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BIG BUDGET ADVERTISING GIVES BANK CUSTOMERS LITTLE TO SMILE ABOUT

Despite the 1-2-3 account launching to a fanfare of publicity last year, Santander has yet to dazzle its customers, failing to make the top ten in the uSwitch Current Account Awards^[1]. With September's regulation set to make it quicker and easier for customers to switch bank accounts, and the threat of new entrants such as the Post Office next Spring, banks have everything to play for – but poor customer service is still letting them down:

- **First Direct and Smile triumph in the uSwitch Current Account Awards, taking first and second place in all but two categories^[2]**
- **Co-op Bank also gets thumbs up, coming third overall and scooping Best Branch Customer Service – but pulls out of deal to buy Lloyds branches^[3]**
- **Santander is voted worst current account provider, let down by trust, customer service and online banking experience^[1] - RBS and Barclays also perform badly^[4]**
- **18 to 24-year-olds are least satisfied with customer service – and less than one in ten (9%) completely trust their current account provider^[5]**
- **Seven in ten customers (72%) have had the same current account for more than ten years^[6] and more than half (53%) have never switched^[7].**

As current accounts fall under the spotlight of the new financial regulator, new research by uSwitch.com, the independent price comparison and switching service, reveals that banks will have to pull out all the stops to prevent customers voting with their feet.

The uSwitch Current Account Awards, based on the votes of over 10,000 customers, reveals that the biggest banks on the high street are letting customers down with poor levels of service and below par online banking experience. While internet banks First Direct and Smile take the lion's share of awards, Santander, RBS and Barclays have failed to impress their customers. The survey also suggests that young people will be the most likely to switch come September, with 18 to 24-year-olds showing the lowest levels of satisfaction for customer service and trust^[5].

Telephone and internet-based bank, First Direct, wins 'Best Current Account' and comes top for Overall Satisfaction and Telephone Customer Service. Since its launch 24 years ago by HSBC, the bank has been consistently praised for its excellent customer service. First Direct

is closely followed by Smile, which wins categories including Most Trusted, Best Value for Money and Best Email Customer Service. Smile, which like First Direct has UK-based call centres operating 24/7, is ten years younger than its web rival and owned by the Co-operative Banking Group.

The Co-operative Bank itself has also been given the thumbs up by customers, coming third in the awards overall. The Co-op has also scooped the award for Best Branch Customer Service - potentially frustrating news to the five million Lloyds TSB customers who were expecting to be turned over to the Co-op this year through its purchase of Lloyds bank branches, as the deal has just fallen through^[3].

Santander is voted the worst current account provider in the survey, let down by its customer service, whether online, on the phone or in-branch. It has also received the least votes for its online banking experience. Santander has been working hard to address its customer service issues, and its 1-2-3 account could help win back the hearts of customers, demonstrated by the fact that it takes third place in the Benefits and Incentives category.

Of all the current account providers in the survey, RBS is the least likely to be recommended and also falls down on its scores for Trust and Overall Satisfaction. Barclays, like Santander, falls short on its customer service and online banking experience^[4].

The research also shows that just 9% of 18 to 24-year-olds completely trust their current account provider, compared to 14% of 45 to 54-year-olds. Young people are also the least impressed with the online and telephone customer services provided by their banks, which suggests that they may be the first to jump ship when the new 7-day account switching service is launched in September^[5]. Overall, with seven in ten customers (72%) saying that they have had their accounts for more than ten years and 53% having never switched, banks have everything to play for.

Michael Ossei, personal finance expert at uSwitch.com, says: “Current accounts are the bread and butter of the money world – you need one just to live your life. But where you keep your hard-earned cash should be a place that you trust and are happy with - and many banks still have a long way to go to earn this respect.

“As people feel the squeeze of Government spending cuts and higher living costs, one thing they want to be sure of is that, if push comes to shove, they can lay their hands on their money quickly and easily.

“Low levels of consumer confidence and the new seven day switching process arriving in September mean that the current account market is all for the taking. The Post Office’s decision to launch a current account next Spring will give banks a real run for their money.

“Not only will it benefit from its far-reaching network of branches, but it is a trusted brand. Value for money and customer service will be key to its success, but high street banks should see this as a serious threat.”

For more information visit www.uSwitch.com or call 0800 093 0607

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Notes to editors

Research referred to in the release for the uSwitch Current Account Awards was conducted online by YouGov between 25/09/12 and 3/10/12 among 10,269 adults. All figures are based on uSwitch.com analysis. The figures have been weighted and are representative of all GB adults who have a current account.

1. Santander is in 11th place out of 11 providers in the Best Current Account Provider category and also comes bottom for Trust, Online / Email Customer Service, Telephone Customer Service, Branch Customer Service and Online Banking Experience.
2. See tables below - First Direct and Smile occupy first and second place across every category except for Benefits & Incentives and Branch Customer Service.
3. Co-op Bank comes third for Best Current Account Provider – it announced in July 2012 that it had struck a deal with Lloyds to buy 632 of its branches, but it pulled out of the deal in April 2013.
4. RBS comes 10th in the Best Current Account Provider category, bottom for Most Likely to be Recommended and Overall Satisfaction, and takes tenth place for Trust. Barclays comes tenth for online/email customer service, telephone customer service and online banking experience.
5. Just 9% of 18 to 24-year-olds said that they ‘completely trust’ their current account provider – compared to 14% aged between 45 and 54. Just 44% of 18 to 24-year-olds said they were satisfied with telephone customer service compared to 52% of 45 to 54-year-olds and 35% of 18 to 24-year-olds were satisfied with online customer service compared to 42% of 45 to 54-year-olds.
6. When asked ‘How long have you held your current account?’ 72% said ‘more than 10 years’.
7. When asked ‘Have you ever switched current account?’ 53% said ‘no’.

uSwitch Current Account Awards 2013 – Full Findings

Best current account provider		
	Score	Rank
First Direct	78%	1
Smile	78%	2
Co-op	70%	3
Nationwide	63%	4
Halifax	45%	5
Lloyds	44%	6
HSBC	43%	7
Natwest	43%	8
Barclays	42%	9
RBS	40%	10
Santander	37%	11

Satisfaction			Trust		
	Score	Rank		Score	Rank
First Direct	86%	1	Smile	70%	1
Smile	82%	2	First Direct	69%	2
Co-op	80%	3	Co-op	69%	3
Yorkshire Bank	75%	4	Nationwide	63%	4
Nationwide	72%	5	HSBC	48%	5
Halifax	54%	6	Halifax	45%	6
Lloyds	53%	7	Natwest	44%	7
Barclays	51%	8	Lloyds	43%	8
Natwest	51%	9	Barclays	42%	9
HSBC	49%	10	Santander	35%	10
Santander	44%	11	RBS	31%	11
RBS	42%	12	Clydesdale Bank	60%	12

Online or e-mail customer service			Value for money		
	Score	Rank		Score	Rank
Smile	88%	1	Smile	62%	1
First Direct	77%	2	First Direct	60%	2
Co-op	73%	3	Co-op	57%	3
Nationwide	59%	4	Yorkshire Bank	55%	4
HSBC	39%	5	Nationwide	48%	5
RBS	37%	6	Halifax	38%	6
Lloyds	36%	7	RBS	30%	7
Natwest	36%	8	Barclays	29%	8
Halifax	31%	9	Santander	29%	9
Barclays	30%	10	Lloyds	29%	10
Santander	25%	11	Natwest	26%	11
			HSBC	25%	12

Recommendation			Telephone Customer Service		
	Score	Rank		Score	Rank
Smile	79%	1	First Direct	88%	1
First Direct	79%	2	Smile	77%	2
Co-op	76%	3	Co-op	73%	3
Nationwide	66%	4	Nationwide	59%	4
Yorkshire Bank	57%	5	RBS	39%	5
Halifax	38%	6	Lloyds	37%	6
HSBC	32%	7	Halifax	36%	7
Lloyds	32%	8	Natwest	36%	8
Natwest	31%	9	HSBC	31%	9
Barclays	30%	10	Barclays	30%	10
Santander	22%	11	Santander	25%	11
RBS	17%	12			

Online banking experience			Benefits and incentives		
	Score	Rank		Score	Rank
Smile	89%	1	Halifax	35%	1
First Direct	88%	2	Co-op	32%	2
Nationwide	80%	3	Santander	15%	3
Yorkshire Bank	80%	4	Nationwide	13%	4
Co-op	79%	5	Smile	13%	5
Lloyds	72%	6	First Direct	4%	6
RBS	71%	7	Lloyds	2%	7
HSBC	70%	8	RBS	0%	8
Natwest	70%	9	Barclays	0%	9
Halifax	69%	10	Natwest	0%	10
Barclays	68%	11	HSBC	0%	11
Santander	67%	12			

Account switching service			In branch customer service		
	Score	Rank		Score	Rank
First Direct	78%	1	Co-op	65%	1
Smile	75%	2	Nationwide	61%	2
Co-op	62%	3	First Direct	61%	3
Nationwide	60%	4	Barclays	56%	4
Halifax	51%	5	Lloyds	55%	5
Santander	49%	6	RBS	52%	6
HSBC	48%	7	Natwest	51%	7
Barclays	43%	8	Halifax	48%	8
Lloyds	42%	9	HSBC	46%	9
Natwest	42%	10	Santander	38%	10
RBS	39%	11			

About us

uSwitch.com is a free, impartial, online and telephone-based comparison and switching service, helping consumers compare prices on gas, electricity, water, heating cover, home telephone, broadband, digital television, mobile phones and personal finance products including mortgages, credit cards, current accounts and insurance. In 2010 uSwitch.com celebrated ten years of saving customers money.

uSwitch.com is the first comparison website to achieve the Plain English Campaign's Internet Crystal Mark, which is recognised as a standard that a website has clear language, is accessible and easy to use, and has been tested on a sample of its users.

uSwitch.com is dedicated to helping consumers save money whether they have internet access or not. It offers a dedicated call centre, manned by uSwitch customer service representatives, as well as a freepost 'Send us your bill' service, whereby customers can post their latest energy bills with their telephone number to FREEPOST USWITCH, to get a free call back from a dedicated customer services representative. The service is also available via fax, email and post. Consumers should fax 0203 214 8417, email CustomerServices@uswitch.com or write to Customer Services, uSwitch.com, Centro 3, 19 Mandela Street, London, NW1 0DU with their postcode and usage details.

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