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FOR IMMEDIATE RELEASE

Competition steep as new retail traders join the market to share in the good times

- **Retail brokerage client numbers continue to climb**
- **Customer service on the rise as Brokerage firms lift their game**

December 4, 2007, Sydney: Australia's high performing equities market continues to attract a record numbers of share traders, with eight percent of traders starting trading in the past six months - according to the latest *Retail Brokerage Report** by leading research company Nielsen.

"The sustained momentum of Australian equities market as acted like *'bees to honey'* in attracting new clients to share trading," cites Glenn Wealands, Director, Financial Services, The Nielsen Company. "However, with market conditions potentially slowing the pipeline of new clients, brokerage firms need to be even more targeted in their marketing to ensure they earn a fair share of new accounts -- with 11 percent of consumers citing an intention to start trading in the coming 12 months (down from 15%, six months ago)"

The report also shows the level of consolidation in the market with the four major brokers (CommSec, E*Trade, Westpac Broking and National Online Trading) collectively holding almost 75 percent of all brokerage accounts. In the past six months, Commsec has celebrated the strongest share growth – capturing around one-in-four new accounts – with E*Trade following at 15 percent.

However, this does not mean that choice is limited to these top four brands, with Andrew West and Suncorp growing strongly – and a high proportion of Netwealth customers keen to recommend their brokerage firm.

"The firms that have been most successful in acquiring new accounts recognize the importance of leveraging a brand consumers can feel confident with, while moreover being able to demonstrate ease of website use, good quality market information and research, and delivering good value for money," notes Wealands.



In terms of customer satisfaction, investors had little to complain about with only six percent of all customers citing dissatisfaction with their broker.

“This does not mean that broking service providers can rest on their laurels”, notes Wealands.

“Close to 50 percent of all share traders agreed that they would *try to ensure they were getting the best deal or would otherwise seek an alternative*”.

Retail Brokerage Report

The Nielsen Company’s bi-annual *Retail Brokerage Report* is based on responses from over 2600 Australian consumers with retail broking accounts, and provides insights on retail broker market customer shares, service strengths and weaknesses, and market dynamics such as trends, trading frequency, source of investment information and use of asset classes.

About The Nielsen Company

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