No Great Rush to Switch Banks

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Despite a widespread marketing and publicity campaign for the new faster current account switching service, only a small minority of people intend to switch their main financial services provider (MFSP -generally main bank) in the next 12 months.

Research conducted by GfK NOP for JGFR found only 2% of adults intend to switch account with approaching a half of people very satisfied with their main bank and will not switch away. A further 46% were either not very likely / not at all likely to switch accounts. Chart: To switch or not to switch main bank account, September 2013 Source: GfK NOP / JGFR Among the leading high street banks, over a half of customers of NatWest are very satisfied and will not switch (54%). By profile the concern for the banks is that their most active and wealthier customers are more likely to switch, especially if they intend taking out a mortgage. The latest banking brands have something of a retro feel; firstly with the re-emergence of TSB and in the next year Williams & Glynns.Â Early evidence of TSB as a main financial services provider shows a market share of around 3.5% with parent Lloyds Bank having a market leading share of around 13%. Theâ€™ forcedâ€™ customers of TSB appear more likely than most to be considering switching. For the new owners of Willian & Glynns similar attitudes may prevail as customers are forced to review their banking arrangements. Overall the leading MFSP top ten brands remain unchanged on the quarter with the market share edging higher to 84% as the leading brands have re-positioned. The fall in market share over recent quarters has been reversed. A year ago the Top 10 market share was 86%. Chart 2: Top ten leading MFSP brands, September 2013, 4-quarter moving average Source: GfK NOP / JGFR The desire to nudge consumers to change their bank accounts to generate greater competition looks set to be slow in taking effect. For more information please visit/contact: Enquiries: www.jgfr.co.uk/ | j.gilbert@jgfr.co.uk |Â @JohnGilbertJGFR Follow Market Research World on Twitter or join in the conversation with our LinkedIn Group