

## Consumers and Retail Banking - UK - September 2017

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“People who are considering switching banks are the most likely to opt in to sharing their financial data with third parties. This suggests that upcoming Open Banking regulations may help to boost competition in the retail banking sector, as those in the market for a new provider could be won over by personalised deals and a streamlined application process.”

– Paul Davies, Senior Financial Services Analyst

This report looks at the following areas:

- **Switching bank: more hassle than it's worth?**
- **It's not all about the money**
- **The changing role of the bank**

Nearly nine out of ten consumers still hold their main current account with one of the six largest banking groups, whilst few people are seriously considering changing their arrangement any time soon.

The implementation of Open Banking remedies in early 2018 could help to raise awareness of better deals and reduce some of the barriers to switching, especially if personal financial management (PFM) apps effectively replace the need for online banking systems and become consumers' main 'port of call'.

However, the majority of consumers are happy with their existing provider and see no reason to shop around, particularly at a time when interest rates are low across the market. With this in mind it is unlikely that Open Banking will drive an instant change in consumer behaviour and end the big banks' dominance of the retail banking market.

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### DID YOU KNOW?

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

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## Table of Contents

### Overview

What you need to know

Scope of this Report

### Executive Summary

The market

Regulators aim to boost competition

Aggregation could reduce the big banks' advantage

Companies and brands

Big banks remain dominant

Figure 1: Top six main current account providers, by banking groups, June 2017

The consumer

Only a quarter of savers hold an account with another provider

Figure 2: Financial product ownership and cross-sales, June 2017

Less than one in five people are likely to switch banks

Figure 3: Current account holders' switching intentions, June 2017

Half of consumers have no major frustrations with their bank

Figure 4: Consumers' frustrations with their main current account provider, June 2017

Fees/charges have biggest influence on choice of current account

Figure 5: Important factors when choosing a new current account provider, June 2017

Nearly three in four people have concerns about switching bank

Figure 6: Barriers to switching main current account provider, June 2017

Two thirds of current account holders could be encouraged to share data

Figure 7: Open Banking incentives, June 2017

What we think

### Issues and Insights

Switching bank: more hassle than it's worth?

The facts

The implications

It's not all about the money

The facts

The implications

The changing role of the bank

The facts

The implications

### The Market – What You Need to Know

Regulators aim to boost competition

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Aggregation could reduce the big banks' advantage  
 Low interest rates polarise consumers  
 Concerns over increased borrowing

## Economic and Regulatory Environment

Regulators aim to boost competition  
 Aggregation could reduce the big banks' advantage...  
 ...but will consumers opt in?

Making the most of a challenging economic environment

Figure 8: Headline CPI inflation and average weekly earnings (12-month percentage change), May 2014-May 2017

Open Banking to open up opportunities

## Market Overview

CASS has completed over 3.7 million switches

Figure 9: Number of switches per month since launch of CASS, September 2013-May 2017

Low interest rates polarise consumers

Figure 10: UK interest rates, January 2012-May 2017

Low rates disincentivise saving activity...

...and encourage people to look beyond traditional savings products

Figure 11: Impact of low interest rate on motivation to save and product choices/considerations, April 2017

There is still a stigma associated with borrowing...

...although some forms of debt are seen as more acceptable

Figure 12: Annual gross and net credit card lending, not seasonally adjusted, 2010-16

Figure 13: Annual gross and net other consumer credit lending, not seasonally adjusted, 2010-16

Surge in remortgaging as borrowers look to lock in low rates

Figure 14: Gross and net mortgage lending, not seasonally adjusted, 2012-16

## Companies and Brands – What You Need to Know

Big banks remain dominant

Reacting to consumers' changing channel preferences

Cost pressures force banks to water down ongoing rewards

Nationwide becomes the industry's largest ATL spender

## Market Share

Big banks remain dominant

Figure 15: Top six main current account providers (including netted banking groups), June 2017

Nearly one in six people say Barclays is their main bank

Figure 16: Consumers' main current account provider, June 2017

## Competitive Strategies

Reacting to consumers' changing channel preferences

Digitising the bank branch

Lloyds

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## Nationwide

Figure 17: Nationwide NOW branch service

## Santander

## Iam Bank

## Switching pays off...

...but cost pressures force banks to water down ongoing rewards

The customer is king

Royal Bank of Scotland

Barclays

Lloyds Banking Group

Santander

Challengers prepare for Open Banking

## Starling Bank

Figure 18: Starling Bank app UI shown on an iPhone

## Atom Bank

## Monzo

Figure 19: Monzo prepaid debit card and mobile transaction notification

## Bud Financial

Figure 20: Bud Financial app UI

## Advertising and Marketing Activity

### Nationwide becomes the industry's largest ATL spender

Figure 21: Top 10 highest-spending retail banks/building societies for recorded above-the-line, online display and direct mail advertising expenditure on retail banking, 2015-17\*

### Providers' ATL campaigns focus on brand building

Figure 22: Top 10 highest-spending retail banks/building societies for recorded above-the-line, online display and direct mail advertising expenditure on retail banking, by product category, 2015-17\*

### TV accounts for nearly half of ATL expenditure

Figure 23: Top 10 highest-spending retail banks/building societies for recorded above-the-line, online display and direct mail advertising expenditure on retail banking, by media type, May 2016-June 2017

### Nielsen Ad Intel coverage

## The Consumer – What You Need to Know

Open Banking could create a more open marketplace

Less than one in five people are likely to switch banks

Potential switchers may be put off

Half of consumers have no major frustrations with their bank

A poor online service can be the catalyst for churn

Fees/charges have biggest influence on choice of current account

Two thirds of current account holders could be encouraged to share data

## Product Ownership and Cross-sales

### Current account ownership is near universal

Figure 24: Current account ownership, June 2017

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Only a quarter of savers hold an account with another provider

Figure 25: Financial product ownership and cross-sales, June 2017

Open Banking could create a more open marketplace

Figure 26: Repertoire of financial products owned, June 2017

Nationwide and Halifax among the leaders at cross-selling

Figure 27: Repertoire of financial products owned with main provider, by selected providers, June 2017

## Switching Intentions

Less than one in five people are likely to switch banks...

...but prompts could encourage more to review their accounts

Figure 28: Current account holders' switching intentions, June 2017

A third of Millennials are weighing up a move

Figure 29: Current account holders' switching intentions, by generation, June 2017

HSBC customers frustrated by branch closures

Figure 30: Current account holders' switching intentions, by main provider, June 2017

Potential switchers may be put off

Figure 31: Barriers to switching current account, by current account holders' switching intentions, June 2017

## Consumer Pain Points

Half of consumers have no major frustrations with their bank

Figure 32: Consumers' frustrations with their main current account provider, June 2017

Millennials most likely to have frustrations with their bank

Figure 33: Proportion of consumers who have frustrations with their main current account provider, by generation, June 2017

A poor online service can be the catalyst for churn

## Important Factors when Choosing Provider

Fees/charges have biggest influence on choice of current account

Figure 34: Important factors when choosing a new current account provider, June 2017

Interest rates are low on young consumers' priority list

Figure 35: Important factors when choosing a new current account provider, by age, June 2017

Opening offers most likely to influence potential switchers

Figure 36: Important factors when choosing a new current account provider, by consumers who are 'very likely' to switch current account provider in the next 12 months, June 2017

## Barriers to Switching

Nearly three in four people have concerns about switching bank

Consumers are still sceptical

Figure 37: Barriers to switching main current account provider, June 2017

Time is of the essence for Millennials

Figure 38: Barriers to switching main current account provider, by generation, June 2017

## Open Banking Incentives

Two thirds of current account holders could be encouraged to share data

Getting a good value exchange

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Figure 39: Open Banking incentives, June 2017

Financial support

Personalised offers

Figure 40: Tail screenshot and example of a notification when paying via Starling Bank

Fast approval

Potential switchers are the most engaged in Open Banking

Figure 41: Proportion of consumers who could be encouraged to share data in exchange for any of the surveyed incentives, by likeliness of switching current account provider, June 2017

### Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

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