National Consumer Agency

Market Research Findings: Consumer Switching Behaviour

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Research Conducted by

B&A

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Key Findings

Key Findings - 1

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- When describing their consumer behaviour, overall **25%** of consumers said they ‘***change companies often and avail of better deals***’, a further 38% said that while they generally stick with the same companies they do ‘**look around**’ for other providers. **36%** of consumers said they ‘***tend to stick with the same company for products and services***’.
- Overall the proportion who have **switched at least one product or service provider** in the past 12 months **is 43%.**
- Switching provider is **highest for car insurance (25%),** electricity (17%) and gas (17%), followed by gym membership (15%) and main grocery shop (14%).

Key Findings - 2

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- **76%** described the **process of switching provider as 'easy'**. Consumers rated gas (92%) and electricity (89%) supply services as the easiest to switch.
- **Majority of switchers saved money** – with average **monthly** savings resulting from switching being;
    - mobile phone provider - €24.
    - electricity provider - €21.
    - car insurance provider and gas provider both - €15
- When asked about their behaviour in a number of key sectors, significant numbers of consumers said that they have **not checked recently** to see if there is a better package/deal available to them.

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Consumer Switching Behaviour

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Consumer Behaviour

Base: All Adults – 999

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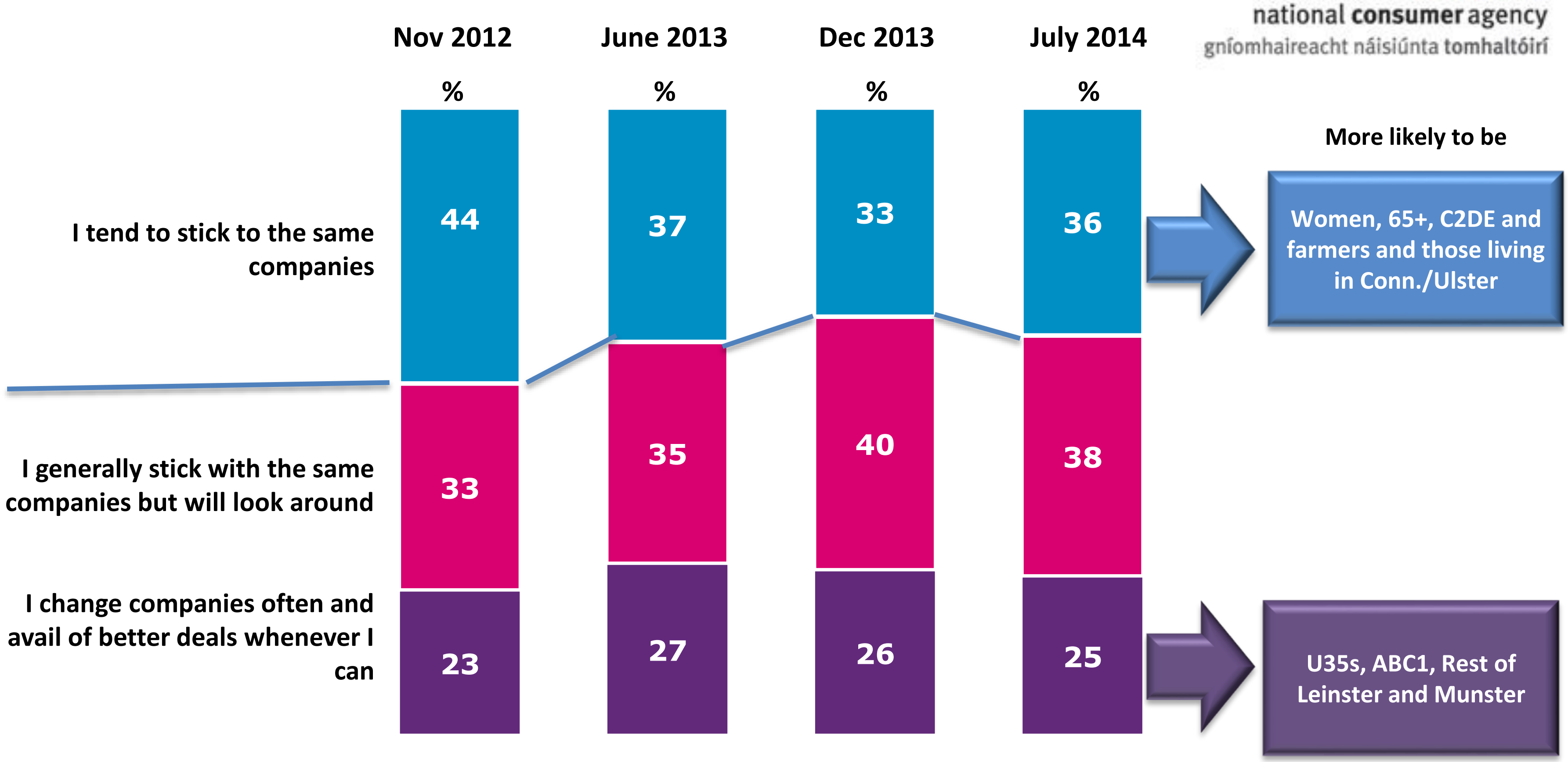
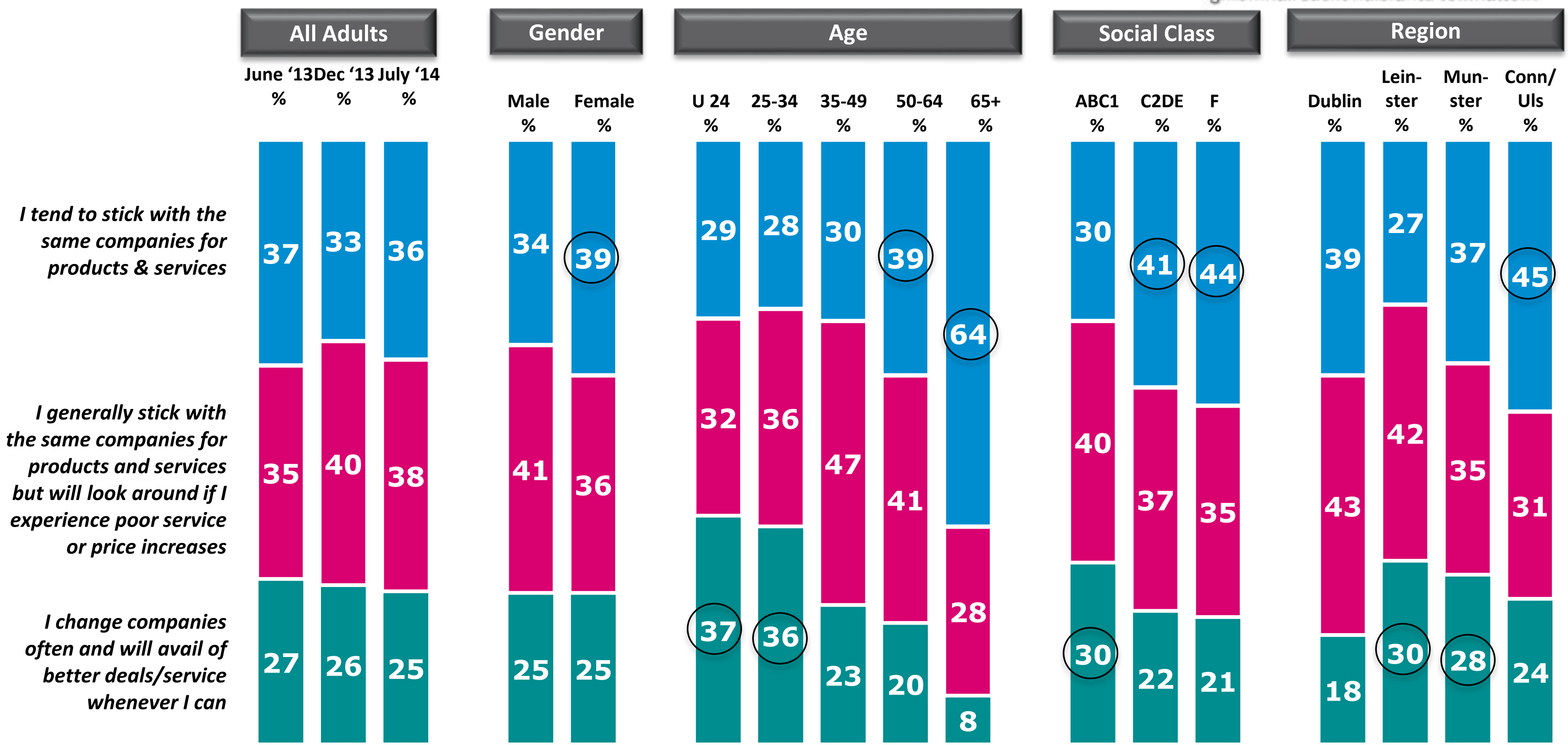


A slight increase in consumers saying that they tend to stick to the same companies, but the majority still say they shop for the best price.

Q. Which of the following statements most closely describes your behaviour as a consumer?

Consumer Behaviour - Demographics

Base: All Adults – 999



Older adults and those from C2DE socio economic group and farming backgrounds continue to be the more inclined to stick to same companies

Q. Which of the following statements most closely describes your behaviour as a consumer?

Trends in Switching Behaviour

Base: All who hold each product

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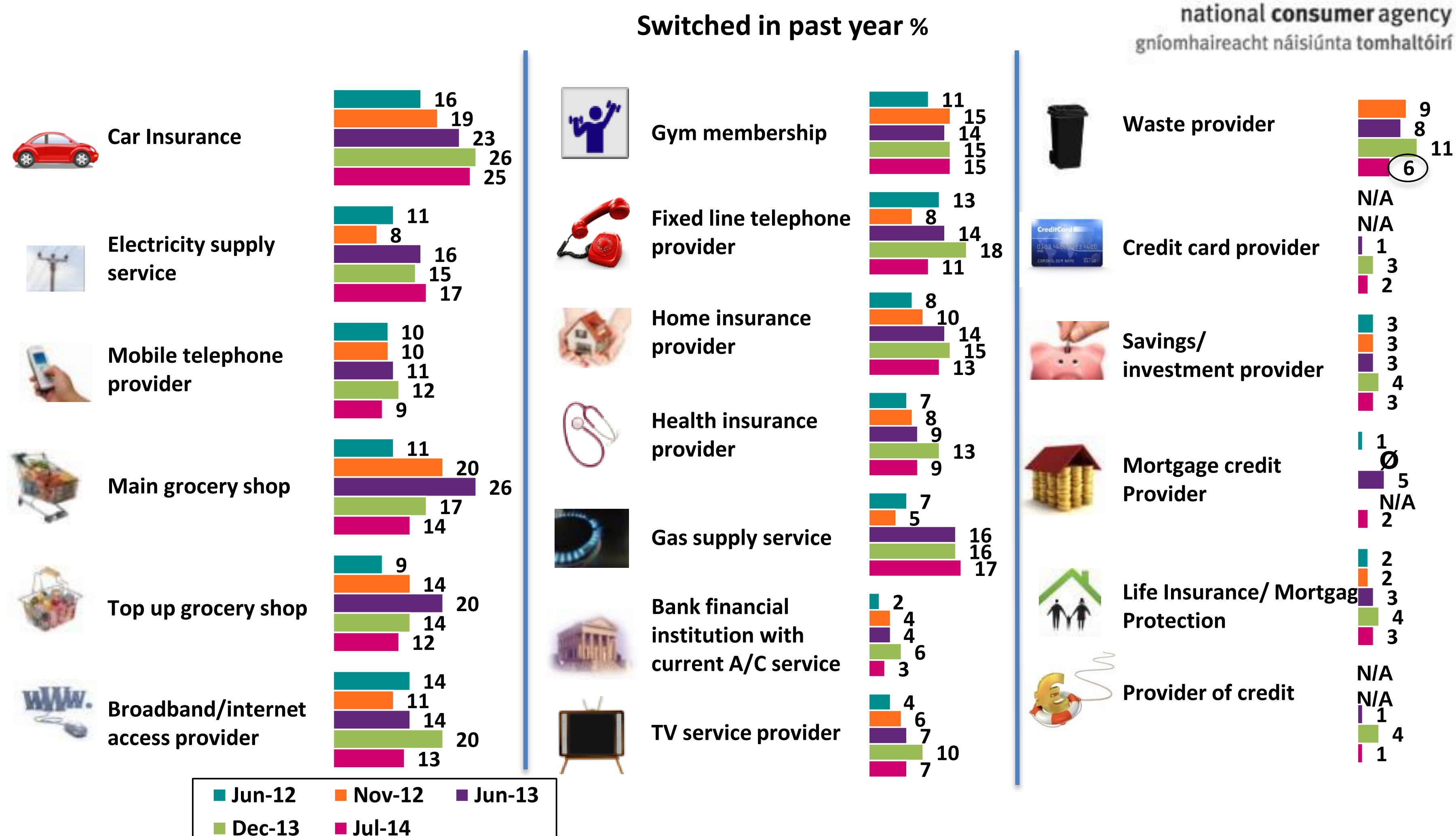

Incidence of switching is highest in relation to car insurance, electricity and gas provider. Overall 43% have switched at least one product or service within the last 12 months (2% less than previous wave)

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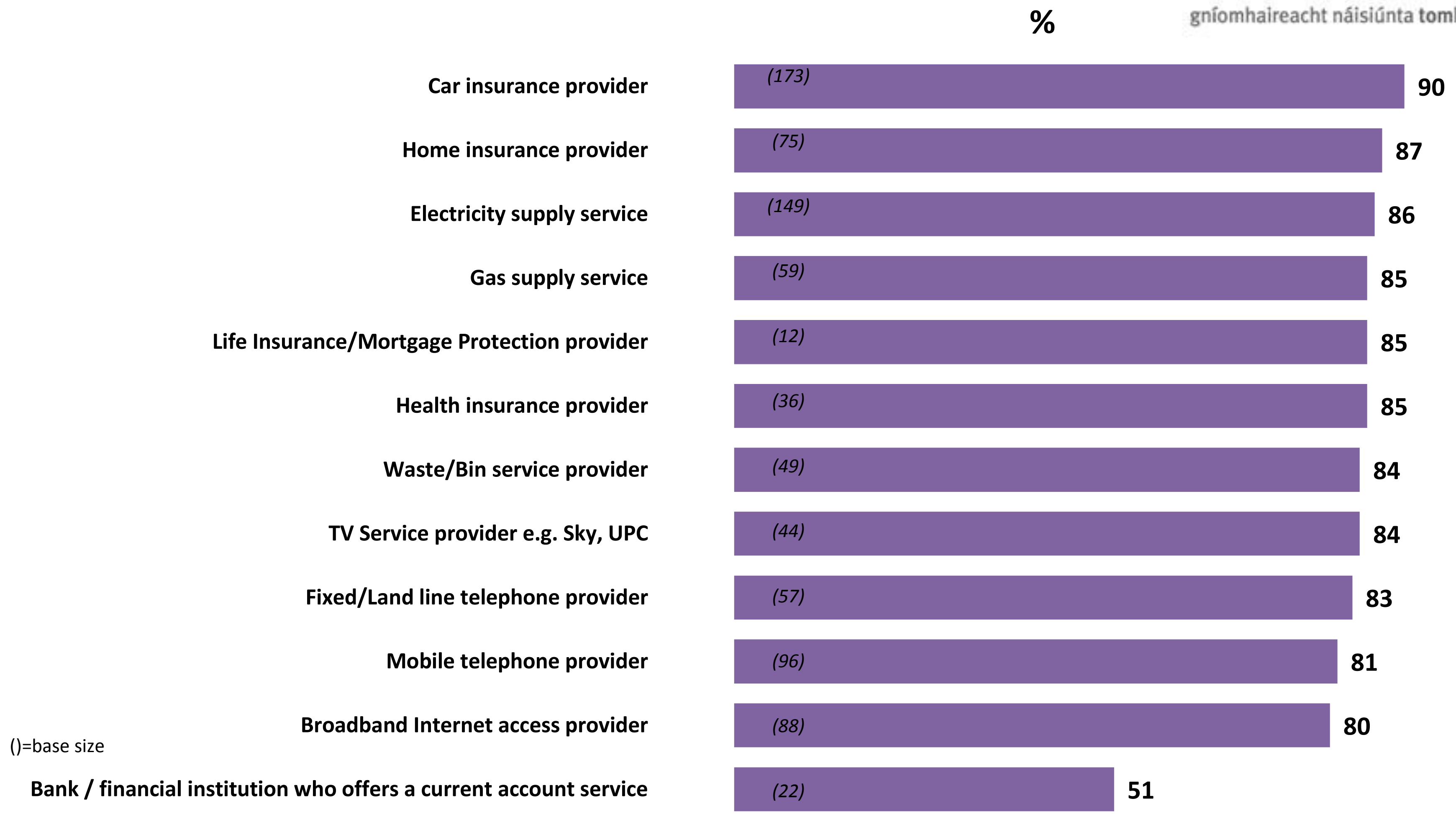
Majority of Switchers Feel they have Saved Money

Base: All who switched products or services



Across the majority of sectors between 80% and 90% believe that they have saved money by switching to a different provider, with exception being switching current accounts at 51%.

Q. Did you save money by switching providers for this product/service?

Reported Monthly Savings from Switching

Base: All switchers in each category

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Saved money when switched	Average monthly savings €
Car insurance provider (158)	15.33
Electricity supply service (127)	21.06
Mobile telephone provider (81)	24.35
Broadband internet access (71)	12.96
Home insurance provider (67)	12.99
Gas supply service (51)	15.08
Fixed/ Landline telephone provider (48)	14.93
Waste / Bin service provider (42)	8.66
TV service provider e.g. Sky, UPC (37)	20.23
Health insurance provider (31)	34.51

Monthly savings made by switching mobile telephone provider on average were found to be €24. On average consumers saved €21 when switching electricity provider and €15 when switching car insurance or gas provider.

Ease of Switching

Base: All who have switched providers in the past 12 months

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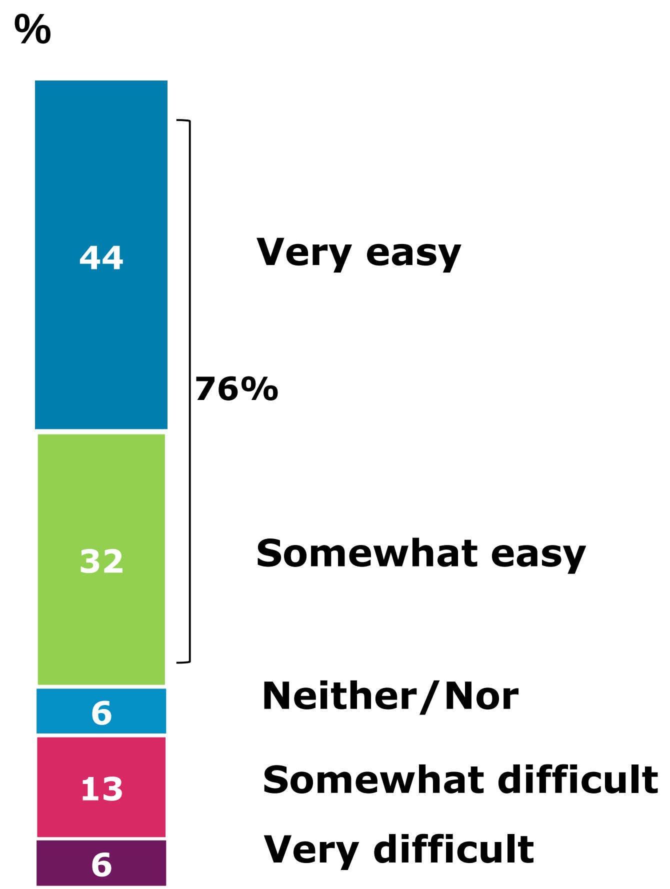
76% describe the process of switching provider as easy.



Q. Thinking about the switching process, how would you describe it?

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Ease of Switching - Demographics

Base: All who have switched providers in the past 12 months

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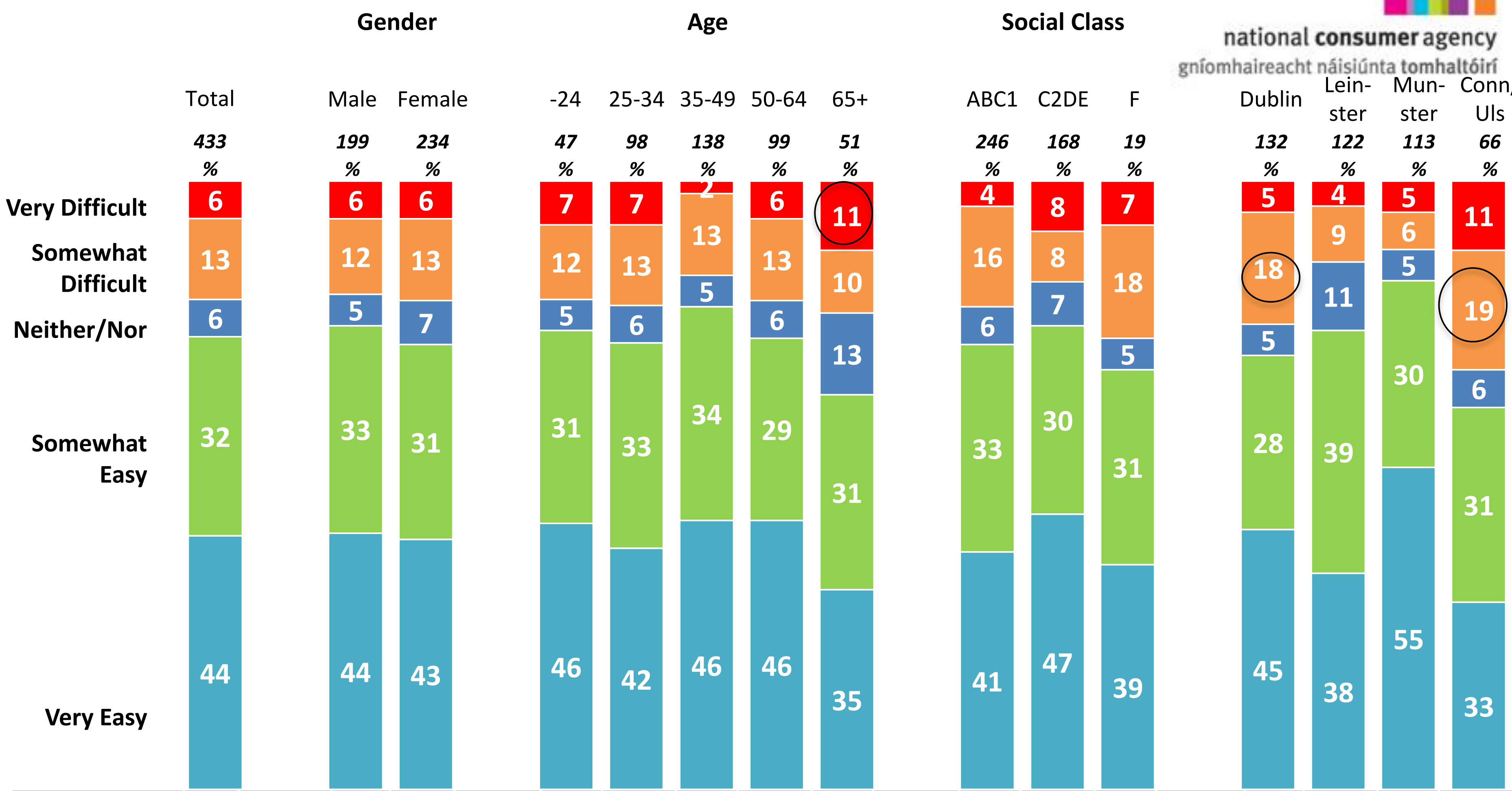

	Total	Male	Female	-24	25-34	35-49	50-64	65+	ABC1	C2DE	F	Dublin	Leinster	Munster	Conn/Uls
Any Difficult	18	18	19	19	20	15	19	21	19	16	24	23	13	10	30
Any Easy	75	77	74	77	75	79	75	66	74	77	70	72	77	85	64

Little variation in the assessment of ease or difficulty of switching by demographics, older consumers and those living in Dublin & Conn/Ulster find switching slightly more difficult.

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Q. In general when thinking about the switching process, how would you describe it?

Ease of Switching across Sectors

Base: All who have switched providers in the past 12 months

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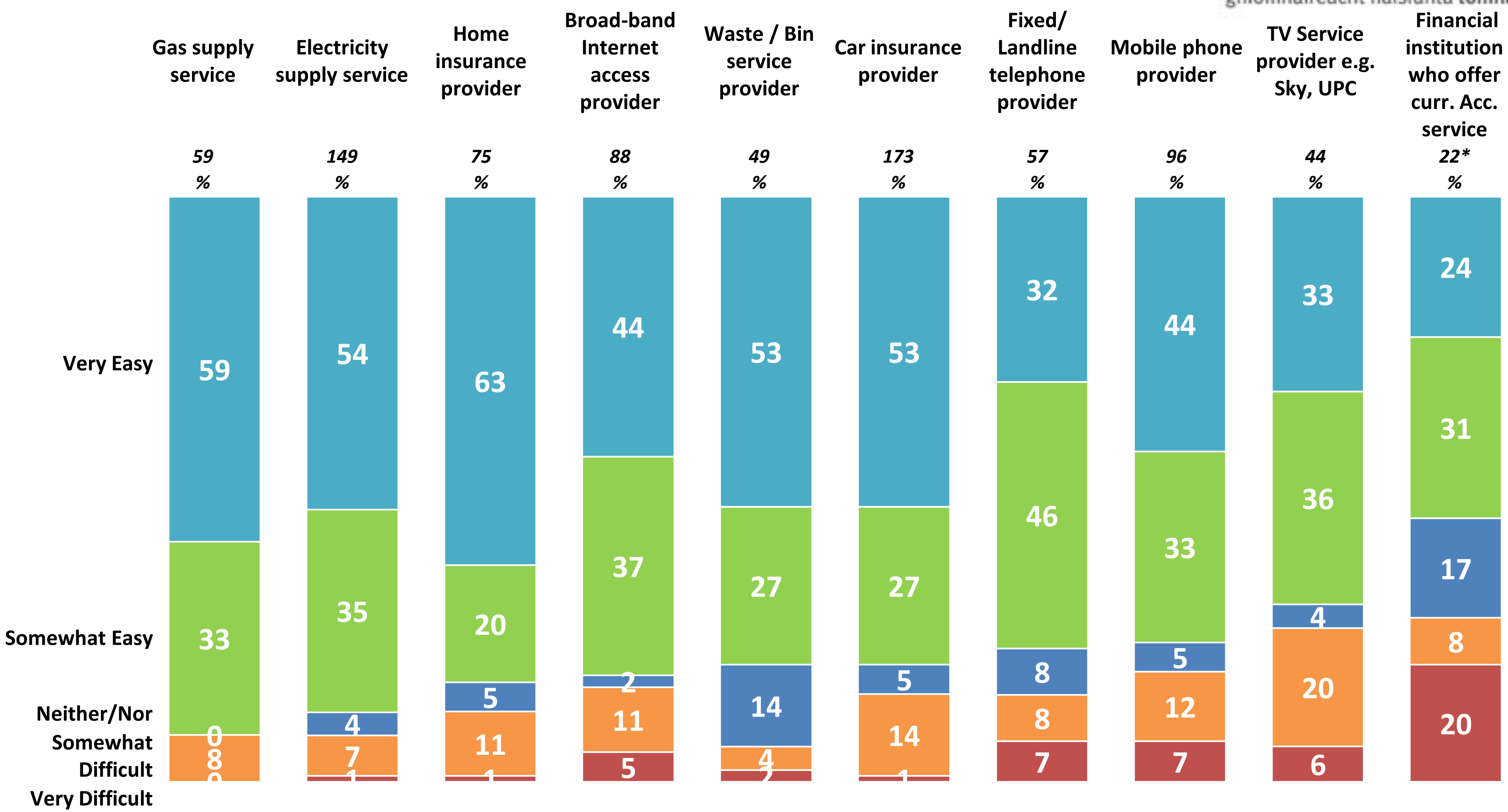

	Gas supply service	Electricity supply service	Home insurance provider	Broad-band Internet access provider	Waste / Bin service provider	Car insurance provider	Fixed/ Landline telephone provider	Mobile phone provider	TV Service provider	Financial institution
Any Easy	92	89	83	81	81	80	77	76	69	55
Any Difficult	8	7	12	17	6	15	15	19	27	28

*Caution small base

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Q. In general when thinking about the switching process, how would you describe it?

Occurrence of Checking for Better Deals/Packages Available

Base: All who hold products

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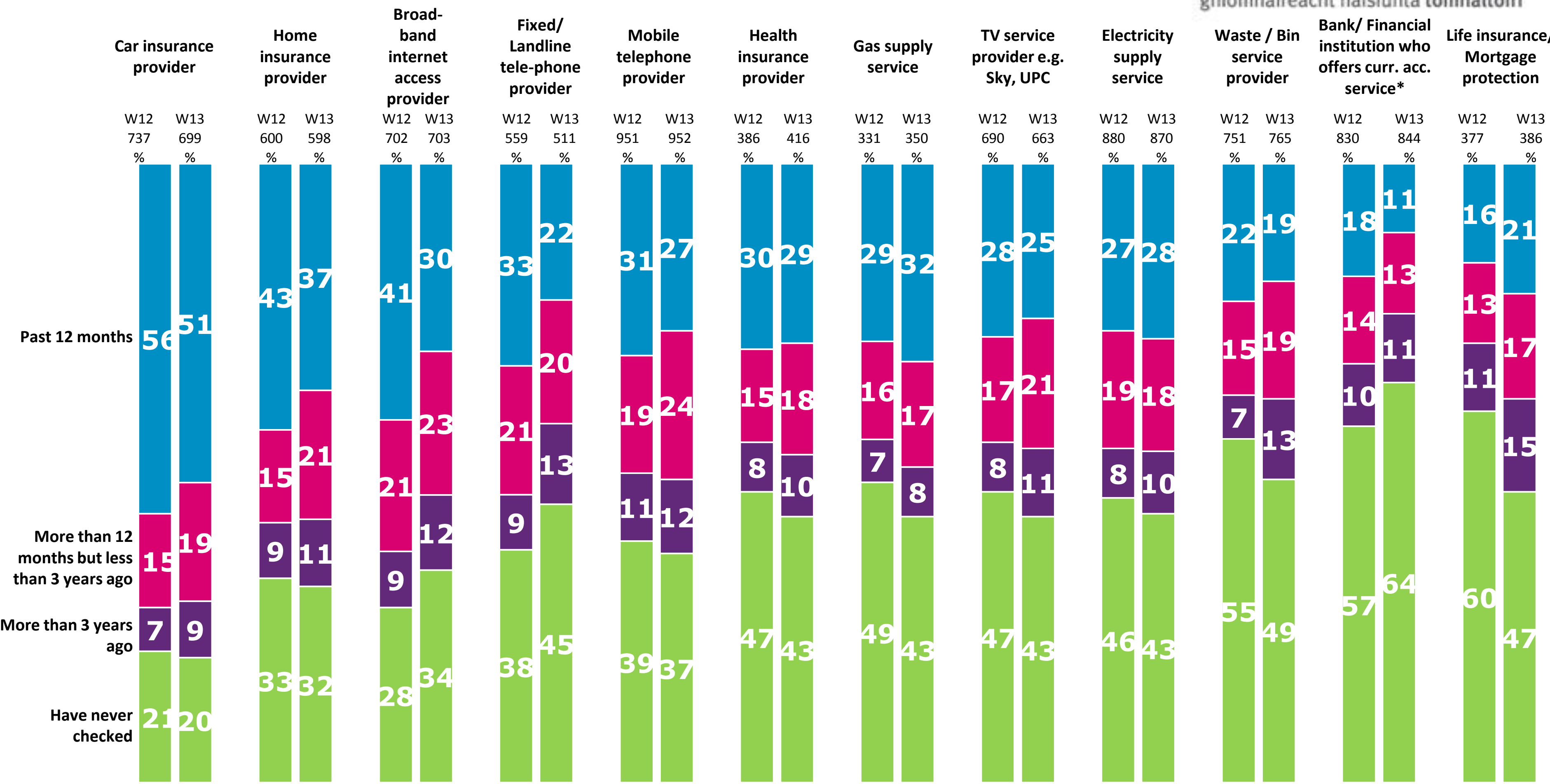

Gas, electricity & mortgage protection are the only sectors seeing an increase in checking for better offers in the past 12 months

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Q. When was the last time you checked to see if there was a better deal/package available for?

Research Background and Methodology

Research, Background and Methodology

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- The NCA has undertaken frequent national surveys of public attitudes and behaviour since 2007. Each of these have been similarly structured to represent the national adult population in Ireland.
- This is the third wave of tracking research to be conducted by Behaviour & Attitudes, but the thirteenth in the NCA's tracking series.
- In order to ensure that the findings are comparable with previous studies, the same methodology was utilised.
  - 999 interviews were conducted using CAPI machines (small handheld personal computers on which the survey interview is 'hosted'.)
  - Interviewing was undertaken face-to-face, in home, at 63 randomly selected sampling locations.
  - Quota controls used in relation to gender, age and social class, with sampling points chosen in proportion to the regional distribution of population. Quotas were based on the latest census of population and industry agreed estimates in relation to social class.
- Interviewing was conducted between 30th June and 13th July 2014.

Incidence of Currently Holding Products or Services

Base: All Adults – 999