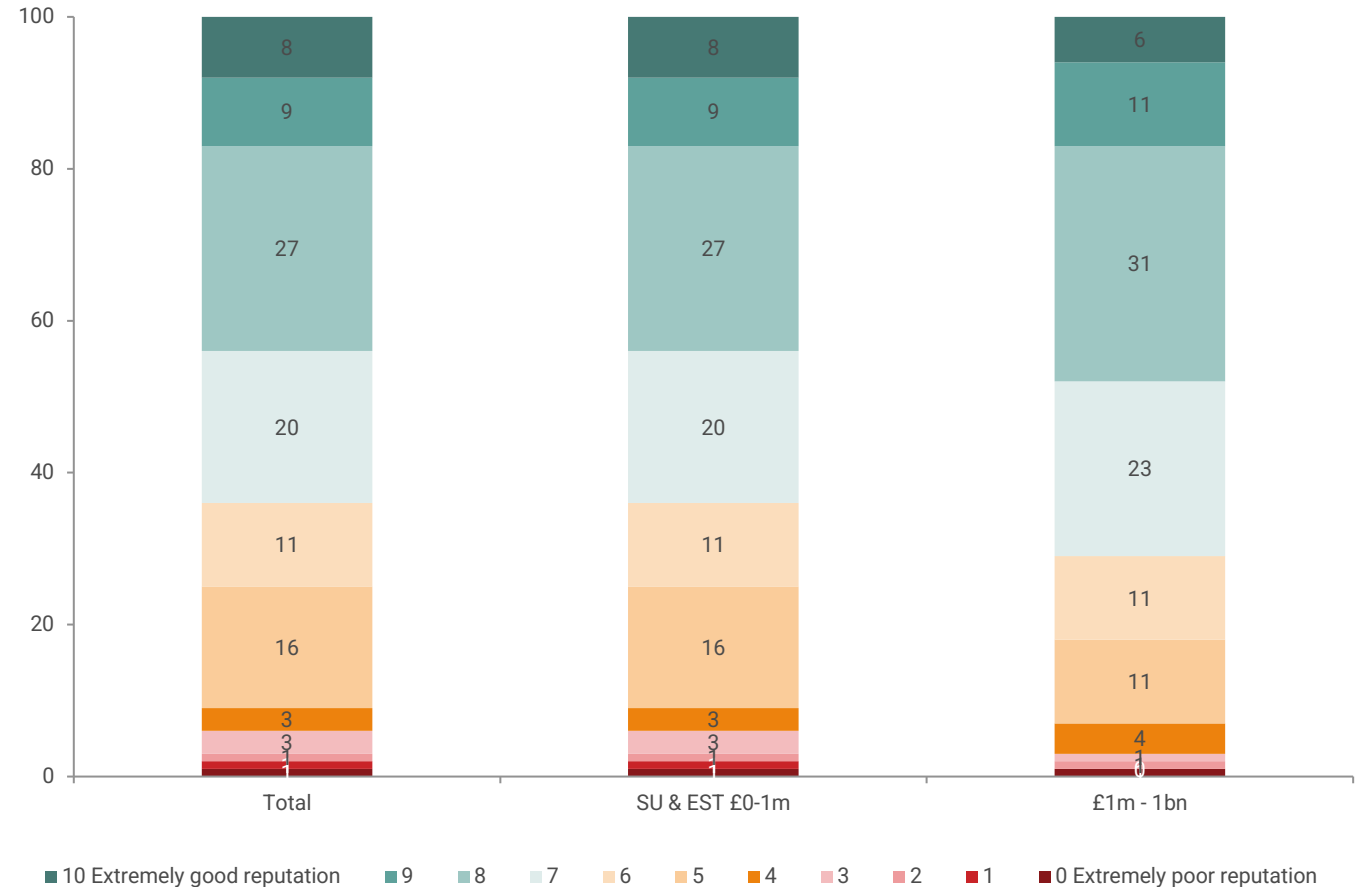
When businesses were asked how they rated their main business bank on their corporate reputation, just over 6 in 10 (64%) rated them with a score of 7 or more out of 10 and only 9% with a score of 4 or less. For all businesses, just under 1 in 10 (8%) rated their bank as having an extremely good reputation (score of 10).

The average score out of 10 for reputation was 6.9. This score is unchanged from when we asked the same question 4 years ago (2018).

Amongst larger businesses (£1m-1bn) the corporate reputation score is higher with 71% giving a score of 7 or more compared to 64% for smaller businesses (SU EST £0-1m).

Corporate Reputation – by business size

BC19a Thinking about your main business bank and on your own assessment of them, how would you rate their corporate reputation, taking into account of everything you know about their products, service quality, their leadership, being good employers, fulfilling their duties and obligations to the wider environment, and so on?



Younger business owners rated corporate reputation higher

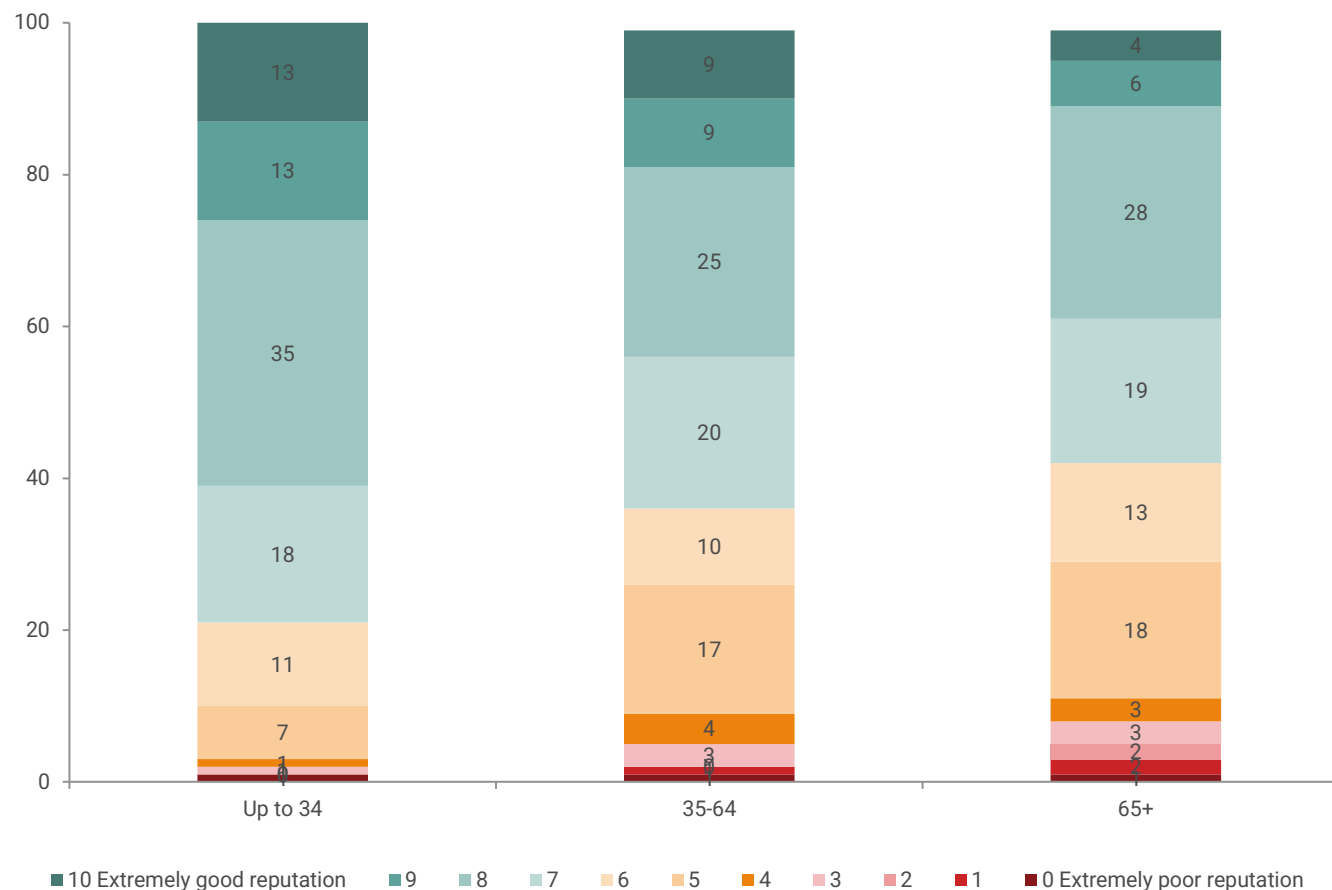
Age of business owner is asked just of those smaller businesses (SU EST £0-1m), but these smaller businesses do represent a large proportion of the total business market.

Almost 8 in 10 (79%) aged up to 34 years old rated their business bank's corporate reputation with a score of 7 or more and over 1 in 4 (26%) gave a high score of 9 or 10. Only a very small minority felt reputation deserved a poorer score of 4 or less (3%).

6 in 10 (63%) of older business owners aged 35-64 rated their bank's reputation with a score of 7 or more, but this is lower for those owners aged 65+ (57% score 7 or more). These much older owners are less likely to rate the reputation as extremely good (just 4%) and just over 1 in 10 (11%) gave a lower score of 4 or less.

Corporate Reputation – by age of business owner

BC19a Thinking about your main business bank and on your own assessment of them, how would you rate their corporate reputation, taking into account of everything you know about their products, service quality, their leadership, being good employers, fulfilling their duties and obligations to the wider environment, and so on?





63%

Over 6 in 10 businesses felt their bank was much better than Starbucks.

Business bank reputation seen as better than some big corporates

When businesses were asked if their main business bank was better, the same or worse than Amazon, Google, Starbucks and Vodafone, it was Google that fared best.

Over 6 in 10 (63%) businesses felt their bank was better than Starbucks. Starbucks has been the subject of multiple controversies, in particular tax avoidance in Europe. A YouGov survey in 2018 suggested that Starbucks' brand image was substantially weakened by this controversy surrounding how much tax it pays in the UK and this appears to still be affecting the brand.

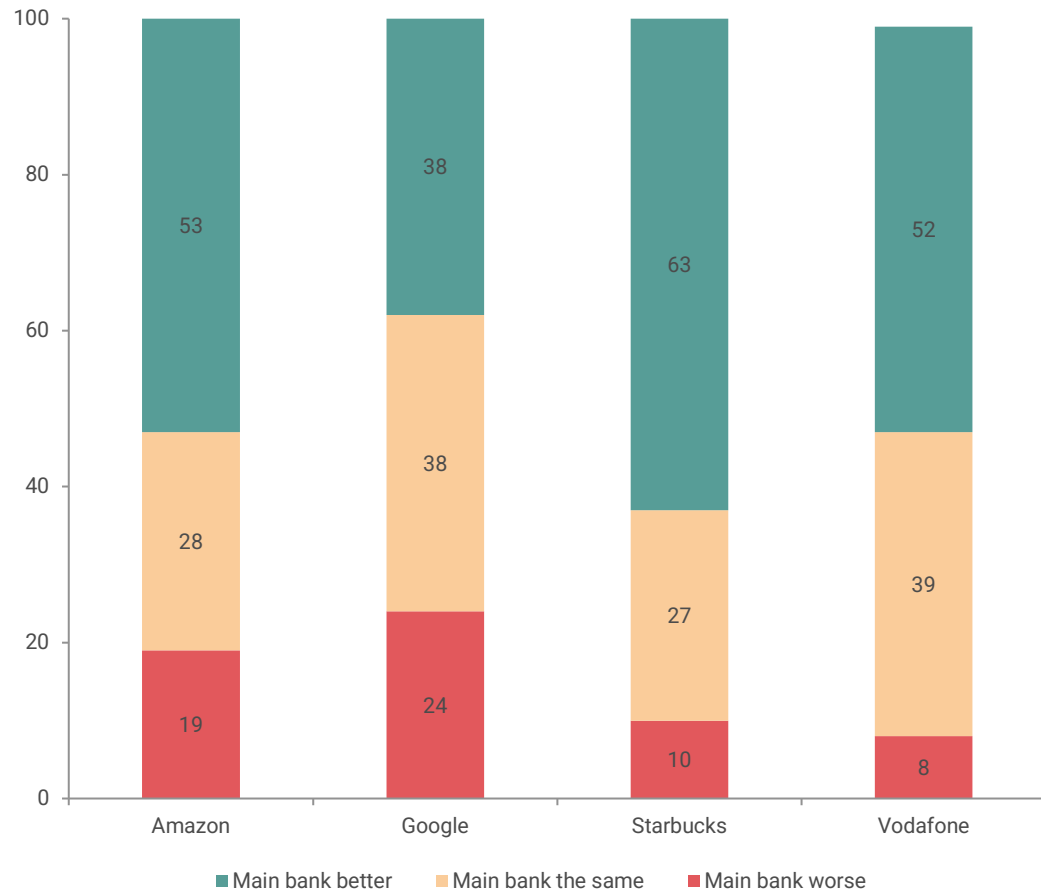
Amazon and Vodafone are also rated less positively, with over half of businesses (53% and 52% respectively) rating their main bank's corporate reputation as better.

However, almost 1 in 5 (19%) businesses rate their main bank as worse than Amazon and this negative comparison is even higher for Google (24%).

Google's reputation is renowned and in the 2022 Signal AI 500 Global Reputation Ranking data the brand retained its number one spot as the company with the strongest corporate reputation.

Corporate Reputation versus other big corporates

BC19b And do you think your main business bank's reputation is generally better, the same or worse than the following brands: Summary



Younger business owners are more in favour of Google

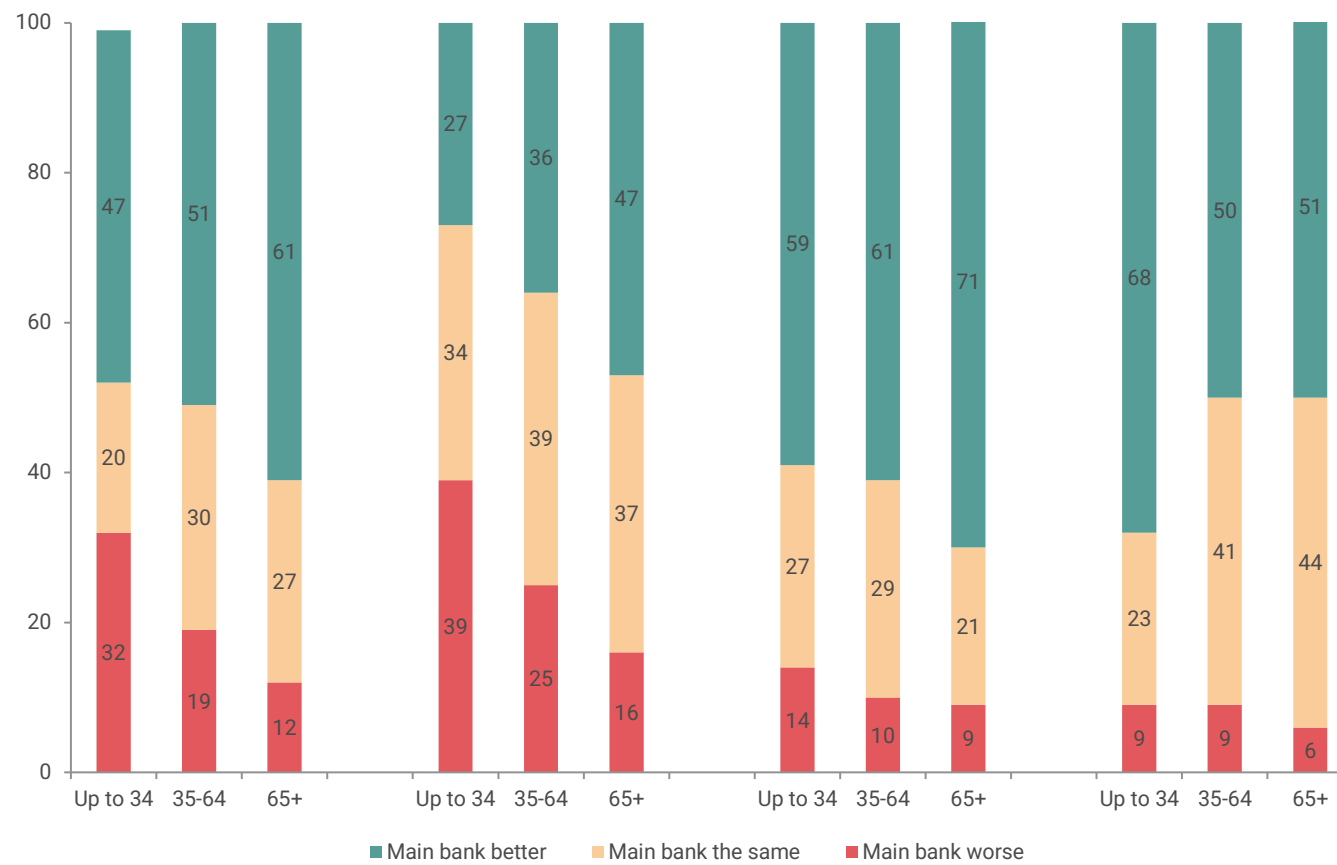
Over 3 in 10 business owners aged up to 34 think the reputation of their main business bank is worse than Google (39%) and just 27% think their bank is better. Over a third (32%) also feel their bank is worse than Amazon, however a larger proportion (47%) rate their bank's reputation better.

Older business owners generally say their business bank's reputation is better than the four big corporates, especially so amongst the 65 and overs. This is highest for Starbucks (71%) and Amazon (61%).

Vodafone has the worst reputation rating, with few business owners thinking their main bank is worse than them for reputation (less than 1 in 10). They also have the highest proportion of customers aged 35+ who feel their main bank's reputation is around the same (over 4 in 10).

Corporate Reputation versus other big corporates – by age

BC19b And do you think your main business bank's reputation is generally better, the same or worse than the following brands: Summary





Progress has been
made, but rebuilding
reputation takes time

Corporate reputation will remain a critical factor in determining future brand strength. It has remained stable over the past 4 years, which is a real positive, but there is still work to do.

A recent Savanta thought piece, ESG: Where will the push for progress come from? (<https://savanta.com/knowledge-centre/view/where-will-the-push-for-progress-come-from>) highlighted that some businesses were taking action around ESG, but with the turmoil of the UK business and economic environment, ESG is relatively low on the agenda. Businesses (particularly smaller businesses) need to see the business benefit as well as the human benefit of ESG if it is to become a higher priority.

Business banks and other financial institutions will need to consider implementing a number of key steps to enhance their corporate reputation, such as defining their values and purpose, transparency and accountability, ethical practises, environmental policies and a commitment to their customers and stakeholders. Prioritising and placing these higher up on their agenda will allow them to be in a better position to thrive.

Savanta's MarketVue Business Banking

Based on a continuous survey of 15,000 financial decision makers in UK businesses and 10 years of historical data, MarketVue Business Banking is a highly **reliable and detailed monitor of how banks are perceived by business customers.**

It is designed as a **complete market overview** covering market share, trends, brand health and customer experience to inform business strategy and provide tactical feedback for action planning. Interviewing is conducted continuously among a UK representative sample from start-ups, SMEs up to major corporates throughout the year and data/insight is delivered to clients on a quarterly basis.

Savanta is a fast-growing data, market research and advisory company. With five global offices and 500+ staff, we inform and inspire our clients through powerful data, empowering technology and high-impact consulting. All designed to help our clients make better decisions and achieve faster progress.

Savanta offers clients a full range of intelligence services, including:

Data collection and analysis – access to consumer, business, wealth & youth respondents globally through a proprietary technology platform

Research and Insight – tailored solutions built using specialists from Savanta's Industry and Methodology Practices

Proprietary tech & products – instantly access digital intelligence about markets, brands and customers. It's our own technology. And it's fast and flexible.

Team



Stephen Palmer

EVP, Financial Services

Stephen has 25 years' research experience across financial services and tech and leads the financial services team at Savanta. Prior to Savanta, Stephen was Head of Insight at Kantar Financial Services & Technology and responsible for delivering customer experience, brand and segmentation research. Stephen is a certified member of the MRS and has sat on the standards board.

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Ben McGregor

Director, Client Services

Ben has spent the last 25 years working in financial services, providing targeted support to some of the most recognisable global brands across banking, insurance, payments, wealth, and investment banking. Recently that has included support across the ESG journey – from strategies to reach Net Zero to corporate reputation work. Ben moved to Savanta at the end of 2021 to support the growth of the financial services business.

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Helen Davey

Associate Director, Financial Services

Helen has more than 20 years' research experience gained agency side and has worked in the MarketVue Business Banking team for the past 7 years. Helen has considerable experience in managing large scale complicated syndicated research

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Shweta Bharati

Senior Executive, Financial Services

Shweta joined Savanta with 8 years of experience working in Market Research across all industry sectors. She previously worked for Dynata's India Operation; mainly specialising in quantitative projects. She has a BSc (Hons) degree from Patna University in Biotechnology and a Masters in Business Management from JRE College of Institutions.

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Sue Lewis

Senior Director, Financial Services

Sue has over 30 years' market research experience, including six years' experience client side (in the healthcare sector at BUPA and in business banking at Barclays, where she was a senior market research manager). Before joining Barclays, Sue was previously an associate director at City Research. Sue has a BSc (Hons) degree in Sociology from the University of Southampton and is a certified member of the MRS (CMRS).

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