

# SME Banking Price Transparency Research

## Survey 2a Business Bank Account Needs

### USE FOR START UPS

#### DRAFT

## INTRODUCTION

Good morning/ afternoon, my name's XXXXX and I'm calling from Charterhouse Research. We are carrying out a survey on small businesses' needs for, and attitudes to, finance. You answered some questions last year on our national banking survey and agreed we could re-contact you if we had further questions

This is bone fide market research and there is no selling involved at all. These discussions are being conducted strictly in accordance with the Market Research Society's Code of Conduct which means that none of your comments will be attributed to you by name.

*(If pushed say 'this wave is for a special project undertaken by the Competition & Markets Authority, the CMA', but otherwise keep anonymous)*

Can I check that you are the person in your organisation responsible for making banking decisions? (if needed - Many of the people I've spoken to have been **the main owner of the business**)

As a thank-you to those who take part, we'll be providing a management summary of the results so you can compare your own experiences with those of other businesses

## A SCREENING/CHECKING

A1 Is the main bank account you use for your day-to-day business banking still X?

Yes

No

A2 If no, who is day-to-day business banking with now?

LIST TO BE AS BBS

A3 Which year did your business start trading?

[Close if before 2010]

NB for later on: start up = 2013 or 2014



Charterhouse Research

## B CHOICE OF BANK

I am going to ask you some questions about when you first took out your business bank account

B1 When you initially decided to open a business bank account did you look at different banks?

1. No, I went straight to the provider of my personal current account and didn't look elsewhere
2. My first thought was my personal bank account provider but I did search around with other banks
3. Yes I searched around. I didn't really take where I bank personally into account

B2 *If no, why did you not look elsewhere?*

1. I am satisfied with my personal bank
2. I thought my bank would give me a better deal
3. I thought it would be easier, my bank already has all my details
4. My bank contacted me suggesting that I open a Business Current Account with them

B3 What were the important factors you took into account when choosing which bank to take out a Business Current Account with? [UNPROMPTED – PROBE until no more]

### **Branch Reasons**

1. Branch convenient location
2. Branch has good opening hours/weekend opening
3. Availability of cash/ATM machines
4. Branch near the business
5. Use of post office as a branch

### **Facilities / services on Account**

6. Offer of free banking
7. Offers telephone banking/Internet banking
8. Offers mobile or tablet banking
9. Offers additional features/services/benefits available on the account

### **Charges/Interest Rates**

10. Attractive transaction charges or fees
11. A free overdraft period
12. Competitive interest rates for deposits
13. Competitive interest rates for lending
14. Transparent charges

### **The organisation/staff**

15. Good reputation to my business
16. Willing to lend
17. Offers a relationship manager
18. Showed an interest in my business
19. Banked with them personally or had other products with them
20. Offers a wider range of products

### **Recommendation**

21. Recommended by another business, friend or family
22. Recommended by a broker
23. Recommended by an accountant, business advisor, or mentor

### **Other**

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24. Has offices internationally/it is an international bank

B4 Did you compare a number of banks against each other using these factors?

1. Yes in an organised way
2. Yes but more superficially
3. No not really

B5 And what information sources did you use when considering which bank to choose for your business current account? UNPROMPTED

1. Banks' own websites
2. Banks' direct mail/email/advertising
3. Branch visits/leaflets from branches
4. Financial press or articles
5. Financial advice websites e.g. Martin Lewis
6. Comparison websites
7. Online reviews
8. Talking to colleagues, friends, family
9. Other (specify)
10. None

### Branches

B6 How important was it to your choice of bank that it had a branch close to your business?

1. Essential
2. Very important
3. Quite important
4. Neither important nor unimportant
5. Not at all important

B7 *If 1-3 in B8, Why you do need access to a physical bank branch? What would you/do you use it for?*  
READ OUT, CODE ALL THAT APPLY.

1. Paying in cash or cheques
2. Taking out cash
3. Financial advice
4. Meeting a relationship manager/bank staff face to face
5. In case something goes wrong
6. Other (specify)

B9 How important was it to your choice of bank that it had branches all over the country?

1. Essential
2. Very important
3. Quite important
4. Neither important nor unimportant
5. Not at all important

### Relationship Manager

B10 How important was it to your choice of business bank that you had a relationship manager?

1. Essential
2. Very important
3. Quite important

3

4. Neither important nor unimportant
5. Not at all important

B11 *If 1-3 in B10, Why was a relationship manager important to you?*

READ OUT, CODE ALL THAT APPLY.

1. To provide advice and support to the business
2. More likely to provide us with credit
3. More likely to get a better service
4. I can get transactions done quickly
5. More likely to help us when we get into difficulties
6. I have someone I can go to when things go wrong
7. Other

### **Link with PCA provider**

B12 Can I just check is your Business Current Account with the same bank as your main Personal Current Account?

1. Yes
2. No

B13 Did your bank contact you to suggest opening a Business Current Account with them?

1. Yes
2. No

B14 Did your bank offer any incentives if you open a Business Bank Account with them?

1. Yes I was offer a longer free banking period
2. Yes, other incentives
3. No

## C. FREE BANKING AND FEES

- C1 When you were choosing a bank, were you offered free business banking?
1. Yes
  2. No
- C2 *If yes to C1* Did you take up the offer of free business banking?
1. Yes
  2. No
- C3 How important was the offer of free banking on your final decision on which bank to choose? Was it...
1. Very important
  2. Quite important
  3. Neither important nor unimportant
  4. Not very important
  5. Not at all important
- C4 Before you chose who to bank with, did you consider the fees you would have to pay at the end of the free banking period? READ OUT
1. Yes - the bank information pointed this out to me/prompted me to think of this
  2. Yes - I looked into this but I wasn't prompted specifically to do so
  3. No I didn't consider this
- C5 *If answer yes to C4*, How much did you look into or research these fees? Which of the following would you say was closest to your actions?
1. I spent time looking at fees, comparing a number of different banks myself
  2. I spent time looking at fees and comparing banks mainly using a price comparison site
  3. I researched the fees and charges of the bank I had chosen but didn't compare banks
- C6 *If answer yes to C4*, How easy was it to find this information?
1. Very easy
  2. Quite easy
  3. Neither easy nor difficult
  4. Quite difficult
  5. Very difficult
- C7 And how important was the level of these future fees on your final decision on which bank to choose? Was it...
1. Very important
  2. Quite important
  3. Neither important nor unimportant
  4. Not very important
  5. Not at all important
- C8 Did you try to negotiate on the fees or other terms and conditions they offered?
1. Yes
  2. No

- C9 *If yes, what was the outcome of any negotiation?*
1. The bank agreed to a longer free banking period
  2. The bank agreed to reduced fees/a better deal
  3. The bank listened but couldn't offer any changes at this point
  4. The bank didn't/wouldn't listen
  5. Other (specify)
- C10 Were you offered an overdraft facility with your bank account?
1. Yes, I was offered a free overdraft facility
  2. Yes, I was offered an overdraft facility, but standard rates were applied on the overdraft facility
  3. No, I was not offered an overdraft facility
- C11 And do you have an overdraft facility now?
1. Yes
  2. No
- C12 How important was access to an overdraft facility to your choice of Business Bank account?
1. Very important
  2. Important
  3. Neither important or not important
  4. Not important
- C13 Did you consider the overdraft charges when choosing you main business bank account?
1. Yes
  2. No
- C14 Which of these statements best reflects the impact of free banking on your decision to search and compare between different banking offers?
1. There was no point comparing different bank accounts they all free
  2. I compared bank accounts based on other factors and fees and charges

## D. END OF FREE BANKING

- D1 Has your period of free banking now finished?
1. Yes
  2. No
- D2 How were you informed about the end to the free banking period and any new fees that may apply?  
*DO NOT READ, PROBE FULLY*
1. By email from the bank
  2. By letter from the bank
  3. By a phone call from the bank
  4. None of these, this was only provided to me when I received my bank statement
  5. Other
- D3 Once you realised your free banking had finished, did you go back to your bank and try to negotiate any of the fees or other terms and conditions they offered?
1. Yes
  2. No
- D4 And did you then consider switching banks?
1. Yes
  2. No
- D5 *If no to question D5 Why not?*
1. Satisfied with my bank
  2. Too much hassle
  3. Little point as they're all the same
  4. I have other products linked to my bank account
  5. Other (specify)
- D6 *If yes to question D5 Did you switch?*
1. Yes
  2. No
- D7 *If no to question D5 Why not?*
1. Satisfied with my bank
  2. Too much hassle
  3. Little point as they're all the same
  4. I have other products linked to my bank account
  5. Other (specify)
- D8 And looking back, once you realised the fees you had to pay and any other additional terms and conditions, would you have acted differently when you originally chose your business bank account?
1. Yes I would have spent more time reviewing options
  2. Yes I would have focused on the features apart from free banking
  3. No I wouldn't have done anything differently
- D9 Do you monitor the costs of having your Business Current Account?

1. Yes
2. No

D10 And do you ever compare costs to other Business Current Account providers?

1. Yes
2. No

D11 *If yes to D10* How often do you make these comparisons?

1. More than once a year
2. About once a year
3. Less than once a year