

Bank fees are still a primary driver for LSM 4 – 7 when selecting a banking provider

Part of a series of comparative research reports conducted by MoyaApp between 2023 and 2024, the *Banking Insights Comparative Report*, shows that mass market consumers are sensitive to the cost of doing banking in SA.



Source: [Pexels](#)

The study, conducted over the past 11 months (March 2023 – April 2024), involving a sample size of approximately 9,000 participants, has revealed meaningful insights into the evolving preferences and satisfaction levels of banking customers, specifically within the traditionally hard to reach LSM 4 – 7 group of consumers.

When considering switching banks, the primary factor for consumers is lower fees, accounting for 56.5% of responses, unchanged over the study period. However, the importance of faster and easier transactions has risen, highlighting cost efficiency and transaction convenience as critical factors in banking choice.

The report highlights a noteworthy increase in Capitec Bank's popularity, which saw a 2% uptick, signifying growing consumer trust and preference.

This shift comes at a time when other banks, including TymeBank and Absa, have experienced slight declines in patronage.

Standard Bank, however, witnessed a modest increase, suggesting subtle yet significant changes in consumer banking preferences, possibly influenced by service offerings, fee structures, or customer-experience enhancements.

This report follows key insights into the preferences for the same mass market consumer segment for clothing retailers, which was released two weeks ago.



BRANDING

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Karabo Ledwaba 4 Apr 2024



MoyaApp will be releasing these reports biweekly based on a variety of business categories to highlight the wants and needs of the market segment.

"Understanding these dynamics is crucial for businesses to align their services and pricing with consumer expectations and preferences," says Nicholas Bednall, chairman of MoyaApp.

"Our app is an ideal platform to foster better relationships with customers and to understand a long-neglected market in South Africa."

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