

UK Consumer Appetite for Digital-Only Banking Grows As Cashless Society Beckons

February 21, 2019

41% of UK consumers are considering a switch to digital-only banking, with Millennials leading the charge

LONDON, 21 February – The UK is ripe for a proliferation of digital banking offerings, according to a survey of UK consumers by [Marqeta](#), whose advanced payments infrastructure and open-API platform has pioneered a new standard for Modern Card Issuing. A significant proportion of respondents (41%) admitted to considering the switch to a digital-only banking service, evidence that the global shift from traditional to online banking is even more accelerated in the UK.

This attitude stems in part from the belief that hard cash will soon become obsolete. Most respondents (55%) think that cash will disappear from use altogether, with 72% of this group indicating this could be in the next 20 years.

As cash use decreases, greater importance is being placed on the need for simple-to-use technology. When UK consumers were asked to list the most important benefits their bank provided three times as many people listed a user-friendly mobile application (27%) than an in-person presence (9%). This puts the UK ahead of the US market where just 21% believe an easy-to-use mobile app is their best benefit, versus 15% who prefer an in-person presence. UK consumers were also 60 percent less likely to have written a cheque in the last month than US consumers for something other than utilities or rent (13% v 32%).

Significantly, UK consumers were more reluctant as a whole about the idea of changing to a bank operated by Facebook, Amazon or Google, with 37% of respondents willing to consider a change, versus 46% of US respondents.

The transition to a completely cashless society would also cause a security concern among 65% of UK respondents. Despite this, fears regarding the security of digital services like mobile wallets drops to 39% among all respondents.

Millennials (18-34 year olds) represented the group most comfortable exploring the benefits of digital banking. Marqeta's research found that Millennials were:

- More than three times more likely than a Baby Boomer (51-65 years old) to have completed a purchase using a mobile wallet (51% v 16%).
- Almost twice as likely than a Baby Boomer to express comfort using TouchID and FaceID to authorise a payment (52% v 29%).
- More than twice as likely than a Baby Boomer to pay someone back using a peer-to-peer banking service than cash or cheque (44% v 21%).
- Five times more likely to use Apple Pay (25% v 5%) and four times more likely to use Google Pay (20% v 4%) than a Baby Boomer.

Commenting on the survey findings, Marqeta's Head of European Growth, Ian Johnson, said : "Driven by younger generations, consumer preferences in the UK are rapidly evolving toward new payment touchpoints and digital banking tools as people are starting to engage with an increasingly mobile and always connected economy in entirely new ways. As digitally native consumers start to make a considerable part of the

population base, this speed of innovation is only going to increase and the winners in the financial technology space will be those who can bring products to market that can get ahead of this rate of change.”

The survey of 2,027 consumers across the US, UK, France, Germany, and Spain, was completed by market research firm Propeller Insights on behalf of Marqeta.

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About Marqeta:

Marqeta is the global standard for modern card issuing, providing the most advanced infrastructure and tools for building highly configurable payment cards. With its open API, the Marqeta platform is designed for innovators who want a simplified way of managing payment programs so that they can create world-class experiences and power new modes of commerce. Marqeta is headquartered in Oakland, California. For more information, visit www.marqeta.com, [Twitter](#) and [LinkedIn](#).