

# permanent tsb switching index



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The permanent tsb Switching Index compares and contrasts consumer loyalty across a range of household necessities and explores the reasons why consumers switch in each area, as well as their overall attitudes to spending and saving. The sectors covered are electricity, broadband, car insurance, mobile phone providers and banking.

Consumers were asked questions about their satisfaction or frustration with their current provider, the range of choice available in each category, positive and negative sentiment about a provider or a sector, whether charges are rising or falling and the likelihood of them changing provider in the next 12 months.

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**Section 1: Attitudes towards providers**  
– What consumers really think

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**Section 2: Switching and prices**  
– Perception versus reality

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**Section 3: Switching Index**  
– Are we prepared to make the move

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**Section 4: Financial switching**  
– The savvy consumer

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**Section 5: Financial management**  
– The day to day

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Appendix: Research Methodology

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# Section 1

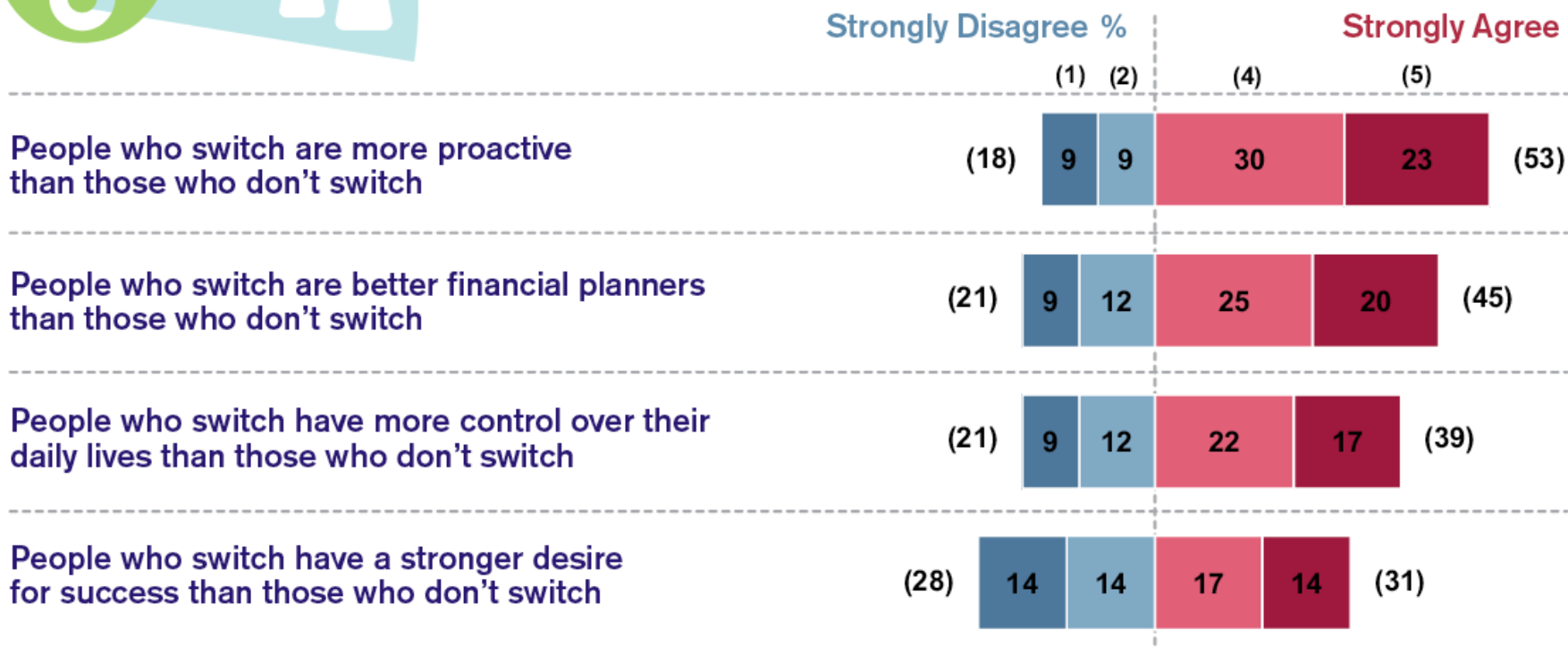
Attitudes Towards Providers –

# What consumers really think



# What consumers really think

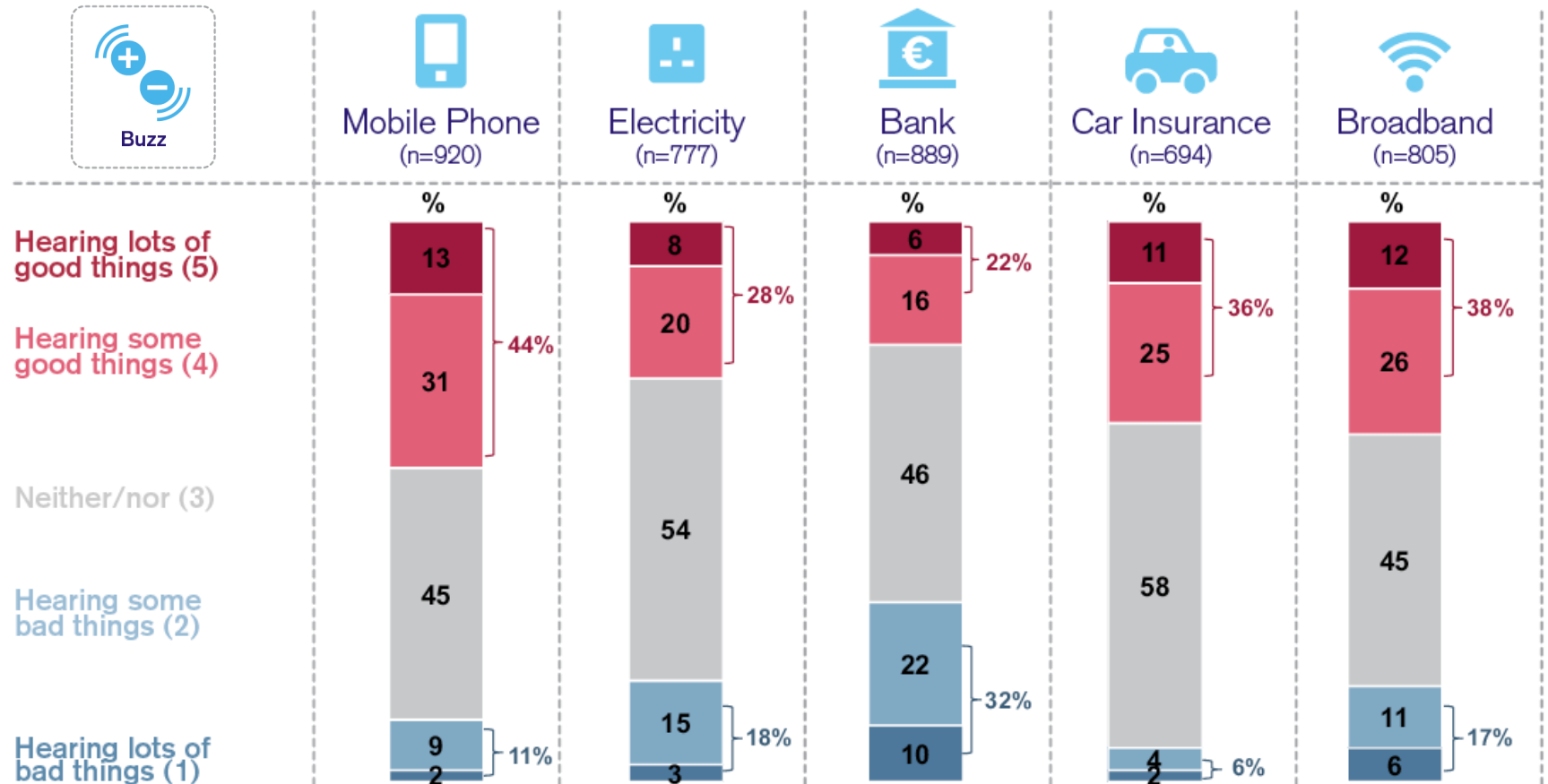
(Base: All Irish adults – 1001)



Over half agree that people who switch are more proactive than those who don't switch and over two fifths agree that switchers are better financial planners than non switchers.

# BUZZ – are people hearing good things or bad things about providers? Section 1

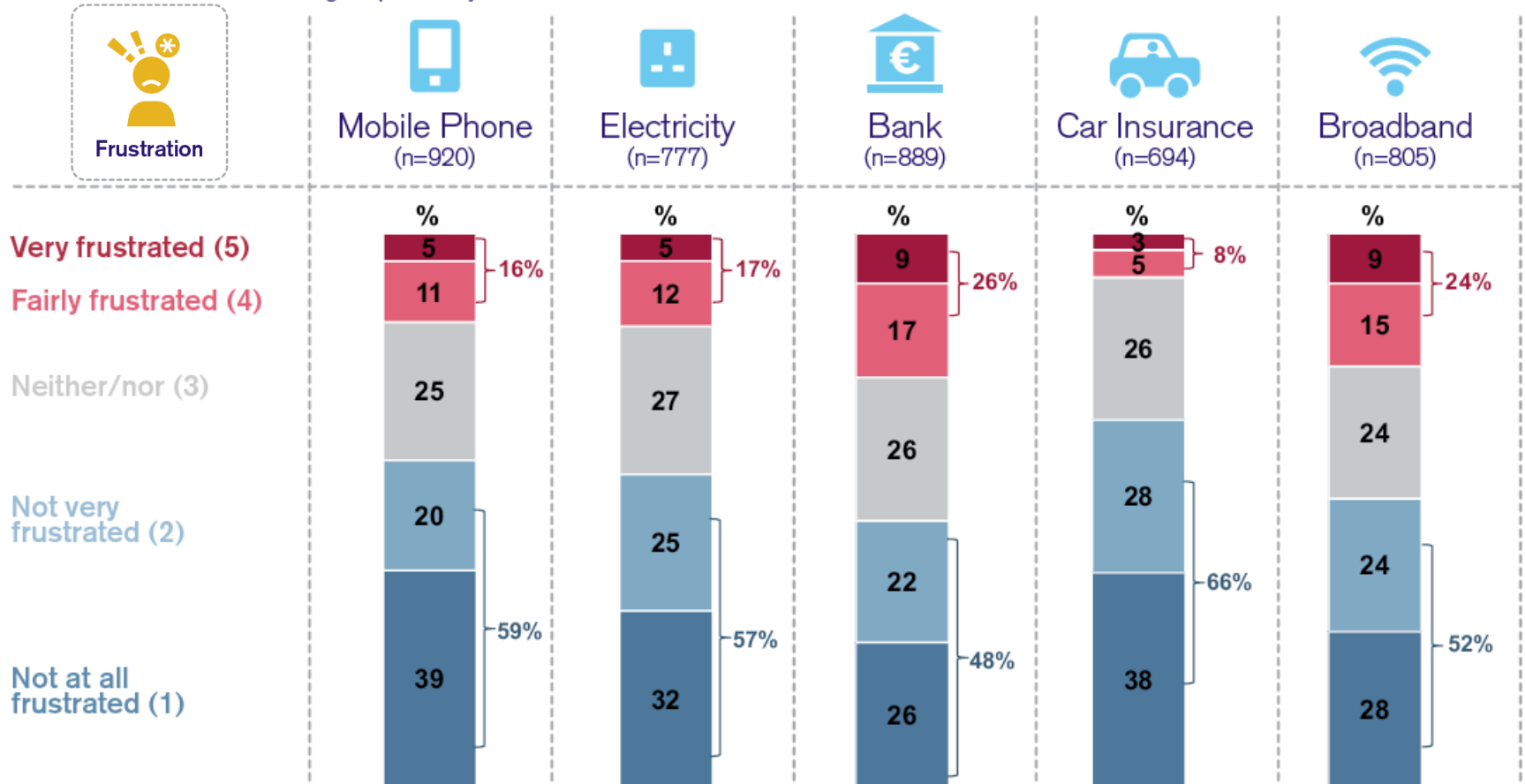
(Base: All with decision making responsibility)



Over two fifths say they are hearing good things about mobile phone providers and over one third are hearing good things about car insurance and broadband providers. Conversely, 1-in-3 are hearing bad things about banks.

# Level of Frustration with Current Providers

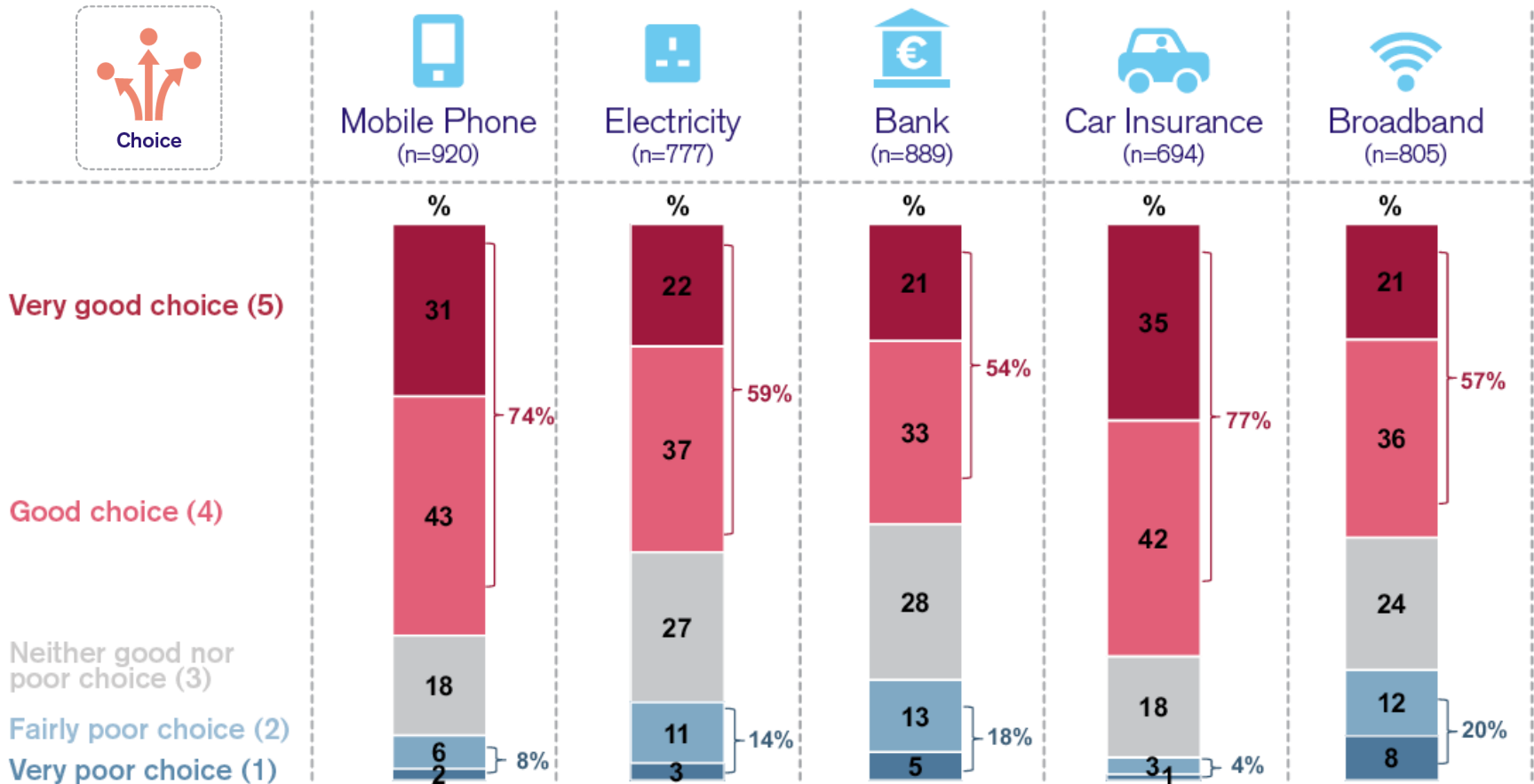
(Base: All with decision making responsibility)



Over a quarter are frustrated with their bank and 24% are frustrated with their broadband provider. Consumers are least frustrated with their car insurance provider.

# Options – do people have a good or poor choice of provider?

(Base: All with decision making responsibility)



Around three quarters say there is a good choice of provider in the car insurance and mobile phone sectors, while just over half feel there is a good choice of banking provider.

## Section ②

Switching & Prices –

# Perception versus reality





# Perceptions about Changes in Prices

(Base: All with decision making responsibility)



Prices are...

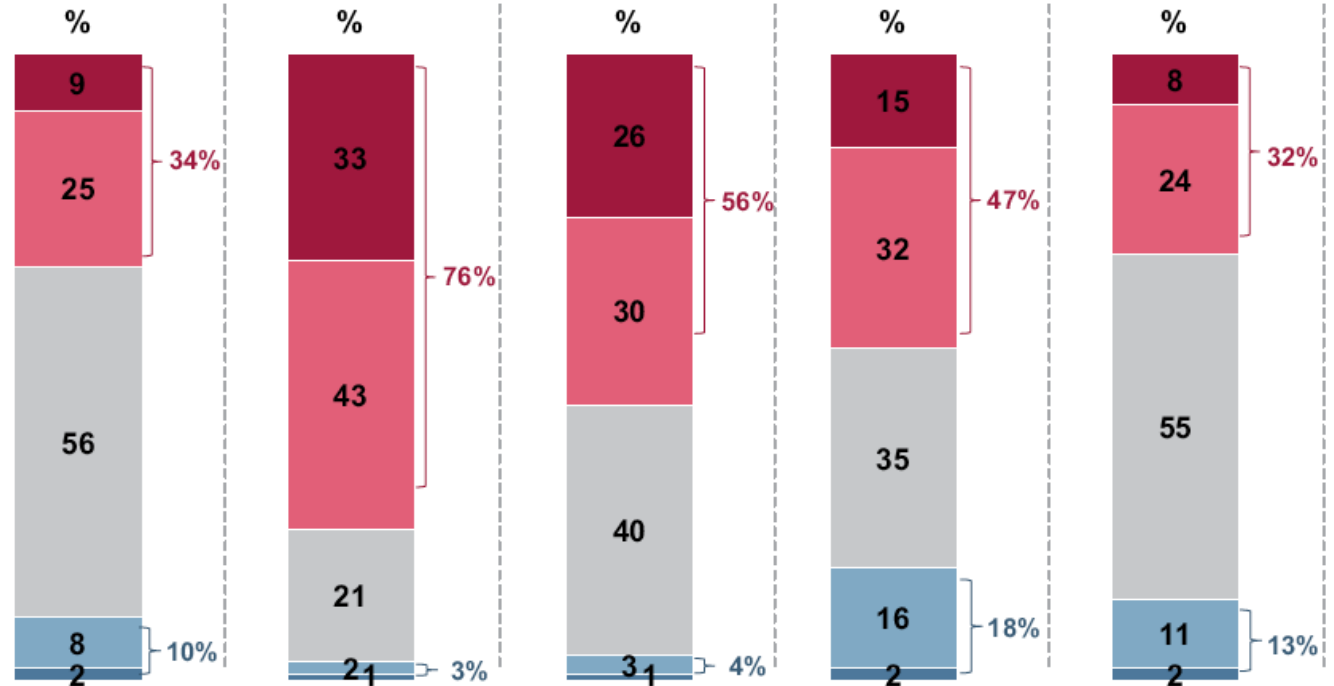
Going up a lot (5)

Going up a little (4)

Neither/nor (3)

Going down a lot (2)

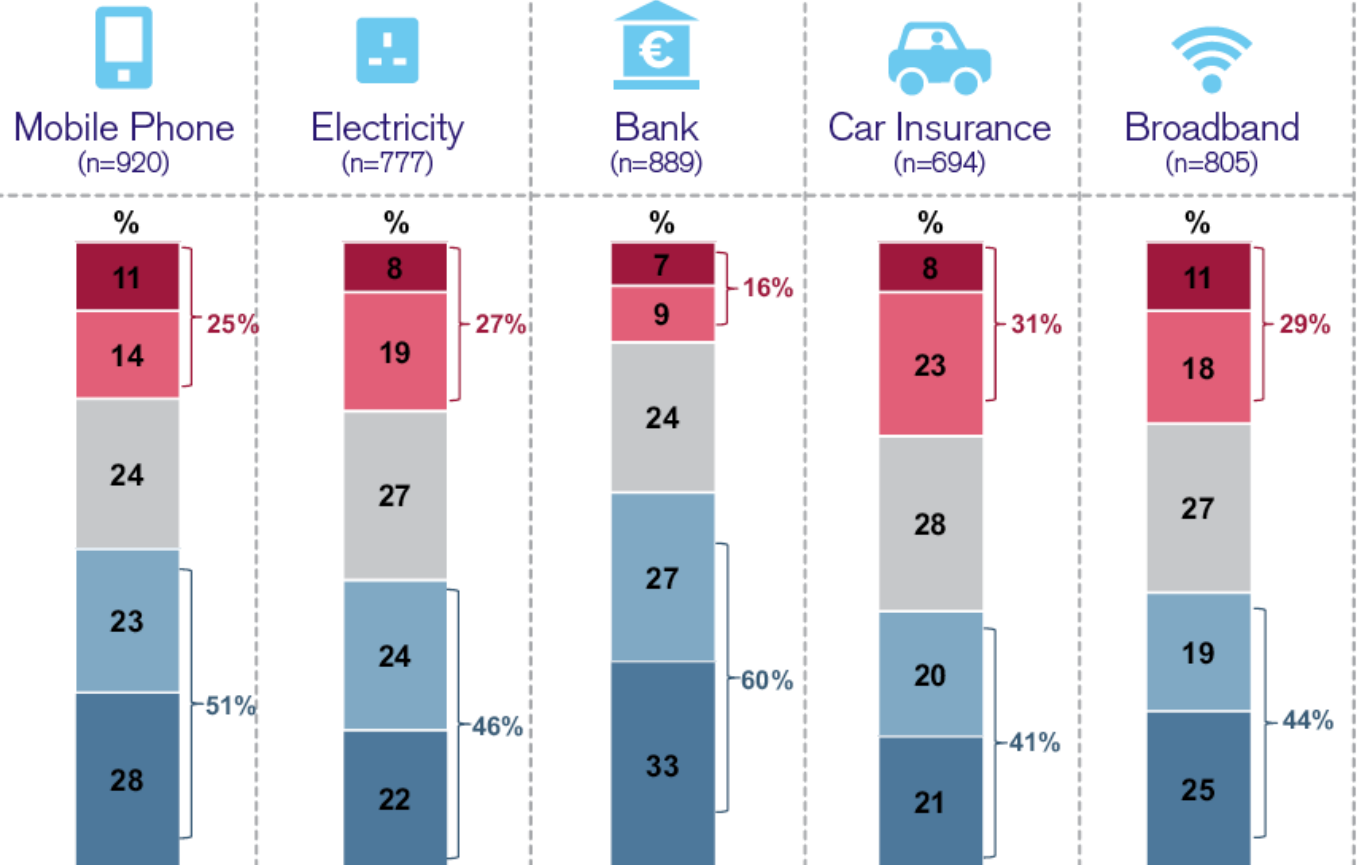
Going down a little (1)



Three quarters perceive that electricity prices are going up while over half believe that bank prices are increasing.

# Likelihood to Switch Provider in the Next 12 Months

(Base: All with decision making responsibility)

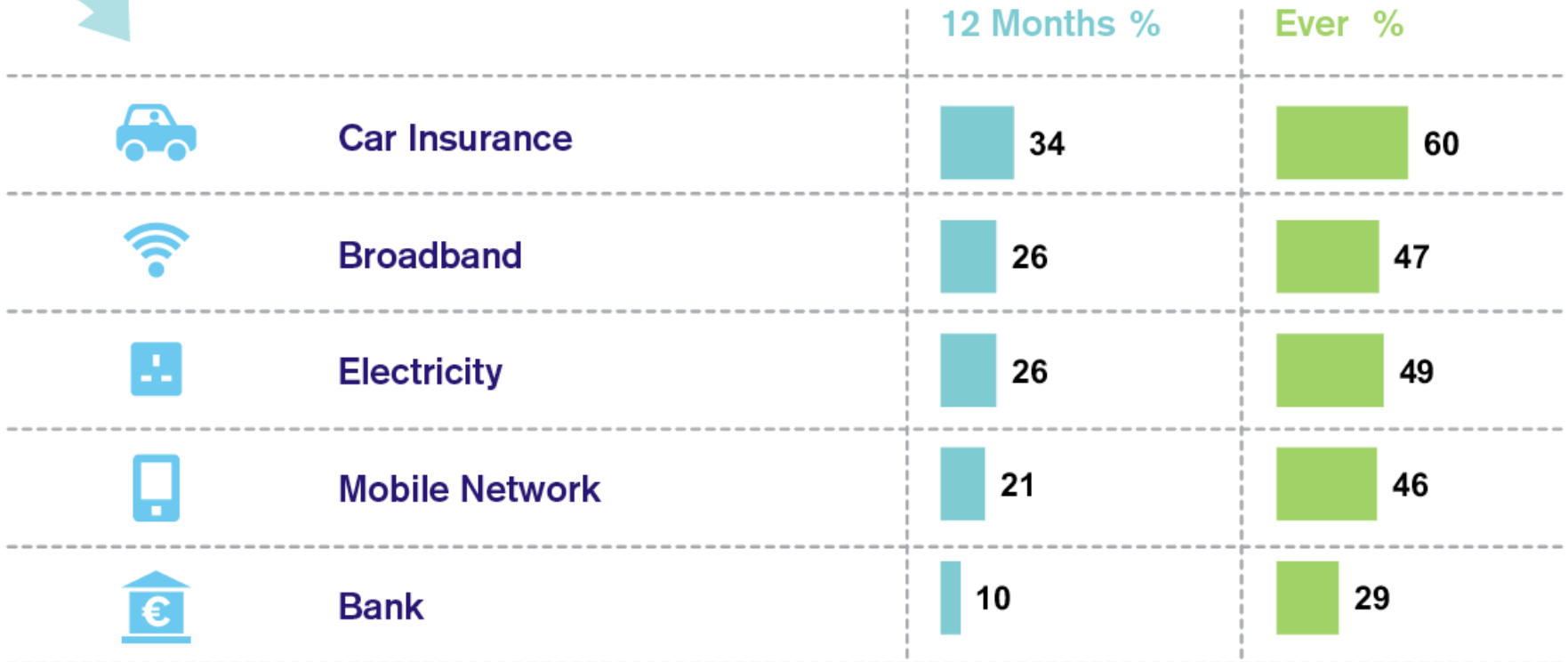


Just 1-in-6 are open to switching their banking provider in the next 12 months in comparison to 3-in-10 who are willing to switch their car insurance provider.

# Switching Patterns – Past 12 Months and Ever

Section 2

(Base: All with decision making responsibility)



Car insurance is the sector where people are most likely to have switched, followed by electricity and broadband providers. Banking is the sector where people are least likely to switch.

# Perceived Difficulty of Switching Banks

(Base: All with a main current account – 988)

Switching banks is much harder than switching...



Strongly agree (5)

Agree (4)

Neither/nor (3)

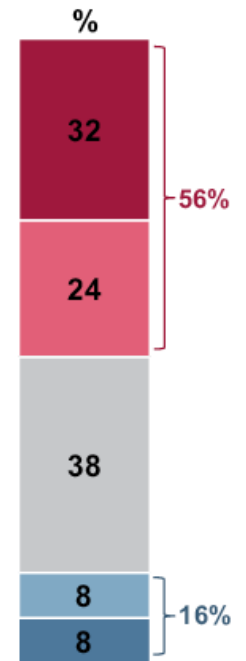
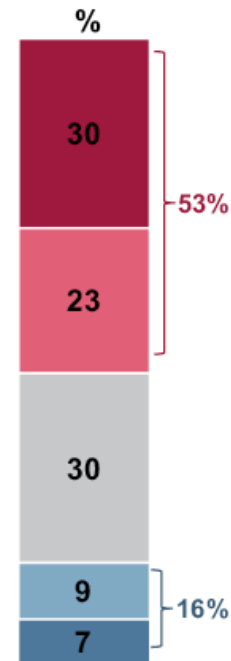
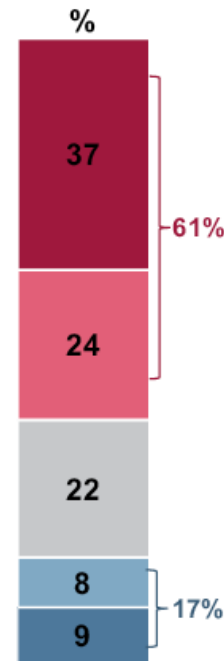
Disagree (2)

Strongly (1)

  
Mobile Phone  
(n=920)

  
Electricity  
(n=777)

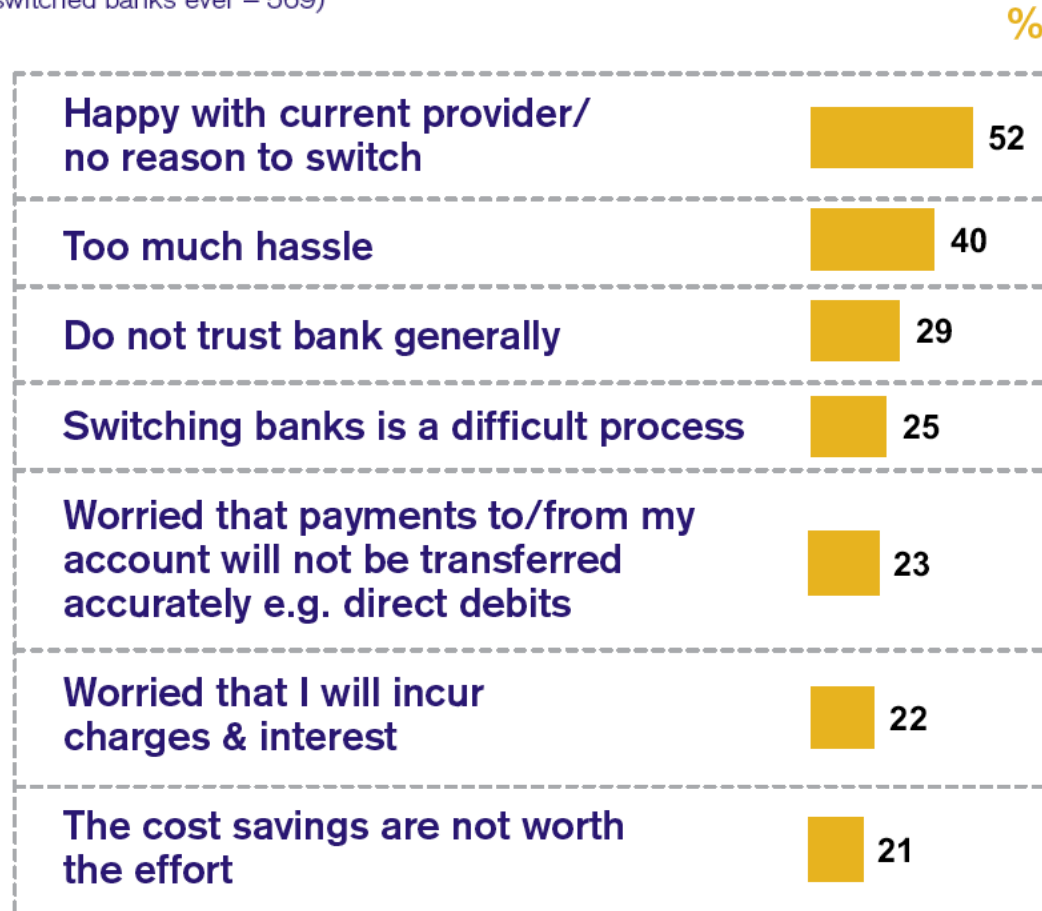
  
Car Insurance  
(n=694)



Switching banks is perceived to be more difficult than switching mobile phone, car insurance or electricity provider.

# Barriers to Switching Banks

(Base: All who have not switched banks ever – 569)

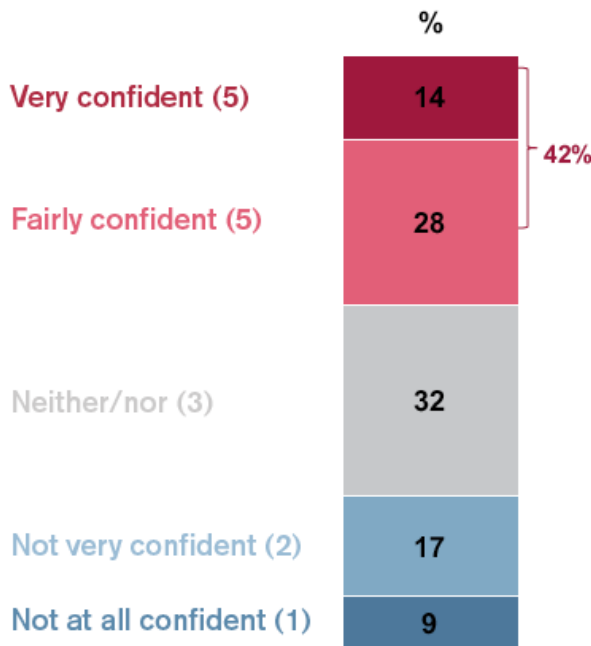


The perceived hassle (40%) and difficulty (25%) in switching, and concerns about accurate transfers of direct debits (23%) are some of the biggest hurdles for those who have never switched banks.

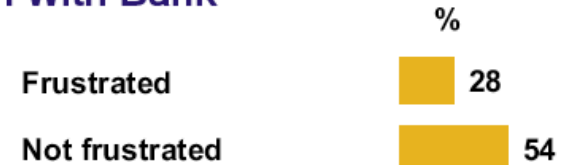
# Confidence in Bank Switching

(Base: All with a main current account – 988)

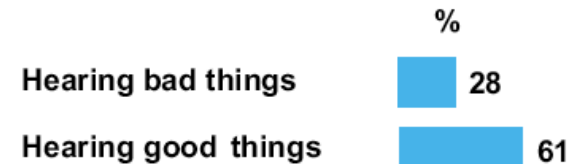
## Confidence That Switch Would be Quick and Smooth



## Frustration With Bank



## Buzz About Bank



## Switched Bank in Last 12 Months



Two fifths are confident that if they were to switch, their account would be transferred quickly and smoothly but frustration with banks and hearing bad things about them is discouraging people from switching.

## Section ③

The permanent tsb Switching Index:

# Are we prepared to make the move?



# The permanent tsb Switching Index

Section 3



Index

The permanent tsb  
Switching Index  
Score between 0–100

Index scores range between 0-100 and reflect an individual's power and freedom to move between providers.



# permanent tsb Switching Index by Sector

Section 3

Car  
Insurance



59

Mobile  
Phone



57

Broadband



53

Electricity



50

Bank



46

# permanent tsb Switching Index by Sector

Section 3



permanent tsb  
Switching Index

Car  
Insurance



59

Lower: under 25s  
Higher: 45-54s

Mobile  
Phone



57

Lower: Conn/Ulster  
Higher: 45-54s

Broadband



53

Lower: over 55s  
Higher: under 25s

# permanent tsb Switching Index by Sector

Section 3



permanent tsb  
Switching Index

## Electricity



50

Lower: male  
Higher: Dublin

## Bank



46

Lower: male  
Higher: under 25s

## Section ④

Financial Switching –

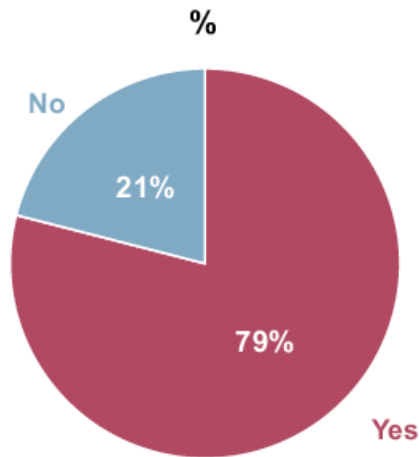
# The savvy customer



# Push or Pull Factors in Bank Switching

(Base: All with a main current account – 988)

## Knowledge of Charges



## Estimated Cost per Annum



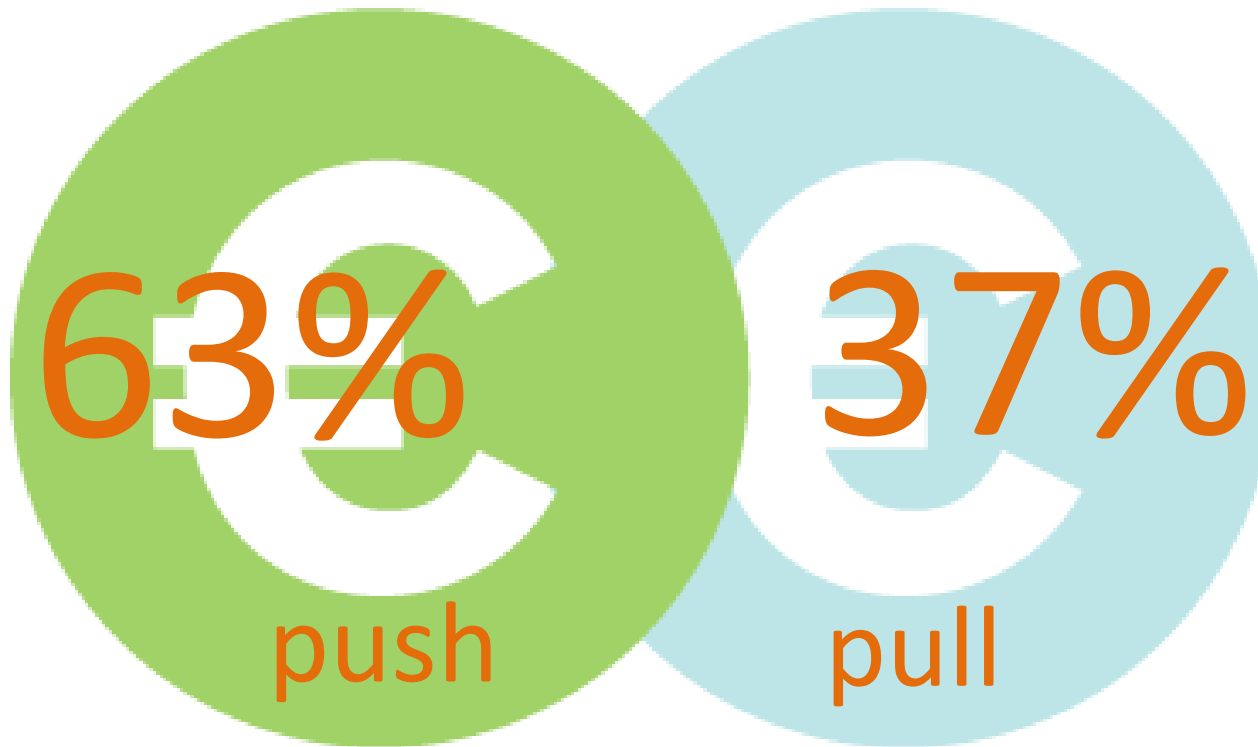
(n=776)

8-in-10 claim to be aware of bank charges. The majority of these estimate that the cost of banking is less than €100 per annum.

# Push or Pull Factors in Bank Switching

Section 4

(Base: All banking decision makers who have switched – 86\*)



There is more of a push than a pull factor in bank switching. Customers are leaving because they are dissatisfied with their previous bank due to poor service, branches closing or bank charges.

# Attitudes to Switching Banks – I

Section 4

(Base: All banking decision makers who have switched – 86\*)



I feel great that I switched **66%**

I should have switched ages ago **64%**

I have gained as a result of switching **60%**

I feel really in control of my money **59%**  
as a result of switching

People are positive about switching banks with two thirds (who switched banks) saying that they feel great that they switched and that they should have switched ages ago while 6-in-10 agree that they have gained as a result of switching and feel in control of their money.

## Attitudes to Switching Banks – II

Section 4

(Base: All banking decision makers who have switched – 86\*)



less hassle  
than expected 40%

Satisfied 75%



more hassle  
than expected 14%

Dissatisfied 6%

Two fifths say that switching banks was a lot less hassle than expected and almost half say that it was as expected. Just 1-in-7 say that it was more hassle than expected.



# Attitudes to Switching Banks – III

(Base: All banking decision makers who have switched – 86\*)

## less hassle than expected



"I expected it to be a lot more strenuous."

"My new bank did all the work for me."

"Staff at new bank were very helpful."

## Satisfied

"Much easier to deal with new bank."

"I've saved money."

"New bank are very helpful."

"Costs are more reasonable than previous bank."

"Switching was easy."

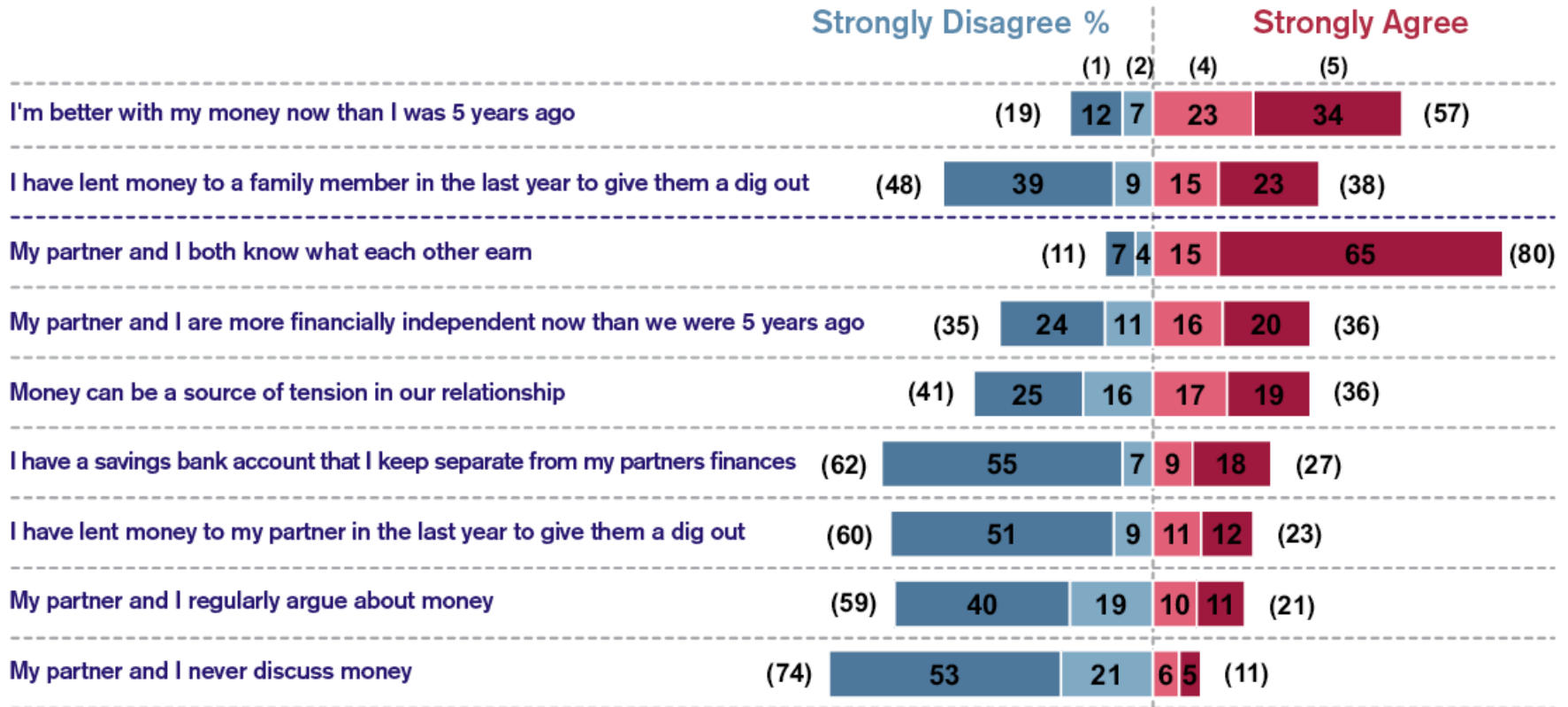
# Section 5

## Financial Management – The day to day



# Financial Management

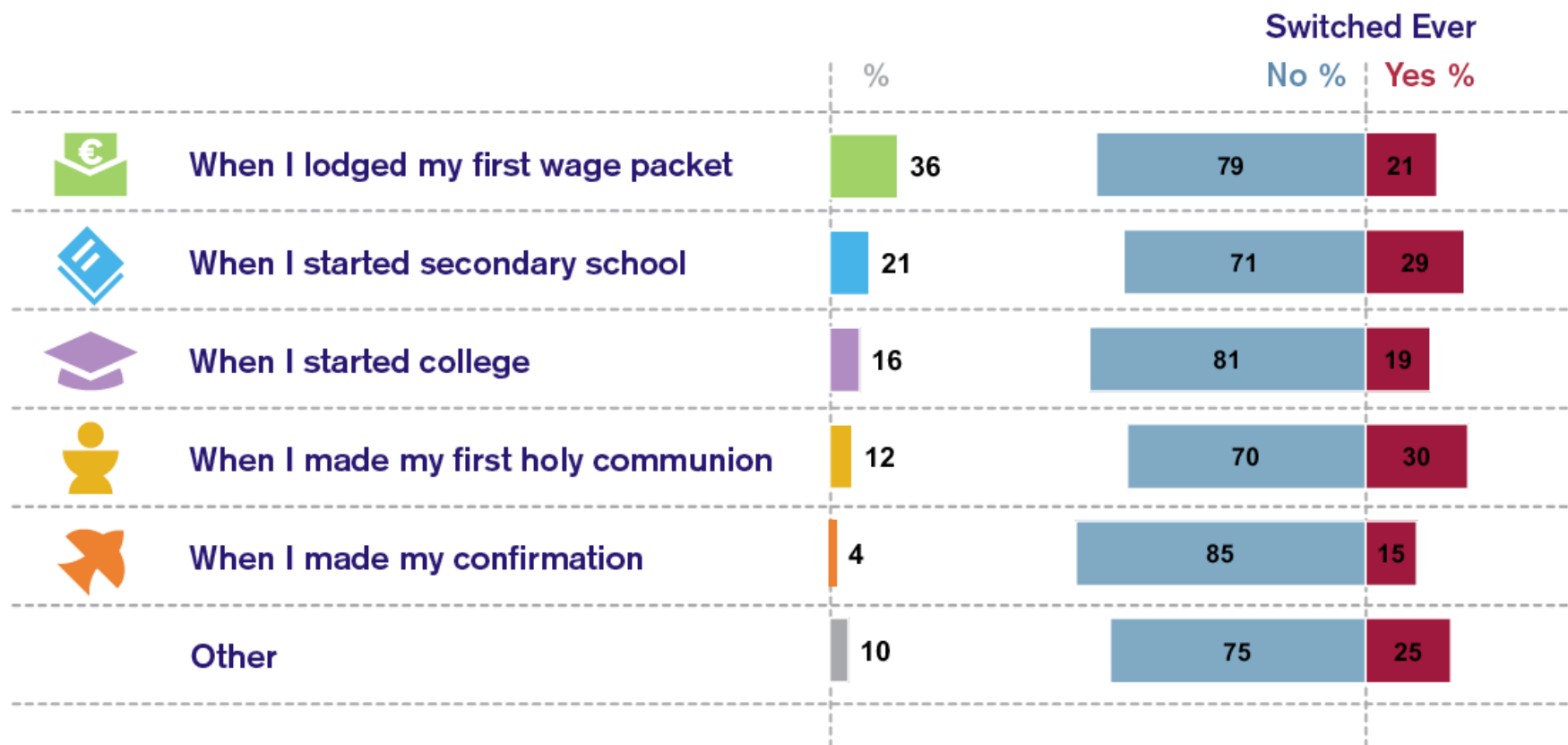
(Base: All Irish adults – 1,001; All Married/Living as Married - 639)



Almost 6-in-10 agree that they are better with their money now than they were 5 years ago. People are almost twice as likely to lend money to a family member than to their partner. Over a quarter have a separate savings bank account to their partner's.

# When Did People Open Their First Bank Account?

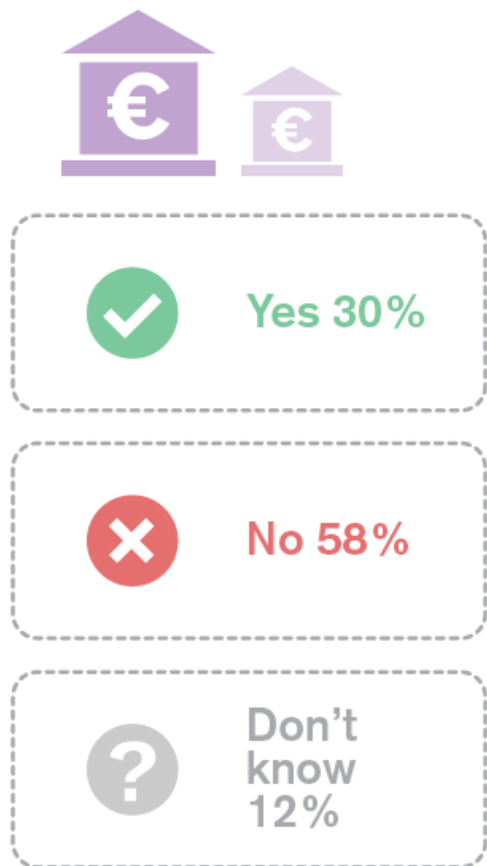
(Base: All with main current account – 988)



Over a third opened their first bank account when they lodged their first wage packet and 8-in-10 of these are still with the same bank.

# Are People with the Same Bank as One or Both Parents? Section 5

(Base: All with main current account – 988)



Demographics	% Yes
<b>Gender</b>	
Male	27
Female	32
<b>Age</b>	
15-24	48
25-34	37
35-44	26
45-54	23
55+	18
<b>Social Class</b>	
ABC1F50+	32
C2DEF50-	27
<b>Bank</b>	
AIB	32
BOI	33
Ptsb	21
Ulster Bank	29

71%  
No

3-in-10 are with the same bank as their parents. Not surprisingly, this is higher amongst younger age groups.

# Appendix: Research Methodology



An online survey was conducted amongst 1001 adults aged 15+.

Quotas were set on gender, age, social class and region to achieve a sample aligned with the national population.

Interviewing fieldwork was conducted between October 4th – 11th 2013.



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