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Tuesday, 16 January 2018

Bank customers 'share of wallet' remains steady

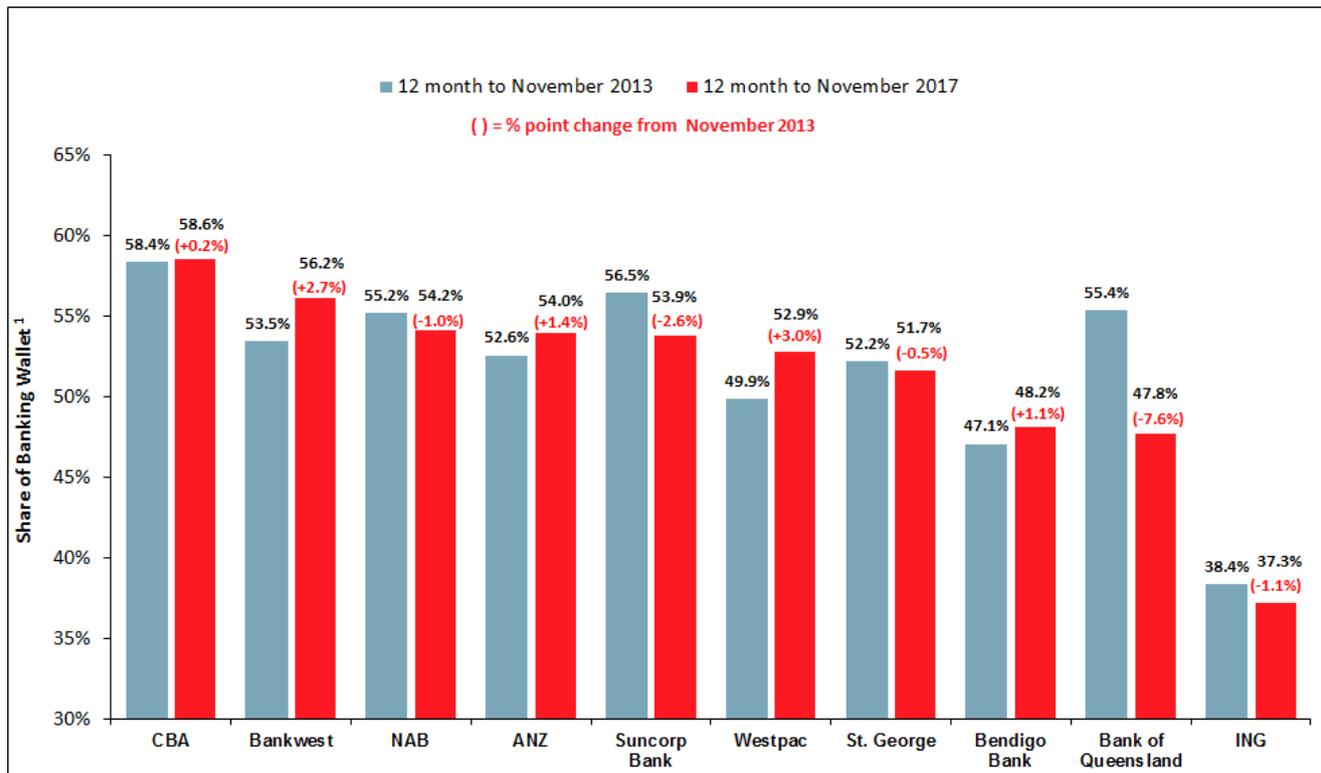
New results from Roy Morgan show that bank customers appear reluctant to increase their 'share of wallet' with the banks they deal with but rather choose to remain diversified across a range of providers. Currently most of the large banks capture just over half of their customers banking wallet or value, remaining generally unchanged over the last four years.

These are the latest findings from Roy Morgan's Single Source survey of over 50,000 consumers per annum.

Largest consumer banks all achieve less than 60% of their customers' potential value

In the year to November 2017, the CBA scored the highest 'share of wallet' of the ten largest banks with 58.6%, virtually unchanged from 2013 (58.4%). BankWest is currently in second place with 56.2%, followed by NAB (54.2%) and ANZ (54.0%).

Share of Customer Banking Wallet¹ - 10 Largest Consumer Banks²



1. Banking wallet includes dollars in deposits and transaction accounts, mortgages, personal lending and major card balances carried forward. 2. Based on Customer numbers **Source:** Roy Morgan Single Source (Australia). 12 months to November 2013, n = 49,572; 12 months to November 2017, n = 50,214 **Base:** Australians 14+.

Results over the last four years (i.e. since 2013) shows that there were mixed outcomes across the ten largest banks, with five showing small increases in 'share of wallet' and five showing small declines, leaving the overall average steady at around 52%. Those showing an increase were Westpac (up 3.0% points), BankWest (up 2.7% points), ANZ (up 1.4% points), Bendigo Bank (up 1.1% points) and CBA (up 0.2% points). Declines over the last four years were seen from Bank of Queensland (-7.6% points) and ING (-1.1% points).

Queensland (down 7.6% points), Suncorp Bank (down 2.6% points), ING (down 1.1% points), NAB (down 1.0% points) and St.George (down 0.5% points).

Norman Morris, Industry Communications Director, Roy Morgan says:

“This research shows that although ‘share of wallet’ is an important metric to establish customer loyalty, it has shown to be difficult to increase. This is shown by the fact that over the last four years there has been no real change in the overall market on this measure. Attempts to cross sell banking products to existing customers in order to increase ‘share of wallet’ have had little impact, most likely due to a number of reasons, including insufficient benefit to consumers to consolidate banking with one bank, increased competition from new and existing providers, diversification of risk and general apathy and effort regarding changing providers.

“Competition in the overall financial services market, covering banking, wealth management, superannuation and insurance is currently very strong, giving consumers great choice. Evidence for this is that the average consumer deals with around four financial services providers to cover the full range of their needs.”

For comments or more information about Roy Morgan’s banking and finance data, please contact:

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About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 70 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6

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7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2