

# National Consumer Agency

## Market Research Findings: Banking & Consumer Behaviour



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February 2014  
Research Conducted by



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## Key Findings

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# Key Findings



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- 8 in 10 adults have a current account.
- 34% of current account holders have had their “free” banking withdrawn in the past 12 months.
- The key behavioural changes from losing free banking are; taking out more cash on each withdrawal (28%), using debit cards less often (25%) and using credit card more for routine transactions (13%).
- At this point, 32% of current account holders state that they have free banking. Switching to a bank with lower fees are the main consequences should free banking be withdrawn.
- 6% have switched their main current account in the past 12 months.
- 8% intend switching their current account in the next six months.
- Nearly 3 in 5 (57%) have never checked to see if there was a better deal/package available.

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# Banking – Consumer Behaviour

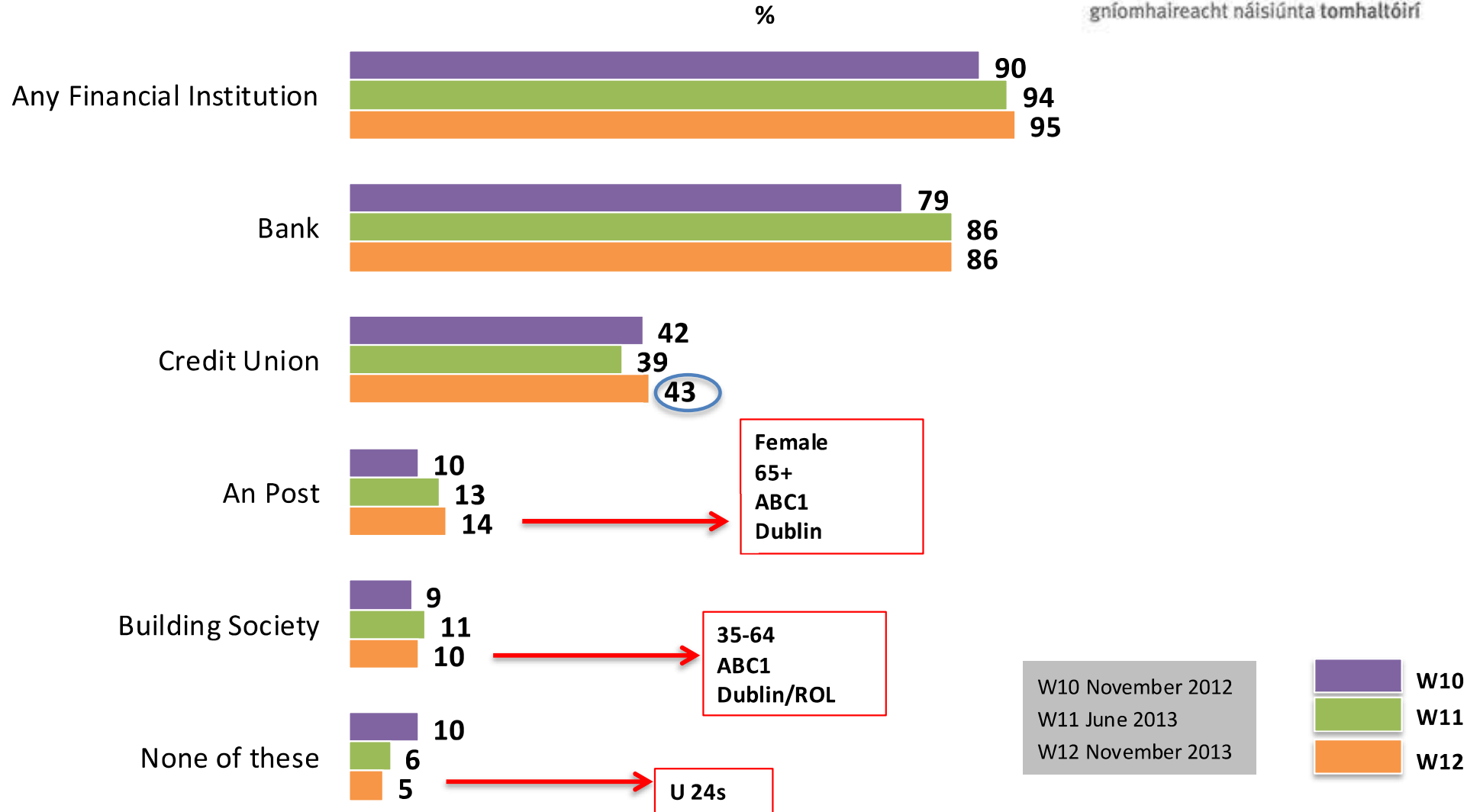
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# Use of Financial Institutions

Base: All Adults 16+, 1,008



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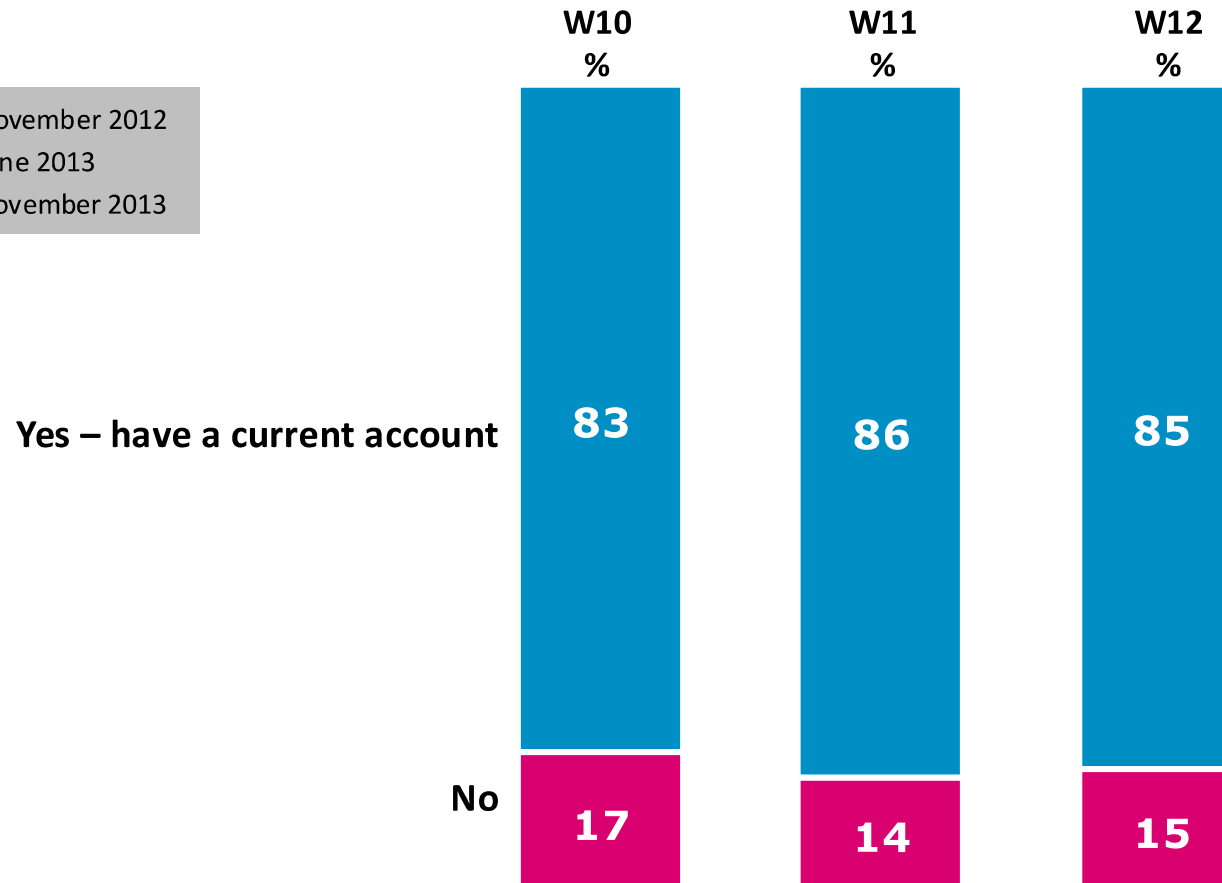
# Majority have a Current Account

Base: Any financial account holders - 963



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W10 November 2012  
W11 June 2013  
W12 November 2013



85% of those with financial accounts hold a current account – this equates to 80% of the total sample.

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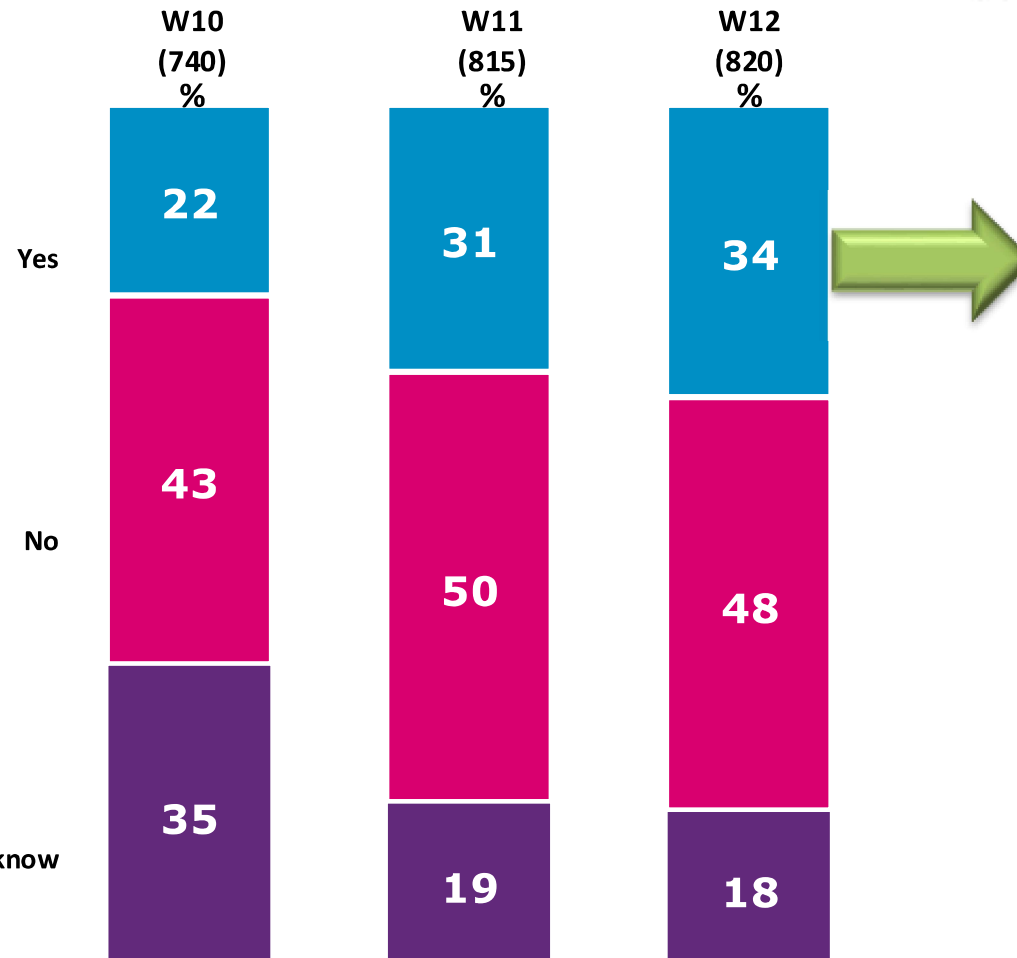
# A third of current account holders have had their “free” banking withdrawn in the past 12 months

Base: All who have a current account



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Has Your Bank Changed Fee Structure for Fee Free Banking?



Highest amount among 35-49 (42%)/Dublin

W10 November 2012  
W11 June 2013  
W12 November 2013

34% of current account holders have had their “free” banking withdrawn in the past 12 months.

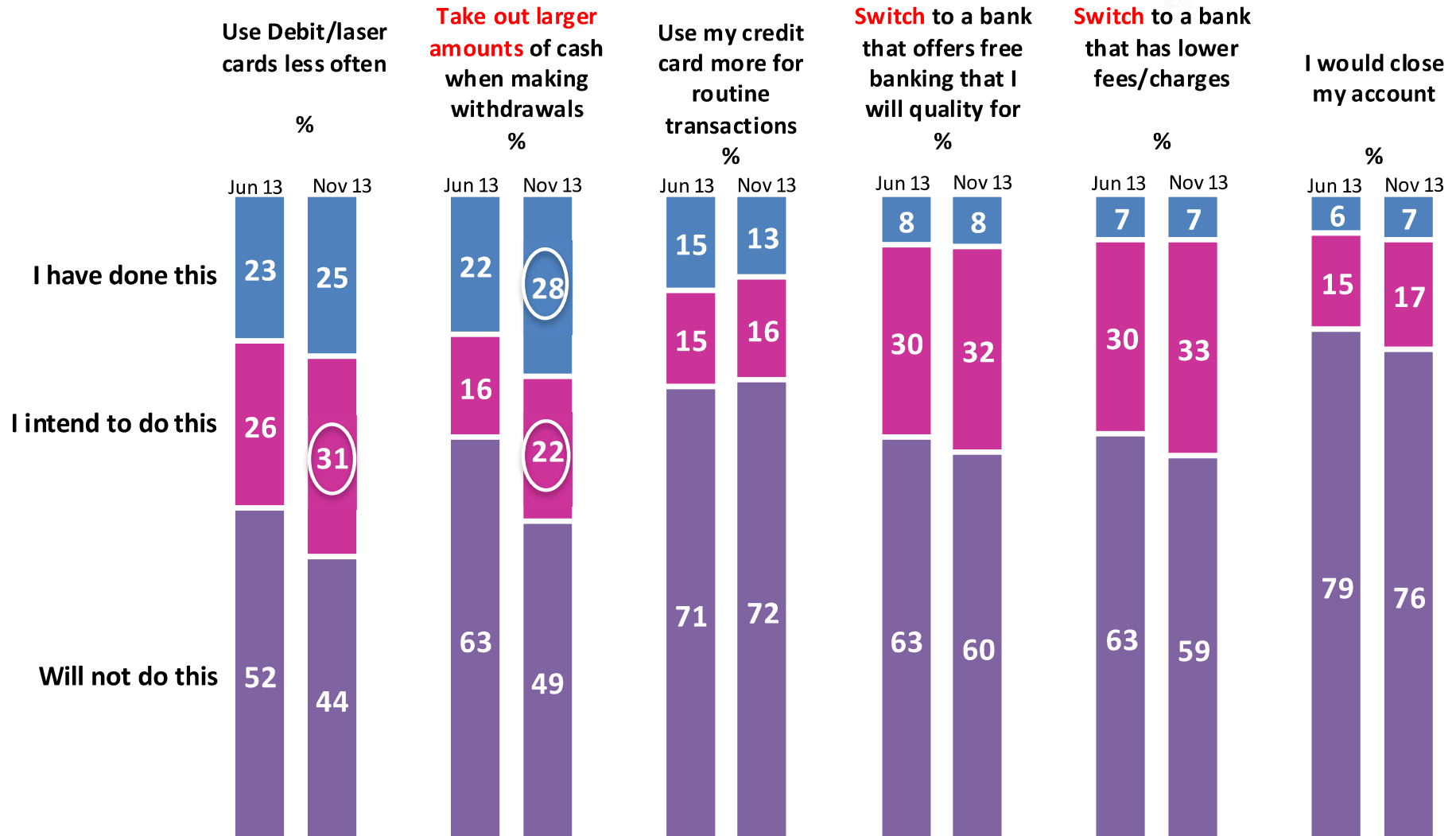
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# Behaviour changes resulting from losing “free” banking

Base: Those with a current account who no longer qualify for free banking - 278



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28% of consumers now take out larger amount of cash when making withdrawals and 25% state they use their debit/laser card less often.

# Reduced use of debit cards and making larger cash withdrawals evident

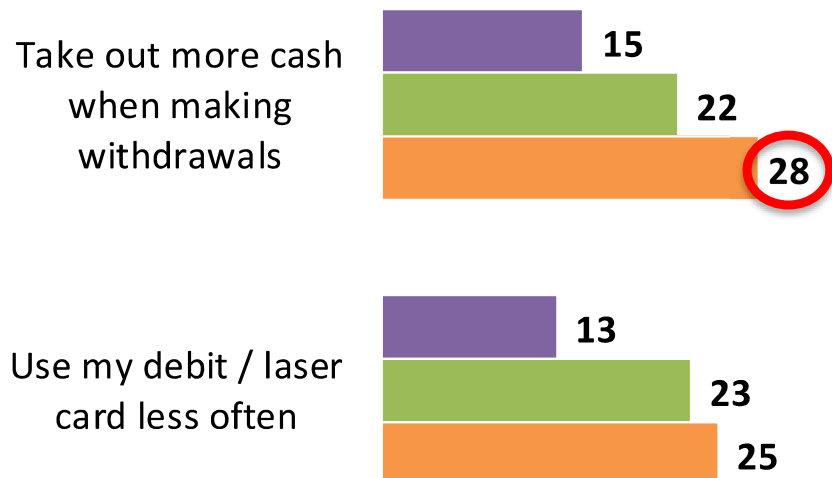


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Base: Those with a current account who no longer qualify for free banking

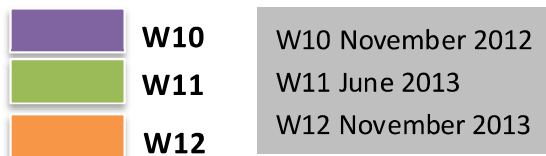
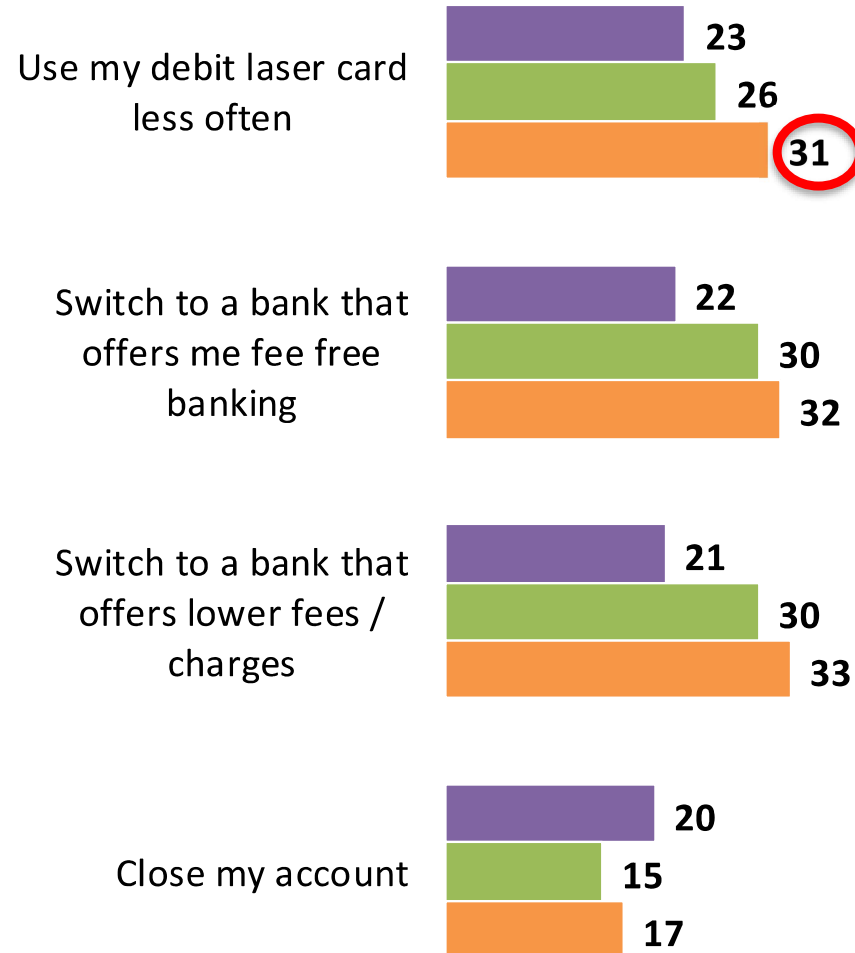
## I now do this....

%



## I intend to do this....

%



There is also the intent however to consider banks with lower fees and charges.

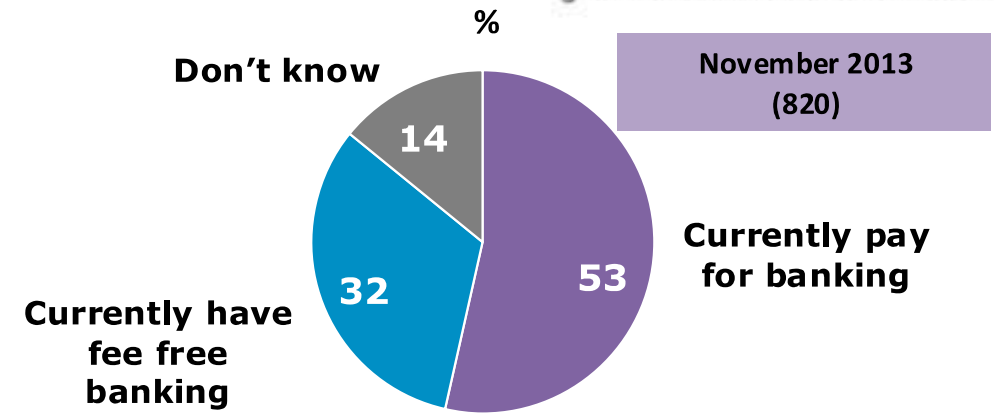
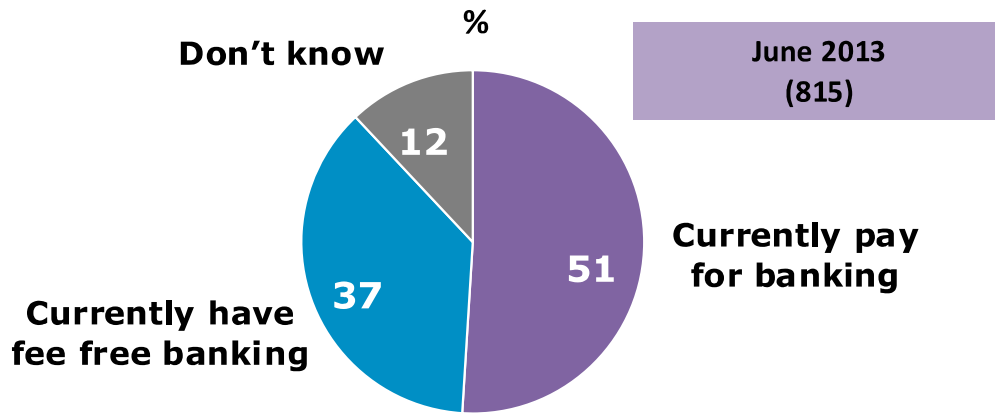
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# Incidence of “free” banking and likely behaviour if “free” banking was removed

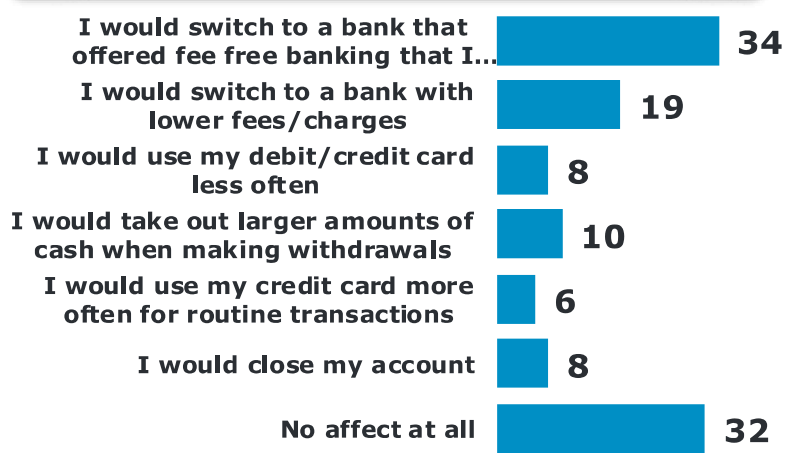
Base: All current account holders - 820



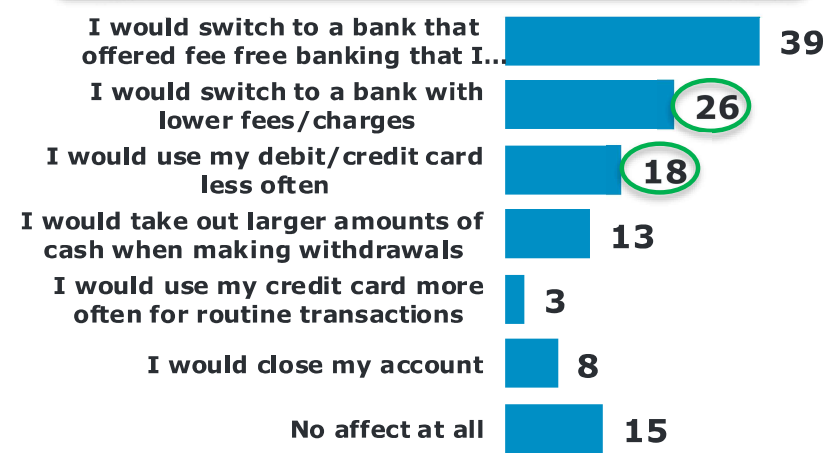
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**Consequences of change to fee free banking structure (All with fee free banking – 304)**



**Consequences of change to fee free banking structure (all with fee free banking – 271)**



**Nov 13 vs June 13**

I would switch to a bank that offered fee free banking that I... (implied)	+5%
I would switch to a bank with lower fees/charges	+7%
I would use my debit/credit card less often	+10%
I would take out larger amounts of cash when making withdrawals	+3%
I would use my credit card more often for routine transactions	-3%
I would close my account	=
No affect at all	-17%

Q. Do you have fee free banking with your current account at the moment?  
 Q. If fee free banking was no longer offered by your bank or the criteria for fee free banking was changed so that you no longer benefited from fee free banking, how would this be likely to affect your banking behaviour?

# Current Account - Switching Behaviour



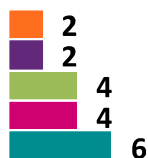
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Switched current account in past 12 months  
(Base: All current account holders)



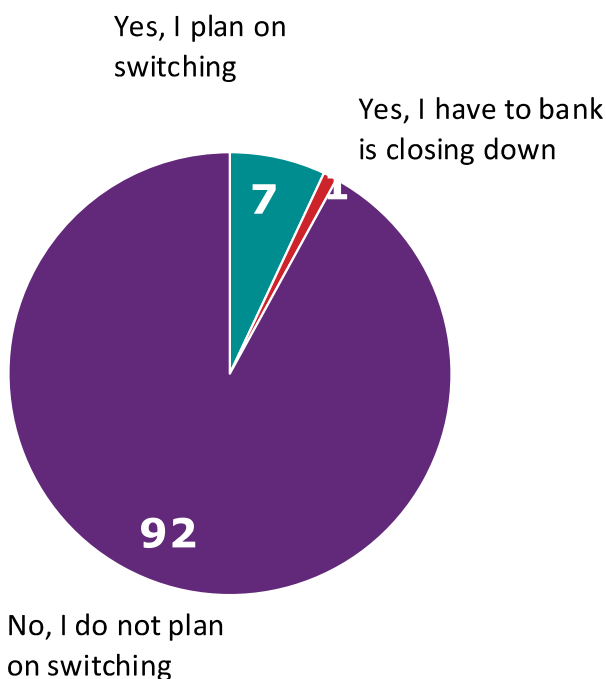
Bank financial institution with current A/C service

Switched  
%



■ Nov-11    ■ Jun-12  
■ Nov-12    ■ Jun-13  
■ Nov-13

Switching current account in next 6 months  
(Base: All current account holders)



Most recent checking on alternative providers  
(Base: All current account holders)

Bank/Financial institution who offers current acc service



6% have switched their main current account in the past 12 months. 8% intend switching their current account in the next six months. Nearly 3 in 5 (57%) have never checked to see if there was a better deal/package available.

- Q. Have you switched providers for any of the following products or services within the past 12 months?
- Q. Do you plan on switching the bank that you have your main current account with in the next 6 months?
- Q. When was the last time you checked to see if there was a better deal/package available for?



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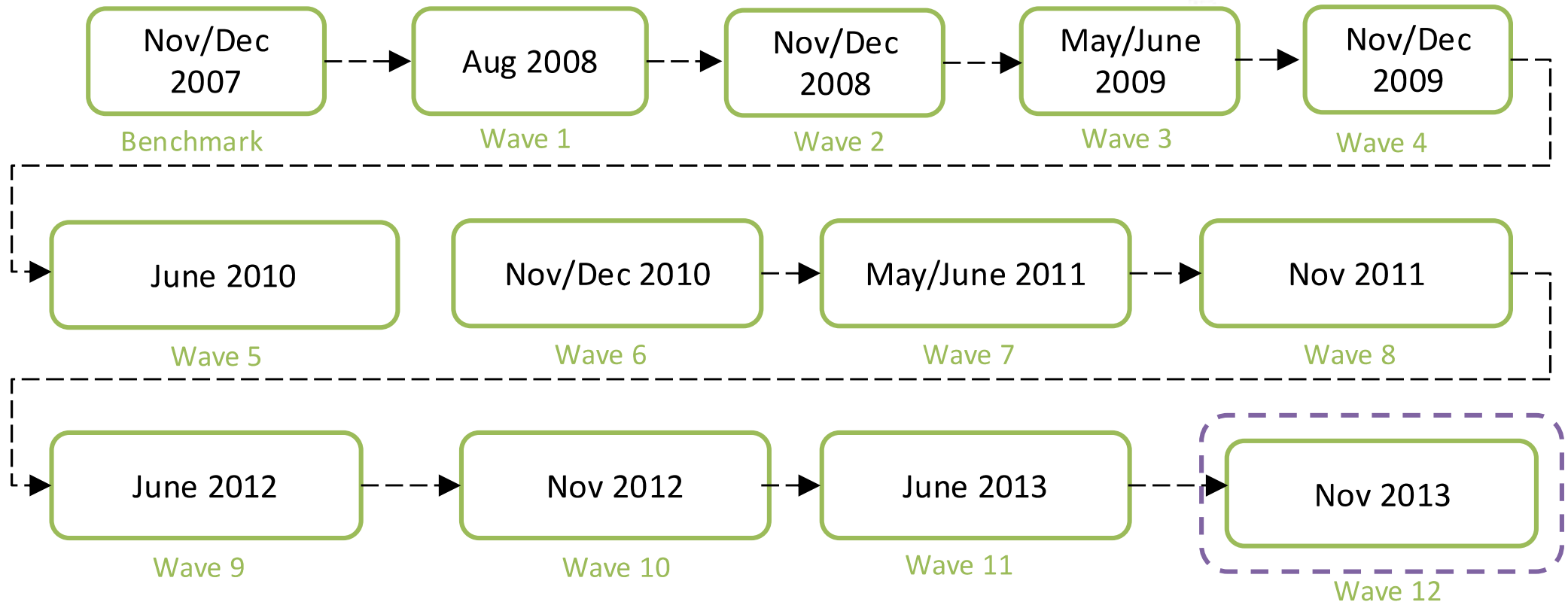
# Research Background and Methodology

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# A. Research Background and Methodology



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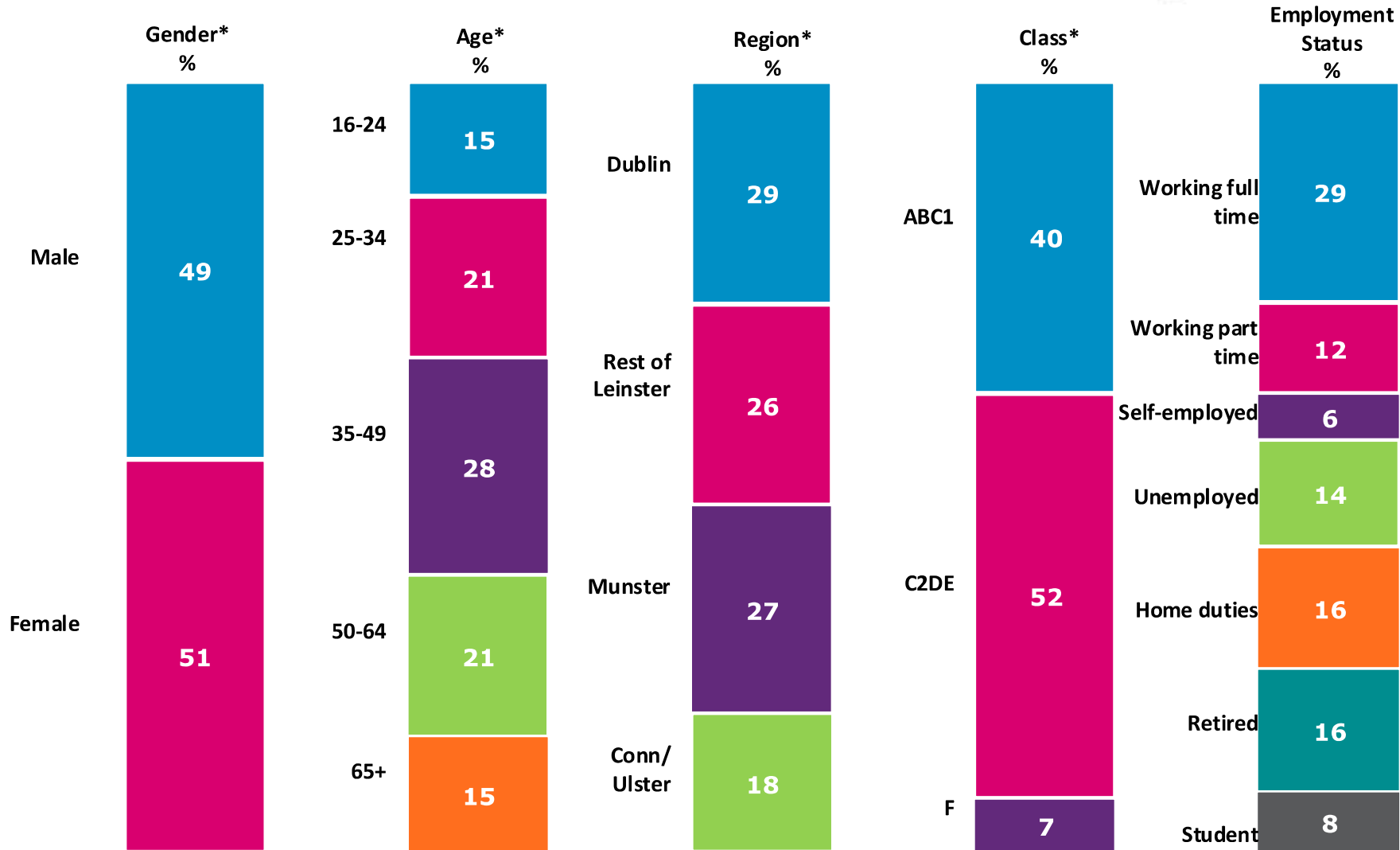
- The research was conducted face-to-face using CAPI interviewing with 1,008 adults 16+.
- To ensure that the data is nationally representative, quotas were applied on the basis of age, gender and social class.
- Interviewing was conducted from 12<sup>th</sup> – 21<sup>st</sup> November 2013.

# Profile of Sample

Base: All Adults 16+ 1,008



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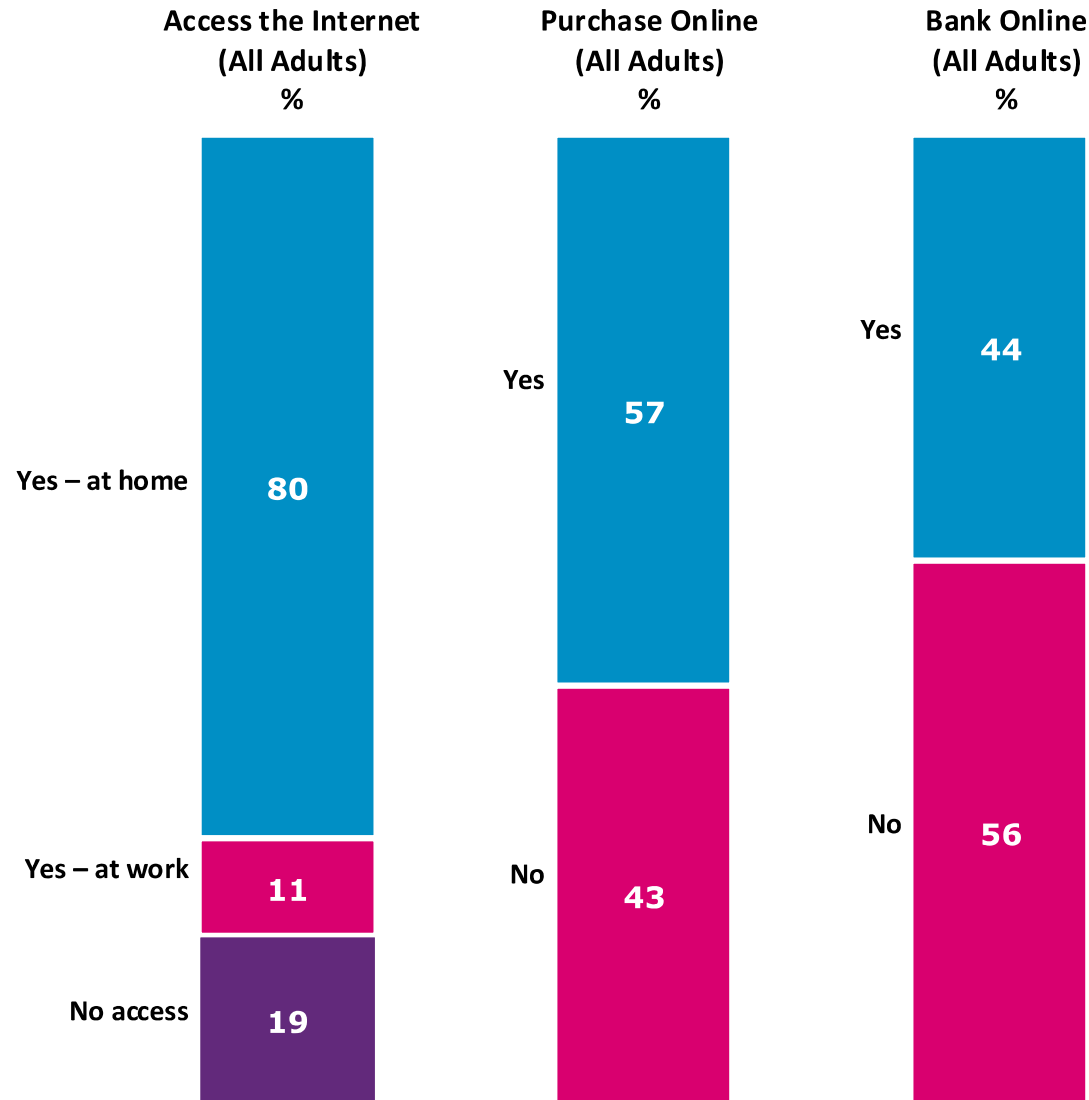
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# Profile of Sample

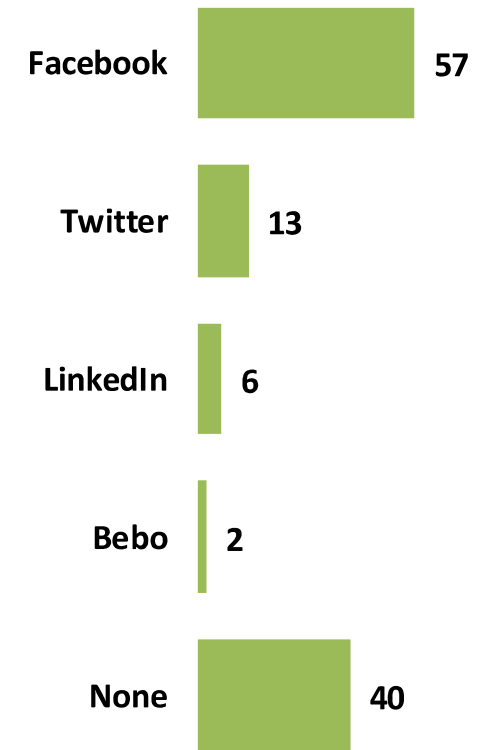
Base: All Adults 16+ 1,008



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**Social Media Sites Used**  
(All who access the internet – 820)  
%



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