

RETAIL BANKING MARKET INVESTIGATION

Invitation to comment on intention to tender for international research

1. As part of its investigation into the retail banking market, the Competition and Markets Authority (CMA) is considering engaging a firm to carry out international research. This research is intended to assist the CMA in understanding the potential impact of ongoing and future innovations in the UK retail banking market,¹ and the possible implications for competition.

Summary of proposed research

2. The CMA intends to commission a study to evaluate, by reference to international comparisons:
 - (a) the extent of innovation in the UK retail banking market compared to other countries; and
 - (b) the potential impact of ongoing and future innovations in the UK retail banking market, and the possible implications for competition.
3. The CMA expects the study to cover at least the following areas:
 - (a) Digital banking (eg internet/mobile/video). This could include studying the impact of different levels of digital banking penetration (including the impact on branch use) as well as the impact of specific innovations in how banking services are delivered eg particular internet, mobile app or branch banking features.
 - (b) New participants/business models. This could include payments and data analytics innovators, alternative forms of small and medium-sized enterprises lending and the provision of new types of related services eg aggregation services and e-money accounts.

¹ See the [Issues Statement](#) published on the retail banking market investigation case page.

- (c) Innovations in the provision of retail banking IT platforms, such as the availability of standardised ('bank in a box') solutions.

Qualifications and management of any conflicts of interest

- 4. The CMA has issued an invitation to tender² and intends to appoint one or more tenderers by 20 March 2015 to carry out the research. Any organisation is welcome to tender but the CMA:
 - (a) is looking for the successful tenderer to demonstrate relevant experience of carrying out international studies and knowledge of the retail banking sector, ideally alongside a reputation for thought leadership, objective research and experience of competition work; and
 - (b) will need to be satisfied that the successful tenderer does not have any conflicts of interest that would preclude its selection. We have requested that tenderers provide details of their relevant work in the retail banking sector and how they would manage and minimise any potential conflicts of interest; and special requirements will be included in the service agreement between the CMA and the retained agency.
- 5. In particular, the CMA will require the successful bidder to meet the following minimum requirements, until the market investigation and if applicable any relevant appeals are finally determined:
 - (a) No member of the team of staff undertaking the CMA's project (including, where applicable, the senior individual and/or director and/or partner responsible for the team working on the project and members of the team) will undertake any work without the CMA's consent:
 - (i) for other participants in the retail banking market whilst undertaking work for the CMA; and
 - (ii) in relation to the retail banking market investigation for other participants in the retail banking market or in relation to the areas covered by the terms of reference of the retail banking market investigation for the duration of the market investigation, any subsequent remedies implementation phase and any subsequent appeals process.

² See the [Contracts Finder web page](#).

- (b) The team of staff undertaking the CMA's project is kept physically separate from teams who undertake work for any other participant in the retail banking market while undertaking work for the CMA.
- (c) No individual working on the CMA's project will discuss that project or share data from that project with colleagues not involved in the CMA's project.
- (d) The team's data is to be secured so that personnel not involved in the CMA's project cannot access it

Invitation to comment

6. **The deadline for comments is 5pm Tuesday 3 March 2015.** Please 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**