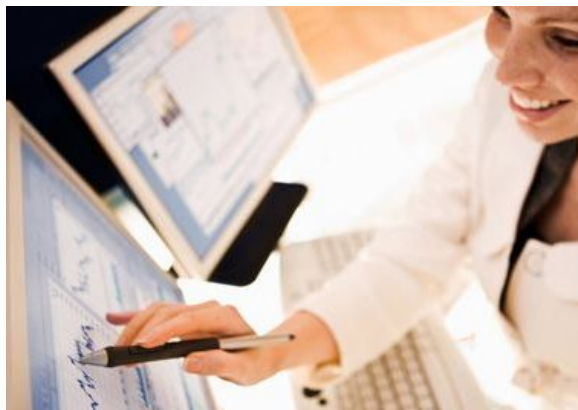


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"Tesco Bank has finally launched its current account offering. The account performs strongly in a number of areas, and will offer clients the chance to earn interest on balances. One of the main attractions of the newly launched account is the link to Clubcard points."
– Stevan Obradovic, Financial Services Analyst

This report looks at the following areas:

- Tesco Bank finally enters the market
- Offering customers the chance to choose the perks on their account
- Impact of branch closures on consumers and switching behaviour

The vast majority of the UK population has at least one current account, although the dynamics of the market mean that switching activity is relatively low. This is especially the case when compared with other financial markets.

However, there have been a number of changes in the market that could help increase switching activity going forward. The introduction of the Current Account Switch Service has already had a positive impact on switching figures. Coupled with the entry of several challenger brands, including the long awaited foray from Tesco Bank, there is potential that more people will consider switching in the future as competition increases. For firms looking to both win over customers from rivals and also maintain their market share, offering interest on in-credit balances and cashback are two increasingly important strategies.

This report examines the current account market, analysing some of the key developments in the sector including market trends and changes. This report also provides a snapshot of recent innovations in the market, and looks at some of the new entrants to the current account sector. Mintel's exclusively commissioned research concludes the report, looking at current account ownership, attitudes towards paid-for accounts, current account switching activity and reasons why people switch their account provider.

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