



Rialtas na hÉireann
Government of Ireland

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

2022



#RetailBankingReview



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Summary



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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.

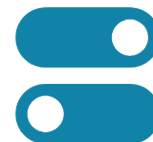


Overall, there is a **high degree of confidence in automated branch services and online banking services** apart from Forex and Financial Advice.

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.

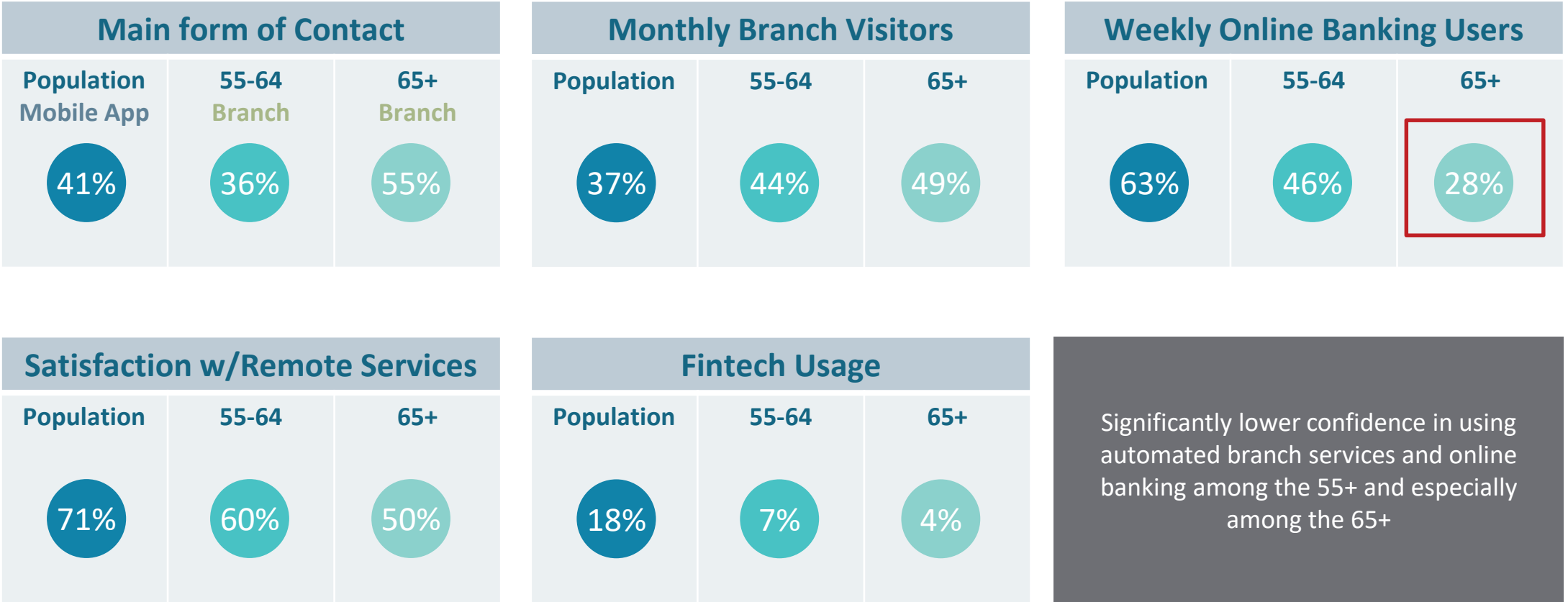
The main reasons for using digital banks are instant money transfer, free banking, splitting bill facilities and a great/user-friendly app.



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



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.



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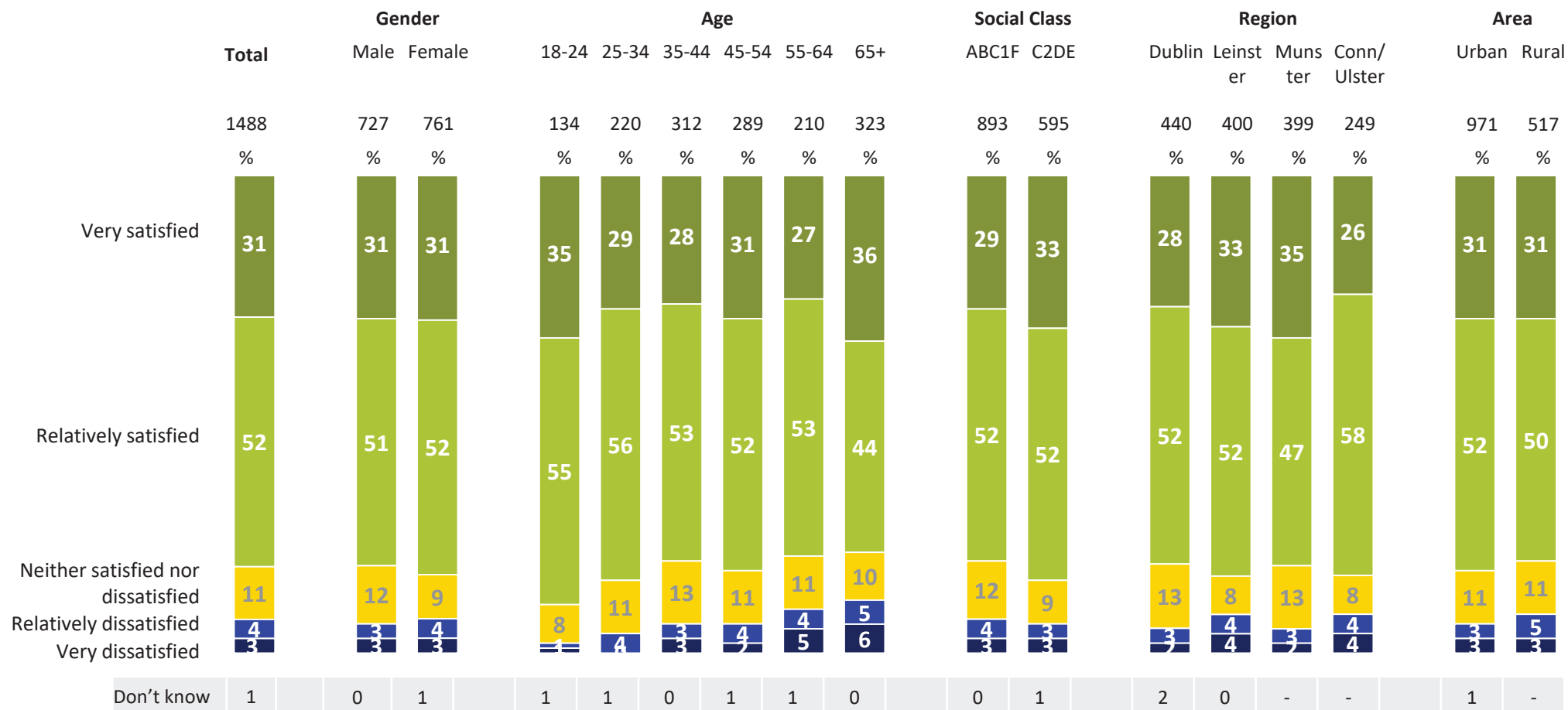
Channel Usage & Preferences



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Overall Satisfaction with Main Bank/Financial Provider

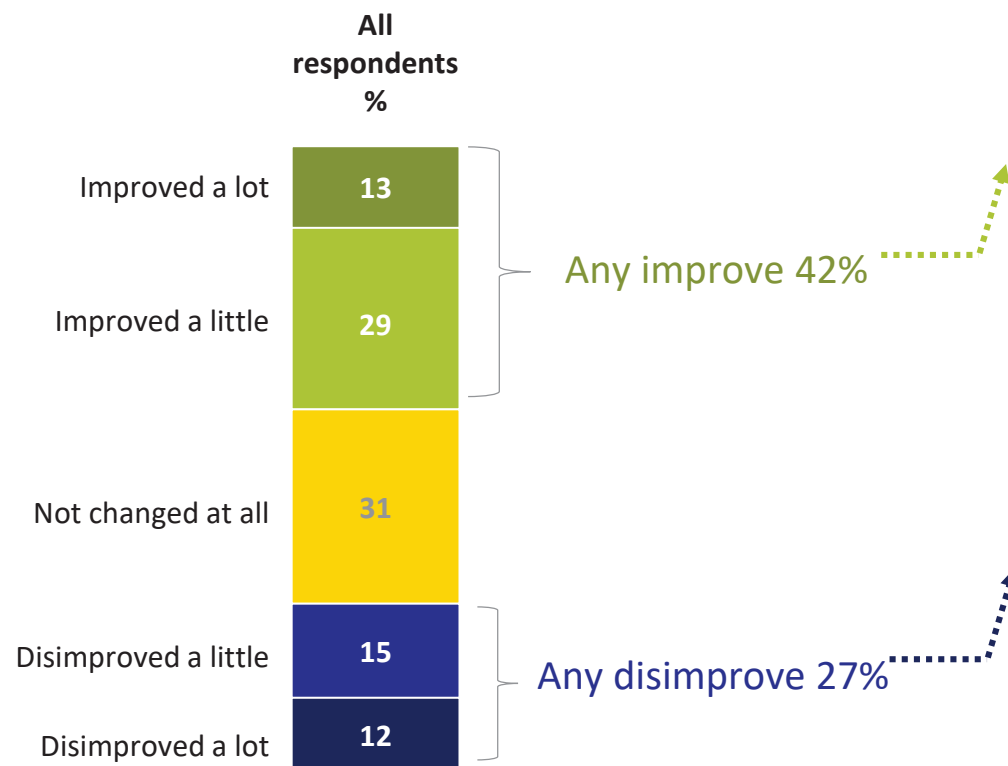
(Base: All respondents with current account: 1,488)



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

Culture of Banks since Financial Crisis

(Base: All respondents: 1,507)



Any Improve Higher for



18-24 year olds	53%
ABC1F	46%
Munster	54%

Any Disimprove higher for



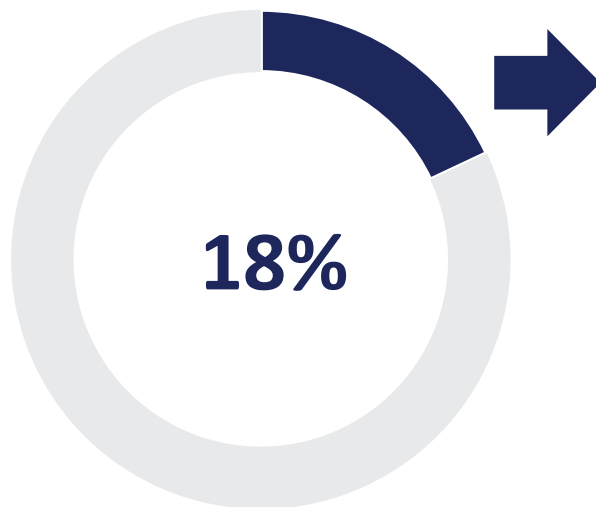
55-64 year olds	36%
65+ years	40%
Leinster	35%
Conn/Ulster	44%
Rural	37%
Never use online banking	38%
No broadband at home	42%

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.

FinTech Usage

(Base: All respondents: 1,507)

Total FinTech



18% Revolut | 0.5% N26

○ Statistically higher than total
□ Statistically lower than total

Who are they?

	%
Male	19
Female	18
18-24	39
25-34	28
35-44	22
45-54	17
55-64	7
65+	4
ABC1F	23
C2DE	13
Dublin	30
Leinster	15
Munster	11
Conn/Ulster	15
Urban	20
Rural	15

Financial Situation	%
Net Difficult	15
Net easy	20
Online banking	
Ever	23
At least once a week	25
Preferred Payment	
Net cards	22
Debit card	15
Credit card	18
Contactless by smartphone	44
Cash	3
Products held	
Savings account	18
Mortgage account	23
Credit card	19
Overdraft	21

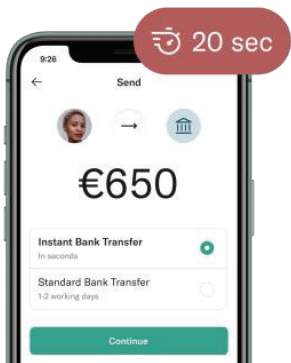
Around one in five use FinTech companies for banking/payments at least occasionally. FinTech usage is higher among the 18-34 year olds, higher social classes and Dubliners.

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



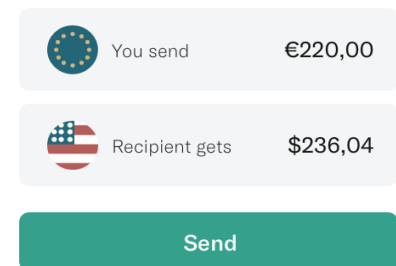
3



4



5



Instant money transfer

89%

Free banking

84%

Great/user-friendly app for mobile banking

83%

Splitting bills

55%

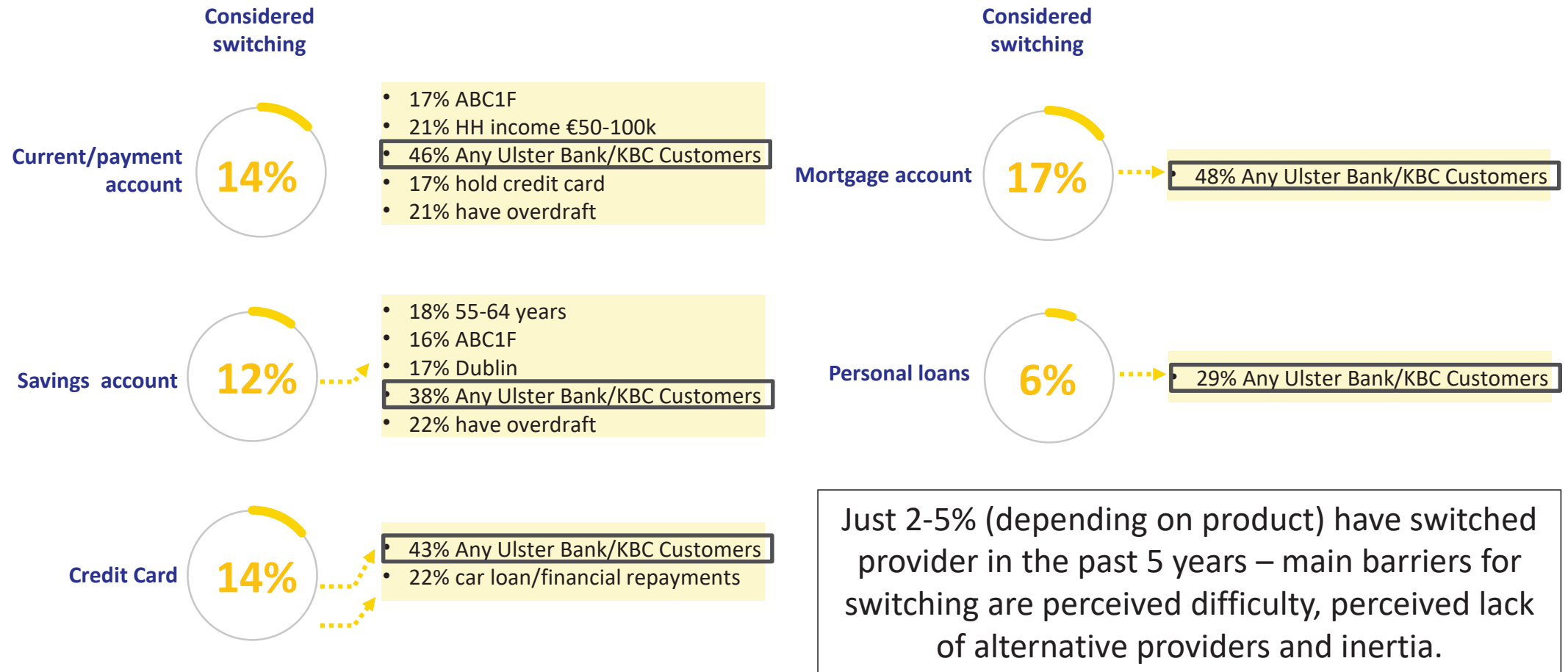
Foreign Exchange

41%

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

Ever Considered Switching Provider for Banking Products

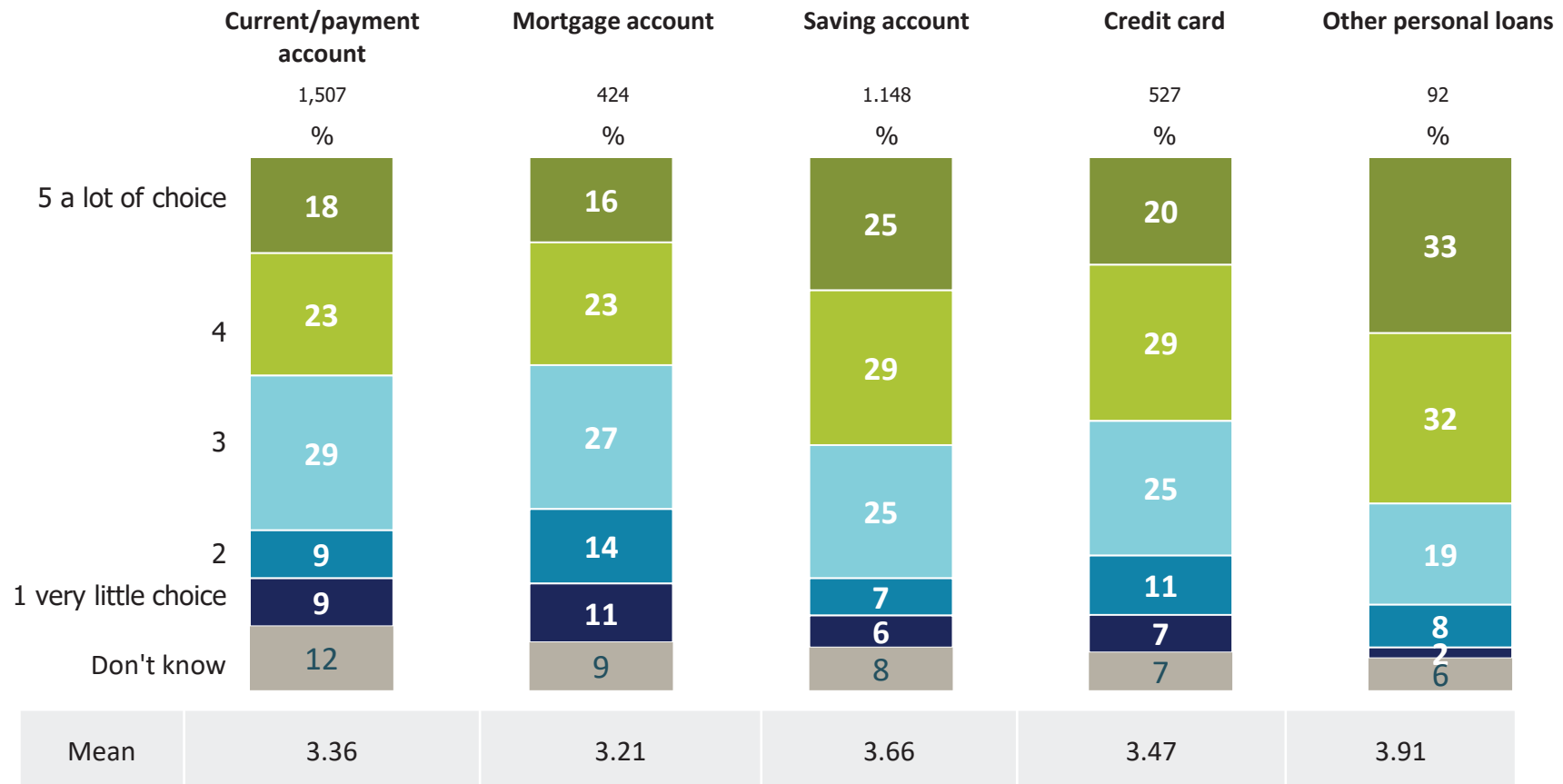
(Base: All respondents with product)



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.

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.



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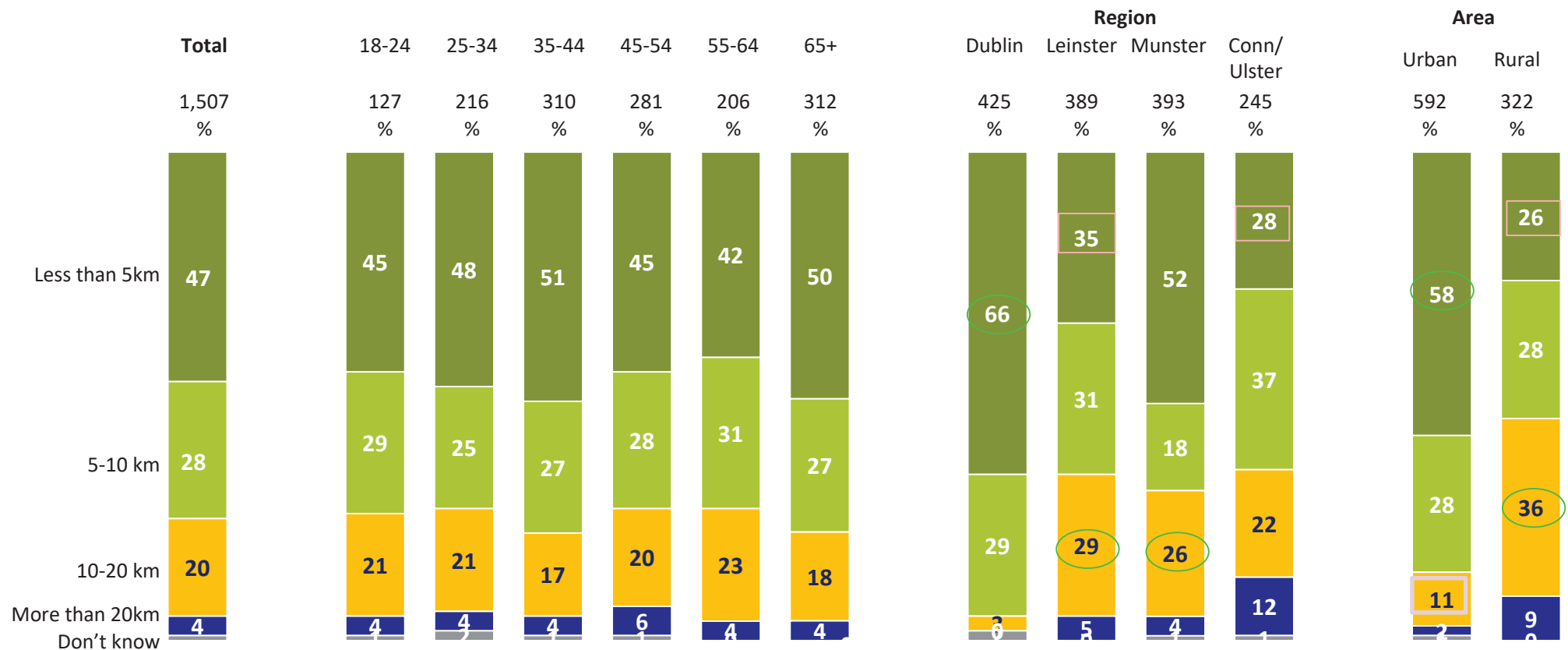
Banking Experience & Switching



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Location of Nearest Branch from Main Bank

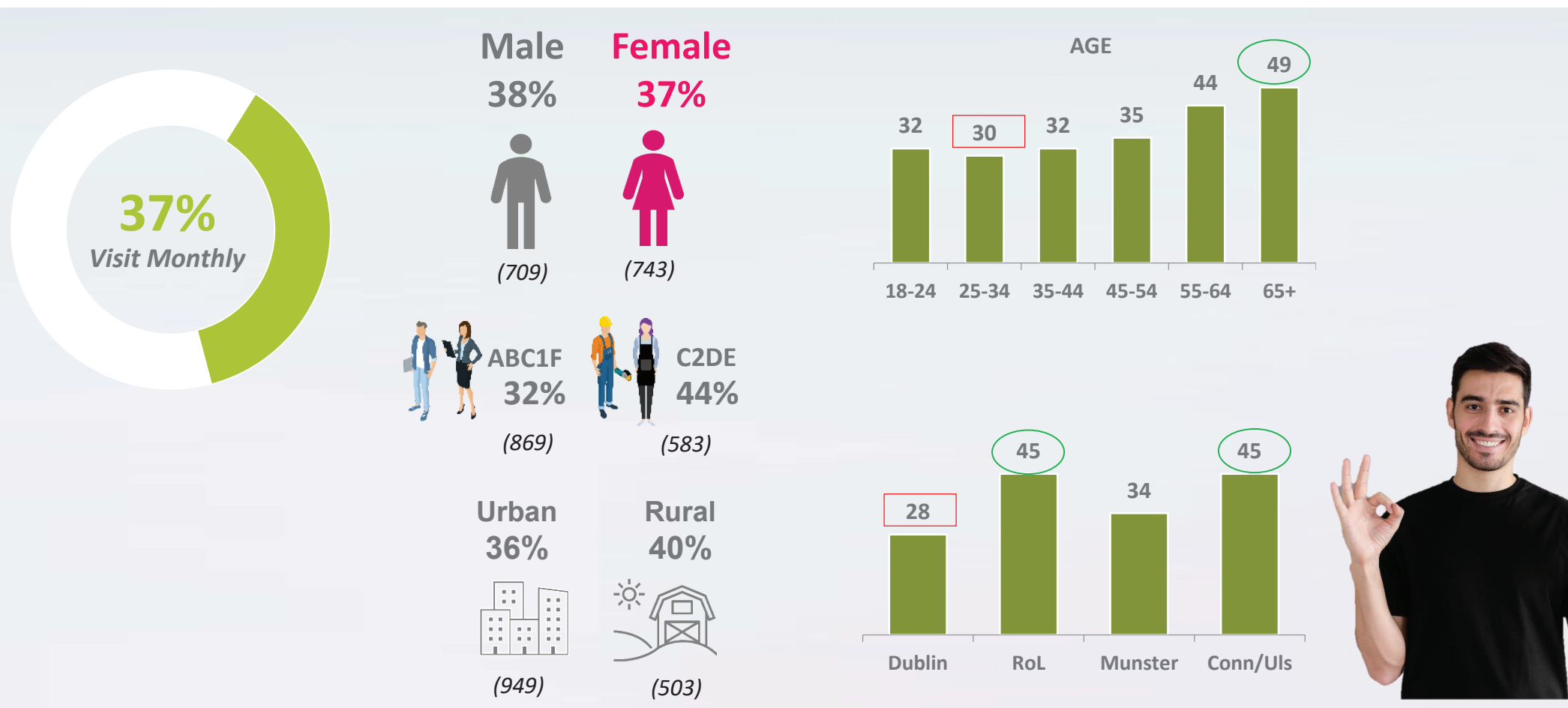
(Base: All respondents with current account with traditional retail bank, credit union or An Post: 1,452)



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.

Profile of Monthly Branch Visitors

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

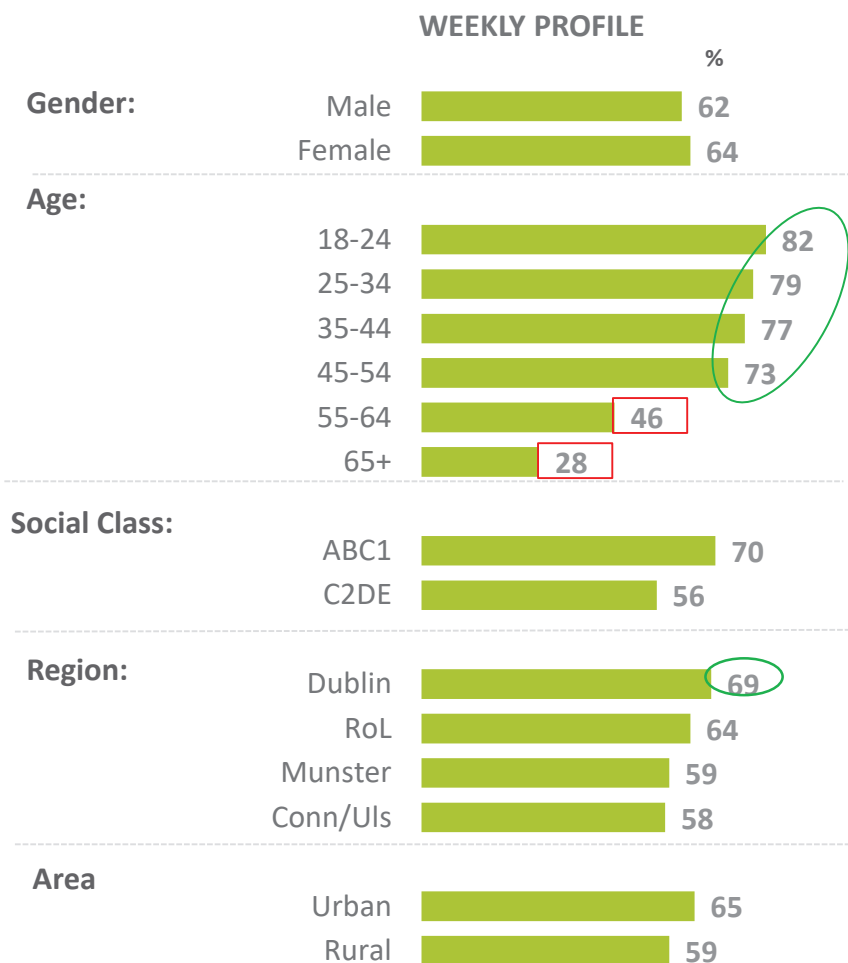
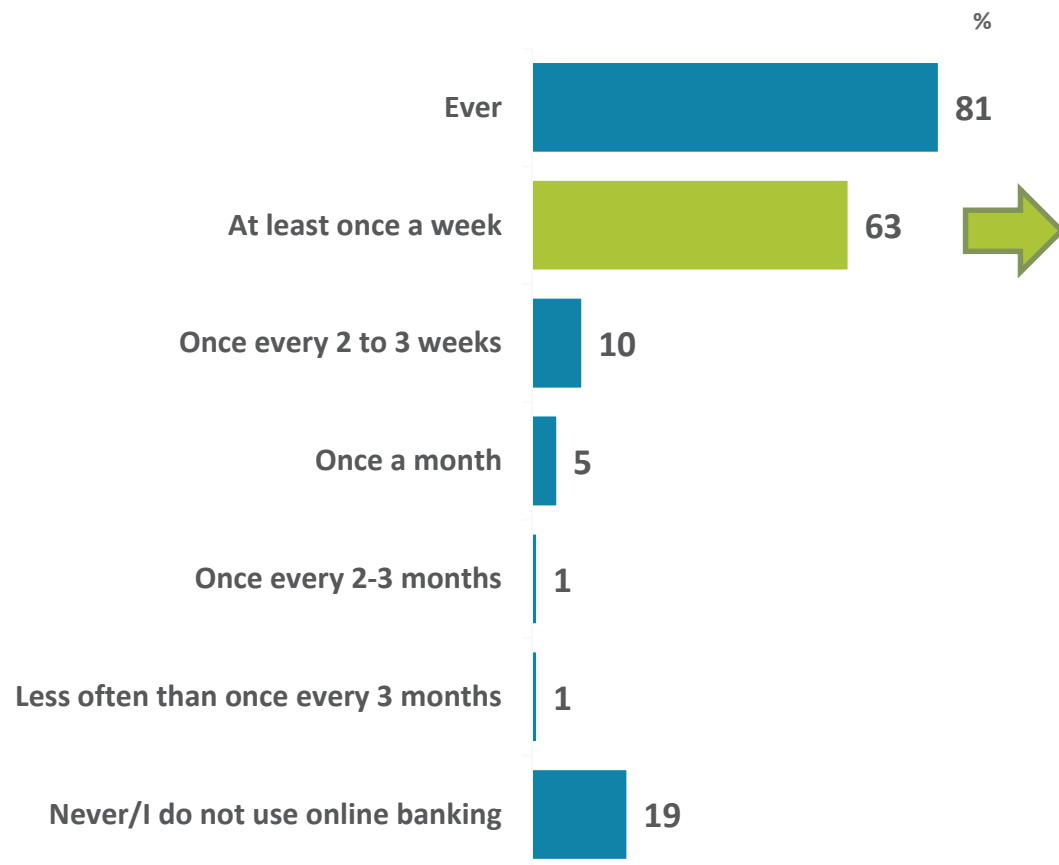


(Figures in brackets = base size)

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

Weekly Profile - Accessing the internet for Online Banking

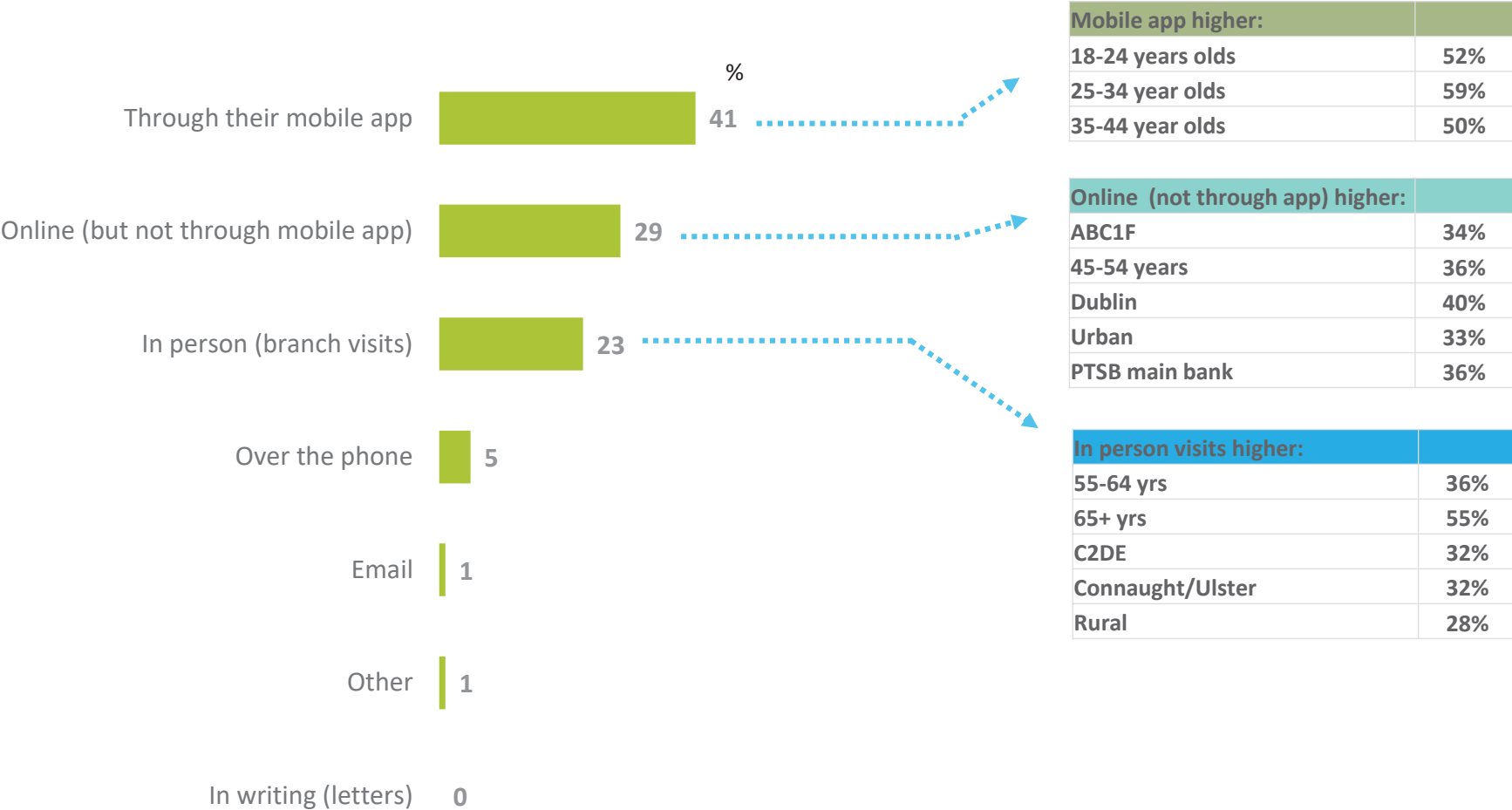
(Base: All respondents with current account: 1,488)



Frequency of accessing the internet for online banking drops dramatically amongst those aged 55+.
69% of online banking users mainly access through mobile app.

Main Form of Contact with Main Provider

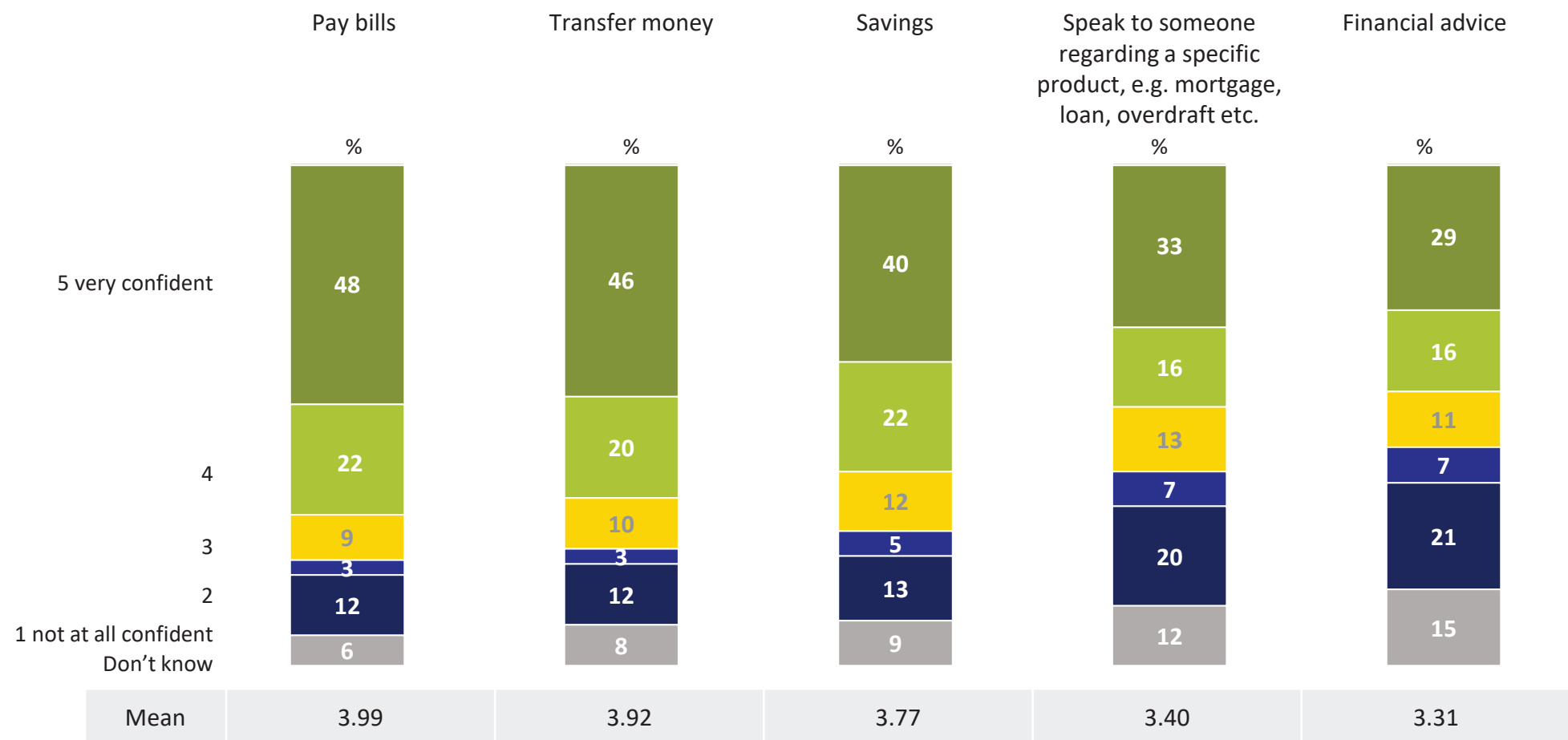
(Base: All respondents with current account: 1,488)



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

Level of Confidence in Ability to Use Online Banking Services

(Base: All respondents: 1,507)

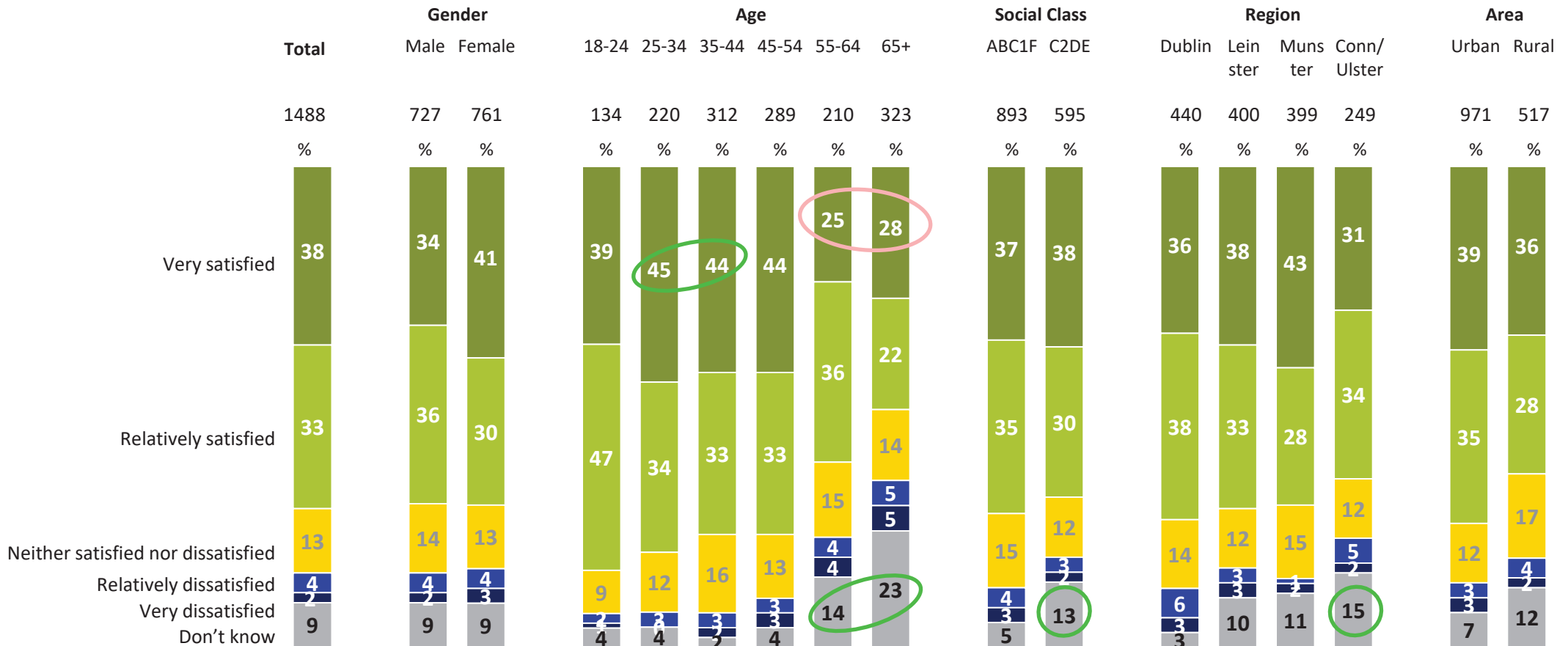


Confidence in dealing with these aspects is generally very high across the board.
A lack of confidence is evident when some kind of a personal interaction is required.
Confidence is significantly lower among 55+ year olds.

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.
Phone waiting times is the main driver of dissatisfaction with remote services.



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