RETAIL BANKING MARKET INVESTIGATION

Personal current account customer survey methodology

1. On 22 December 2014 the Competition and Markets Authority (CMA) published a notice of intention to conduct a quantitative sample survey of Personal Current Account (PCA) customers. The following note provides some technical details of the methodology we are planning to use for this survey. It does not contain a draft survey questionnaire which will be the subject of a separate notice.

Survey parameters

2. The target population for the CMA survey will be all adults who have a PCA within the UK. The focus of the survey will be on each adult’s main PCA (although we will also be asking about other PCAs they might hold).

3. The sample will be drawn from a list of accounts 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

4. This information comprises an anonymised list of all UK resident PCA current accounts for each of these banks, together with some details required to draw the sample. A unique identifier has been assigned by banks to each record for the purpose of this survey. Joint accounts with more than two account holders, dormant accounts (defined as those for which no customer initiated transaction has taken place within the last year) and accounts for which the average monthly amount paid into the account is less than £250 will be removed from these lists (on the assumption that these accounts are unlikely to be customers’ ‘main’ account). Duplicate records will then be created for remaining joint accounts and the resultant lists put together to form the sampling frame.

5. A sample of accounts will be selected from the sampling frame according to the design described below. Banks will then be sent the identification numbers of current accounts in the sample and asked to send contact details for each account holder (two sets of contact details in the case of joint account holders).

6. When the survey goes into the field the interviewer will start the survey by asking the respondent about the account drawn in the sample and asking whether this is their main account. If it is not, then the interview will be terminated. If a joint account is selected, then one of the two contacts will be chosen at random and only this person will be interviewed. The same main account check will be made.

Sample design

7. The survey will comprise approximately 5,000 telephone interviews. The sample of accounts will be selected such that, all other things being equal, the following distribution of interviews would be achieved:

(a) 750 adults in Northern Ireland, distributed across banks with which they hold their main account in proportion to the number of account records in the sampling frame.

(b) 750 adults in Scotland, distributed across banks with which they hold their main accounts in proportion to the number of account records in the sampling frame.
(c) 2,700 adults in England or Wales who have their main accounts with Barclays, HSBC, Lloyds, Nationwide, Santander and TSB in proportion to the number of accounts in the sampling frame.

(d) 800 adults in England or Wales who have their main account with NAB, Co-op, Metro or TSB, 200 for each bank.

Within each of the resulting cells of the selection matrix, 20% of the selected sample will be drawn from accounts that have been opened within the last year. This should ensure that the sample includes a disproportionately high number of people who have opened an account recently and of switchers.

Fieldwork

8. Interviews will be conducted by telephone and will take approximately 20 minutes on average.

Supplementary data and weighting

9. Additional data will be requested relating to sampled accounts. This will be appended to survey data for those accounts where an interview has taken place. It will also be used to test for non-response bias and calculate weights to adjust for any such biases found.

If parties have comments in relation to the above, please submit these to retailbanking@cma.gsi.gov.uk or write to the team at:

Retail banking team
Competition and Markets Authority
Victoria House
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The deadline for comments is 12:00 noon, Tuesday 20 January 2015.