

Consumer Banking Survey Experience and Perceptions of the Banking Sector in Ireland

April 2022
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An Roinn Airgeadais
Department of Finance

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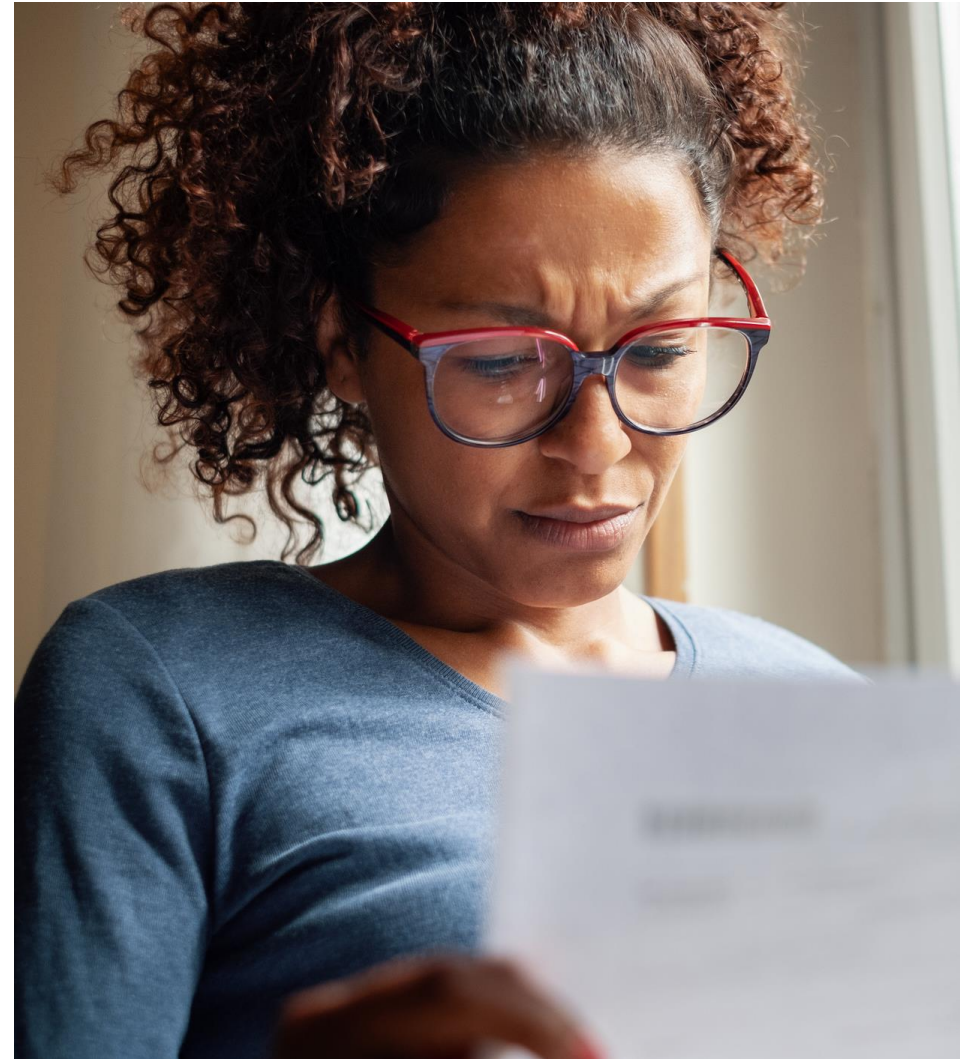
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1. Background & Methodology



Project Background

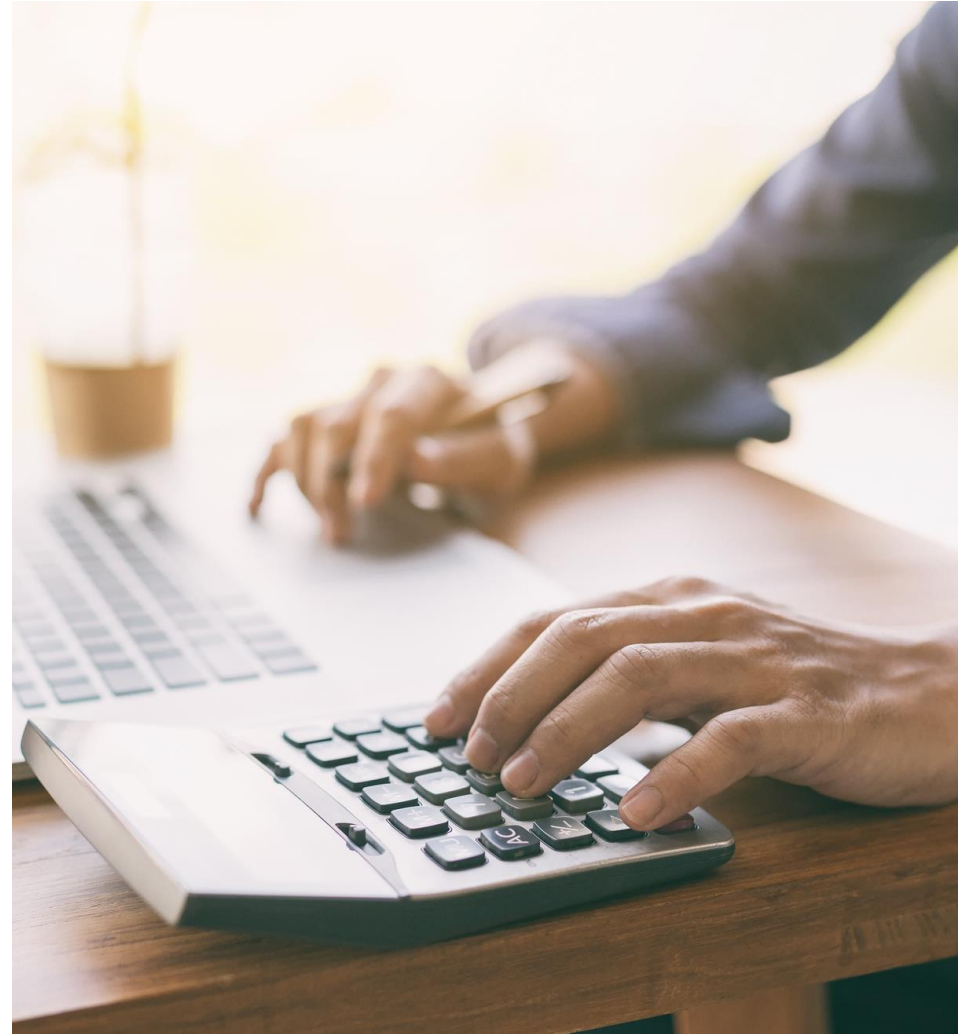
- The Department of Finance's mission is to manage government finances and play a central role in the achievement of the government's economic and social goals.
- As part of this mission, the Department has a strategic goal to ensure a well regulated, sustainable and competitive banking sector.
- The Irish banking sector is undergoing rapid change, with some banks leaving the market, the market entry of new providers, including FinTech, investments in IT infrastructure, and branch closures due to changing customer needs but also a desire for improved profitability.
- Within this context, the Department is conducting a Retail Banking Review and this study provides a baseline, nationally representative understanding of consumers' experience and perceptions of the operation of the banking sector.
- This study will help inform and evaluate the Department's activities in supporting and improving a well regulated, sustainable and competitive banking sector in Ireland.



Research Objectives

The research covers the following topics:

- Banks and financial providers used, including overall satisfaction with these.
- Financial products held.
- Attitudes towards FinTech providers.
- Channel availability & usage, e.g. branches and digital.
- Channel preferences & satisfaction.
- Switching behaviour & experience.
- Cash vs. card usage & preference.
- The above are answered for the population as a whole, but also by relevant sub-groups, e.g. by age or urbanisation.



Methodology

A nationally representative face-to-face (CAPI) survey of 1,507 adults aged 18+



Sample Size

Nationally representative sample of 1,507 adults, 18+.



CAPI Survey

Interviewing was completed by B&A face-to-face interviewers using CAPI (Computer Aided Personal Interviewing). A number of sampling points were randomly selected, ensuring geographical representativity.



Quota Controls

Based on CSO Census figures for gender and age, as well as AIMRO agreed figures for social class.



Fieldwork Dates

16th February – 11th April 2022



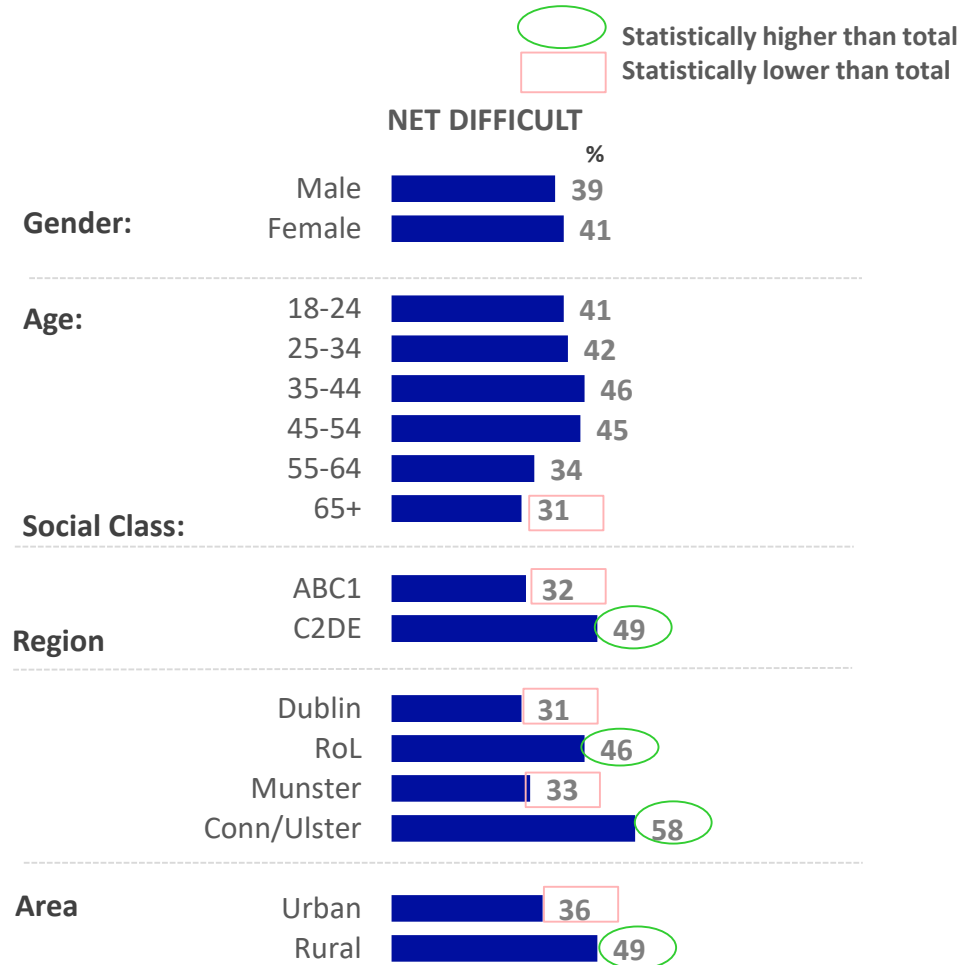
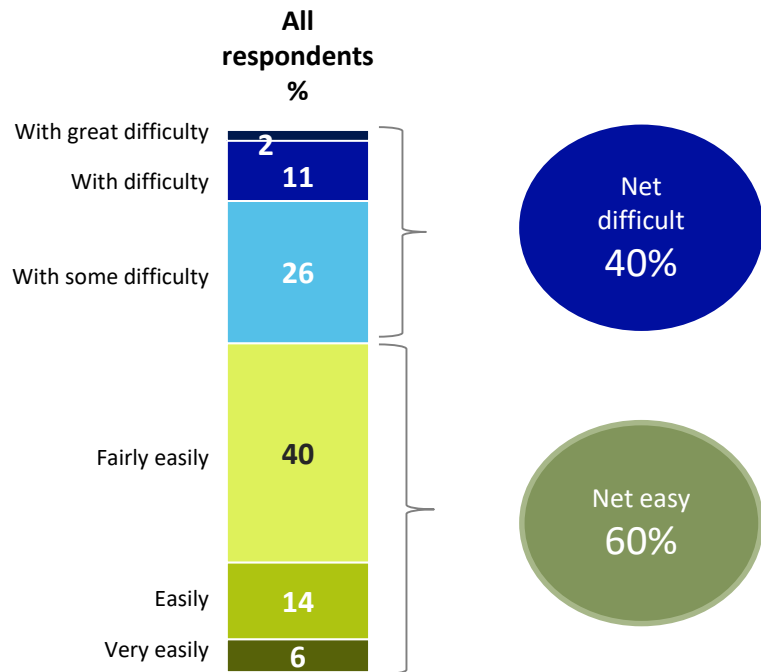
Weights

Corrective weighting was applied by gender, age and socio economic status to ensure a fully representative sample.

Context – Financial Situation

(Base: All respondents: 1,507)

Concerning your household's total monthly or weekly income, with which degree of ease or difficulty is the household able to make ends meet?



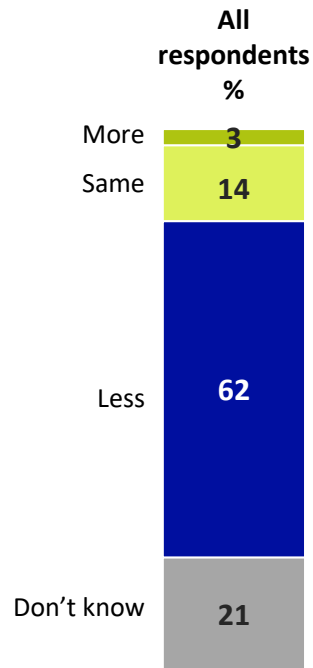
Two in five adults have some degree of difficulty in making ends meet. The proportion finding it difficult is significantly higher amongst the working classes, those living in Leinster (ex Dublin), Conn/Ulster and rural areas generally.

Context – Financial Literacy

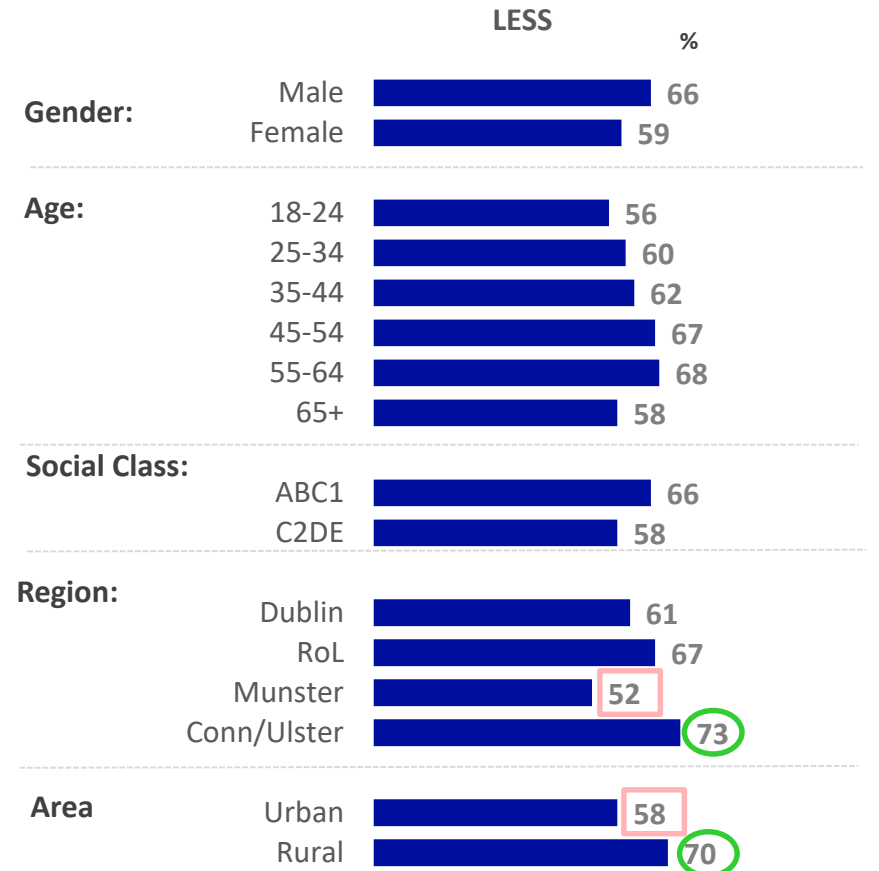
(Base: All respondents: 1,507)



If the inflation rate is 2% and the interest rate you get on your savings is 1%, will your savings have more, less or the same amount of buying power in a year's time?



 Statistically higher than total
 Statistically lower than total



Over a third of adults were not able to answer the financial literacy test correctly with those living in Munster and urban areas less likely to be able to give the correct answer.

Key Insights – Consumer Banking Survey



93% of the population holds a main current account with a traditional retail bank while 4% have their main account with a credit union or An Post. One in ten still have what they consider to be their main account with Ulster Bank or KBC. Only 1% have their main current account with a FinTech provider.



Actual and ideal frequency of visiting branches track closely (37% monthly or more often). Making a lodgment/withdrawal and meeting a person to discuss a product are the main reason for visiting. Digital channels now dominate in terms of being the main form of contact with main bank but close to quarter still consider branch visits their main form of contact. This is driven by older age groups which are less likely to use online banking.



Almost 1 in 3 are very satisfied with their main financial provider overall, with an additional half being relatively satisfied. 7% are dissatisfied. Satisfaction peaks amongst those aged under 25.



Overall, there is a **high degree of confidence in automated branch services and online banking services** apart from Forex and Financial Advice. Those aged over 55 and in particular those aged over 65 are significantly less confident in using these services. Working class respondents are also less confident.



More than 2 in 5 feel that the banking culture has improved in Ireland since the 2007/2008 financial crisis. But 27% feel it has gotten worse and 1 in 3 think that it has not changed at all. Especially, younger and more affluent customers feel the banking culture has improved.



Switching levels are low – only 2-5% in the past 5 years, depending on financial products. The actual reasons for not switching are spread out amongst a number of factors. A general difficulty in switching is a common thread across all the products followed by a lack of alternative providers which peaks for savings accounts. Inertia is also a significant barrier for switching while cost of switching is not a prominent barrier.

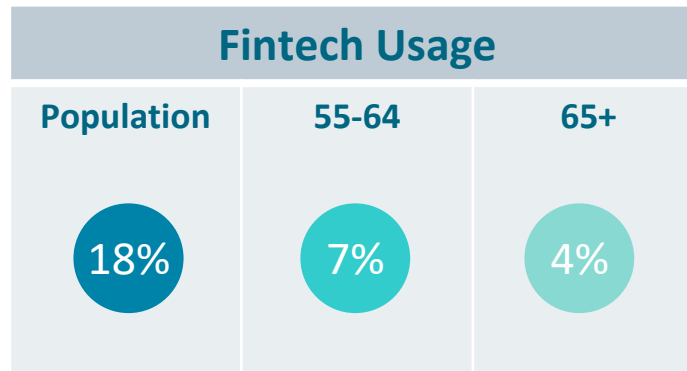
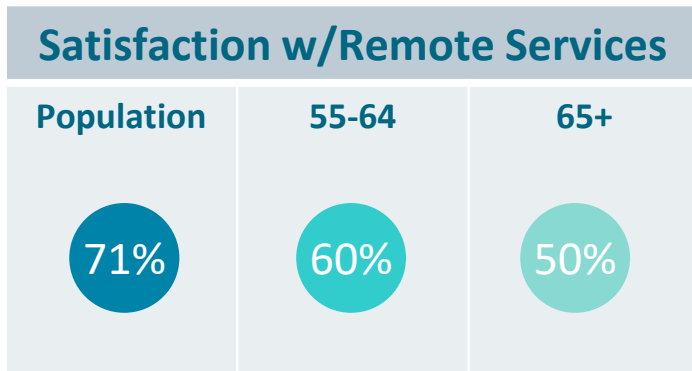
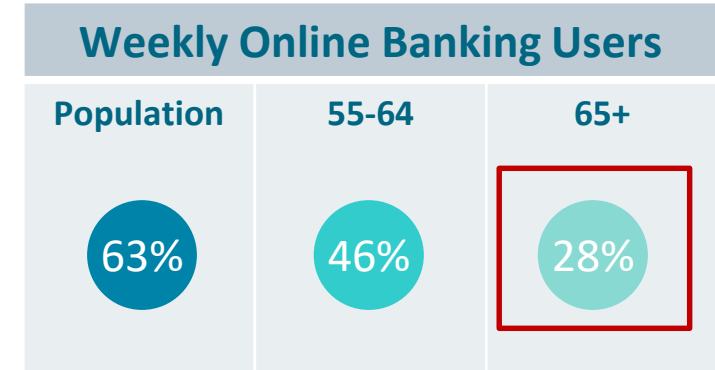
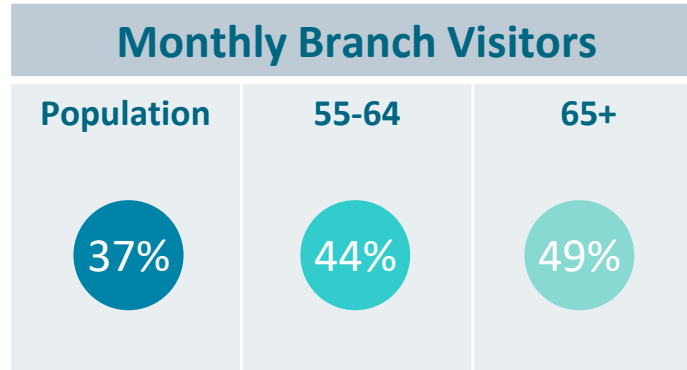
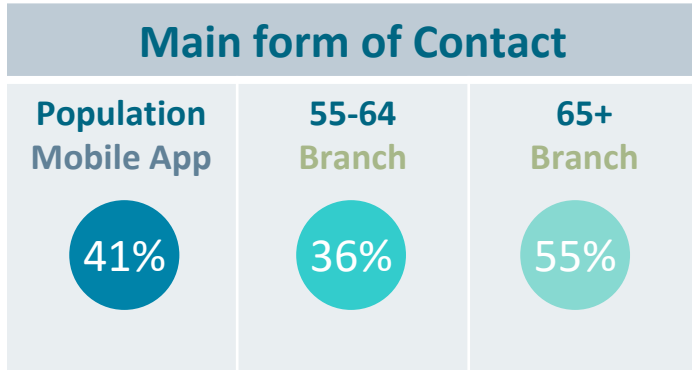


One in five adults hold an account with a **digital bank** with Revolut dominating this area of the market. The main reasons for using digital banks are instant money transfer, free banking, splitting bill facilities and a great/user-friendly app.



Cards and in particular Debit cards are the preferred payment method. **One in five adults expressed a preference for cash**, this is higher among the 55+ year olds. ATM still dominate in terms of cash withdrawals being used by three quarters of adults. Just one in six access cash over the counter in their banks. One in five use cashback.

While most of the population has adopted to a more digital banking experience, the 55+ continues to rely more strongly on branches



Significantly lower confidence in using automated branch services and online banking among the 55+ and especially among the 65+

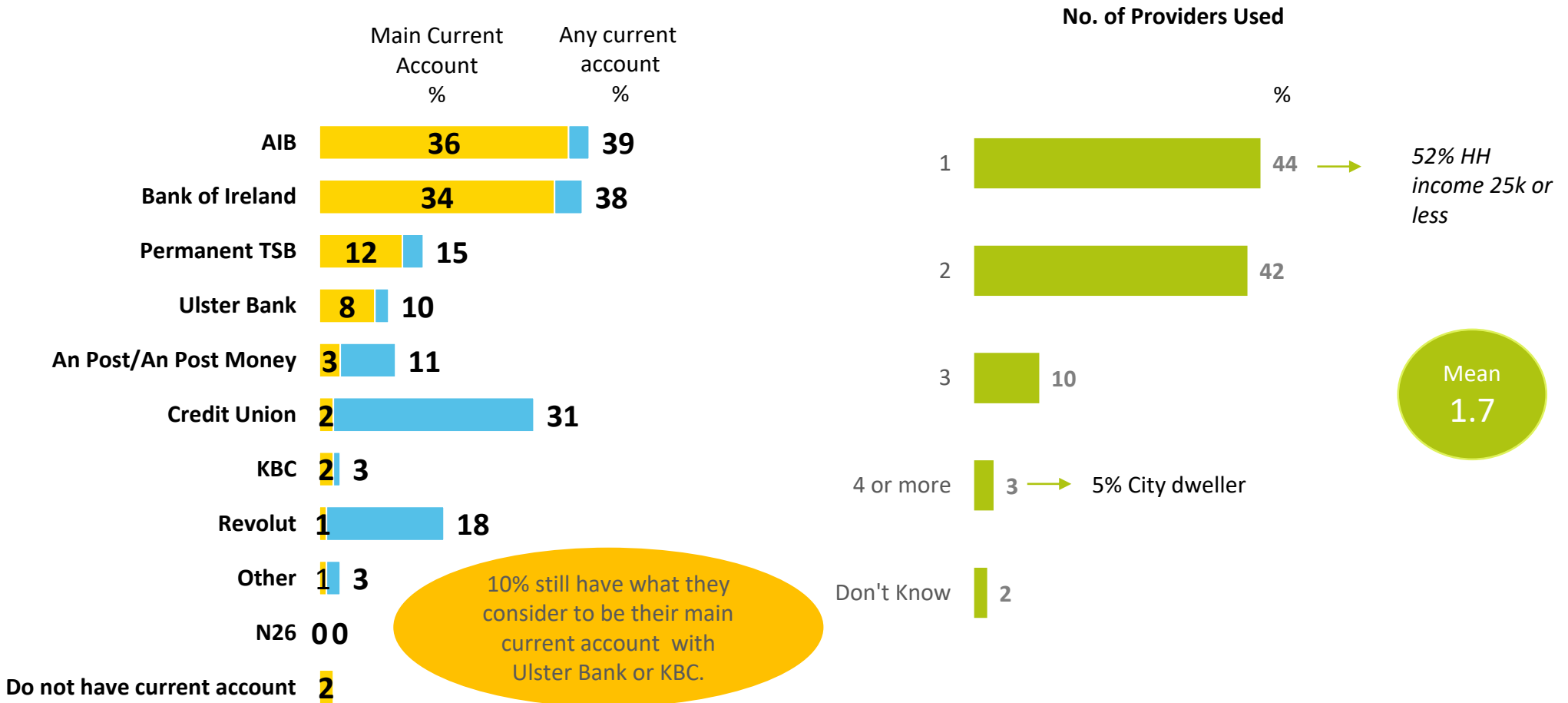
While the digital banking experience is working for the majority of the population, a more personalised branch experience is currently required among the 55+ year olds.

3. Banks & Financial Providers



Banks & Financial Providers Used

(Base: All respondents: 1,507)



The pillar banks dominate in terms of main current account with 10% still with Ulster Bank or KBC. Only 1% hold their main current account with Revolut (Note Revolut formally announced they were launching deposit accounts in Ireland during fieldwork - 24/03/22).

Overall Satisfaction with Main Bank/Financial Provider

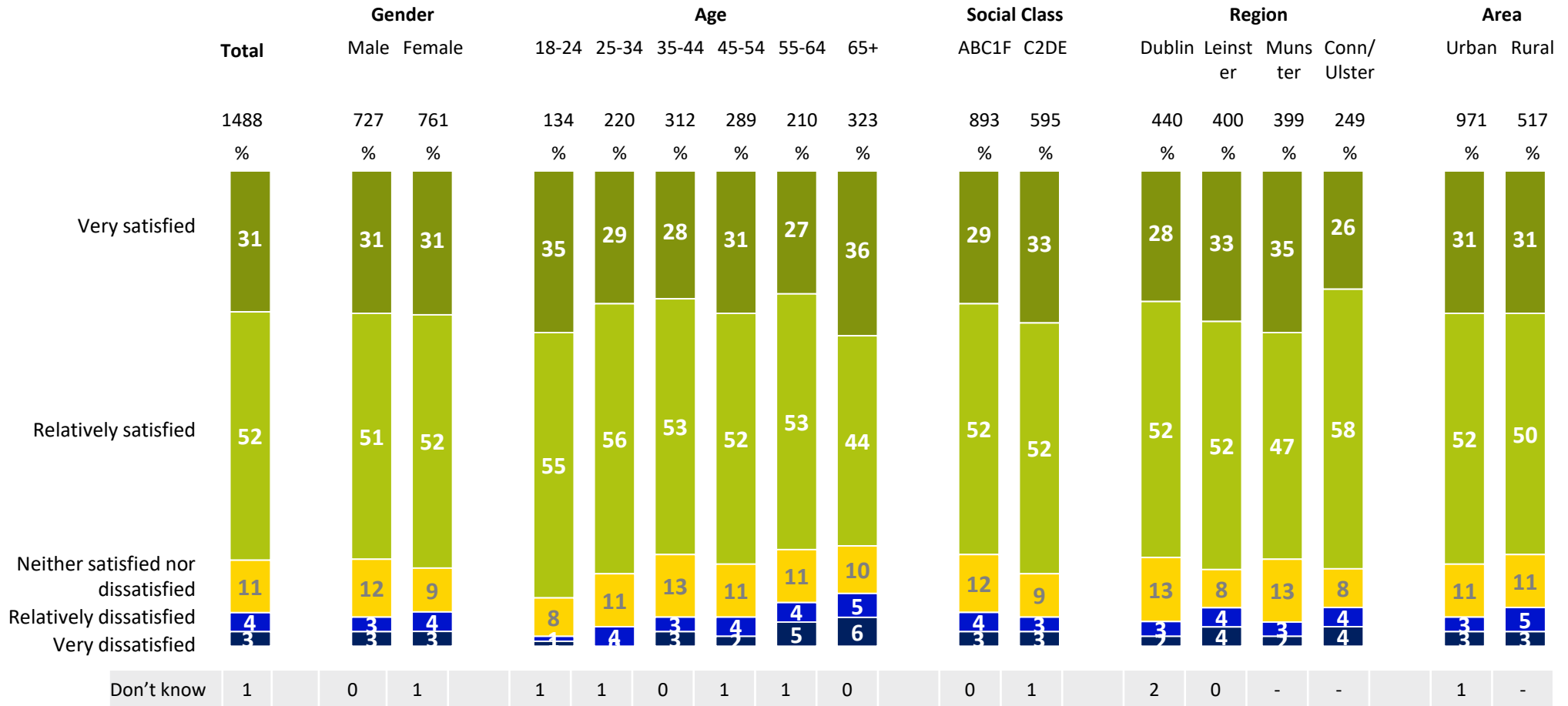
(Base: All respondents with current account: 1,488)



Almost 1 in 3 are very satisfied with their main bank, with half being relatively satisfied. 7% are dissatisfied with their main bank.

Overall Satisfaction with Main Bank/Financial Provider

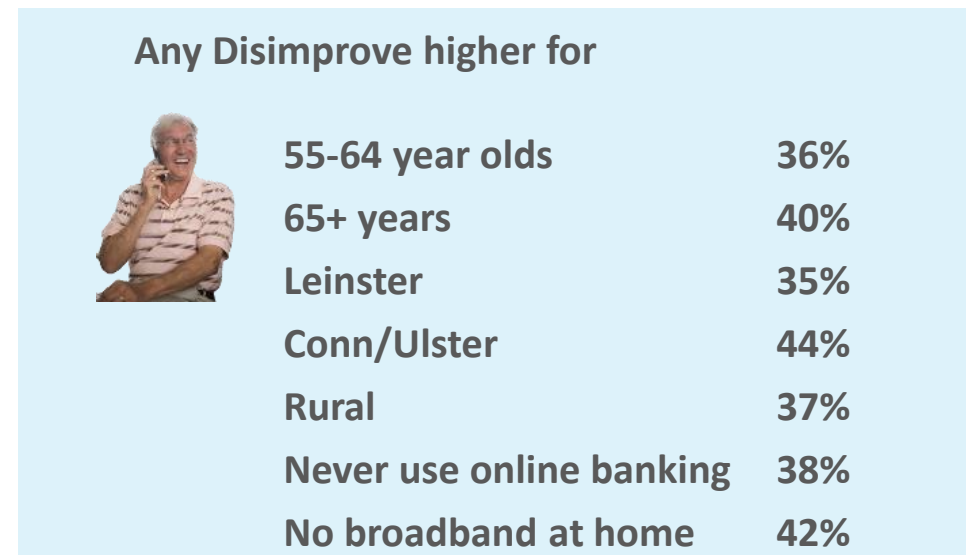
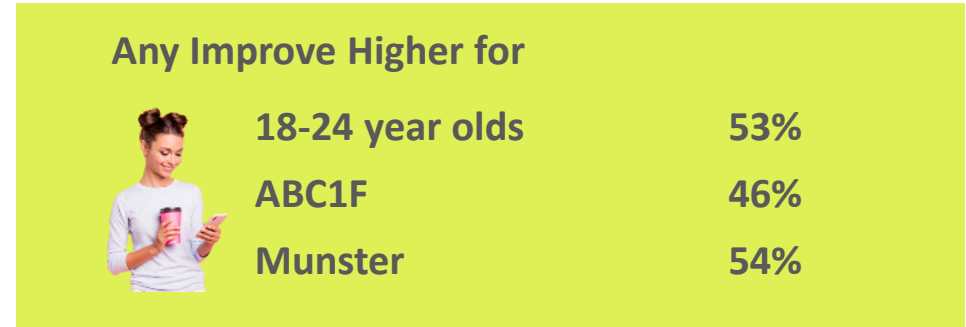
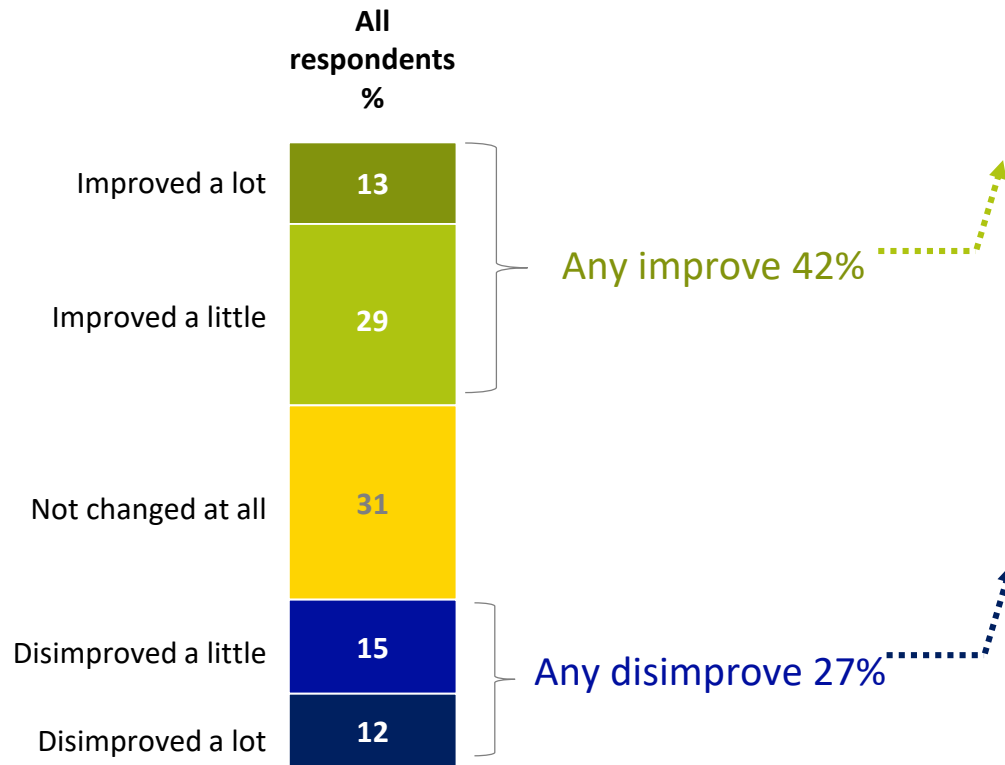
(Base: All respondents with current account: 1,488)



Satisfaction is similar across demographics but peaks amongst those aged under 25.

Culture of Banks since Financial Crisis

(Base: All respondents: 1,507)



2 in 5 feel that the banking culture has improved in Ireland since the 2007/2008 financial crisis but 1 in 3 feel that it has not changed at all. More than 1 in 4 feel the banking culture has gotten worse since the financial crisis. Those aged over 55 are more likely to think it has disimproved as well as those in Leinster, Conn/Ulster and rural areas (aligning close to the areas struggling to make ends meet regionally speaking). Those not using online banking are more likely to feel that the banking culture has disimproved.

4. Financial Products/Services Held



Financial Products/Services Held

(Base: All respondents: 1,507)



Current account



Over Index on

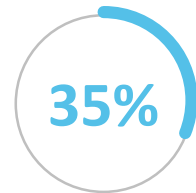
- 100% AB's,
- 100% all above 25k+
- Lower 95% for 25k or less

Savings account



- 83% 55-64 yrs
- 82% Munster
- Higher for those on 50k+
- 88% Credit Union account holders
- Lower for 18-24 yrs at 65%

Credit Card



- 47% 45-54 yrs; 43% 55-64 yrs
- 44% ABC1F
- 44% who say they live in a rural area
- Higher for €50k+
- Lower 29% Under 34's, 26% C2DE,
- 19% 25k or less

Mortgage Account



- Higher
- 51% 35-44 yrs; 45% 45-54 yrs
 - 35% ABC1F
 - 31% Leinster
- Lower
- 19% for 25-34 yrs
 - 15% C2DE

Card loan/ Financing



Over Index on

- 20% 45-54 yrs
- 29% A social class
- 21% Munster
- 18% rural
- Dublin lower at 6%

Overdraft



- 17% 45-54 yrs
- 27% A, 18% B social class, 25% F50
- Dublin lowest at 6%

Other personal loan



- No real skews
- Lower
- 1% 18-24 yrs
- 3% 65+ yrs

Close to, but not all, of the population hold current accounts, three quarters hold savings accounts and a third hold credit cards. A quarter have a mortgage.

Financial Products/Services Held

(Base: All respondents: 1,507)

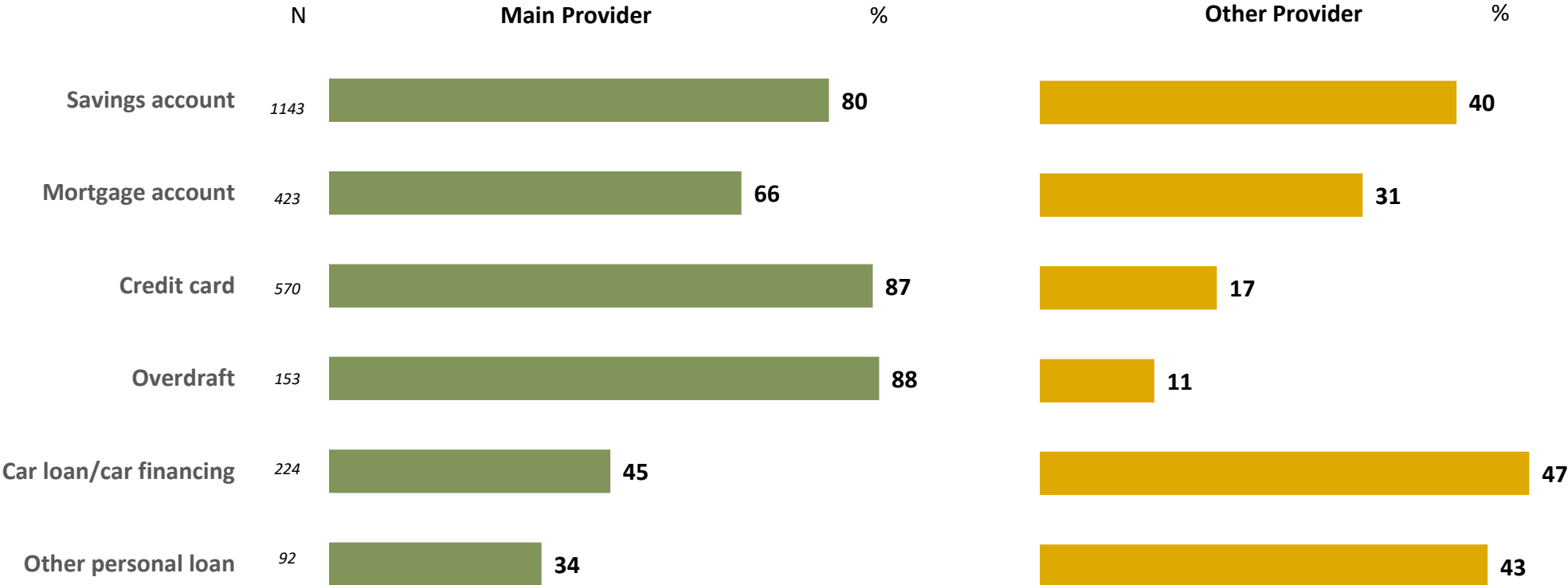
■ Statistically higher than total
■ Statistically lower than total

Base	Total	Gender		Age						Social Class		Region				Area	
		Male	Female	18-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Leinster	Munster	Conn/Ulster	Urban	Rural
	1507	736	771	136	223	315	290	212	331	900	607	450	404	402	251	987	520
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Current account	98	99	98	99	98	99	99	99	97	99	98	97	99	99	99	98	99
Savings account	75	76	75	65	75	74	77	83	75	78	72	74	71	82	73	74	77
Credit card	35	37	34	18	29	38	47	43	32	44	26	30	34	40	38	33	40
Mortgage account	25	26	25	-	19	51	45	21	3	35	15	25	31	23	20	24	27
Car loan/car financing	14	17	12	14	17	18	20	14	3	17	12	6	14	21	18	12	18
Overdraft	10	11	9	1	6	13	17	14	4	13	6	6	9	11	14	9	12
Other personal loan	6	7	5	1	8	8	5	9	3	7	5	4	6	9	5	6	6
Other, please specify:	3	4	3	7	3	2	1	5	3	4	3	5	2	2	5	4	3
None	11	9	12	17	11	9	8	7	14	6	15	12	13	5	13	12	8

Those aged 45-54 and the middle classes hold the most financial products.

Provider for Financial Products/Services Held

(Base: All respondents with product)



Those with current accounts are likely to stick with their main bank for saving accounts, credit cards and overdrafts. Other providers get more of a look in for mortgages. Other providers play a bigger role in terms of car loans/financing and personal loans.

5. FinTech Providers

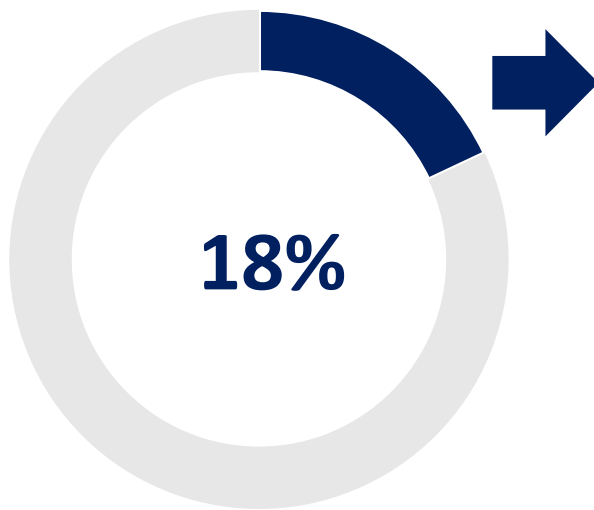


FinTech Usage

(Base: All respondents: 1,507)

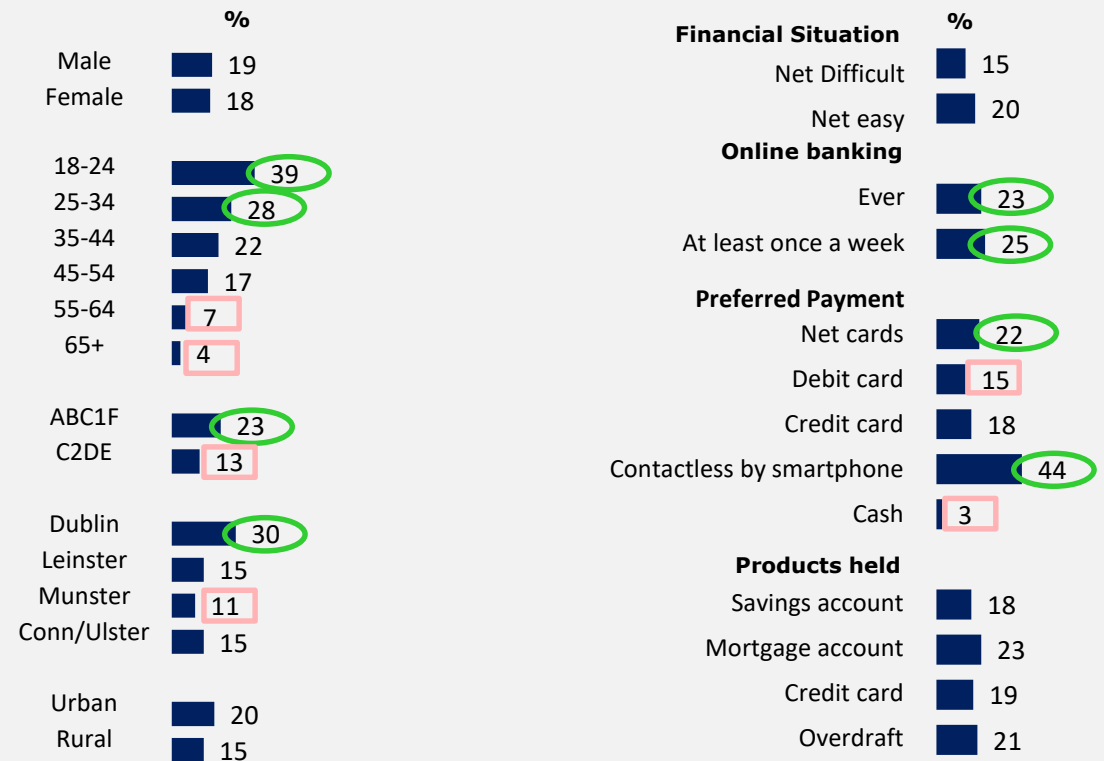
 Statistically higher than total
 Statistically lower than total

Total FinTech



18% Revolut | 0.5% N26

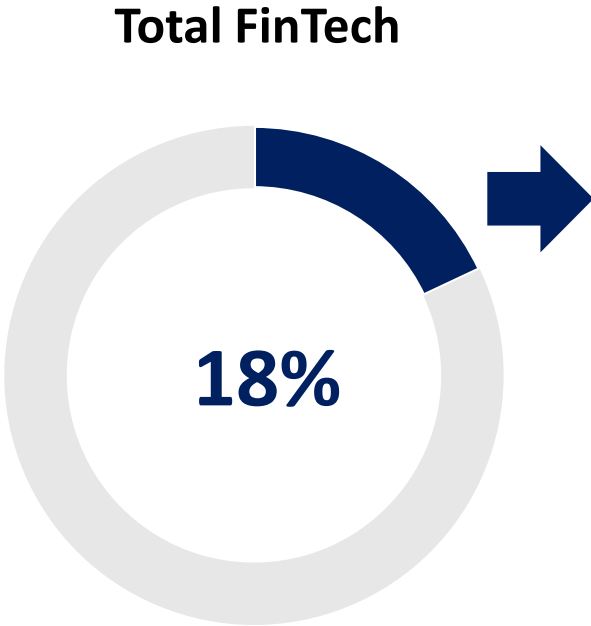
Who are they?



Around one in five use FinTech companies for banking/payments at least occasionally. FinTech usage is higher among the 18-34 year olds, higher social classes and Dubliners.

What does FinTech offer that traditional banks do not?

(Base: All respondents who use Fintech: 283)



The main appeal of FinTech companies versus traditional retail banks is that they offer instant money transfers, free banking and allow you to split bills as well as providing a great/user friendly app.

Importance of FinTech Features in relation to using Revolut/N26 – Top 5 Reasons

(Base: All respondents who use Fintech: 283)

NET 8-10 SCORE

1



2



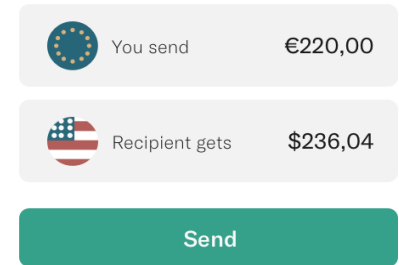
3



4



5



Instant money transfer

89%

Free banking

84%

Great/user-friendly app for mobile banking

83%

Splitting bills

55%

Foreign Exchange

41%

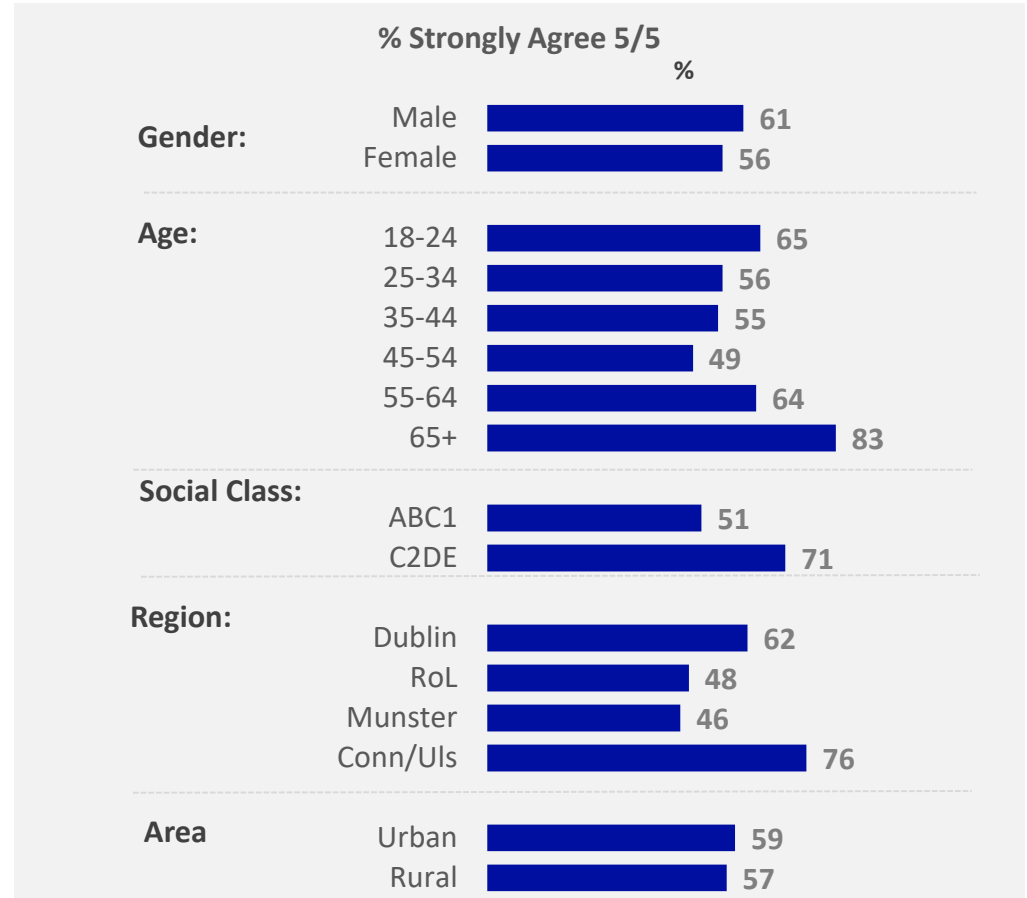
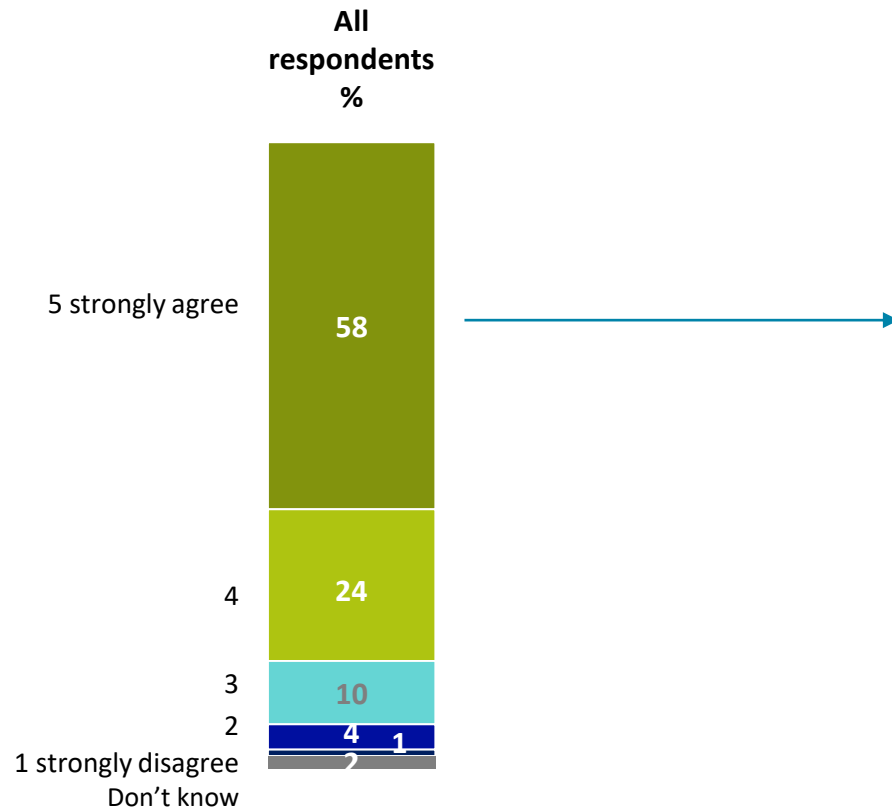
The top features provided by FinTech providers are instant money transfer, free banking and a great/user-friendly mobile app.

FinTech as a Substitute for Traditional Banks

(Base: All respondents who use Fintech: 283)

Statement asked:

“The services offered by FinTech providers is a very good substitute for the services offered by the more traditional banks”



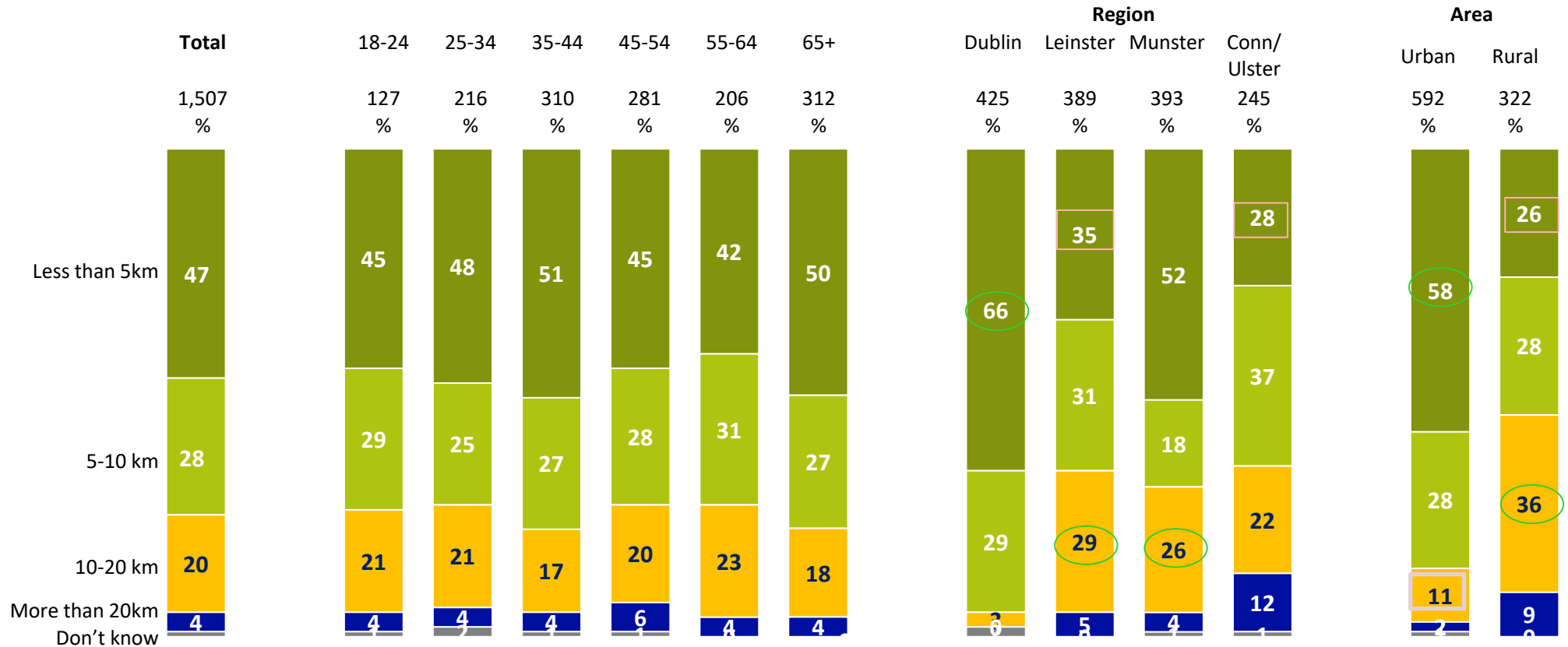
Three in five users of FinTech strongly believe (5/5) that the services offered by FinTech providers are very good substitute for the services offered by a traditional bank.

6. Channel Availability & Usage



Location of Nearest Branch from Main Bank

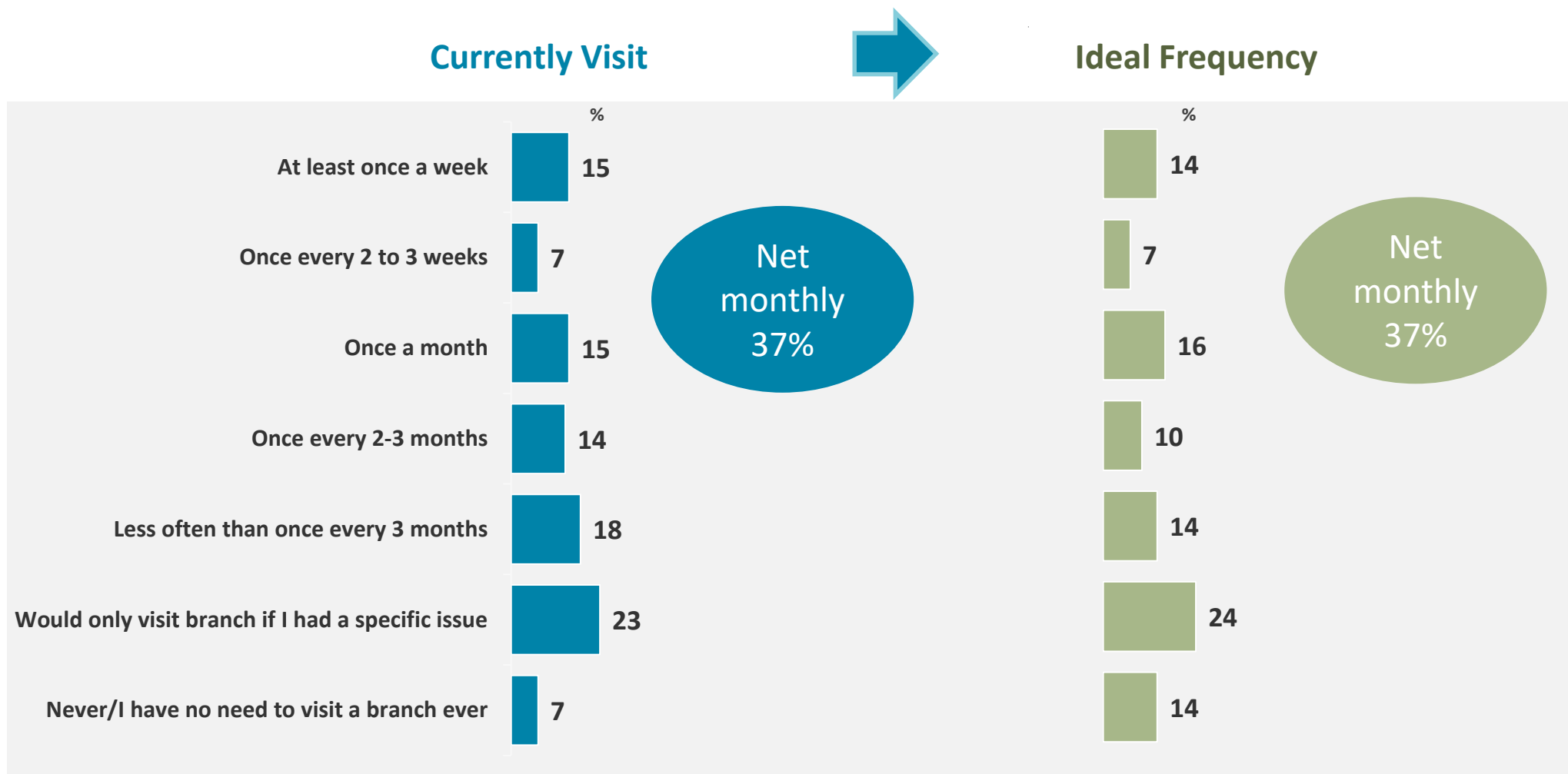
(Base: All respondents with current account with traditional retail bank, credit union or An Post: 1,452)



Almost half live within 5km of a branch of their main bank. Unsurprisingly Dubliners and those living in urban areas are best serviced by the branch network. Those in Leinster (ex Dublin) Conn/Ulster and rural areas are required to travel further to get to their main bank.

Branch Visit Frequency vs. Ideal Frequency

(Base: All respondents with current account with traditional retail bank, credit union or An Post: 1,452)



Both actual and ideal frequency of visiting branches track closely. 14% would prefer never to visit a branch while only 7% in reality never visit a branch.

Profile of Monthly Branch Visitors

(Base: All respondents with current account with traditional retail bank, credit union or An Post: 1,452)



Male
38%



(709)

Female
37%



(743)



ABC1F
32%

(869)



C2DE
44%

(583)

Urban
36%



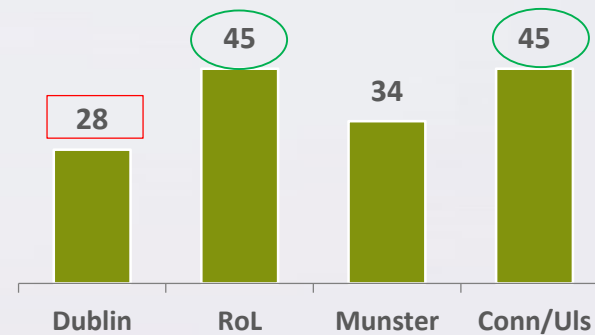
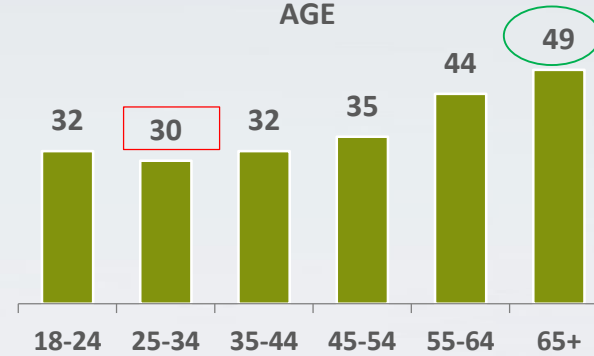
(949)

Rural
40%



(503)

AGE

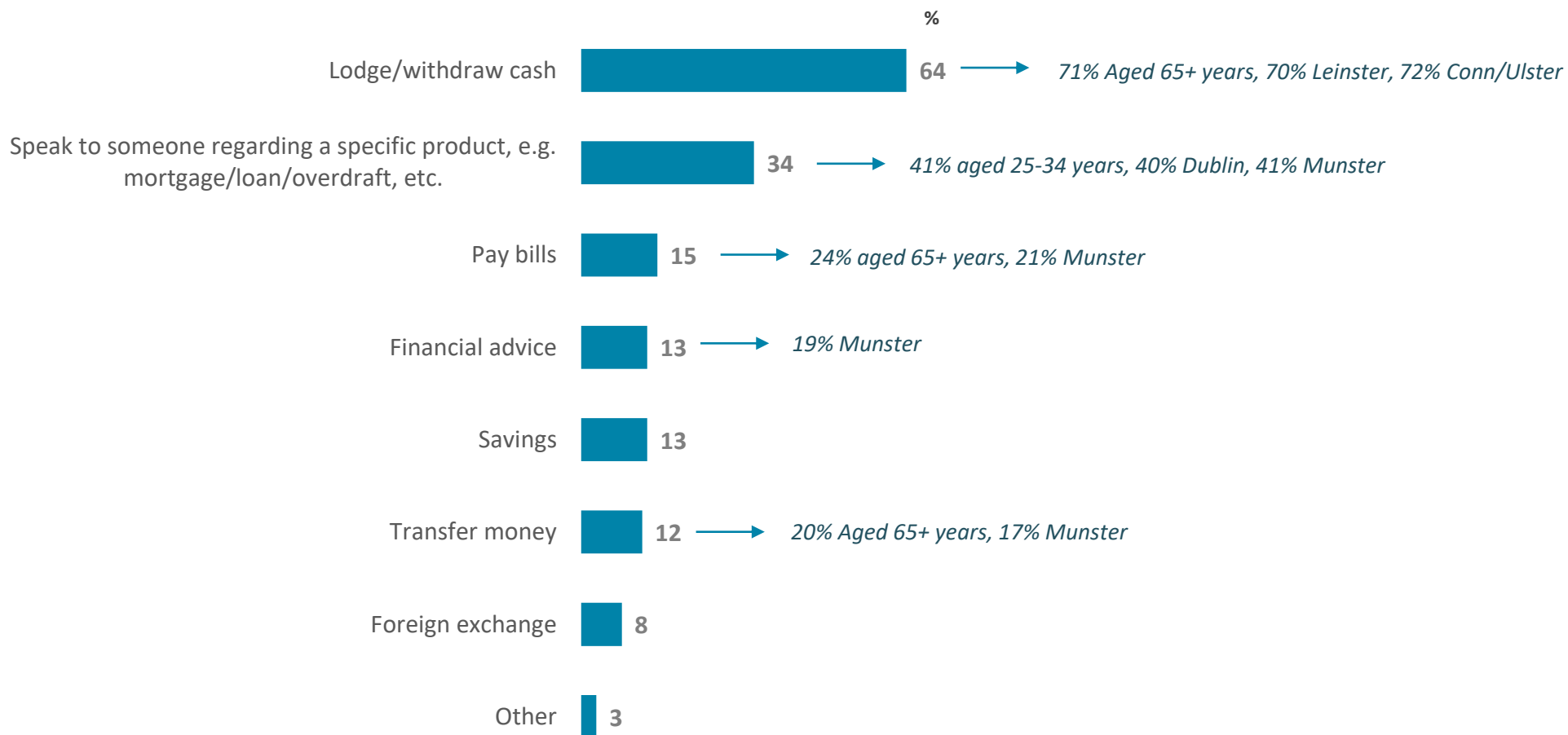


(Figures in brackets = base size)

Monthly branch visitors are more likely to be 55+, living in Leinster (ex Dublin) or Conn/Ulster, and lower social classes.

Reasons for Visiting Branch

(Base: All respondents who ever visit branch: 1,346)

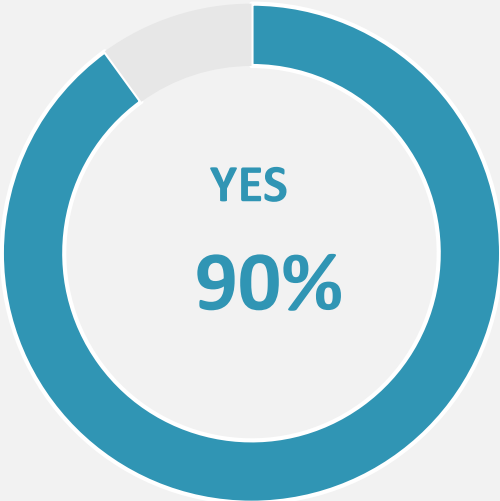


The standout reason for visiting a branch is to lodge or withdraw money, followed by product/service advice.

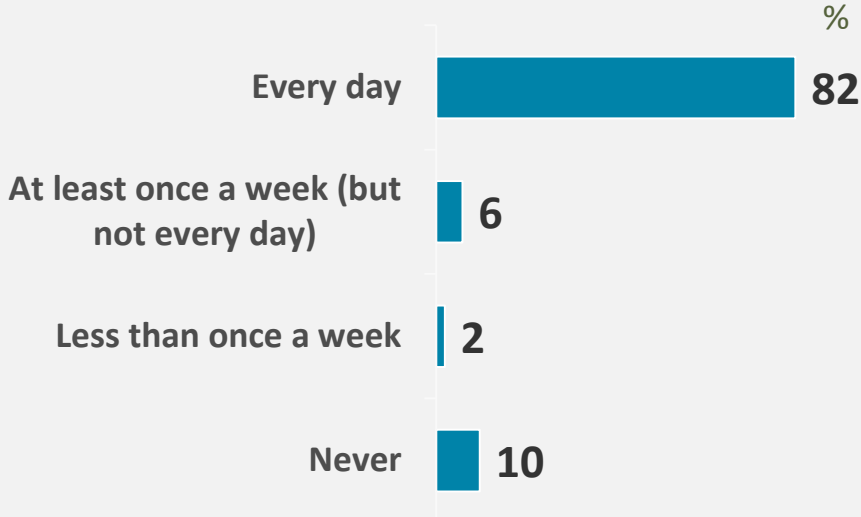
Broadband Access & Internet Usage

(Base: All respondents: 1,507)

Do you have broadband internet access in your home?



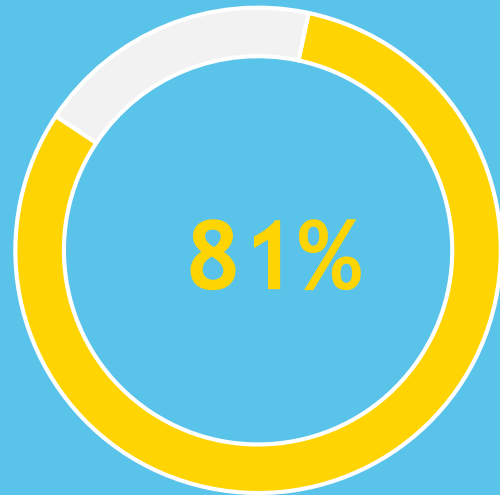
On average, how often do you use the internet?



The vast majority of the population have access to broadband at home. While four in five use the internet every day. One in ten do not have broadband at home and an identical proportion say they never use the internet.

Accessing the internet for Online Banking

(Base: All respondents with current account: 1,488)



81% of all adults say they ever use online banking, with 63% reporting they use it once a week.



Ever Use higher for

18-24 years olds	95%
25-34 year olds	94%
35-45 year olds	95%
45-54 years	90%

ABC1	89%
Dublin	88%

City	88%
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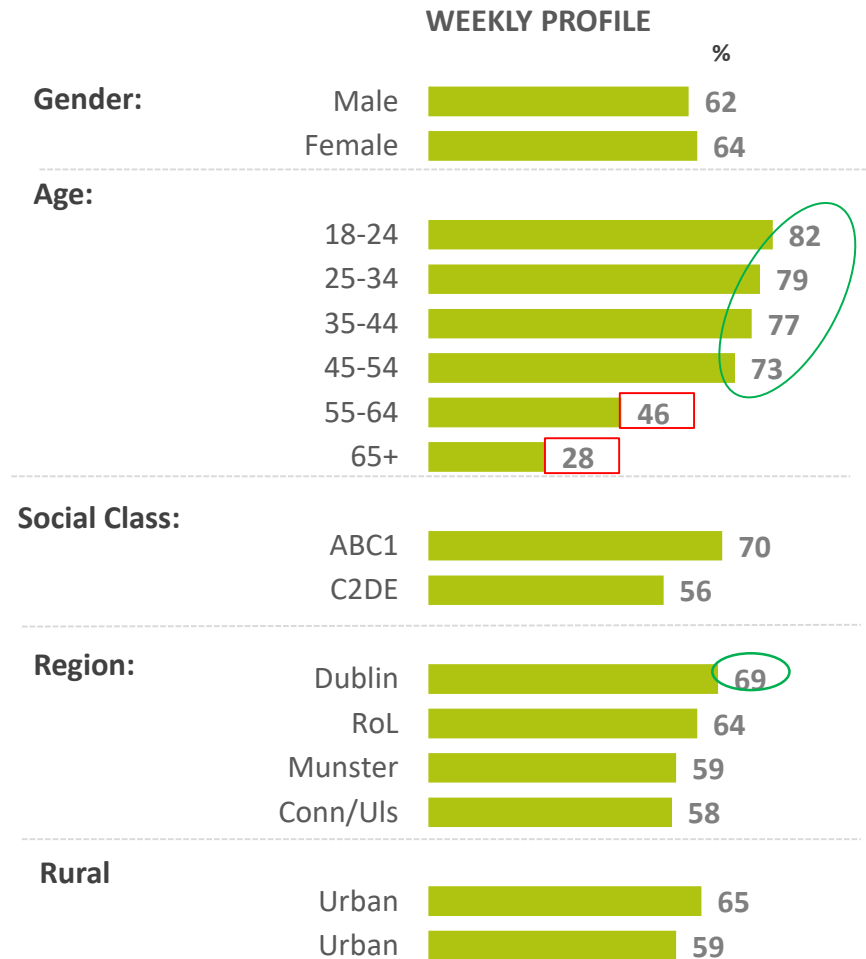
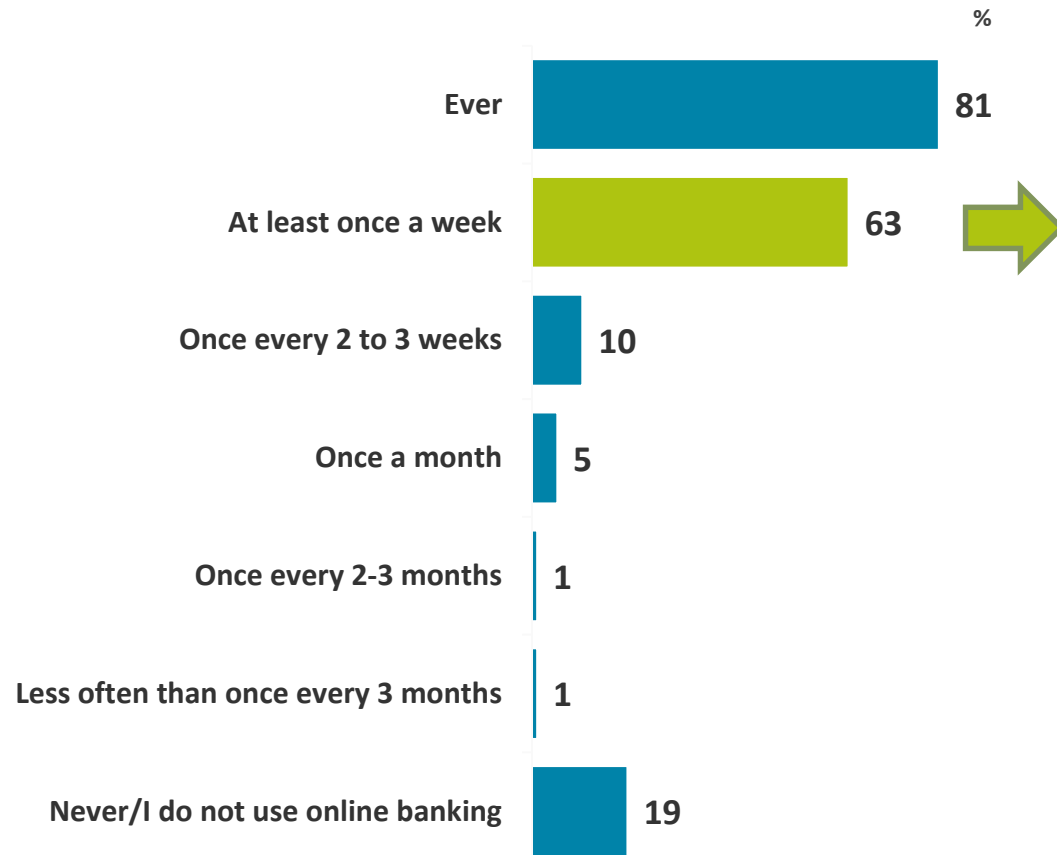
Ever Use lower for

55-64 years olds	69%
65+ years	46%

C2DE	71%
Connaught/Ulster	72%
Rural	76%

Weekly Profile - Accessing the internet for Online Banking

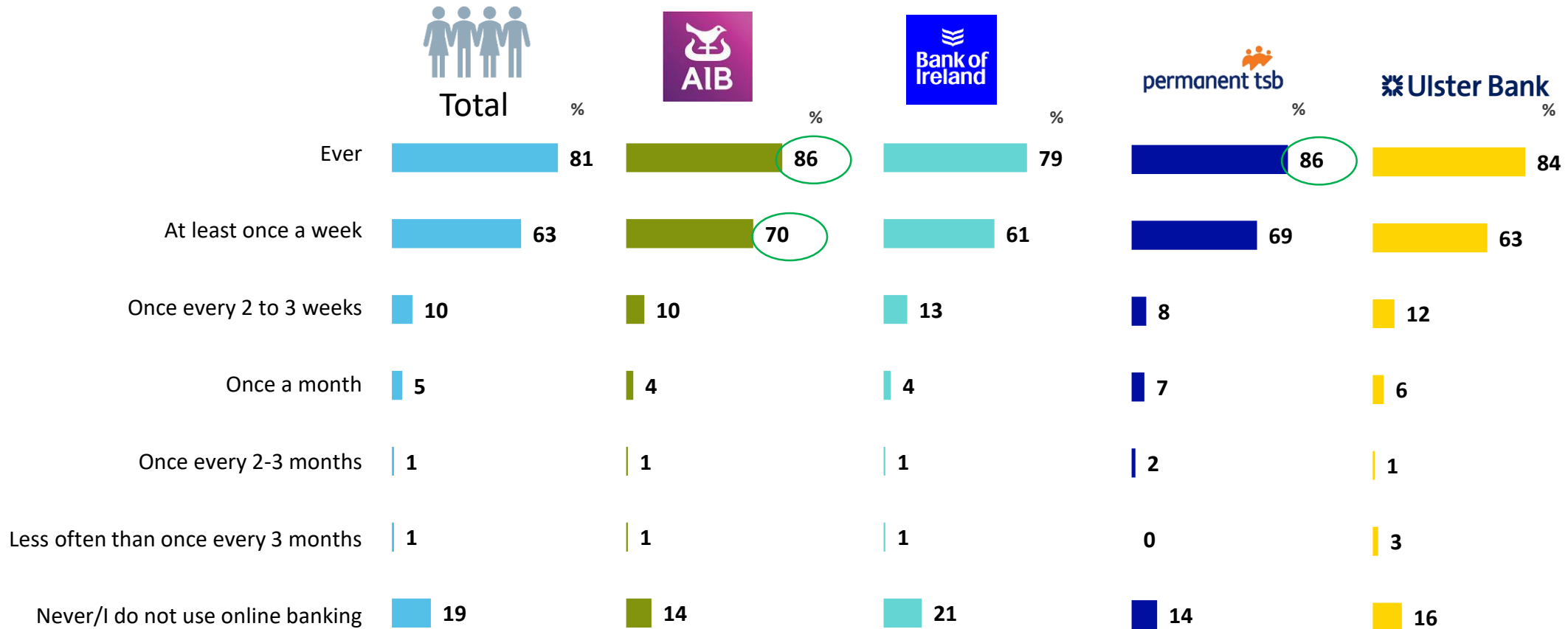
(Base: All respondents with current account: 1,488)



Frequency of accessing the internet for online banking drops dramatically amongst those aged 55+.

Usage of Online Banking x Main Financial Provider

(Base: All respondents with current account: 1,488)

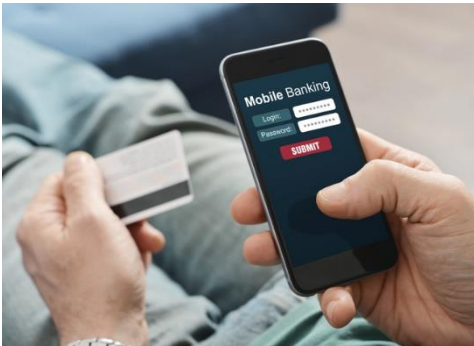


AIB and PTSB customers are more likely to regularly use online banking.

Online Banking – App or Website

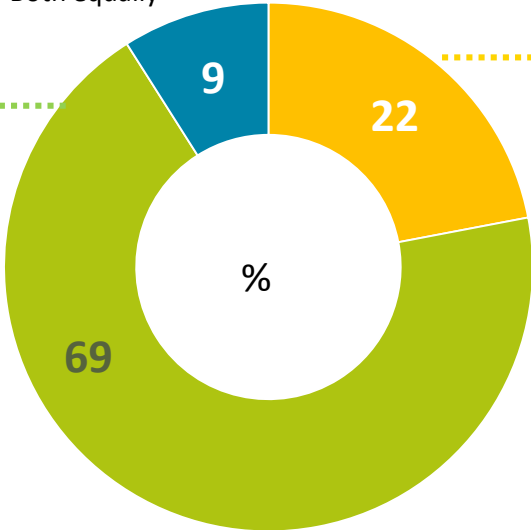
(Base: All respondents who ever using online banking from main financial provider: 1,214)

From the provider's mobile banking app



- 78% 18-24 year olds
- 79% 25-34 year olds
- 79% prefer contactless payment by smartphone

Both equally



From the provider's website on a computer, a tablet or smartphone.

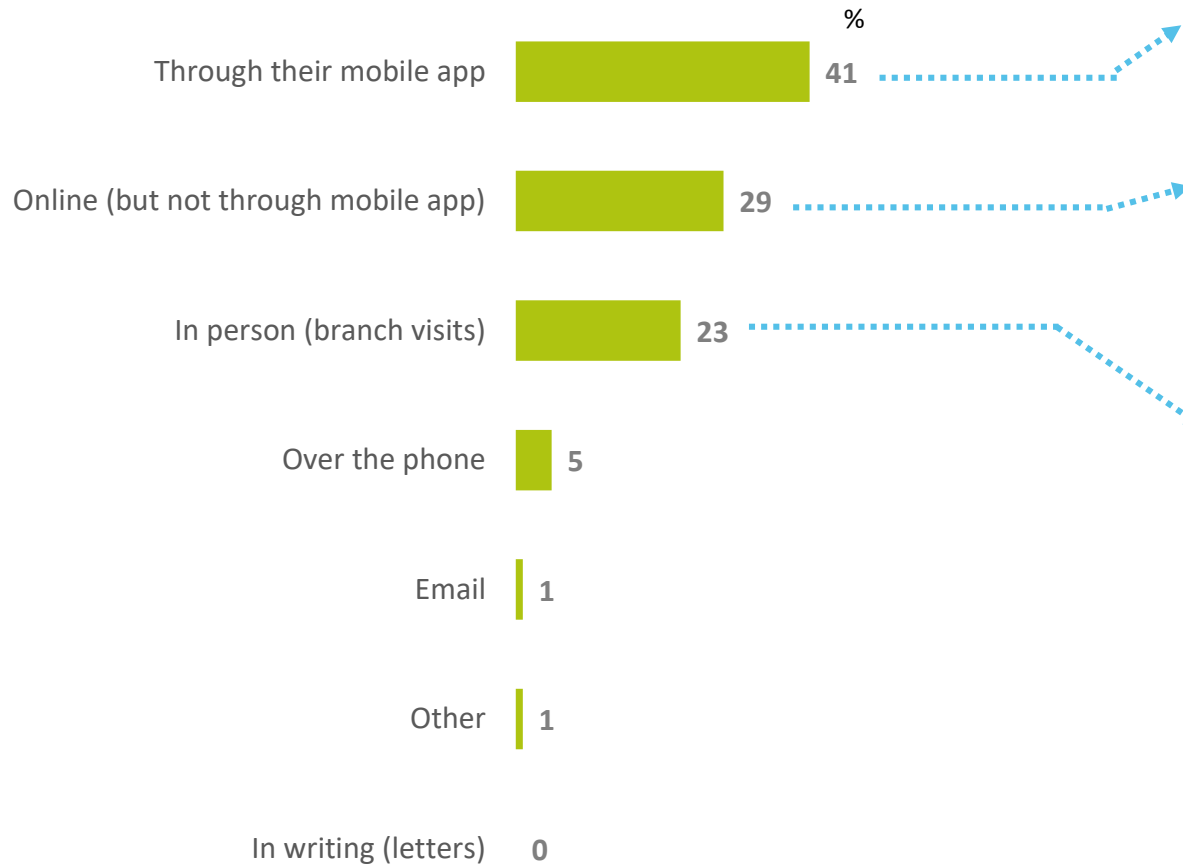


- 34% 65 years+
- 35% visit branch at least once a week

The Mobile App is the dominant method of accessing accounts digitally. The provider's website still plays a role particularly amongst those aged over 65.

Main Form of Contact with Main Provider

(Base: All respondents with current account: 1,488)



Mobile app higher:	
18-24 years olds	52%
25-34 year olds	59%
35-44 year olds	50%

Online (not through app) higher:	
ABC1F	34%
45-54 years	36%
Dublin	40%
Urban	33%
PTSB main bank	36%

In person visits higher:	
55-64 yrs	36%
65+ yrs	55%
C2DE	32%
Connaught/Ulster	32%
Rural	28%

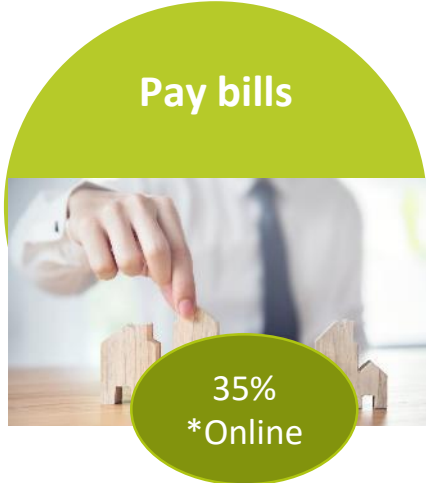
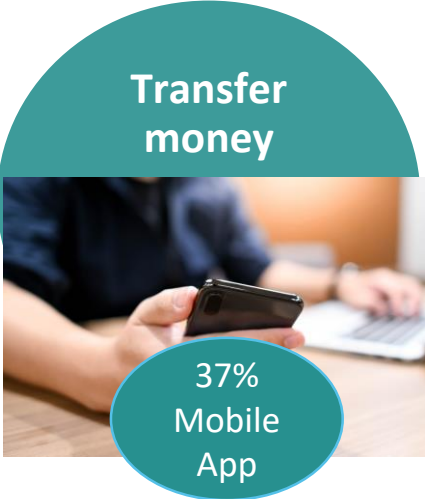
Digital channels now dominate in terms of being the main form of contact with main bank but close to quarter still consider branch visits their main form of contact. This is significantly higher among the 65+ year olds.

7. Channel Preference & Satisfaction



Preferred Form of Contact by Transaction - Summary

(Base: All respondents: 1,507)

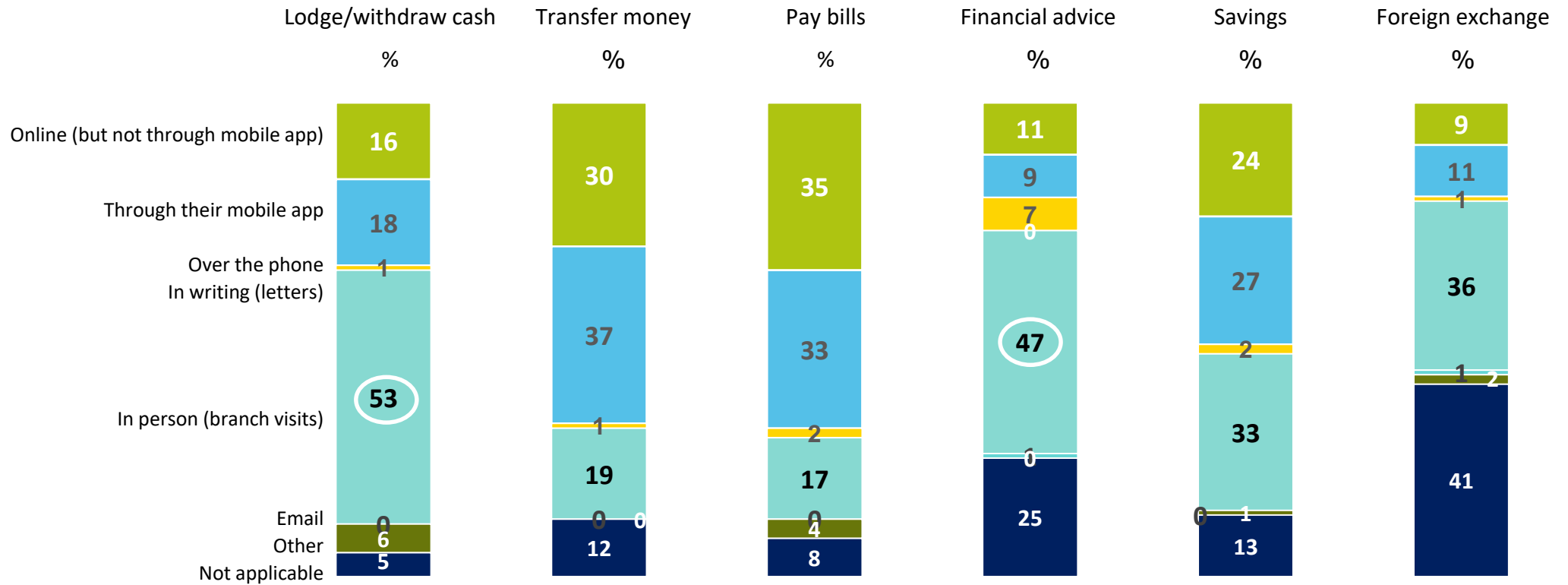


*Online (but not through mobile app)



Preferred Form of Contact by Transaction - Summary

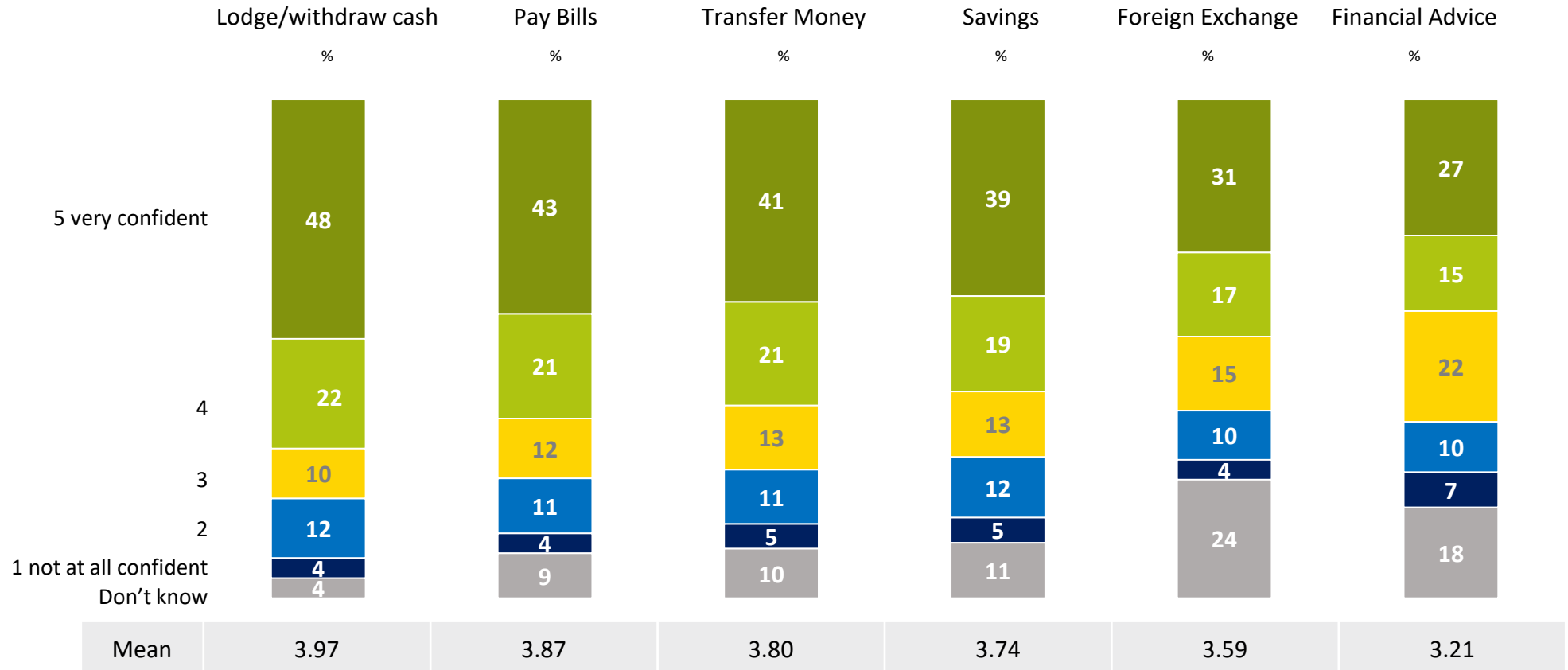
(Base: All respondents : 1,507)



Lodgments/withdrawals and financial advice still seen to require a physical presence in branches.

Level of Confidence in Automated Branch Services

(Base: All respondents : 1,507)



Overall, there is a high degree of confidence in automated branch services apart for Forex (where a high proportion don't know how it would work rather than being not confident per se) and Financial Advice.

Level of Confidence in Automated Branch Services

Net Confident x Demographics

(Base: All respondents : 1,507)

	Total	Gender		Age						Social Class		Region				Urban Rural		Broadband at home	
		Male	Female	18-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Leins	Muns	Conn/Uls	Urban	Rural	Yes	No
	1,507	736	771	136	223	315	290	212	331	900	607	450	404	402	251	987	520	1365	138
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Lodge/withdraw cash	70	71	68	80	82	74	73	63	51	75	64	76	67	68	67	71	66	74	34
Pay bills	64	66	62	75	76	73	68	53	43	71	57	74	59	60	62	66	60	68	29
Transfer money	62	64	60	73	78	69	66	50	38	69	54	72	54	61	59	64	57	66	23
Savings	59	59	58	71	71	63	60	50	41	65	51	69	49	58	56	61	53	62	28
Foreign exchange	48	49	47	57	56	56	50	42	30	56	39	55	35	48	55	49	46	51	17
Financial advice	42	42	42	55	47	50	45	32	29	46	38	49	35	47	35	45	37	45	18
None	22	22	23	15	8	16	21	31	41	17	29	14	28	23	27	20	27	18	60

■ Statistically higher than total
■ Statistically lower than total



Younger age groups and higher social classes are more confident in automated branch services.

Level of Confidence in Ability to Use Automated Branch Services

Net Confident x Financial Context

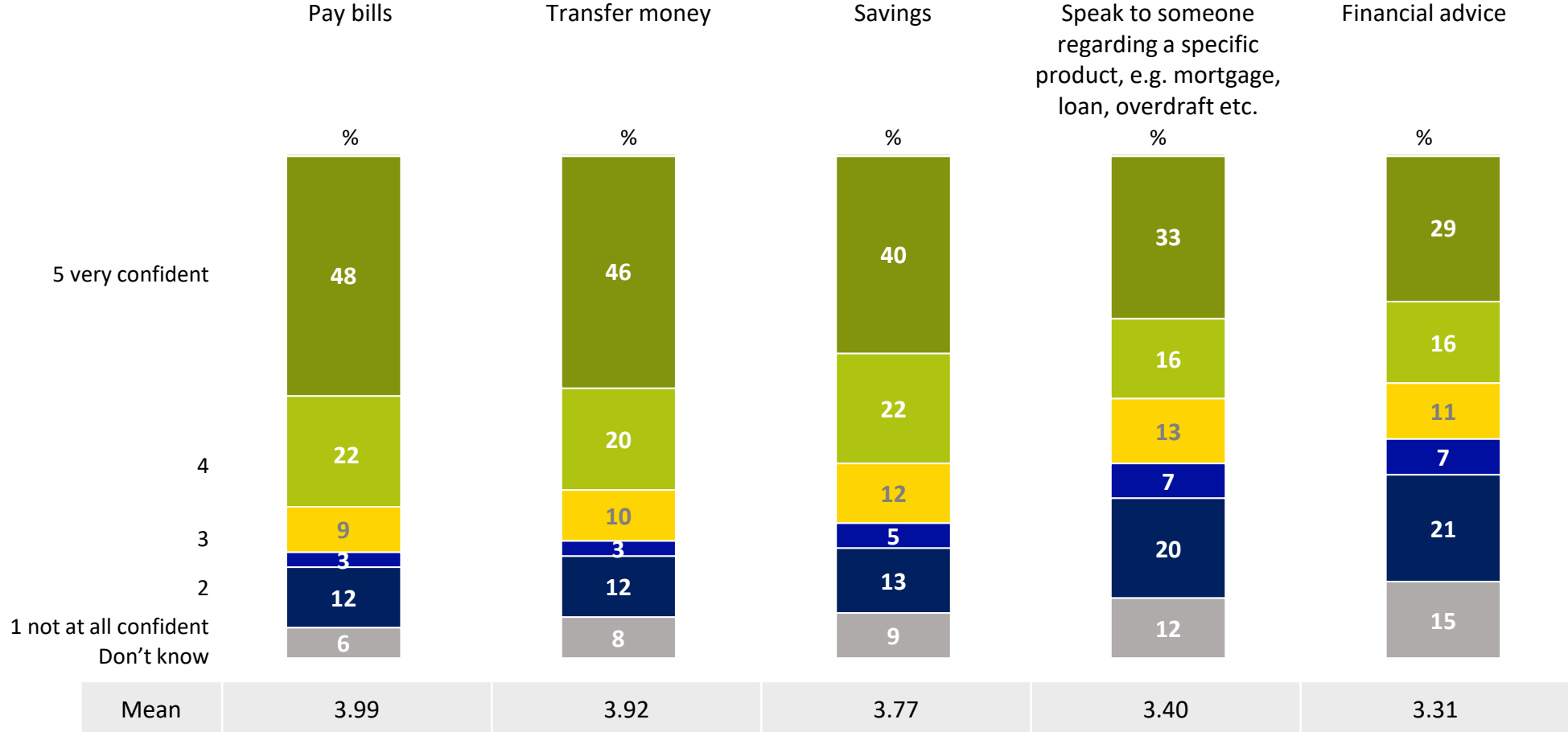
(Base: All respondents: 1,507)

	Total	Household Income					Frequency of Using online banking						Financial Literacy		Financial Situation	
		€25k or less	€25 - €50k	€50- €100k	€100 - €150k	Over €150k	At least once a week	Once every 2 to 3 weeks	Once a month	Once every 2-3 months	< once every 3 months	Never	Correct	Incorrect	NET Difficult	NET Easy
	1507	217	313	219	44	15	947	162	75	18	12	274	948	559	574	933
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Lodge/withdraw cash	70	54	74	77	78	100	79	80	63	55	54	44	71	68	65	73
Pay bills	64	48	68	74	74	100	74	69	61	59	62	35	67	59	61	66
Transfer money	62	43	66	71	67	92	73	64	61	55	71	28	55	66	55	66
Savings	59	44	63	68	65	66	67	59	58	61	60	36	60	56	56	60
Foreign exchange	48	29	50	63	69	72	58	50	43	47	47	19	52	41	44	50
Financial advice	42	30	47	50	50	25	47	47	50	56	54	24	42	42	40	44

 Statistically higher than total
 Statistically lower than total

Level of Confidence in Ability to Use Online Banking Services

(Base: All respondents: 1,507)




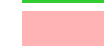
Confidence in dealing with these aspects is generally very high across the board. A lack of confidence is evident when some kind of a personal interaction is required.

Level of Confidence in Ability to Use Online Banking Services x Demographics

(Base: All respondents: 1,507)

Rating 4-5	Total	Gender		Age						Social Class		Region				Urban Rural		Broadband at home	
		Male	Female	18-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Leinst	Munst	Connaught/ Ulster	Urban	Rural	Yes	No
	1507	736	771	136	223	315	290	212	331	900	607	450	404	402	251	987	520	1365	138
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Pay bills	70	71	70	79	86	80	77	62	42	78	62	76	68	68	69	73	66	76	22
Transfer money	67	68	65	81	80	77	73	57	37	75	57	72	65	64	64	69	62	72	15
Savings	61	61	62	79	74	72	61	51	37	69	53	68	58	61	57	64	56	66	22
Speak to someone regarding a specific product	49	49	49	59	56	60	55	39	27	56	41	53	45	49	47	50	46	52	16
Financial advice	46	44	47	58	49	60	50	35	25	52	38	51	39	48	44	47	43	49	11

Those aged over 55 and in particular those aged over 65 are significantly less confident in using online banking services. Working class respondents are also less confident.

 Statistically higher than total
 Statistically lower than total

Level of Confidence in Ability to Use Online Banking Services x Financial Context

(Base: All respondents: 1,507)

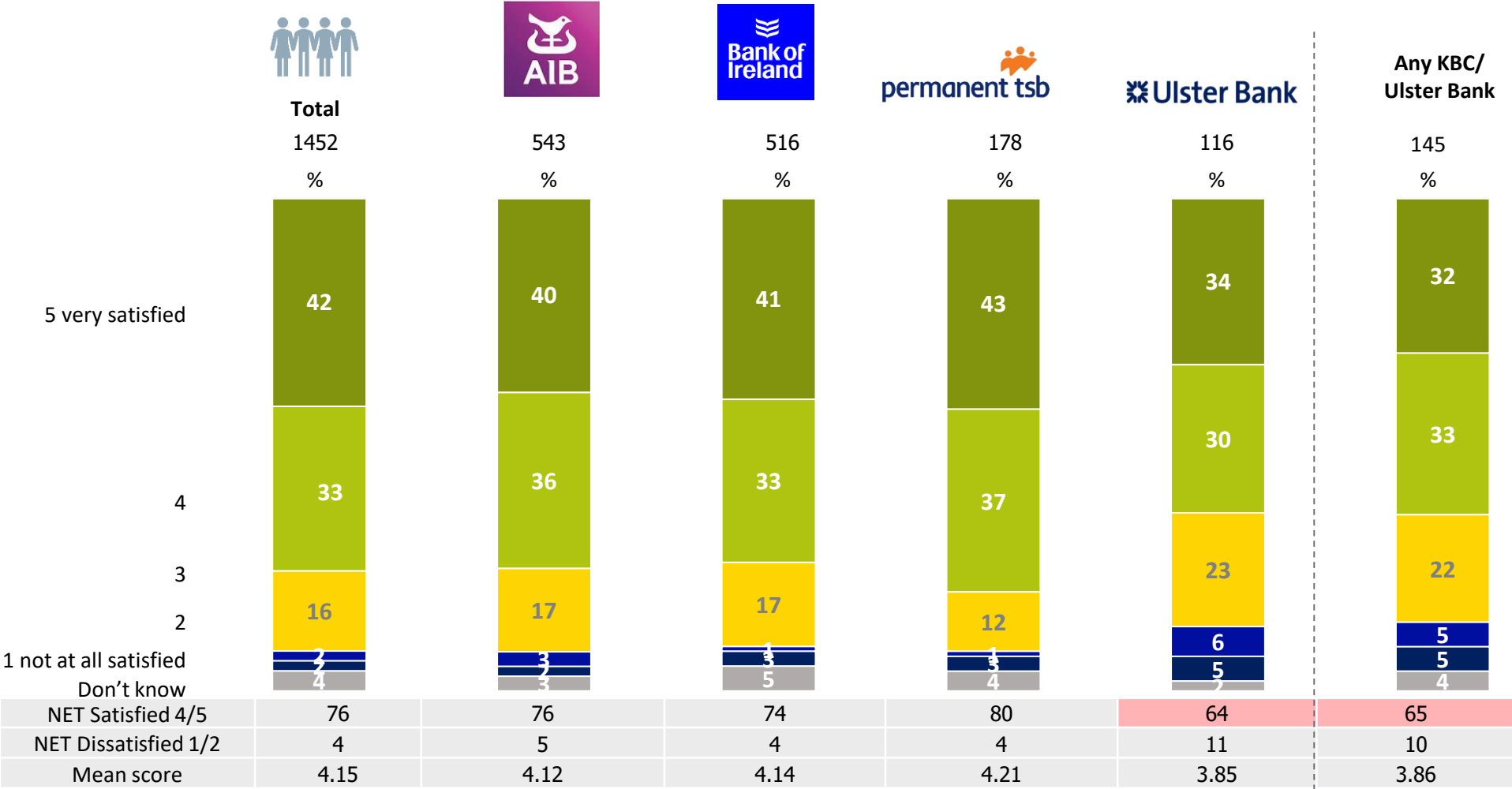
Rating 4-5	Total	Household Income					Frequency of Using online banking							Financial Literacy		Financial Situation	
		€25k or less	€25 - €50k	€50- €100k	€100 - €150k	Over €150k	Ever	At least once a week	Once every 2 to 3 weeks	Once a month	Once every 2-3 months	< once every 3 months	Never	Correct	Incorrect	NET Difficult	NET Easy
	1,507	217	313	219	44	15	1214	947	162	75	18	12	274	948	559	574	933
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Pay bills	70	46	75	83	85	87	83	87	76	66	56	61	22	70	66	66	74
Transfer money	67	39	70	81	87	94	80	83	73	68	51	46	17	70	61	60	71
Savings	61	42	64	70	79	60	71	74	62	69	55	55	24	63	58	56	65
Speak to someone regarding a specific product,	49	35	52	59	52	37	56	58	53	47	46	55	21	50	47	44	52
Financial advice	46	29	50	54	47	24	54	54	53	58	51	55	15	47	43	41	49

Lower income respondents are also less confident.

■ Statistically higher than total
■ Statistically lower than total

Satisfaction with Branch Service from Main Financial Provider

(Base: All respondents with current account with traditional retail bank, credit union or An Post: 1,452)

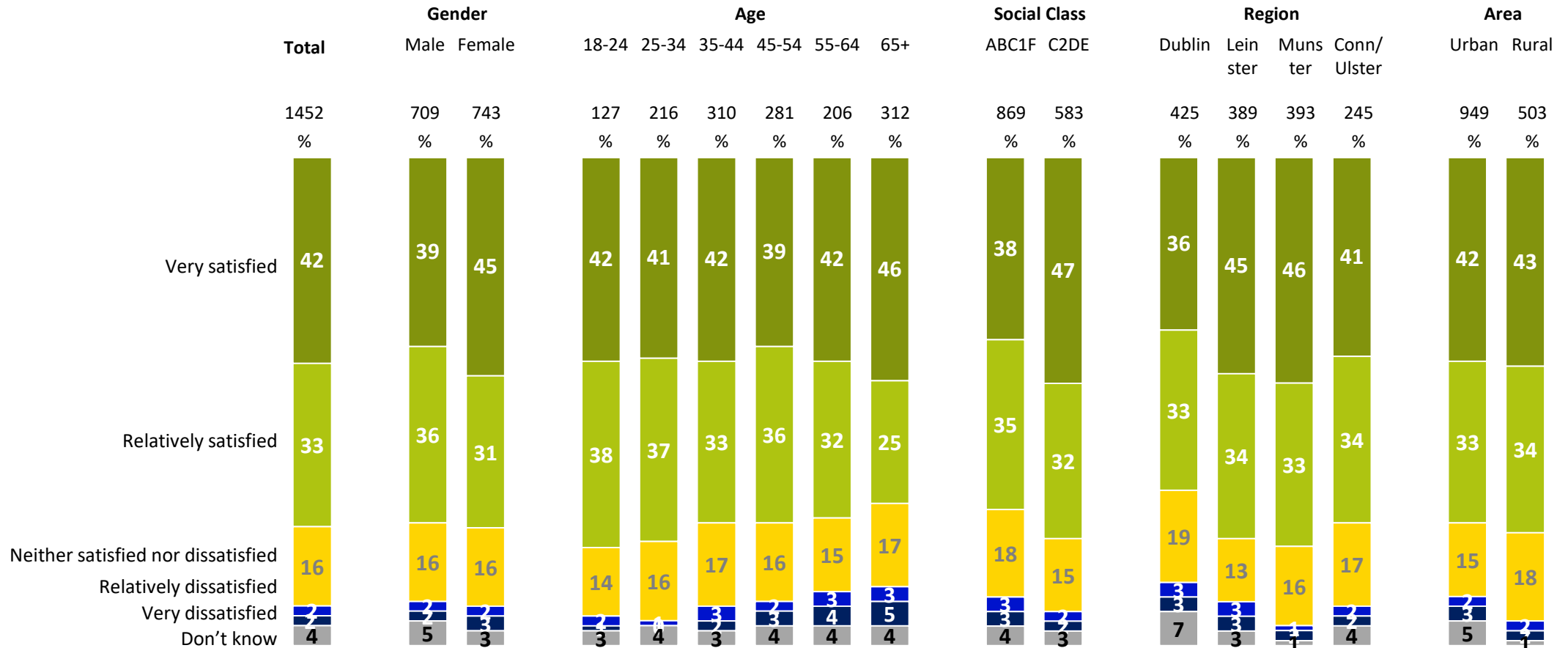


2 in 5 are very satisfied with the branch service from their main bank, with another 1 in 3 being somewhat satisfied. Just 4% are dissatisfied.

Satisfaction with Branch Service from Financial Provider x

Demographics

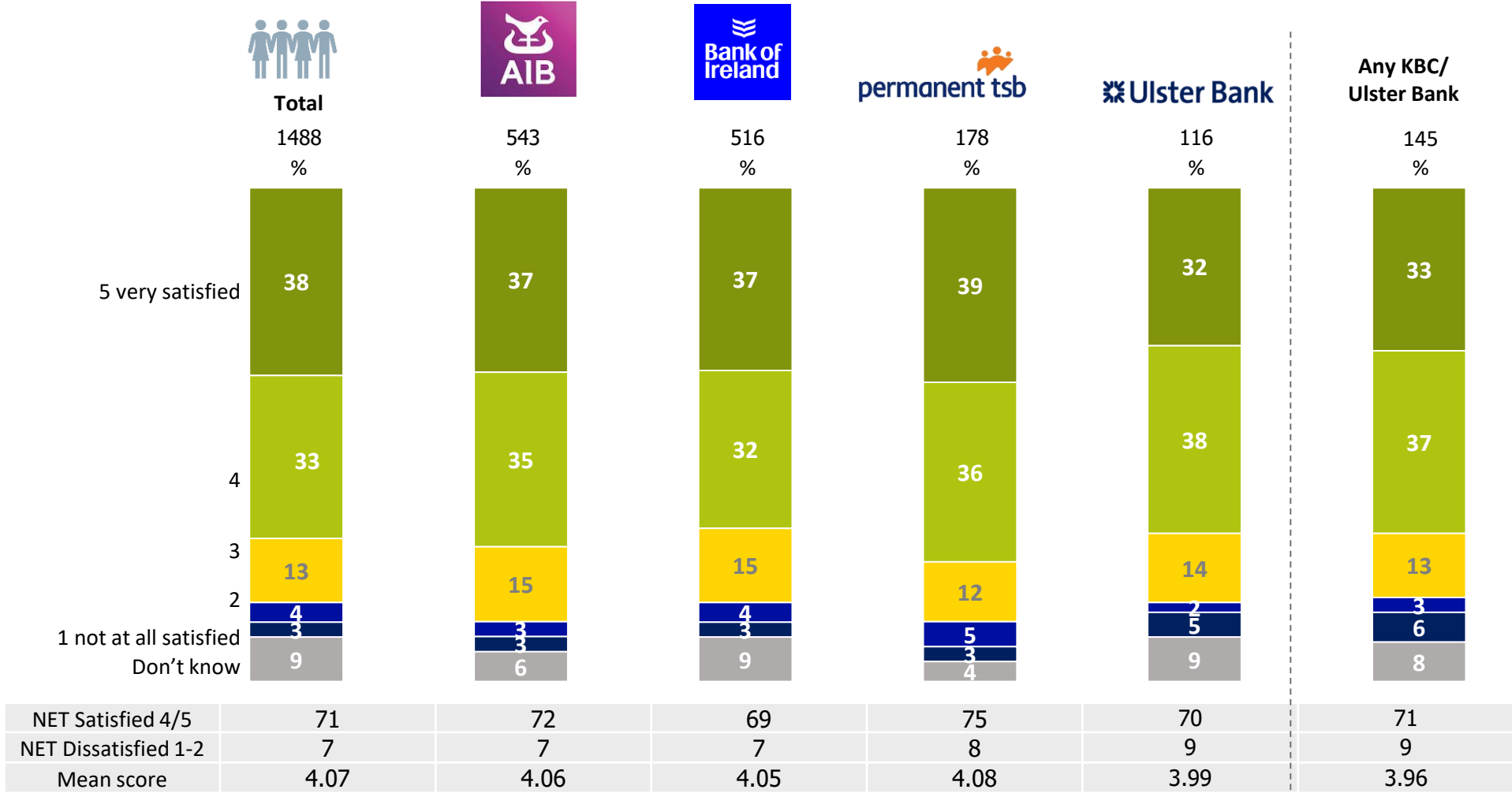
(Base: All respondents with current account with traditional retail bank, credit union or An Post: 1,452)



Those living in Dublin are less satisfied with the branch service from their main financial provider.

Satisfaction with Remote Services from Main Provider

(Base: All respondents with current account: 1,488)

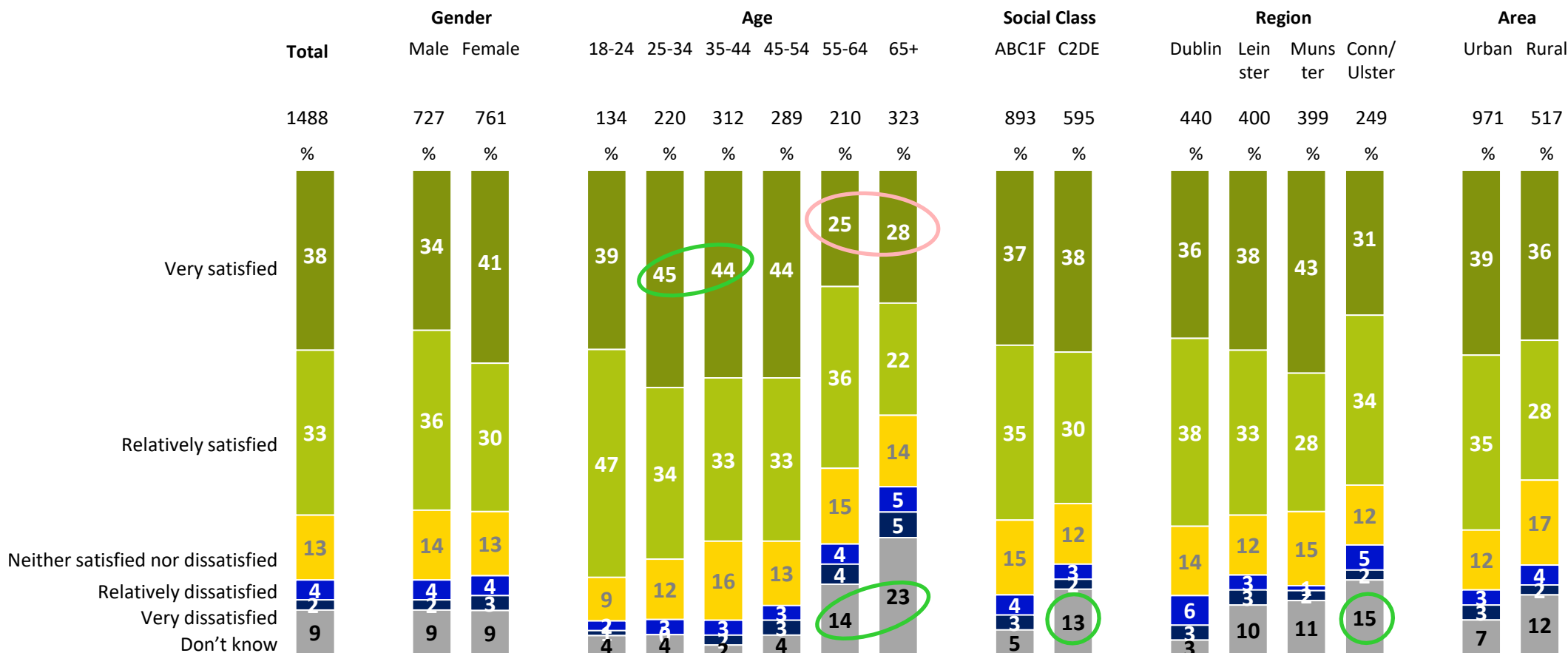


Almost 2 in 5 are very satisfied with remote services from their main financial provider, with 1 in 3 being somewhat satisfied. 7% are dissatisfied.

Satisfaction with Remote Services from Main Provider x

Demographics

(Base: All respondents with current account: 1,488)



The 55+ and those in rural areas are less satisfied with the remote services provided by main financial provider.

Reasons for Dissatisfaction with Branch Service & Remote Services from Main Provider

(Base: All dissatisfied)



Among the minority who are dissatisfied with branch service from their main financial provider, the main reasons provided are poor customer service, not enough staff and long queues/waiting times. For remote services, telephone is singled out with a too long response time.

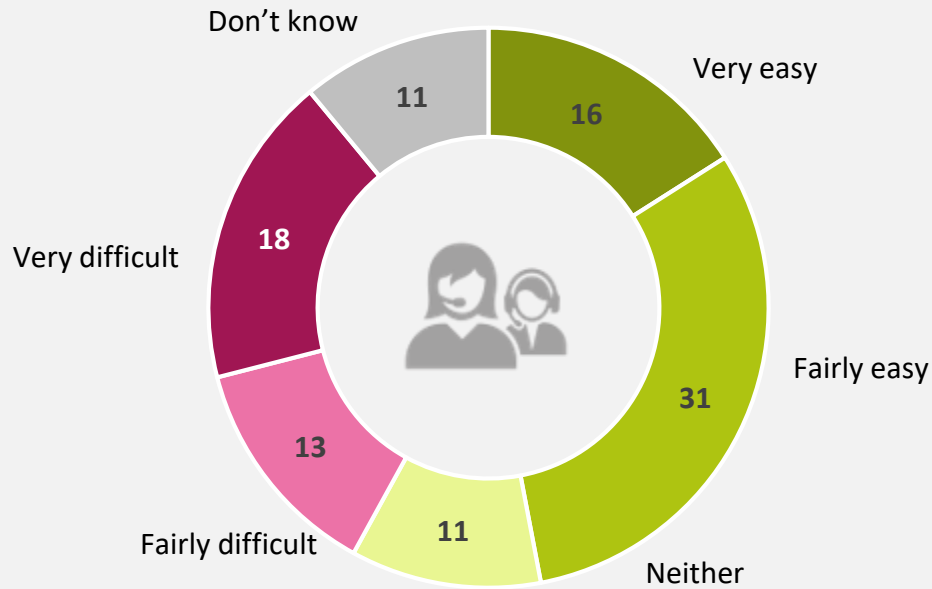
Ease of Getting in Contact with Provider Staff

(Base: All respondents with current account: 1,488)

By phone

Overall Levels of Ease

%

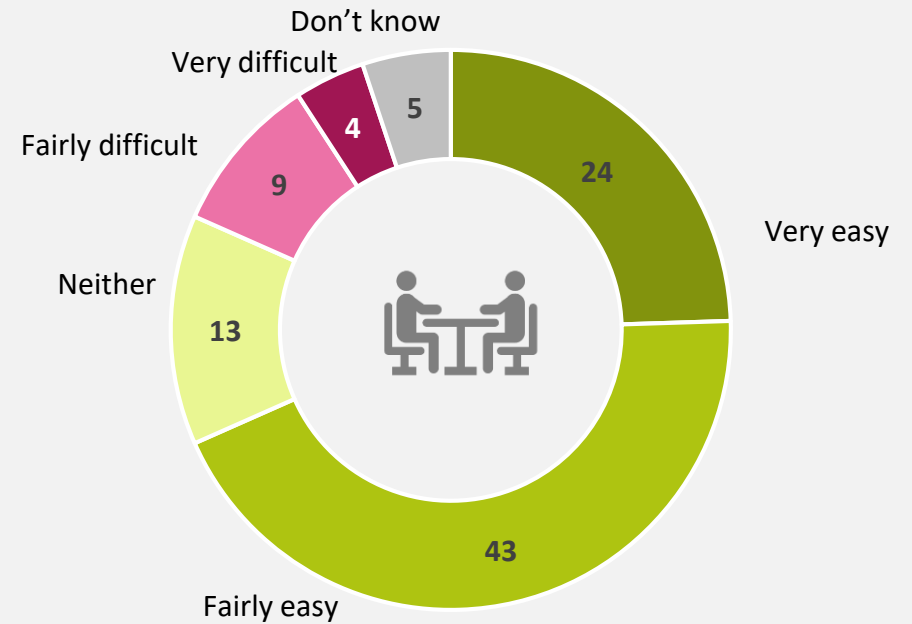


46% Any Easy | 31% Any Difficult

In branch

Overall Levels of Ease

%



68% Any Easy | 13% Any Difficult

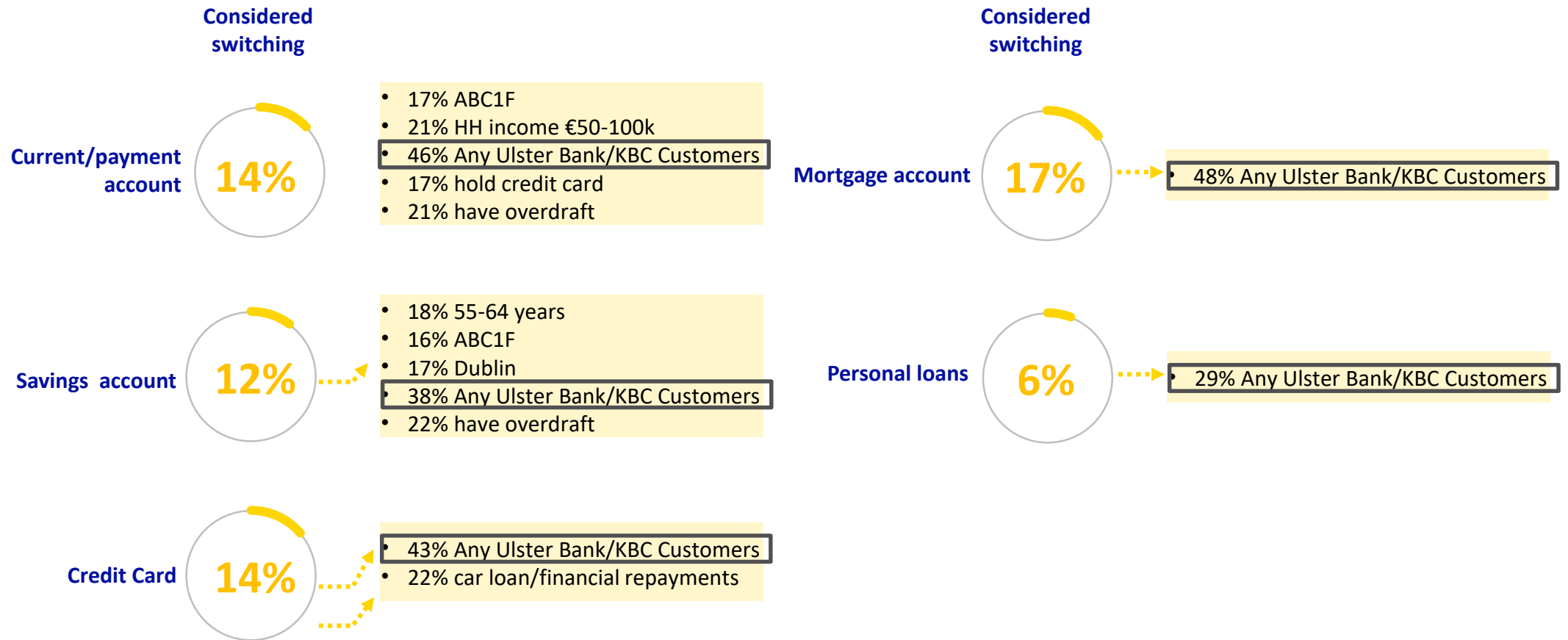
Challenges around ease of contact via phone is evident with a third saying it is difficult compared to half that level when you call into a branch.

8. Switching Behaviour & Experience



Ever Considered Switching Provider for Banking Products

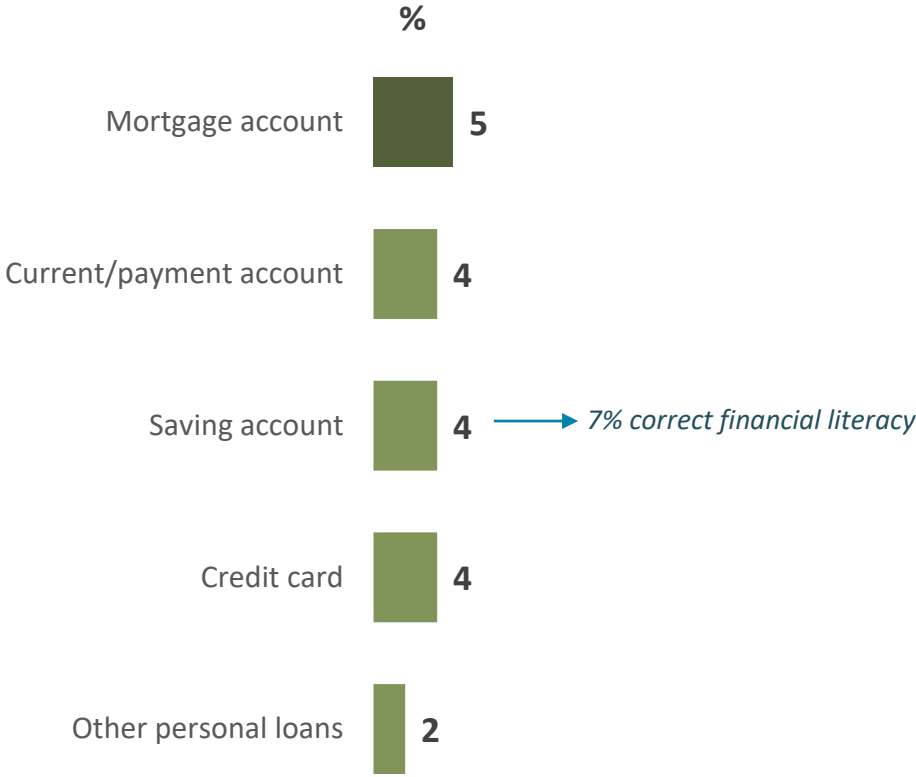
(Base: All respondents with product)



Switching consideration for banking products is limited, with approximately 1 in 7 considering switching current account, saving account, credit card or mortgage account. It should be noted too that this is in a climate where a switch is being forced on Ulster Bank/KBC customers which are increasing current switching consideration.

Switched Provider in the Past 5 Years

(Base: All respondents with product)



Actual switching is rarer still with only 4-5% of product holders having switched in the past 5 years for mortgage account, current account, saving account and credit card. This is across the population.

Ease of Switching Provider

(Base: All respondents who have switched provider)

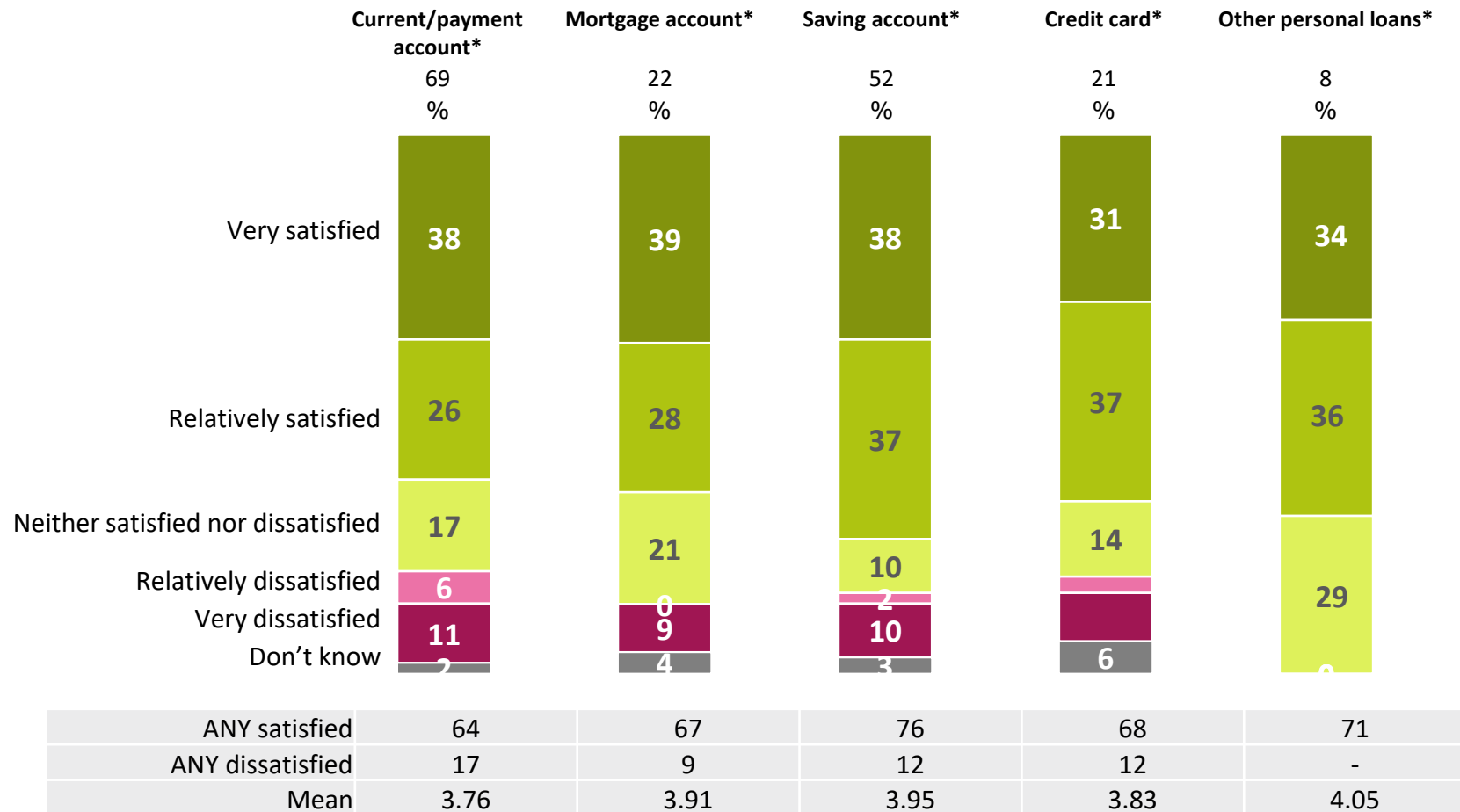


Across those who have switched current account in the past five years, almost half found it very easy to switch. It is perceived harder to switch mortgage provider compared to the other financial products.

*Caution: Small Base Size

Satisfaction with Switching Process

(Base: All respondents who have switched provider)

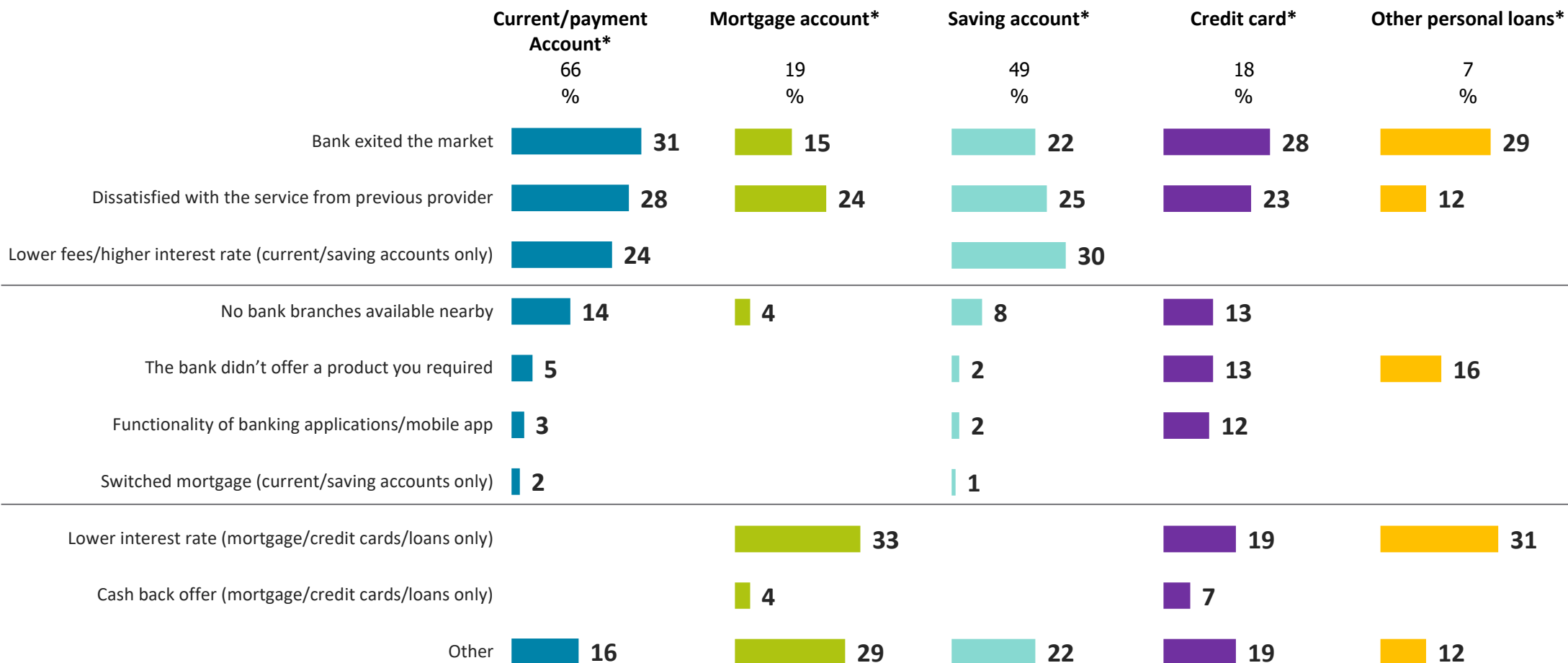


Almost 2 in 5 were satisfied with the switching process. However, almost 1 in 5 were dissatisfied with the process when switching current account.

*Caution: Small Base Size

Main Reason for Switching

(Base: All respondents who switched provider)

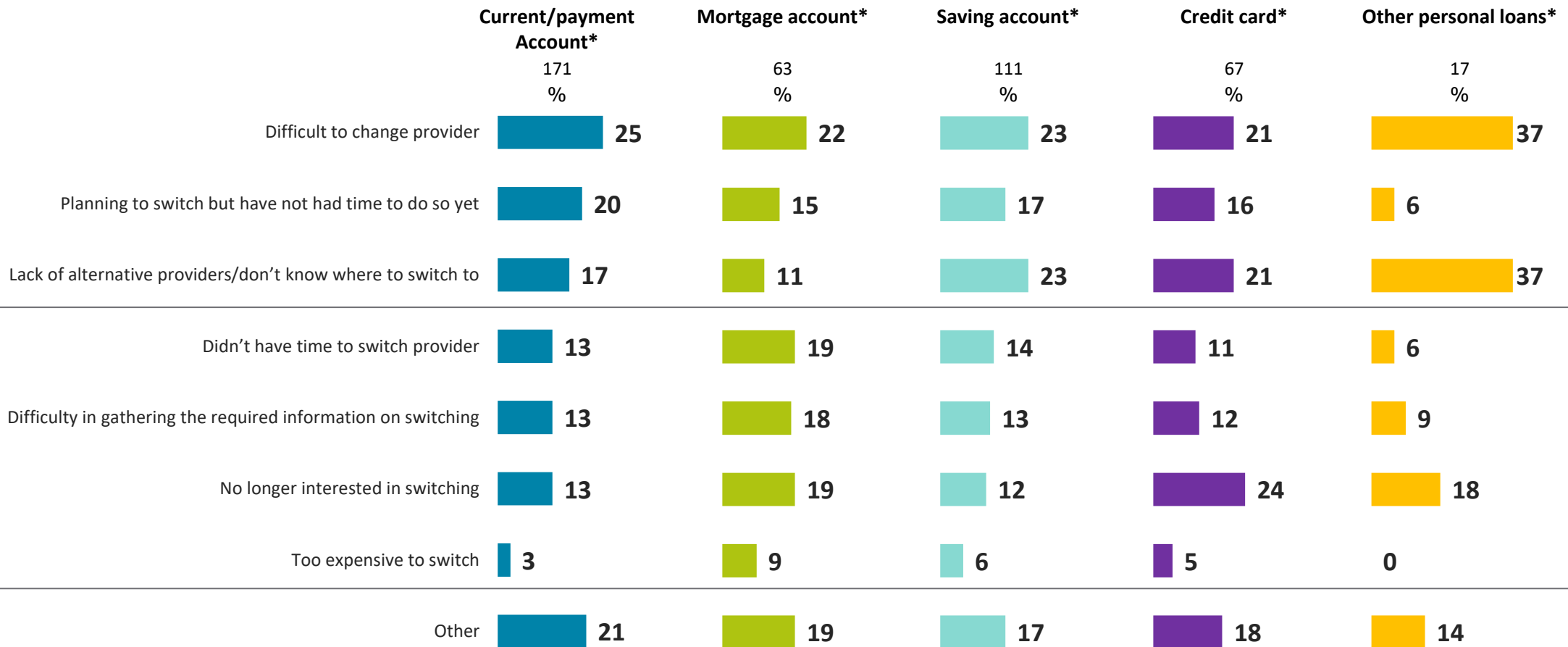


*Caution: Small Base Size

Main drivers of switching are better deals, dissatisfaction with previous provider and provider leaving the market.

Main Reason for Not Switching in Past 5 years

(Base: All respondents who considered switching but did not switch)

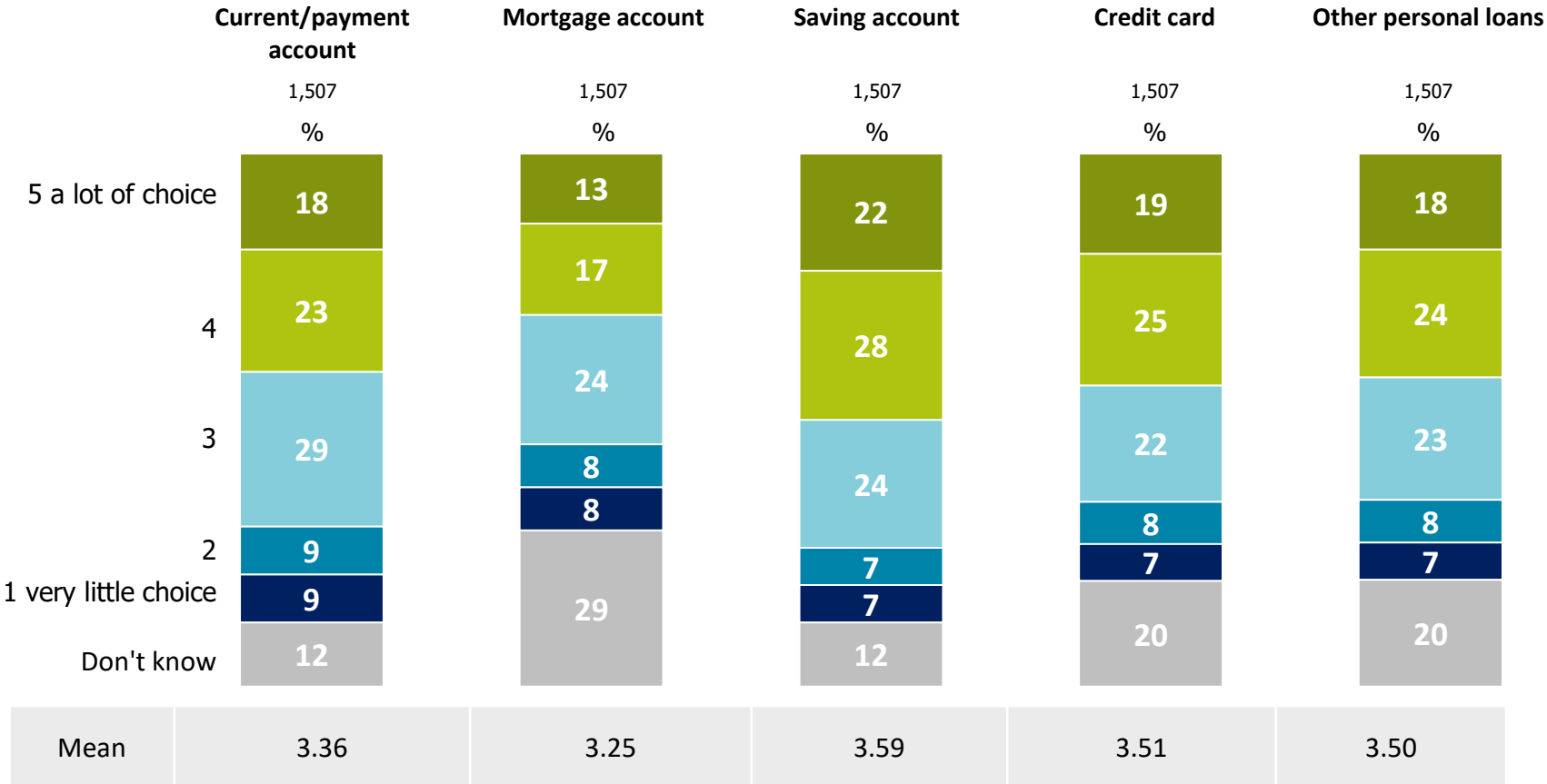


The actual reasons for not switching are spread out amongst a number of factors. A general difficulty in switching is a common thread across all the products followed by a lack of alternative providers which peaks amongst those considering savings account switching. Inertia is also a main reason for not switching. The perception that it would be too expensive to switch is not prominent.

*Caution: Small Base Size

Level of Choice/Competitiveness in Market

(Base: All respondents: 1,507)



Between 13-22% feel there is a lot of choice in the market – this is highest for savings accounts and lowest for mortgages.

Level of Choice/Competitiveness in Market x Demographics

4-5 Rating (A Lot of Choice)

(Base: All respondents: 1,507)

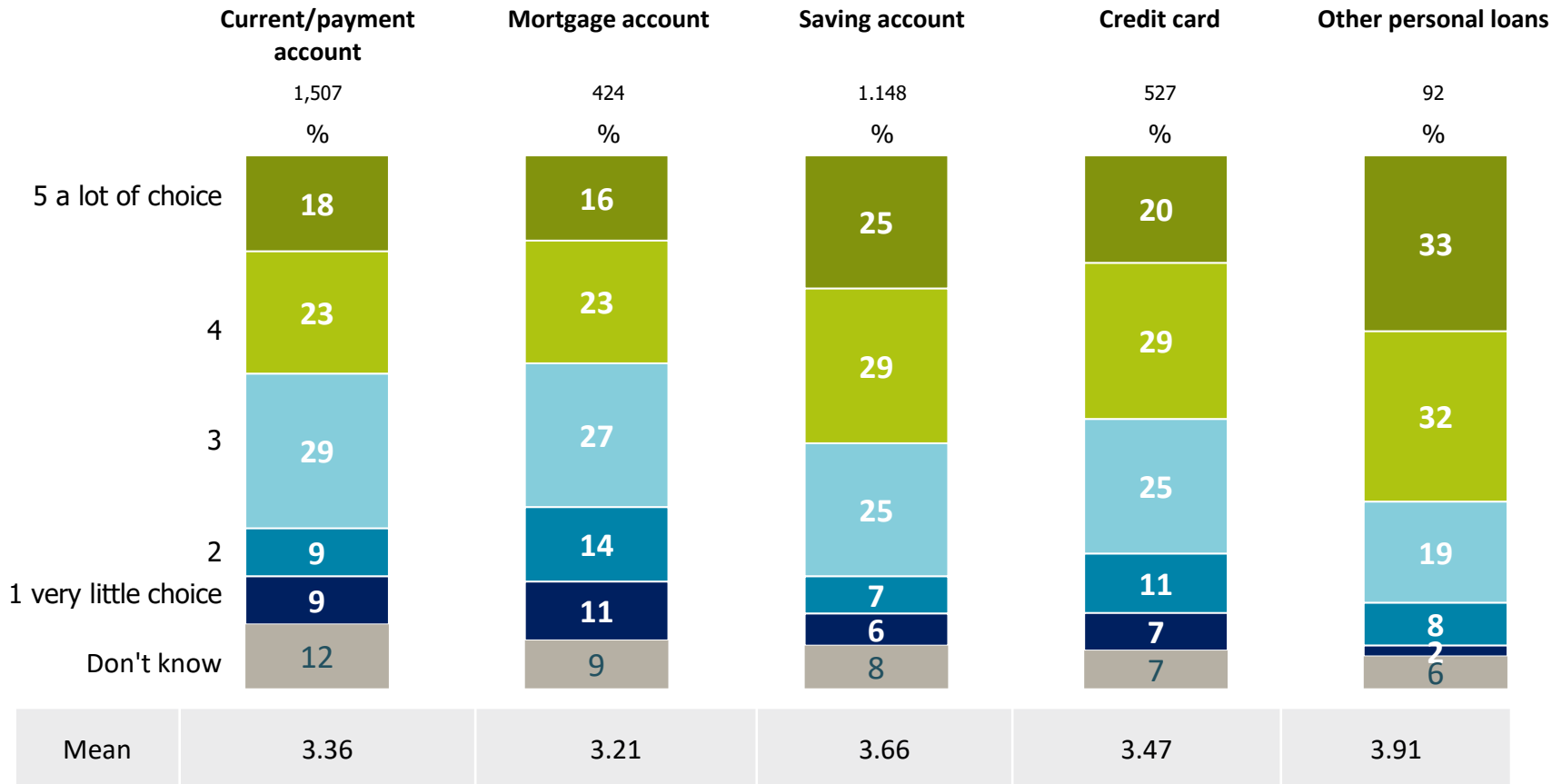
■ Statistically higher than total
■ Statistically lower than total

Those rating 4-5 – a lot of Choice	Total	Gender		Age						Social Class		Region				Urban Rural		Financial Situation	
		Male	Female	18-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Leinster	Munster	Conn/Ulster	Urban	Rural	NET Difficult	NET Easy
	1507	736	771	136	223	315	290	212	331	900	607	450	404	402	251	987	520	574	933
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Savings account	50	48	51	61	55	47	49	55	40	52	48	36	51	59	57	50	50	47	52
Credit card	44	43	45	55	45	45	44	45	35	48	40	36	42	49	52	44	44	43	44
Current account	41	39	44	57	44	41	38	42	33	43	40	30	38	54	46	42	40	38	44
Mortgage account	30	29	32	29	33	36	32	29	22	35	25	23	31	37	31	31	28	27	32
Other personal loans	43	43	43	55	47	39	44	47	32	45	40	34	41	53	46	43	42	41	44
None	37	37	36	26	33	38	37	33	47	34	40	47	39	27	32	36	39	39	35

Those aged under 25 are driving the perception that there is a choice when it comes to financial products.

Level of Choice/Competitiveness in Market

(Base: All holding each product)



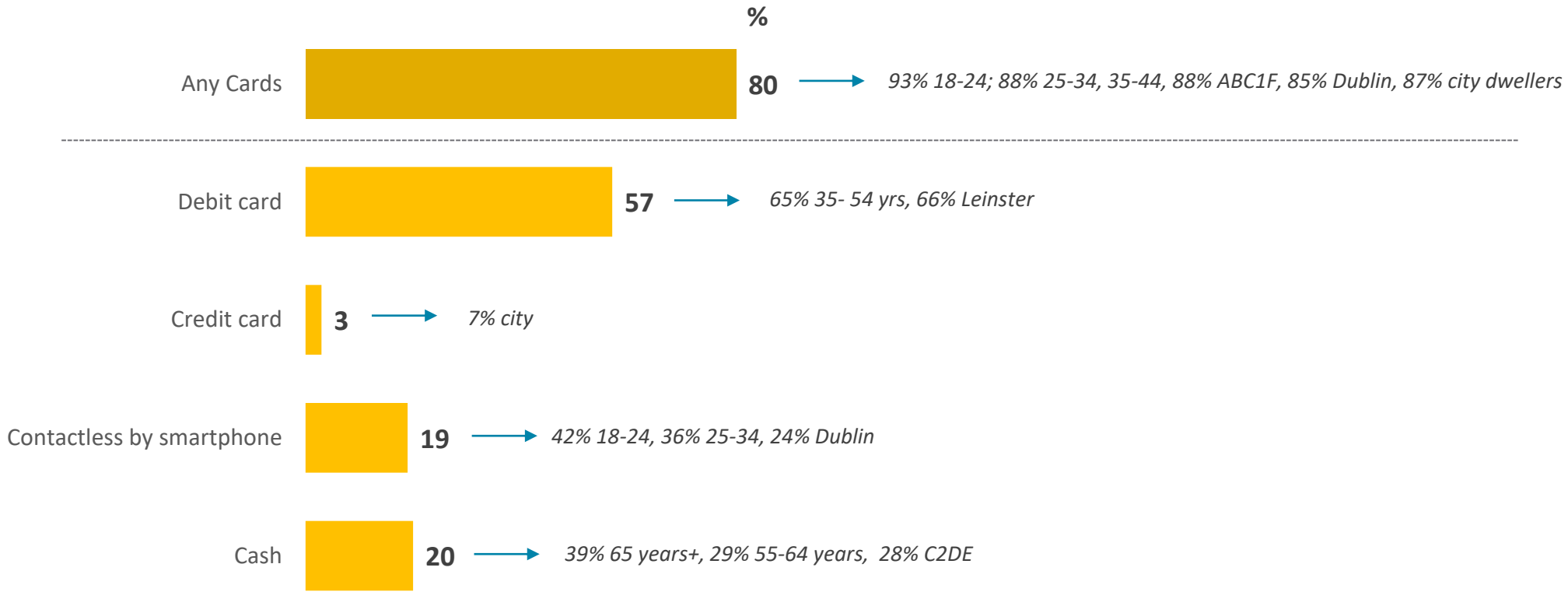
When looking at actual product holders, between 16-33% feel there is a lot of choice in the market – this is highest for personal loans and lowest for mortgages.

9. Cash vs Card Payment



Preferred Payment Method In-Store

(Base: All respondents: 1,507)



Cards and in particular Debit cards are the preferred payment method. One in five adults expressed a preference for cash – this is higher among those aged 55+ while preference for payments via smartphone is higher amongst under 35s.

Cash Percentage of In-Store Spend

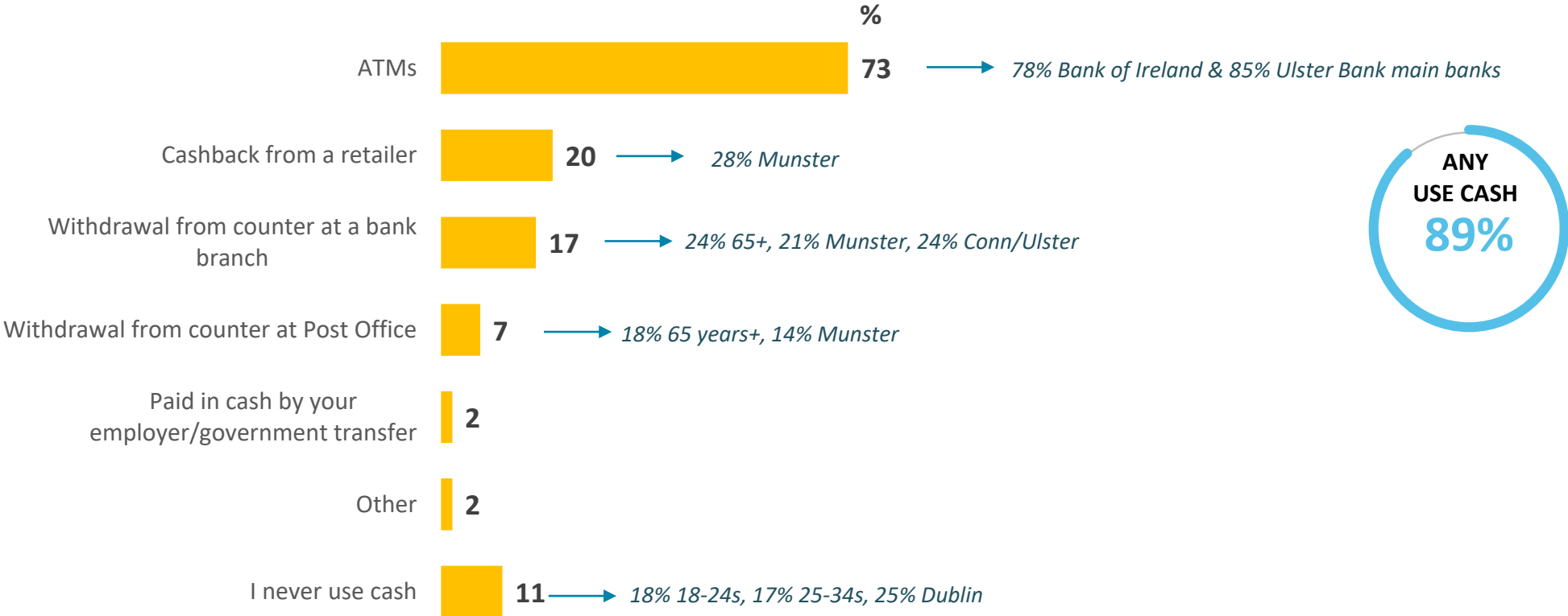
(Base: All respondents: 1,507)



The average claimed proportion of cash spending in-store relative to total spend is 31%.

Most Common Methods for Cash Withdrawals

(Base: All respondents: 1,507)



ATM still dominate in terms of cash withdrawals being used by three quarters of adults. Close to a quarter use cashback from a retailer. Those living in Dublin are less likely to use cash.

Cash Percentage of In-Store Spend

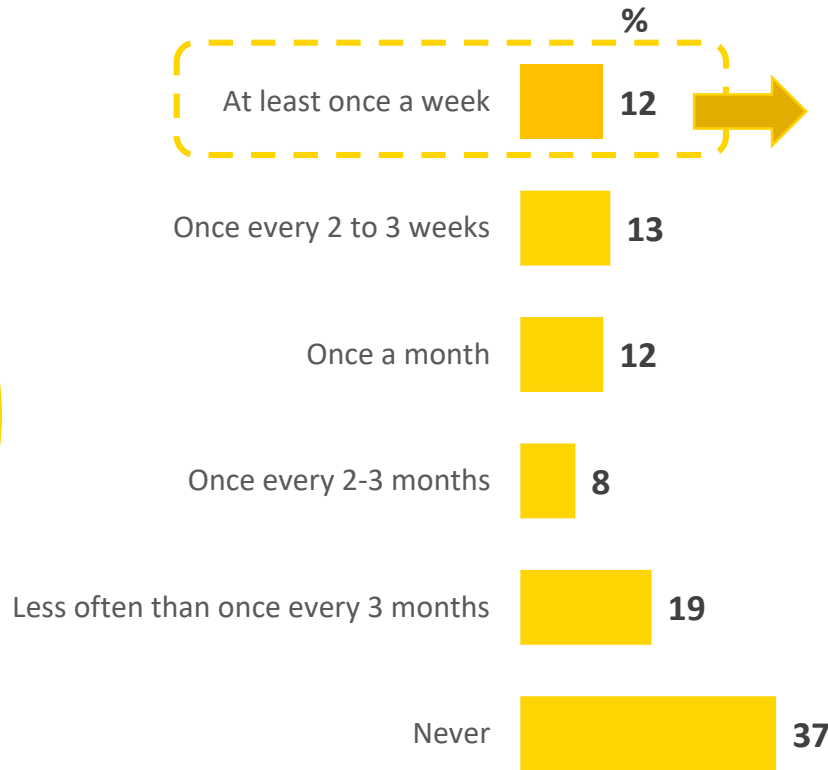
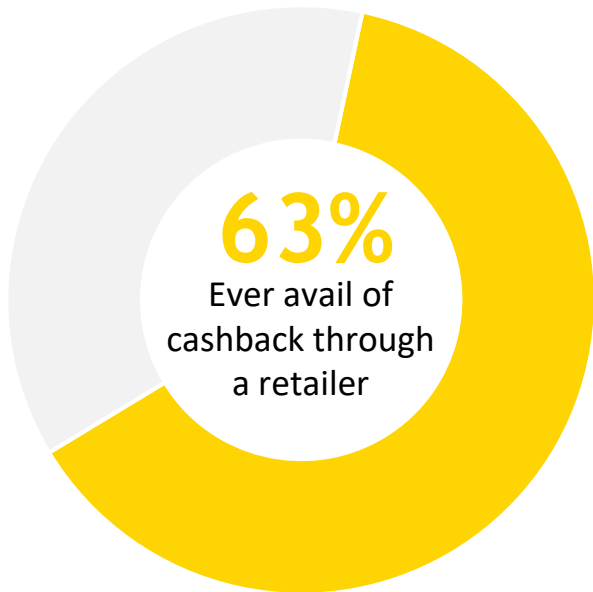
(Base: All respondents: 1,507)

	Total	Gender		Age						Social Class		Region				Urban Rural		Financial Literacy	
		Male	Female	18-24	25-34	35-44	45-54	55-64	65+	ABC1F	C2DE	Dublin	Leinster	Munster	Connaught /Ulster	Urban	Rural	Correct	Incorrect
	1334	657	677	109	184	270	256	204	311	773	561	336	380	378	240	833	501	823	511
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Less than 5%	20	19	22	29	29	22	20	15	11	25	15	35	16	16	10	24	13	23	16
From 5% to 10%	9	9	10	9	13	9	12	9	5	12	7	14	8	9	5	10	8	10	8
From 10% to 30%	31	31	31	33	30	38	28	34	24	33	29	28	31	31	36	30	34	31	32
From 30% to 70%	20	20	19	21	16	16	23	18	25	18	22	13	26	18	23	19	21	18	22
70% or more	19	20	18	9	12	14	16	25	36	12	27	10	18	26	26	17	24	18	22
Average	31.42	32.49	30.40	21.29	23.52	25.40	29.53	36.22	48.39	24.01	39.46	20.16	32.85	36.73	39.82	28.65	36.81	28.94	35.48

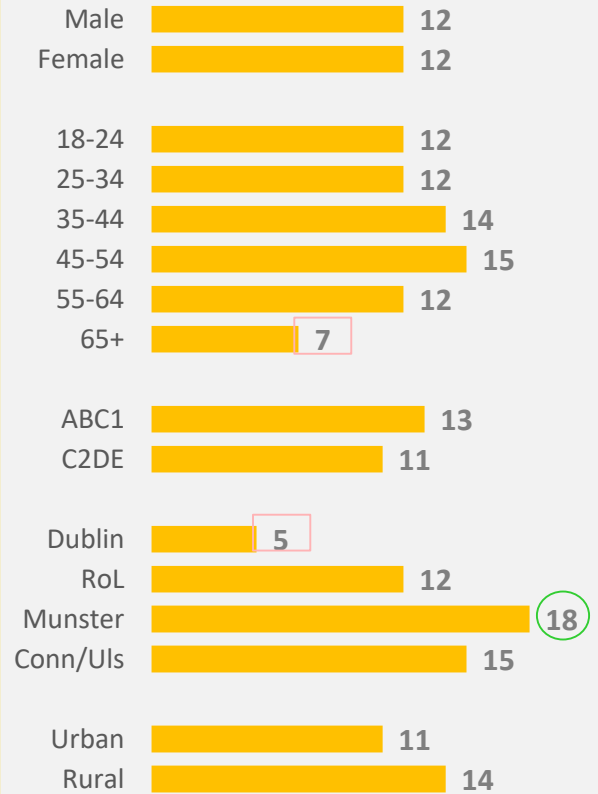
Those aged 65+ and the working classes are more likely to spend a higher proportion each week using cash.

Frequency of using Cashback

(Base: All respondents: 1,507)



Profile of Weekly Cashback Users



Close to two thirds of adults have ever availed of cashback through a retailer with one in eight using it at least once a week.

10. Conclusions



Conclusions

Banks & Financial Providers

- The pillar banks dominate in terms of main current account with 10% still with Ulster or KBC. Only 1% have their main current account with Revolut. The average adult uses the services of two banks.
- Almost 1 in 3 are very satisfied with their main financial provider overall, with an additional half being relatively satisfied. 7% are dissatisfied overall. Satisfaction peaks amongst those aged under 25.
- More than 2 in 5 feel that the banking culture has improved in Ireland since the 2007/2008 financial crisis. But 27% feel it has gotten worse and 1 in 3 feel it has not changed at all. Especially, younger and more affluent customers feel the banking culture has improved.

Financial Products/Services Held

- Close to, but not all, of the population hold current accounts, three quarters hold savings accounts and a third hold credit cards. A quarter have a mortgage. Those aged 45-54 and the middle classes hold the most financial products.
- Those with current accounts are likely to stick with their main financial provider for saving accounts, credit cards and overdrafts. Other providers get more of a look in for mortgages. Other providers play a bigger role in terms of car loans/financing and personal loans.

Conclusions

FinTech Providers

- Around one in five have a payment account with FinTech companies with Revolut being the main provider.
- The main appeal of FinTech companies versus traditional retail banks is that they offer instant money transfers, free banking and allow you to split bills as well as providing a great/user friendly app.
- Three in five users of FinTech strongly believe (5/5) that the services offered by FinTech providers are a very good substitute for the services offered by a traditional bank.

Channel Availability & Usage

- Unsurprisingly Dubliners and those living in urban areas are best serviced by the branch network with the majority of those in these cohorts saying they have a branch within 5km of them. Those in Connaught/Ulster and rural areas are required to travel further to get to their main bank. Almost 1 in 4 have to travel more than 10km to get to their main bank.
- Actual and ideal frequency of visiting branches track closely with 37% saying monthly or more frequently is their preferred approach to branch visits.
- Monthly branch visiting is higher amongst those aged over 55 and is particularly high amongst those aged 65 or over and amongst those living in Leinster (excluding Dublin) and Connaught/Ulster.
- Digital channels now dominate in terms of being the main form of contact with main bank but close to quarter still consider branch visits their main form of contact. This is driven by the older age groups which are less likely to use online banking.

Conclusions

Channel Preference & Satisfaction

- Lodgments/withdrawals and financial advice are still seen to require a physical presence in branches.
- Overall, there is a high degree of confidence in automated branch services apart for Forex (where a high proportion do not know how it would work rather than being not confident per se) and Financial Advice.
- While 71% are very or relatively satisfied with the remote services received from their main bank, challenges remain around the ease of contact via phone with a third saying it is difficult compared to half that level when you call into a branch.

Switching Behaviour & Experience

- Consideration of any type of financial product switching is low in Ireland. It should be noted too that this is in a climate where a switch is being forced on Ulster Bank and KBC customers.
- Actual switching is rarer still with only 2-5% switching in the past 5 years, depending on financial product. Note also that switching levels aren't any higher for Ulster Bank/KBC suggesting that most of their customers are still in the process of moving. Ease of switching and satisfaction with the process are rated as high among those who switched.
- The actual reasons for not switching are spread out amongst a number of factors. A general difficulty in switching is a common thread across all the products followed by a lack of alternative providers which peaks for savings accounts. Inertia is also a significant barrier for switching. The perception that it would be too expensive to switch is not especially prominent.

Conclusions

Cash vs Card Payment

- Cards and in particular Debit cards are the preferred payment method. One in five adults expressed a preference for cash, this over indexes amongst those aged 55+ while preference for payments via smartphone is highest amongst under 35s.
- ATMs dominate in terms of channel of cash withdrawals with it being used by three quarters of all adults. Close to a quarter use cashback from a retailer.
- Close to two thirds of adults have ever availed of cashback through a retailer with one in eight using it at least once a week.

