



# Canadian Bankers Association

## SME Survey Results: Assessments of Relationship with FIs

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The Strategic Counsel

21 St. Clair Avenue East  
Suite 1100  
Toronto, Ontario  
M4T 1L9  
Tel 416 975-4465  
Fax 416 975-1883

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Suite 1100  
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## Technical

- ¥ Gregg, Kelly, Sullivan & Woolstencroft: *The Strategic Counsel* is pleased to present the following report to the Canadian Bankers Association.
- ¥ The findings are based on a national proportionate sample of Small and Medium Sized business (SMEs) representatives who were interviewed by telephone between August 5 and August 15, 2008.
- ¥ A sample of 200 is accurate within +/-6.9 percentage points, 19 times out of 20. Among subgroups, however, the margins for error are higher.
- ¥ The primary objective of this research was to determine the SMEs' assessments of the financial services marketplace within Canada.

# Number of Employees



Health and Medical Research	3	4	3	2	3
Q. What sector or type of business is your company in?					
Base: Total sample					

4	4	17	-	7	1
3	2	3	3	5	-





## Duration of business relationship with your Main FI

													11
													6
													6
													4
9 – 10 years	10	6	13	9	13	11	4	9	9	23	3	3	3
11 – 15 years	18	17	15	21	13	14	24	17	19	-	45	10	10
16 – 20 years	10	15	10	4	5	11	13	8	11	-	27	3	3
More than 20 years	29	33	24	31	16	30	39	28	30	3	10	67	67
DK/NA/Ref	1	-	1	-	-	-	1	1	-	-	-	1	1

Q. How long has your business had a relationship with?  
 Base: Total sample

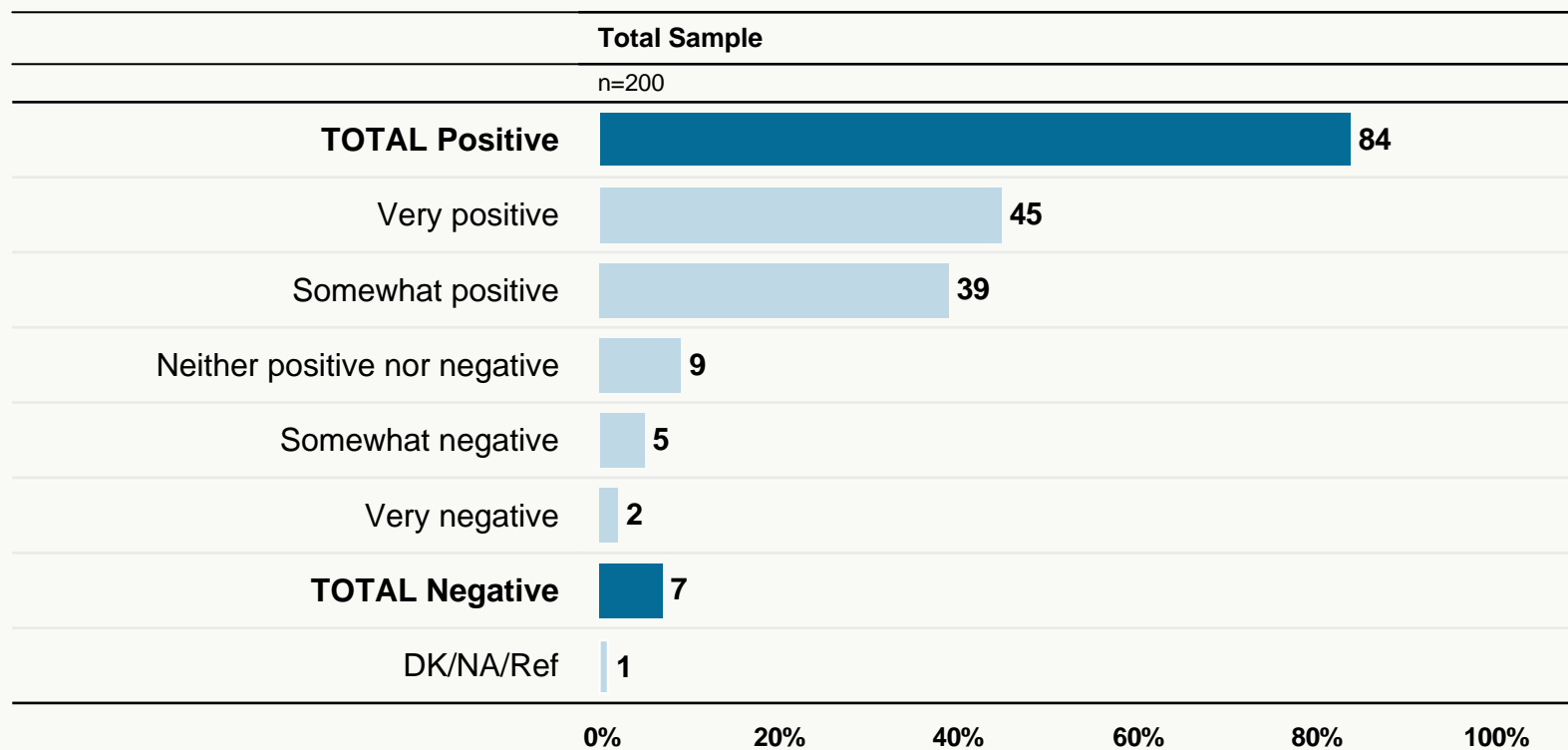


# Incidence of Personal and Business Banking with the same FI

	Total	Annual Revenue			Age			Residence		Duration in Business		
		<\$100K	\$100K- \$499K	\$500K- \$<5M	<45	45-54	55+	Urban	Rural	<11 Years	11-20 Years	20+ Years
n=	200	52	80	68	67	63	70	101	89	64	62	73
	%	%	%	%	%	%	%	%	%	%	\$	%
Yes	65	65	71	57	57	68	70	63	67	59	73	64
No	33	31	28	41	43	29	27	35	30	38	27	33
DK/NA/Ref	2	4	1	2	-	3	3	2	2	3	-	3

Q. Do you do both your personal and business banking with the same bank or financial institution?  
 Base: Total sample

# Assessments of Relationship Between Main FI/Banker and Business



Q. How would you describe the relationship between your business and your main banker or financial institution? Would you describe it as...  
Base: Total sample

# Awareness of Good Alternatives for Credit

	Total	Annual Revenue			Age			Residence		Duration in Business		
		<\$100K	\$100K- \$499K	\$500K- \$<5M	<45	45-54	55+	Urban	Rural	<11 Years	11-20 Years	20+ Years
n=	200	52	80	68	67	63	70	101	89	64	62	73
	%	%	%	%	%	%	%	%	%	%	%	%
Yes	71	69	70	72	73	67	71	71	69	70	69	71
No	29	29	30	28	27	33	27	29	30	30	29	29
DK/NA/Ref	1	2	-	-	-	-	1	-	1	-	2	-

Q. In addition to banks, are you aware of other good alternatives for credit?  
 Base: Total sample



## Financial Institution Selection: credit services vs. non-credit, banking services

## Existence of Credit Relationship with FI

	Total	Annual Revenue			Age			Residence		Duration in Business		
		<\$100K	\$100K- \$499K	\$500K- \$<5M	<45	45-54	55+	Urban	Rural	<11 Years	11-20 Years	20+ Years
n=	200	52	80	68	67	63	70	101	89	64	62	73
	%	%	%	%	%	%	%	%	%	%	%	%
Yes	72	64	74	77	73	73	70	75	69	72	74	70
No	27	37	24	22	27	25	27	24	29	25	26	29
DK/NA/Ref	2	-	3	2	-	2	3	1	2	3	-	1

Q. Do you have a credit relationship with your financial institution, including things like loans or lines of credit?  
 Base: Total sample

# Duration of Credit Relationship with main Financial Institution

											11-20	20+ Years
											46 <sup>c</sup>	51
											\$	%
											-	-
											4	4
4 – 5 years	14	9	20	10	25	7	10	15	13	20	7	16
6 – 8 years	8	6	5	14	8	13	4	9	8	9	9	8
9 – 10 years	10	12	14	6	12	15	4	5	15	22	7	4
11 – 15 years	16	12	14	21	8	17	22	17	13	4	30	14
16 – 20 years	9	9	9	10	12	7	8	8	10	4	22	-
More than 20 years	26	39	20	23	12	30	35	28	25	11	17	47
DK/NA/Ref	4	3	3	4	4	-	6	5	2	-	4	6

Q. How long have you had a credit relationship with your main financial institution?  
 Base: Among those respondents with a credit relationship with their main financial institution.  
 c Caution, small base size.







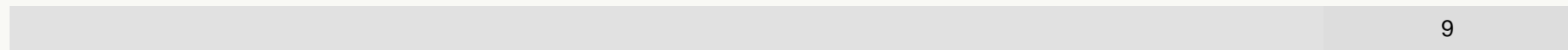
# Incidence of Switching Financial Institutions for All Banking Needs

	Total	Annual Revenue			Age			Residence		Duration in Business		
		<\$100K	\$100K- \$499K	\$500K- \$<5M	<45	45-54	55+	Urban	Rural	<11 Years	11-20 Years	20+ Years
n=	200	52	80	68	67	63	70	101	89	64	62	73
	%	%	%	%	%	%	%	%	%	%	\$	%
Yes	34	35	29	38	27	32	41	40	27	19	34	47
No	66	65	71	62	73	68	59	60	73	81	66	53

Q. Has your business ever switched from one financial institution to another for some or all of your banking needs?  
 Base: Total sample



# Reason for Switching Financial Institutions



Q. What prompted you to switch from one financial institution to another?  
Base: Total sample  
\*Note: Multi mention response

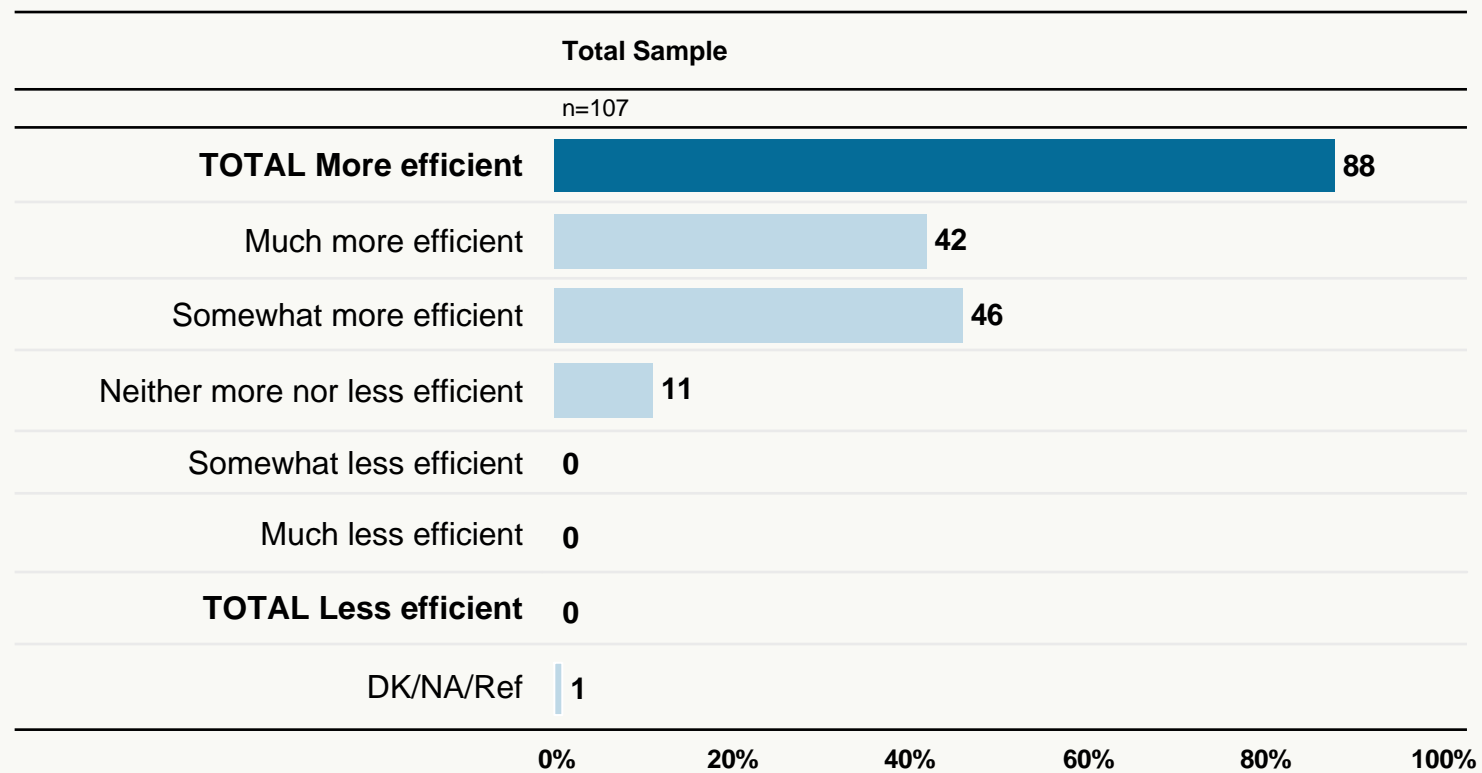




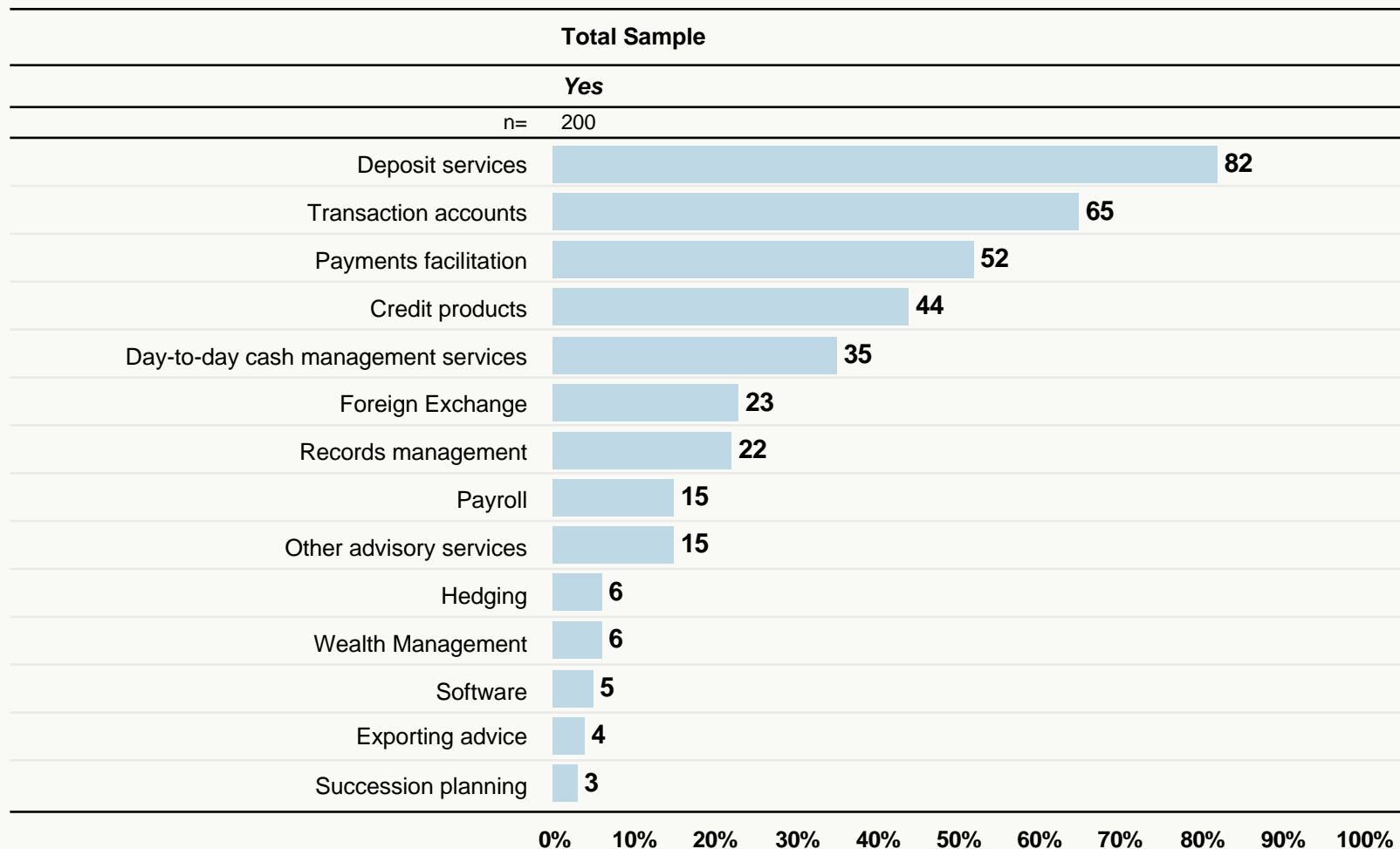
# Channels or Transaction Options Used in Day-to-Day Business Banking



# Assessments of Efficiency Changes Using On-Line Banking



Q. Would you say that on-line or internet banking has made your business more efficient by reducing the time needed to do basic banking? Has it made your business...  
 Base: Among those respondents who use on-line banking.





**Yes**

n=200

Podcasts