



Methodology

Online Banking Award

September 2019

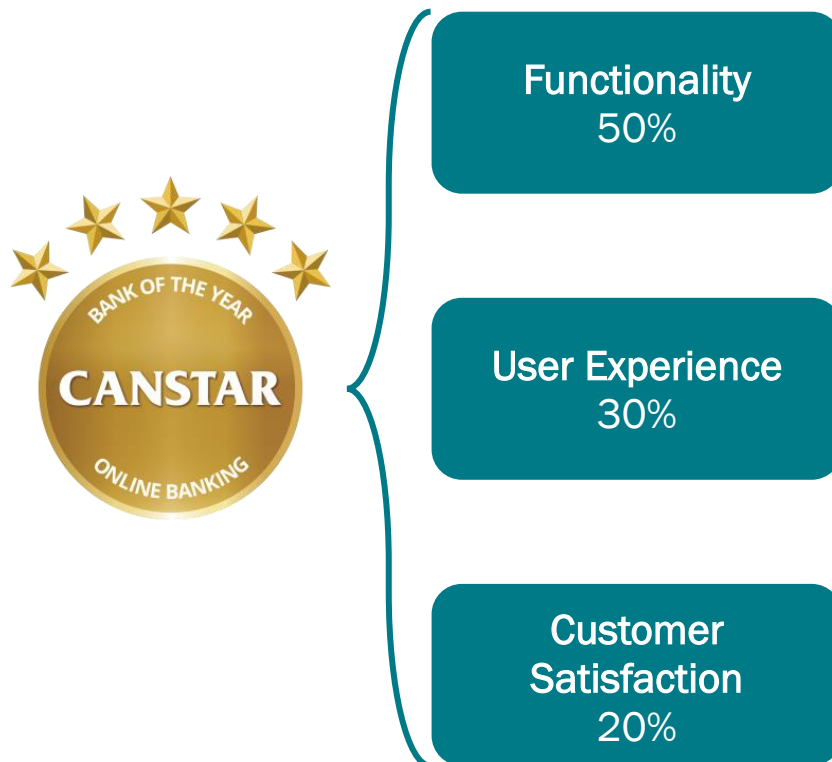
What is the Canstar *Online Banking* award?

The Canstar Online Banking award involves a sophisticated award methodology unique to Canstar that compares the offering of features on online banking platforms across New Zealand. The Online Banking Award recognizes institutions who offer quality online services and developments to further enhance customer experience.

How is the Canstar *Bank of the Year Online Banking* award calculated?

New Zealand banking institution's online banking platforms are reviewed for the Canstar Bank of the Year Online Banking award. Canstar collects over 200 different features on the online capability of New Zealand institutions.

The main areas of consideration are Functionality (features offered on website, desktop and mobile banking, etc.), User Experience (customer and non-customer user experience of desktop and mobile online banking platforms) and Customer Satisfaction (consumers satisfaction with the institutions digital banking proposition).

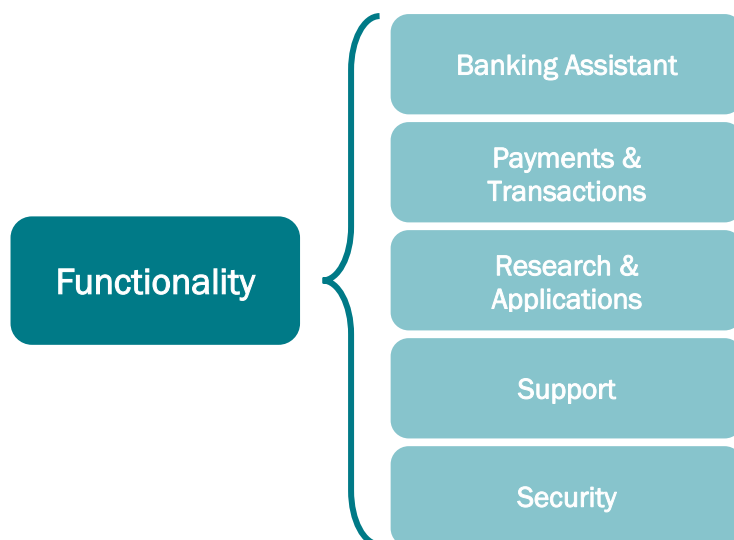


TOTAL SCORE = FUNCTIONALITY + USER EXPERIENCE + CUSTOMER SATISFACTION

Category weights are assigned appropriately depending on its level of importance across the three components to arrive at the total score. The institution which cumulatively receives the highest score across the areas of consideration will be awarded the Online Banking award.

Functionality

The Functionality score consists of five feature categories outlined in the methodology tree below and is weighted by relative importance. All five categories are assessed over online banking platforms (desktop and mobile) and website.



Banking Assistant

The Banking Assistant feature category consists of 7 parts, which account for account maintenance (personalisation functions such as change account details, i.e. address), account status and information (availability of transaction history, search functions, etc.), budgeting tools, alerts, compatibility (iPhone/Android apps), Home Loan (additional repayments, modify repayments, etc.) and Credit Card (Activate, Lock/Hold, and Cancel Credit Cards, etc.) functions, and other services such as access to insurance or Kiwisaver via online banking.

Banking Assistant	30%	
Account Status & Information	30%	This section considers the availability of account information i.e. balance, transaction history, bank statements, search functions etc.
Product Specific	20%	
Credit Cards	70%	This section considers the ability to make and schedule repayments, card control, and access to reward points etc.
Home Loans	30%	This sections considers the functions to make additional loan repayments, ability to rollover home loans, accept pre-approved offers etc.
Account Maintenance	15%	Ability to update information and customise layout and appearance, personalisation of name and visual account identification etc.
Budgeting Tools	15%	This section considers functions like being able to set goal savings, graph transaction behaviour, graph savings and 'what if' scenarios.
Other Services	10%	Ability to access account information across other products within online banking e.g. insurance account, investment account, KiwiSaver account etc.
Alerts	5%	Availability of alerts to notify account holders of payments due or cost incurring transactions through email, SMS, push alerts etc.
Compatibility	5%	Availability of specific applications for iPhone, Android, Windows, tablet etc.

Payments and Transactions

The Payments and Transactions feature category includes features such as: Bill payments, Contactless payments (ApplePay, Google Pay, etc.), Home Loan (additional repayments, modify repayments, etc.) and Credit Card (Activate, Lock/Hold, and Cancel Credit Cards, etc.) functions.

Payments & Transaction	25%	
Domestic	40%	This section considers the available functions and restrictions when banking online or through mobile i.e. transfer limits, transfers through Facebook/bump/email, notifications and settlement times.
Bill Payments	30%	This section considers the availability of Bill Payment options and management of future payments.
Contactless	15%	This section considers the ability to make payments through contactless /NFC technology across different handsets.
International	15%	This section considers the restrictions placed on international transfers i.e. currencies, transfer limits and transparency of fees.

Research and Application

The Research and Application feature category consists of 4 parts and assesses the application functionality (i.e. online application and ID Verification), calculators, educational tools, and product information (accessibility of quick links, website split between personal and business, and transparency of product offerings).

Research & Application	20%	
Application	40%	
Process	45%	Availability of an online application and functions for home loans, personal loans, credit cards etc.
Functions	30%	Ability to save forms, monitor application progress, pre-approval, pre-determine discounts etc.
ID Verification	25%	ID verification points required.
Educational Tools	25%	Available FAQs, articles, online educational videos etc.
Product Information	20%	
Quick Links	50%	This section considers the availability of quick links for rates & fees, documents, calculators, latest offers etc.
Transparency	30%	This section considers access to documents and information like interest rates, PDS, fee information.
How consumers find products	20%	This section considers the various paths to find products i.e. home page, search tips product list.
Calculators	15%	This section considers the availability of calculators to assist customer financing decisions i.e. mortgage repayments calculator, retirement calculator etc.

Support

The Support feature category includes assessment on how the institution enacts the customer service and marketing of their product. This includes availability of call centres, presence on social media (Facebook, Twitter, etc.) and locational services (ATM or branch locators and information).

Support	15%	
Customer Support	40%	This section considers the availability of a call centre, online chat, phone-back, press to call function etc.
Location Services	40%	This section considers the ability to search for ATM or branch location using current location or postcode.
Community Interaction	20%	Availability of channels and resources to resolve customer complaints and queries through channels like Twitter and Facebook etc.

Security

The Security feature category assesses the functionality of features such as: fingerprint verification, pin passcode, secondary authentication methods, and alerts triggered by a strange transaction protocol.

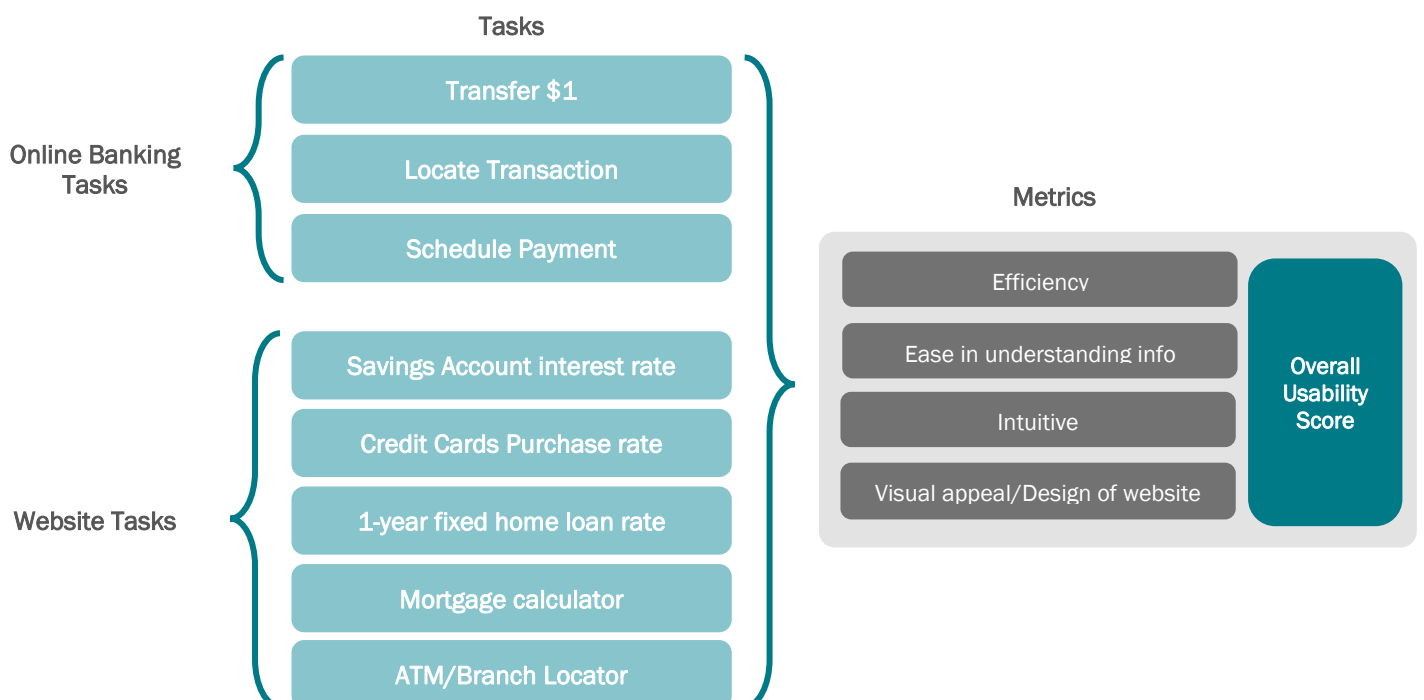
Security	10%	
This section looks at the security processes available for banking online through both desktop and mobile which includes: Secondary authentication; Automatic log-off; Automatic lockout; Strange transaction protocol; Customer liability for not-at-fault transactions		

User Experience

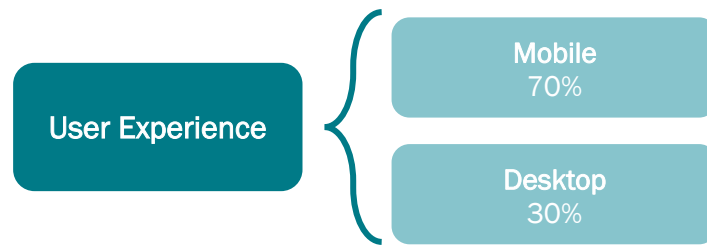
The User Experience score recognizes an institutions ability to offer consumers with an intuitive and user-friendly online banking platform, through mobile and desktop banking. Canstar undertakes user testing to quantifiably measure online and mobile banking user experience.

The User Experience study consists of 1,800 respondents whom are a customer of at least one New Zealand banking institution and 18 years or older. Customers and non-customers of an institution are assessed on four categories, with each category involving a tasks and questions to be completed (as listed below) to quantifiably measure the user experience of the website and online banking platform.

- Category 1: Website usability test as customer
- Category 2: Website usability test as non-customer
- Category 3: Banking portal usability test as a customer
- Category 4: Banking portal usability test as a non-customer



From this, the below tree outlining Canstar’s scoring for the User experience component of the Online Banking award.



The methodology assesses the User experience score from Online Banking (existing customer and new customers) and Research and Application via desktop and mobile. The following table breaks down the above into further components and detail of scoring.

Feature Category	Weight	Task Description
Mobile / Desktop	70% / 30%	
Customer / Non-customer	50% / 50%	
Online Banking	60%	
Transfer between accounts	33.3%	Login to online banking portal and transfer \$1 from one account to another
Filter Transactions	33.3%	Login to online banking portal and locate a transaction where the amount spent was greater than \$10
Schedule Payment	33.3%	Login to online banking portal and schedule an online payment
Research & Application	40%	
Application: Credit Card	20%	Locate the section on applying for a credit card and review the information provided
Application: Transaction Account	20%	Locate the section on applying for a transaction account and fill in the application form
Application: Home Loan	20%	Locate the section on applying for a home loan and find the interest rate for a 1 year fixed term home loan
Online Help/Support	20%	Locate the section for online help/support and review the information provided
Borrowing Calculator	20%	Locate the borrowing calculator and insert the borrowing amount of '\$500,000' and calculate the monthly repayments

Customer Satisfaction

Canstar acknowledges that consumer satisfaction and experience with online banking is important. To assist in the assessment of an institution's customer satisfaction, Canstar surveyed consumers on satisfaction with the institutions digital banking proposition. Survey questions were then run through a regression model to find the relevance of each question.

Does Canstar rate all products available in the market?

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. However, this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

How often are products reviewed for award purposes?

This award is recalculated every 12 months, based on the latest submissions from each institution. Canstar also monitors 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.com.au if you would like to view the latest star ratings reports of interest.



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

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