

Student banking and finances Market Research Summary

We asked 16-24 year olds their banking plans for the next 12 months, and what they're looking for in an account

Where relevant, we've compared results to our Spring 2022 research* to show change over time.

Methodology:

TSR Asks monthly omnibus survey of The Student Room Community members, aged 16-24 and based in the UK

Fieldwork:

3rd – 6th May 2024

Base:

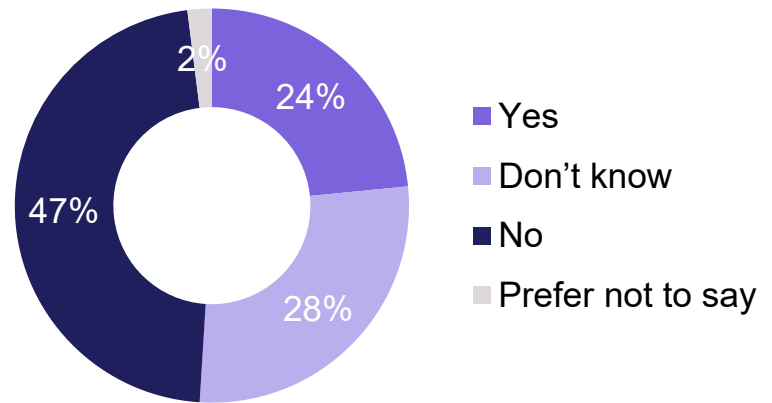
727 responses

Plans and considerations for opening a bank account

Almost a quarter (24%) of respondents aged 16-24 planned to **open a new bank account in the next 12 months**, a further 28% were unsure, perhaps suggesting they hadn't ruled this out.

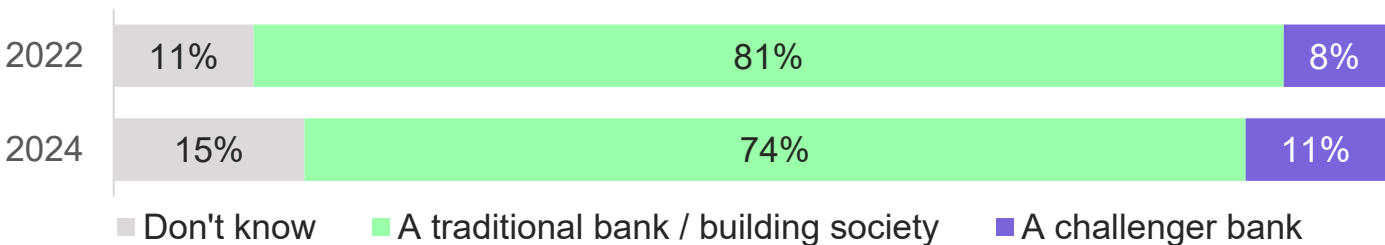
Perhaps reflecting reaching the end school/college and preparing for their post-18 plans, the proportion planning to open a new account rose to almost two fifths (39%) of Year 13 respondents.

Q: Are you planning to open a new bank account within the next 12 months? (single response)



When choosing a bank account, almost three quarters (74%) would opt for an account with a **traditional bank / building society**, while more than one in ten (11%) expected to choose a **challenger bank** instead.

Q: If you were to open a bank account, which of these are you most likely to choose? (single response)



Interestingly, the proportion of respondents who would choose a **traditional bank** has fallen since we last asked this question in Spring 2022 (74% cf. 81%).

It's likely not just current accounts that are considered.



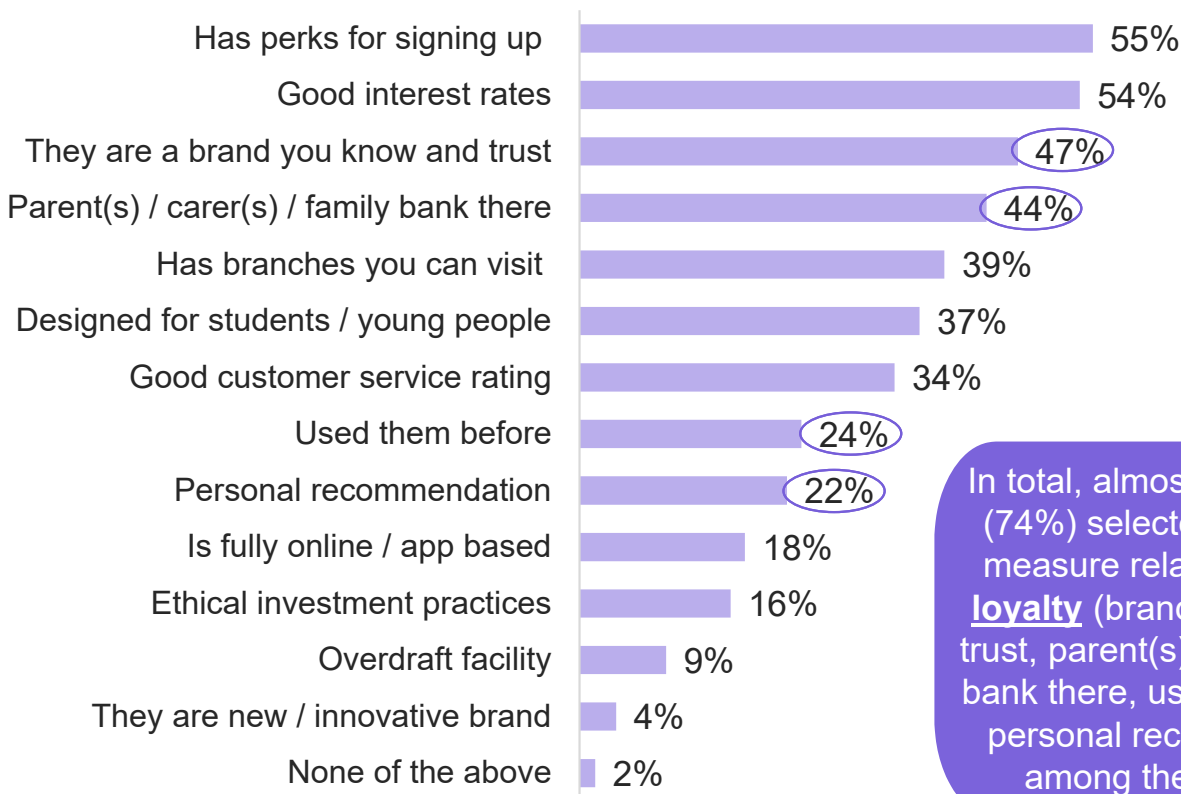
Perhaps reflecting the increasing cost of living, more than half (52%) of respondents had **put money in a savings account** in the last 3 months, a significant increase from 45% who reported they had saved in the last three months in our Spring 2022 survey.

What do they want from a bank?

Respondents were generally likely to choose one bank over another due to practical and financial considerations, such as **sign-up perks** (55%) or **good interest rates** (54%). Being a **known/trusted brand** was among the top three considerations for almost half (47%), whereas just 4% prioritised a new or innovative brand.

Perhaps surprisingly, being able to visit in person appears important for this audience. 39% prioritised having branches they could visit in their choice of bank, compared to less than one in five (18%) who selected fully online or app based banks as a priority.

Q: Which of the following, if any, might encourage you to choose one bank over another?
(multiple choice)



In total, almost three quarters (74%) selected at least one measure related to **trust or loyalty** (brand you know and trust, parent(s)/carer(s)/family bank there, used them before, personal recommendation) among their top three.

Again, perhaps reflecting the rising cost of living, **perks for signing up** (e.g., rail cards, travel insurance, or cash incentives) were more likely to be considered when choosing one bank over another than in our Spring 2022 survey (55% cf. 49%). And perhaps unsurprisingly as interest rates have increased, **good interest rates** were also more likely to be considered than in 2022 (54% cf. 47%).