

Financial Services: The Path to Purchase - UK - June 2015

Report Price: £2195.00 | \$3554.69 | €2788.33

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“Online channels now dominate all stages of the research and purchase process in most financial markets. There is still a group who prefer to use branch-based services, but most consumers now expect to be able to find, research and arrange any product online. A provider that has a sub-standard offering is now at a major disadvantage.”
 – Rich Shepherd, Financial Services Research Analyst

This report looks at the following areas:

- The internet is now key at all stages of arranging a product
- Price can get people to switch, but other considerations make them stay
- The changing role of brand image

Price comparison websites and other online resources have had a huge impact in changing the way people interact with financial services firms and in how they engage with financial services products. At the same time, banks have continued to close branches, directing their customers, where possible, to use phone, internet or mobile services.

These factors have changed the way in which people research and arrange products. This report examines how people now go about doing this. Mintel's exclusive consumer research looks at what products people have arranged in the last three years, based on six example products: current accounts, savings accounts, credit cards, mortgages, car insurance and home insurance. The report then investigates what prompted people to research and buy these new products, and how people researched them, looking both at the first source of information that people turned to, and at the secondary sources that people used to help make their decision.

The report examines the ways consumers finally arranged their new products, and pieces together the typical customer journeys for each example product. Finally, general attitudes towards financial services product research and purchases are investigated.

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Financial Services: The Path to Purchase - UK - June 2015

Report Price: £2195.00 | \$3554.69 | €2788.33

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Introduction

Abbreviations

Executive Summary

Product arrangement

Insurance policies are the most commonly-arranged financial services products

Figure 1: Products arranged (including new or switched products) in the last three years, April 2015

Most new products are the result of opportunism, but active engagement is key

Figure 2: Reasons given for arranging a new current account, credit card, savings account and/or mortgage, April 2015

The research process

Online research is key for all products

Figure 3: Information sources used to research financial products before purchase, April 2015

Insurance buyers compare the market first: bank account buyers go direct to the provider

Figure 4: First information sources used to research financial products before purchase, April 2015

Preferred purchasing method

Consumers prefer to buy online, direct from their provider

Figure 5: Method used to arrange financial products in the last three years, April 2015

Figure 6: Agent used to arrange financial products in the last three years, April 2015

Attitudes towards arranging financial products

Taking personal responsibility is a valued quality

Figure 7: Agreement with attitudes towards researching and arranging financial services products, April 2015

Issues and Insights

The internet is now key at all stages of arranging a product

The facts

The implications

Price can get people to switch, but other considerations make them stay

The facts

The implications

The changing role of brand image

The facts

The implications

The Consumer – What You Need to Know

Consumers engage most regularly with insurance

Most new products are the result of opportunism, but active engagement is key

Online research is key for all products

The first point of call is heavily product-dependent

Consumers prefer to buy online, direct from their provider

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: reports@mintel.com

Financial Services: The Path to Purchase - UK - June 2015

Report Price: £2195.00 | \$3554.69 | €2788.33

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Taking personal responsibility is a valued quality

Product Buying Activity

37% have arranged a new motor policy in the last three years

Figure 8: Products arranged (including new or switched products) in the last three years, April 2015

Millennials are the most likely to switch core products...

...while Boomers concentrate on getting the best insurance deals

Figure 9: Products arranged (including new or switched products) in the last three years, by age group, April 2015

35% have arranged no financial products in the last three years

Prompts to Purchase

A fifth arranged a product because they keep up to date with products...

Figure 10: Reasons given for arranging a new current account, credit card, savings account and/or mortgage, April 2015

...but opportunity is key

Figure 11: Reasons given for arranging a new current account, credit card, savings account and/or mortgage, April 2015

Limited offers can push people into bringing forward switching plans...

...and the end of an introductory offer can act as a trigger to check the market

Changing personal circumstances can prove the worth of personal service

Brand image still matters

Product Research

Most people research financial products online...

Figure 12: Information sources used to research financial products before purchase, April 2015

...but branches are still widely used

Figure 13: Use of bank/building society branch to research financial products, by product arranged, April 2015

Mortgage customers are the most likely to seek professional help

Figure 14: Use of professional personal advice/guidance* to research financial products, by product arranged, April 2015

Harness peer reviews to attract younger consumers

Figure 15: Consumers who spoke to friends and/or family when arranging their most recent current account, credit card or savings account, by age, April 2015

Figure 16: Consumers who spoke to friends and/or family when arranging their most recent car or home insurance policy, by age, April 2015

First Point of Contact

Price comparison websites are the key first stop for research

Figure 17: First information sources used to research financial products before purchase, April 2015

Insurance is product led...

...while brands are more important for banking customers

Advisers are the most common first point of call for mortgage borrowers

Purchase Methods

Offline points of sale are falling away

Figure 18: Method used to arrange financial products in the last three years, April 2015

Finance, on the go

In the main, consumers prefer to arrange products directly

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: reports@mintel.com

Financial Services: The Path to Purchase - UK - June 2015

Report Price: £2195.00 | \$3554.69 | €2788.33

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 19: Agent used to arrange financial products in the last three years, April 2015

The Road to Purchase

Current accounts

Most common path to purchase

Figure 20: Current account purchase method, by initial research source, April 2015

Credit cards

Most common path to purchase

Figure 21: Credit card purchase method, by initial research source, April 2015

Savings accounts

Most common path to purchase

Figure 22: Savings account purchase method, by initial research source, April 2015

Car insurance

Most common path to purchase

Figure 23: Car insurance purchase method, by initial research source, April 2015

Home insurance

Most common path to purchase

Figure 24: Home insurance purchase method, by initial research source, April 2015

Attitudes towards Product Research and Purchase

It is essential to check Ts and Cs, but can it be done?

Figure 25: Attitudes towards researching and arranging financial services products, April 2015

Keep it simple to avoid confusion

Could regulation overcome apathy?

Figure 26: Agreement with attitudes towards researching and arranging financial services products, by product buying activity, April 2015

Half prefer to do their own research than trust experts

The price of loyalty

Figure 27: Agreement with the statement "Companies save their best offers for new customers", by product buying activity, April 2015

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: reports@mintel.com