

# Are banks missing out on cross-selling opportunities?

## Financial services tracking report 2013

Banks are failing to capitalise on product cross-selling opportunities with existing customers, new DMA research reveals. This in spite of the fact that on average customers hold just two products with their main bank.

### A crowded high street

There is intense competition between the main high street banks, which provides a strong incentive to fight for greater market share



**7** major banks serve up to 86% of consumers.

**Nationwide** 9%

**HSBC** 10%

**Santander** 11%

**HBOS plc** 13%

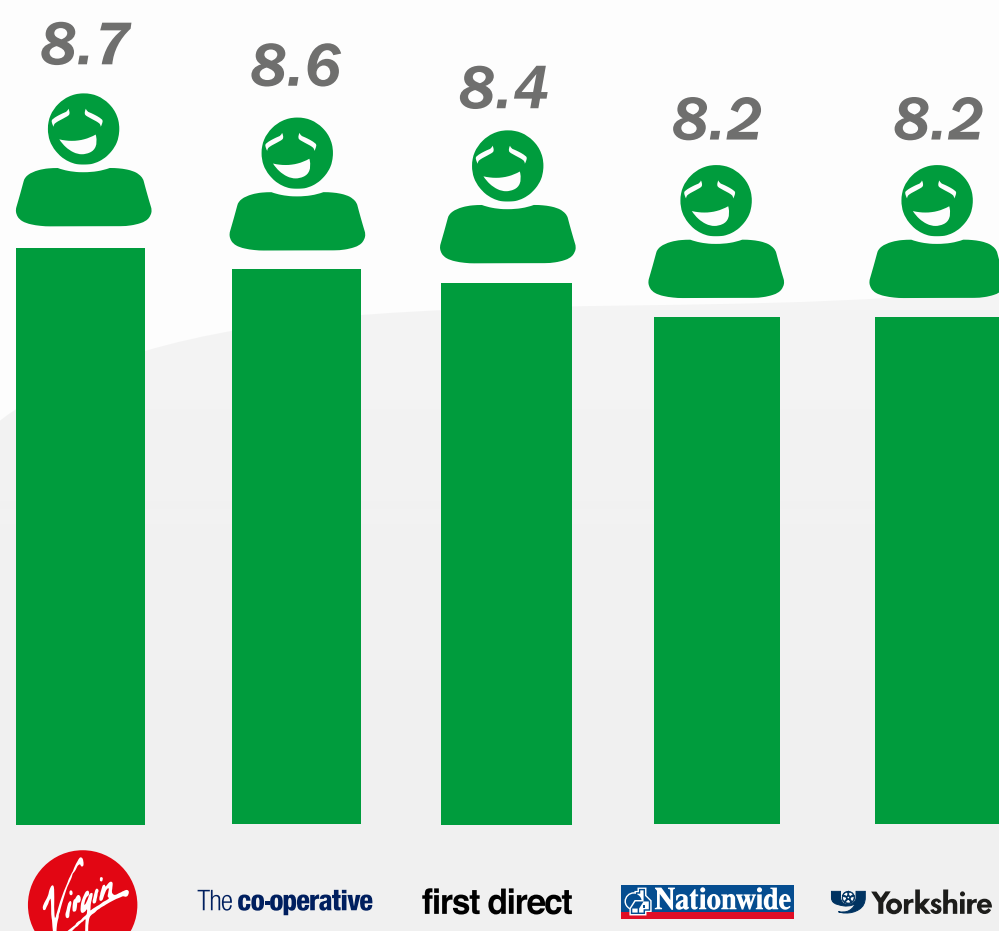
**Lloyds TSB** 13%

**NatWest** 16%

**BARCLAYS** 14%

### Customers' satisfaction with their banks

Even though the public's level of trust in the banking system is still low, the majority of customers hold the service they receive from their main bank in relatively high esteem.



**Top 5** banks with high satisfactory ratings

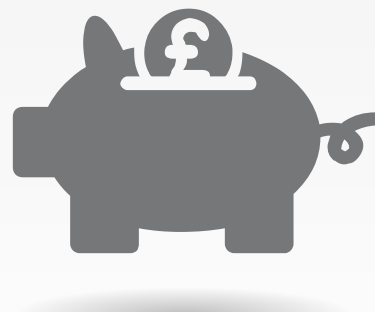


### On average, customers hold two products with their banks

Given the facts that customers are typically loath to swap their main bank for a rival and their need for essential financial services, it's surprising how few products they use for their main bank



**65%** Standard current account

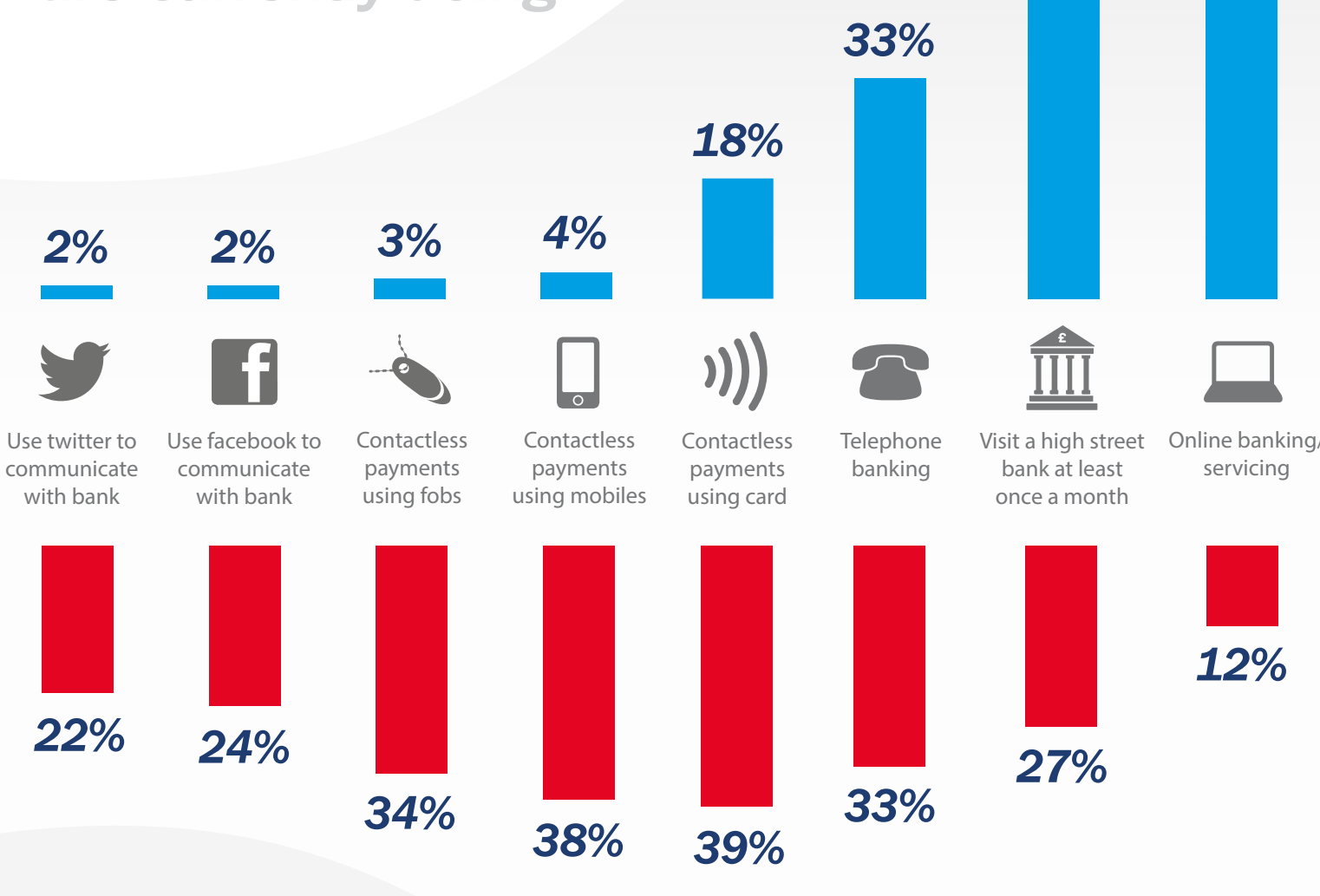


**50%** Savings account

### Accessing financial information

Consumers are more likely to research and access financial services information online rather than visit their high street branch

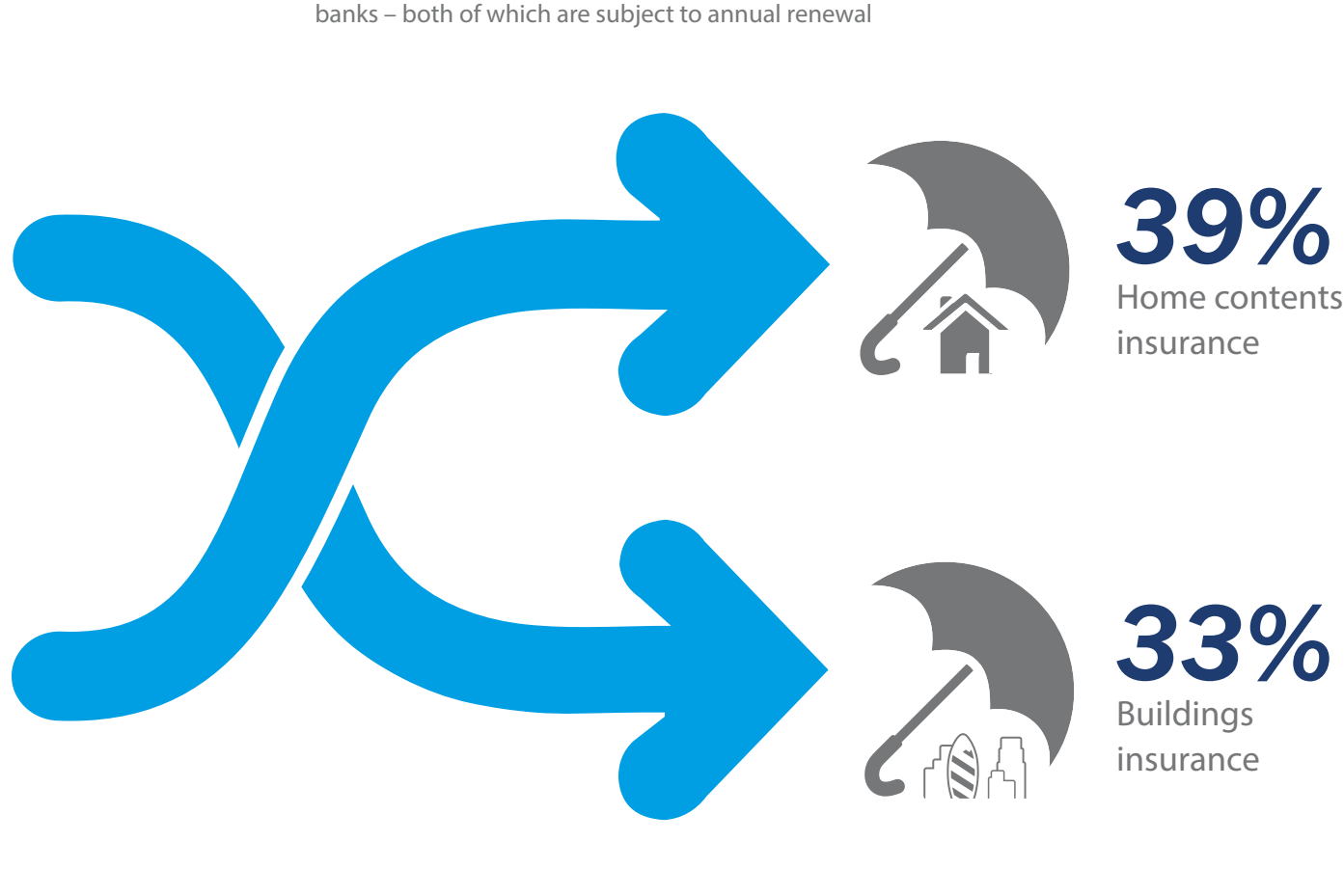
#### are currently doing



#### would consider doing

### Opportunity: customers are considering signing up for a number of core products within the next 12 months

Home contents and buildings insurance most widely bought through other banks – both of which are subject to annual renewal



**9%** Loan

**19%** Cash ISAs

**19%** Mortgage

### Conclusion

Here's what Ian Holmes-Lewis, member of the DMA Financial Services Council and Head of Market at ReMark Group, had to say:

"Consumers have complex relationships with their banks. They are largely loyal in terms of their current and savings accounts with only 12% of consumers considering switching to another provider. However, that long-term commitment to a provider does not always extend to purchasing other services. On average, a consumer holds less than two products with their main provider indicating that banks are failing to capitalise on their strength and missing out on cross-selling opportunities."

The full *Financial services tracking report 2012* can be downloaded from <http://dma.org.uk/toolkit/financial-services-tracking-report-2013>

#### Methodology

Respondents were randomly selected from the fast.MAP Consumer Voice panel which is representative of the UK population overall for age and gender. All respondents are recruited to an online self-completion questionnaire. A total of 2,494 responses were completed in the seventh wave of research.

#### About Affinion International

Affinion International, a division of Affinion Group, provides a wide range of protection and lifestyle products that offer value to consumers whilst building additional revenue streams and increased customer-to-brand loyalty and engagement for its partners. The division is made of more than 1,200 employees and offers services in 17 countries throughout Europe, Africa and South America. Over the past 15 years, Affinion International has built an impressive client base that includes 13 of the top 20 EU banks and many of Europe's premier brands in travel and retail.

[www.affinioninternational.co.uk](http://www.affinioninternational.co.uk)

#### About fast.MAP

fast.MAP is an insight partner that continuously connects clients in real-time with their customers. As exclusive insight partner to the DMA, we run a number of tracking studies designed to give DMA members primary insight into key areas that support one-to-one marketing. The combined experience of our directors spans many industries, disciplines and methodologies and the solutions we provide can be executed from within the business.

[www.fastmap.com](http://www.fastmap.com)

#### About the DMA

The Direct Marketing Association (DMA) is Europe's largest professional body representing the direct marketing industry. We have a large in-house team of specialists offering everything from free legal advice and government lobbying on direct marketing issues to research papers and best practice.

As well as being at the forefront of developments in digital and direct marketing, we continue to lead the way in traditional direct channels. That's why the DMA is such a great platform for sharing expertise and DMA membership is synonymous with better business.

<http://www.dma.org.uk/content/welcome-direct-marketing-association>

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