

RETAIL BANKING MARKET INVESTIGATION

Notice of intention to conduct a customer survey

1. On 12 November 2014 the CMA published an Issues Statement which set out a number of hypotheses relevant to its investigation into the retail banking market. On the same day the CMA also published a notice explaining that it was considering engaging a market research agency to carry out research into Personal Current Account (PCA) customers as part of its investigation. This notice also invited parties to comment on agencies approached to carry out this research.
2. The CMA has now appointed GfK NOP Ltd of Ludgate House, 245 Blackfriars Road, London SE1 9UL (www.gfk.com) (GfK) to conduct a survey of PCA customers.
3. The contract under which the CMA has engaged GfK, requires that GfK's work for the CMA be tightly controlled and segregated from any existing client business GfK currently has relevant to the retail banking sector. It also requires that the key personnel undertaking the work for the CMA will not take on new clients in the sector for a specified length of time without the agreement of the CMA. The arrangements agreed vary from those set out in the [invitation to comment notice](#), particularly in relation to the ring-fencing of data processing staff, which has not been possible to implement. The CMA is however satisfied that the measures GfK has put in place to mitigate the risk of conflicts of interest arising are robust.
4. Our intention is to carry out quantitative and qualitative work among PCA customers. The outline design for this research is described below, and we invite parties to comment. **The deadline for comments is Tuesday 6 January 2015.** To submit to retailbanking@cma.gsi.gov.uk or write to the team at:

Retail banking team
Competition and Markets Authority
Victoria House
Southampton Row
London
WC1B 4AD

5. We will consult further on the detailed methodology and questionnaire design that will be used in the survey in due course.

Research objectives

6. The purpose of this research is to provide us with a better understanding of the behaviour of PCA customers and will inform the areas of focus as set out in our issues statement. The areas of PCA customer behaviour that we are considering looking at in particular through this work include:
 - customer relationships with and attitudes towards their PCA providers
 - customer awareness of their banking habits, of PCA charges and other product information
 - customer satisfaction
 - customers' preferences in terms of shopping around, selecting and switching products or providers.

Methodology

Quantitative

7. The survey will comprise approximately 5,000 telephone interviews with PCA holders in the UK. Interviews will take c.20 minutes on average.
8. The sample of individuals to be contacted will be drawn from a list constructed from information the CMA has requested from the following PCA providers:
 - Allied Irish Bank
 - Bank of Ireland
 - Barclays
 - Clydesdale/NAB
 - Co-op
 - Danske Bank
 - HSBC
 - Lloyds

- Metro Bank
 - Nationwide
 - RBS
 - Santander
 - TSB
9. Sourcing the sample from customer data will enable us to oversample the following sub-groups of interest, including recent switchers, customers of smaller PCA providers, and customers in Scotland and Northern Ireland.¹
10. An advance communication from GfK will be sent out to individuals in the sample explaining the purpose of the survey, who will be conducting it, and how their contact details have been obtained. It will also give confidentiality assurances and provide the recipient with an opportunity to opt out of the survey.

Data protection and confidentiality

11. Strict measures to protect confidential information and personal data will be implemented, including:
- adopting a two stage approach to obtaining customer information that anonymises account information during the sampling process and requires only a small proportion of PCA customers' (no more than 1%) contact information to be provided;
 - information to be provided directly from the PCA providers to the survey agency (GfK);
 - abiding by GfK's robust data and IT security policies, and incorporating strict data security principles into the contract between the CMA and GfK; and
 - requesting the survey agency to deliver reports and data in an anonymised form to the CMA. No results data will be released to the CMA with a name attached to it or with any way of identifying any individual in isolation.

¹ Note that at present we do not consider it necessary to over-sample customers in Wales as we consider it unlikely that such customers are likely to have sufficiently different characteristics and ensuring an appropriate representative size sample is likely to be difficult.

Qualitative survey

12. We intend to undertake a combination of mini focus groups and in-depth interviews to be conducted in parallel with the quantitative survey. Findings from early quantitative fieldwork will be used to shape the discussion guides for such focus groups/in-depth interviews.