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FOLLOW-UP QUANTITATIVE RESEARCH REPORT ON CHEQUE IMAGING

Research carried out by Ipsos MORI for the C&CCC

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1. BACKGROUND

Ipsos MORI conducted quantitative research in January 2015 for the Cheque and Credit Clearing Company to measure users' attitudes to cheque imaging. The research was carried out as follow up to qualitative research undertaken in the autumn of 2014.

This research was carried out for 3 separate groups comprising consumers, SMEs and NfPs. A total of 1,031 interviews were conducted with the public, 383 with Small and Medium sized Enterprises (SMEs), and 375 with Not for Profit organisations (NfPs)

The full questionnaire for all 3 groups is included in the appendix to this report. This investigated:

- Attitudes to the length of the clearing cycle; clarity and understanding of clearing.
- Importance of speed of clearing versus the clarity of when funds are in the customer's account and able to be spent.
- Interest in the smartphone app.
- Views of tiered solutions especially around faster for some and/or by different channels, value limits, different speeds for different customer propositions

This builds on qualitative research conducted by Ipsos MORI in autumn 2014 which explored attitudes towards cheques and the proposed changes. This was conducted with the public, charities and businesses.

2. SUMMARY

All groups supportive of benefits (speed and certainty) of new system:

- The new system is felt to offer sufficient speed and clarity especially when compared to current system
- Around nine in ten NfPs (86%) and SMEs (92%), and around three quarters of the Public (77%) like faster clearing times (5.00pm next working day). Greater certainty that a cheque won't bounce once funds are displayed in the recipient's account was similarly popular (90%, 94% and 78% respectively)
- All groups like that money leaves their account more quickly – notable proportion of SMEs and NfPs believe the new system will allow them to manage their finances more easily
- Few envisage new system will prompt a change of volumes in cheques they send/receive

Certainty

A key feature of the system is that once money from a cheque is showing in the account there is no risk of the cheque bouncing:

- Appealed to all groups - Public 78%, SMEs 94%, NfPs 90%

- Only 2% of consumers, 1% of SMEs and less than half a per cent of NfPs didn't like this feature
- Reassurance money won't bounce once shows in account leading benefit of new system for SMEs (61%) and NfPs (53%) (over faster clearing, which was seen as the leading benefit by 33% of SMEs and 41% of NfPs)

Speed

Around two thirds of all groups like that money will leave their accounts faster when using cheques (69% of SMEs, 64% of NfPs and 67% of the public):

- When asked to choose between speed and certainty, the leading benefit for Public was that money will reach their account more quickly (45%), compared to 41% choosing certainty a cheque won't bounce once money is showing in their account
- Large proportion of all groups think cheques will clear quickly enough under new system
 - 75% Public, 92% SMEs, 91% NfPs
 - Very little unprompted demand for faster clearing

Tiered Solutions

Widespread acceptance of a tiered cheque imaging solution by all groups with:

- times differing by provider during the transition phase; and
- faster clearing when using an imaging app after introduction
 - Low levels of disagreement around the acceptability of a tiered rollout period – 13% Public, 19% SMEs, 11% NfPs

Important to note that around two fifths of each group agreed this staged rollout will make using cheques confusing (41% of the public and 40% of SMEs and NfPs agreed)

Bulk Deposits

When submitting multiple cheques SMEs and NfPs had mixed preferences on whether updates should be provided when each cheque clears or, all in one go:

- Prefer multiple updates as each cheque clears – 53% SMEs, 40% NfPs
- Prefer single update when all cheques cleared – 40% SMEs, 50% NfPs

Mobile App/Scanner

- Half of the Public (51%) say that a smartphone cheque scanning app would be useful – this rises to 72% of people who have ever used mobile banking
- Half of SMEs (52%) say that a smartphone cheque scanning app would be useful
- However, two thirds of NfPs (64%) say that a smartphone cheque scanning app would not be useful

- For those who said they would be likely to use the app/scanner the most preferred form of notification for SMEs and NfPs was email (74% and 89% respectively), and the Public most preferred text message (54%)

3. METHODOLOGY

The following methodology applied to each group.

General Public - Consumers:

- 1,031 interviews with adults aged 16 and over
- Face-to-face in-home interviews (CAPI)
- Interviews across the UK (England, Wales, Scotland, N. Ireland)

The results have been weighted to be representative of the country's adult population. Results therefore refer to the whole of the UK.

Small and Medium sized Enterprises - SMEs:

- 383 interviews with businesses with 250 or fewer employees
- Telephone interviewing (CATI)
- Interviews across the UK (England, Wales, Scotland, N. Ireland)

Registered charities and not-for-profit organisations not registered as charities - NFPs:

- 375 interviews with not for profit organisations
- Telephone interviewing (CATI)
- Interviews across the UK (England, Wales, Scotland, N. Ireland)

This report should be read in conjunction with the Ipsos MORI Quantitative presentation dated 6th February 2015. This presentation provides further context and analysis as it combines both the results from the quantitative research with findings of the previous qualitative research.

4. SURVEY RESULTS

The tables below provide a summary of the results. Responses for questions have been combined across groups where similar to provide comparisons. For the full set of questions asked to each group please see appendix A

It should be noted due to rounding some columns will not add to 100%. A number of responses in the following tables will have high margins of error due to low sample sizes.

C1 I'm going to read out a list of ways of banking. Please tell me each one that you personally have ever done.

Base: All respondents

	Consumer	SMEs	NFPs
Visit the branch	83%	84%	86%
Online	53%	72%	55%
Telephone	36%	46%	53%
Mobile	22%	25%	12%
Text alerts	10%	16%	4%
None of these	5%	4%	5%

- Visit the Branch and Online were the 2 most frequent responses across all groups.
- **C2** How many, if any, payments by cheque have you personally/your organisation made within the past twelve months?

Base: All respondents

	Consumer	SMEs	NFPs
None	51%	14%	6%
1-10	34%	25%	15%
11-30	9%	16%	16%
31-50	2%	9%	10%
51-100	1%	8%	17%
101+	1%	23%	31%
Some, but don't know how many	1%	5%	5%

- Half of consumers had not made a payment by cheque in the past 12 months

C3 How many, if any, payments by cheque have you personally/your organisation received in the past twelve months?

Base: All respondents

	Consumer	SMEs	NFPs
None	50%	9%	5%
1-10	42%	25%	13%
11-30	4%	17%	16%
31-50	1%	13%	14%
51-100	1%	8%	14%
101+	1%	25%	33%
Some, but don't know how many	1%	3%	5%

- SMEs and NFPs had much higher levels of cheque usage (both written and received) than consumers

C4 To what extent, if at all, are cheques important or unimportant in your organisation/to you personally?

Base: All respondents who have sent or received a cheque in the past year

	Consumer	SMEs	NFPs
Very important	15%	38%	66%
Fairly important	33%	27%	21%
Neither important nor unimportant	14%	10%	4%
Fairly unimportant	24%	16%	7%
Very unimportant	14%	9%	2%
Top 2: Important	48%	65%	86%
Bottom 2: Unimportant	38%	25%	9%
Don't know	1%	-	-

- SMEs and NFPs viewed cheques as more important than consumers

P1A Thinking about you/your organisation to what extent, if at all, do you like or dislike the following features of the new system:

If you pay in a cheque the money will now be in your account by 5pm the next working day.

Base: All respondents

	Consumer	SMEs	NFPs
Like a lot	59%	80%	73%
Slightly like	18%	12%	12%
Neither like nor dislike	17%	7%	14%
Slightly dislike	2%	1%	-
Dislike a lot	1%	*	-
TOP 2: Like	77%	92%	86%
Bottom 2: Dislike	3%	1%	-
Don't know	3%	*	*

- Over three quarters of respondents in all groups liked that money would be in their account by 5pm the next working day after paying in a cheque
- Only a small minority (3% of consumers, 1% of SMEs) disliked this feature of the new cheque clearing model

P1B Thinking about you/your organisation to what extent, if at all, do you like or dislike the following features of the new system:

If someone pays in a cheque you have written the money will leave your account more quickly.

Base: All respondents

	Consumer	SMEs	NFPs
Like a lot	46%	53%	45%
Slightly like	22%	16%	19%
Neither like nor dislike	24%	24%	32%
Slightly dislike	5%	2%	3%
Dislike a lot	1%	3%	1%
TOP 2: Like	67%	69%	64%
Bottom 2: Dislike	6%	5%	3%
Don't know	3%	2%	1%

- Only a small minority (6% of consumers, 5% of SMEs, 3% of NFPs) disliked this feature of the new cheque clearing model

P2 To what extent, if at all, do you like or dislike the idea that with the new clearing process you can be sure that when money from a cheque is showing in your account there is no risk the cheque will bounce?

Base: All respondents

	Consumer	SMEs	NFPs
Like a lot	60%	87%	75%
Slightly like	18%	7%	14%
Neither like nor dislike	16%	5%	10%
Slightly dislike	2%	-	-
Dislike a lot	*	1%	*
TOP 2: Like	78%	94%	90%
Bottom 2: Dislike	2%	1%	*
Don't know	4%	*	1%

- All groups liked the certainty that when the money from a cheque is in their account there was no risk the cheque would bounce
- Only a small minority (2% consumers, 1% of SMEs and less than 0.5% of NFPs) did not like this feature of the new clearing model

P3 Thinking about you/your organisation how useful, if at all, would you find using an app on a smartphone to take an image of a cheque to send to your bank using online banking?

Base: All respondents

	Consumer	SMEs	NFPs
Very useful	24%	29%	17%
Fairly useful	27%	23%	17%
Not very useful	15%	16%	23%
Not at all useful	28%	31%	41%
Top 2: Useful	51%	52%	34%
Bottom 2: Not useful	44%	47%	64%
Don't know	6%	1%	2%

- Consumers and SMEs said they would find a smartphone app more useful than NFPs

P3.5 If the bank you are currently with said it was not planning to make a smartphone app for cheque imaging available to its customers, how likely or unlikely would you be to switch to another bank that did offer this facility?

Base: All respondents who think the smartphone app would be useful

	Consumer	SMEs	NFPs
Very likely	10%	7%	6%
Fairly likely	25%	12%	10%
Fairly unlikely	28%	35%	30%
Very unlikely	33%	40%	47%
Top 2:Likely	35%	19%	16%
Bottom 2:Unlikely	61%	76%	78%
I don't use cheques	3%	1%	-
Don't know	1%	4%	6%

- Consumers are more likely to switch banks than other groups if their bank does not make a cheque imaging smartphone app available to them, although it is likely this is being overstated.

P4 Thinking about the new cheque clearing process, which of the following is most appealing to you personally/your organisation?

Base: All respondents

	Consumer	SMEs	NFPs
You can be sure that when the money is in your account there is no risk the cheque will bounce	41%	61%	53%
The money reaches your account more quickly	45%	33%	41%
Neither of these	8%	2%	5%
Don't know	6%	3%	2%

- The certainty of the new clearing model is the most appealing feature for SMEs and NFPs
- The speed of the new clearing model is the most appealing feature for consumers

P5 Thinking about when you pay in a cheque how likely or unlikely would you be to download and use a smartphone app to send an image of a cheque to your bank using online banking?

Base: All respondents (General Public only)

	Consumer
Very likely	15%
Fairly likely	22%
Fairly unlikely	15%
Very unlikely	38%
Top 2:Likely	37%
Bottom 2:Unlikely	52%
I don't use cheques	7%
Don't know	3%

- Over a third of consumers said they were likely to pay in a cheque using a smartphone app

The following provides a breakdown of those use mobile banking and online banking for **P5**

	Consumers			
	Mobile banking		Online banking	
	Yes	No	Yes	No
Very likely	28%	11%	21%	8%
Fairly likely	30%	19%	25%	18%
Fairly unlikely	17%	14%	15%	15%
Very unlikely	19%	43%	33%	43%
Top 2:Likely	58%	31%	46%	26%
Bottom 2:Unlikely	35%	57%	48%	58%
I don't use cheques	4%	8%	4%	11%
Don't know	3%	4%	2%	5%

- 58% of those that use mobile banking are likely to use a smartphone app to send an image of a cheque

P7 Thinking about paying in cheques for your organisation, how easy or difficult would it be for you to download a smartphone app and use it to send cheque images to your bank using online banking?

Please think about this in terms of the practicalities of whether you would have a smartphone available for this.

Base: All respondents (SMEs/NFPs only)

	SMEs	NFPs
Very easy	38%	18%
Fairly easy	23%	21%
Fairly difficult	9%	13%
Very difficult	23%	42%
Top 2: Easy	61%	40%
Bottom 2: Difficult	32%	55%
Don't know	7%	6%

- SMEs would find it easier to download a cheque imaging app than NFPs

P8 Still thinking about paying in cheques for your organisation, how likely or unlikely would you be to download a smartphone app and use it to send cheque images to your bank using online banking?

Base: All respondents (SMEs/NFPs only)

	SMEs	NFPs
Very likely	28%	12%
Fairly likely	15%	13%
Fairly unlikely	16%	19%
Very unlikely	40%	53%
Top 2: Likely	42%	25%
Bottom 2: Unlikely	56%	72%
Don't know	1%	3%

- SMEs were more likely to download and use a smartphone app for paying in a cheque than NFPs

P9 Still thinking about paying in cheques for your organisation, how likely or unlikely would you be to use to an imaging machine from your bank to send cheque images to them using online banking?

Base: All respondents (SMEs/NFPs only)

	SMEs	NFPs
Very likely	28%	27%
Fairly likely	24%	29%
Fairly unlikely	18%	17%
Very unlikely	29%	25%
Top 2:Likely	52%	56%
Bottom 2:Unlikely	47%	43%
Don't know	1%	1%

P8/P9 SUMMARY Still thinking about paying in cheques for your organisation, how likely or unlikely would you be to XXX to send cheque images to your bank using online banking?

Base: All respondents

	SMEs		NFPs	
	Smartphone App	Imaging machine from bank	Smartphone App	Imaging machine from bank
Very likely	28%	28%	12%	27%
Fairly likely	15%	24%	13%	29%
Fairly unlikely	16%	18%	19%	17%
Very unlikely	40%	29%	53%	25%
Top 2:Likely	42%	52%	25%	56%
Bottom 2:Unlikely	56%	47%	72%	43%
Don't know	1%	1%	3%	1%

- Both SMEs and NFPs were more likely to pay in a cheque using an imaging machine from their bank than by smartphone app. Note that in the question regarding the imaging machine respondents were told to assume there would be no charge for the machine.

P9/P5 Currently if a large number of cheques are deposited at the same time, only the total value deposited will be listed in Bank Statements and online. Under the new clearing process, the value of each cheque will be listed separately. Assuming there is no additional cost for this, do you think this will make the new system better, worse or neither better nor worse than the current system?

Base: All respondents

	SMEs	NFPs
New system is much better than current system	54%	47%
New system is a little better than current system	21%	23%
New system is a little worse than current system	1%	1%
New system is much worse than current system	1%	3%
New system is neither better nor worse	20%	23%
Top 2: Better	75%	70%
Bottom 2: Worse	2%	4%
Don't know	2%	3%

P6/P10 Which of the following best describes how you would pay in cheques under the new clearing process?

Base: All respondents

	Consumer
All or most the way I currently do	45%
All or most using the new smartphone app	18%
Some the way I currently do, and others using a smartphone app	17%
I don't use cheques	14%
Don't know	5%

	SMEs	NFPs
All or most the way I currently do	42%	46%
All or most using the new smartphone app or a cheque imaging machine from my bank	33%	27%
Some the way I currently do, and others using the new smartphone app or a cheque imaging machine from my bank	21%	24%
I don't use cheques	1%	1%
Don't know	3%	2%

W1 I'd like you to imagine you have used the smartphone app or imaging machine from your bank to send an image of a cheque you are paying in to your bank online. Which, if any, of the following would you like to receive from your bank to confirm they have deposited the cheque? Please select as many as apply.

Base: All respondents who say they would be likely to use a smartphone app or imaging machine to pay in a cheque

	Consumer	SMEs	NFPs
An email	35%	74%	89%
Confirmation of successful upload through the app	31%	50%	48%
A text message	54%	41%	24%
A phone call	10%	6%	9%
Other	1%	3%	1%
No confirmation required	3%	1%	1%
Don't know	3%	1%	*

- For organisations (SMEs and NFPs) that would use the app/scanner their preferred form of notification was email
 - Consumers preferred notification via text message

W2 Which, if any of the following would you like to receive from your bank to confirm when the money is in your account?

Please select as many as apply. Please assume that the money will show on your statement or account summary if you bank online in the usual way.

Base: All respondents who say they would be likely to use a smartphone app or imaging machine to pay in a cheque

	Consumer	SMEs	NFPs
An email	39%	69%	83%
A text message	61%	39%	23%
A phone call	13%	5%	5%
Other	1%	4%	1%
No confirmation required	2%	9%	6%
Don't know	3%	1%	1%
No answer	-	-	-

- Consumers preferred to be notified by a text message (61%), whilst SMEs and NFPs preferred an email

I1 Some banks will be able to process cheques more quickly than others. This means that while money from a cheque will always be in your account by 5pm the next working day, it could arrive earlier, but you won't know the exact time.

Thinking about this, which, if any of the following statements do you most agree with?

Base: All respondents

	Consumer	SMEs	NFPs
It is enough to know the cheque will clear by 5pm the next working day	72%	93%	94%
I would want to know the exact time the cheque clears	14%	6%	3%
Neither	7%	*	2%
Don't know	7%	*	*

- The majority of all respondents in all groups agree that it will be enough to know the cheque will clear by 5pm the next working day

I2 Still thinking about this, which, if any of the following statements do you most agree with?

Base: All respondents

	Consumer	SMEs	NFPs
Cheques will clear quickly enough with the new clearing process	75%	91%	92%
Cheques won't clear quickly enough with the new clearing process	7%	5%	3%
Neither	8%	1%	2%
Don't know	10%	3%	3%

- The majority of all respondents in all groups agree that cheques will clear quickly enough with the new clearing process

I2.5 As some banks will be able to process cheques more quickly than others, if more than one is paid in at the same time, they may clear on different days. If this were the case, would you prefer to receive clearing updates on cheques submitted at the same time together, or on different days as each one clears?

A clearing update is when the value of the cheques paid in appears in your account and are yours to keep.

Base: All respondents (SMEs/NFPs only)

	SMEs	NFPs
Would prefer an update as each cheque clears	53%	40%
Would prefer a single update for all cheques from a single transaction	40%	50%
Neither	5%	8%
Don't know	3%	3%

- SMEs and NfPs have mixed preferences on whether updates should be provided when each cheque clears or, all in one go when submitting multiple cheques

13a It is likely to take up to fifteen months for banks to introduce the new clearing system, and some banks will be able to introduce it more quickly than others. This will mean that for a time, cheques from some banks will clear on the same or next working day, whilst others will take up to six working days. To what extent, if at all do you agree or disagree that this is acceptable during this introductory period?

Base: All respondents

	Consumer	SMEs	NFPs
Strongly agree	16%	30%	29%
Slightly agree	32%	35%	39%
Neither agree nor disagree	32%	13%	20%
Slightly disagree	8%	7%	5%
Strongly disagree	5%	12%	6%
Top 2: Agree	48%	65%	67%
Bottom 2: Disagree	13%	19%	11%
Net Agree	34%	46%	56%
Don't know	7%	2%	2%

- There are low levels of disagreement that a tiered rollout would be unacceptable – 13% Public, 19% SMEs, 11% NFPs

13b And to what extent, if at all, you agree or disagree that this will make using cheques under the new clearing process confusing during this introductory period?

Base: All respondents

	Consumer	SMEs	NFPs
Strongly agree	12%	16%	14%
Slightly agree	29%	24%	26%
Neither agree nor disagree	26%	17%	17%
Slightly disagree	16%	21%	27%
Strongly disagree	10%	20%	14%
Top 2: Agree	41%	41%	39%
Bottom 2: Disagree	26%	40%	41%
Don't know	7%	2%	3%

- Approximately 40% of respondents in each group agree that using cheques will be confusing during the introductory period

I4 Once the new clearing system has been introduced banks may process cheques sent to them online using the smartphone app or imaging machine more quickly than cheques paid in at the branch, cash machine, Post Office or by post.

How much, if at all, you agree or disagree that this is acceptable?

Base: All respondents

	Consumer	SMEs	NFPs
Strongly agree	17%	32%	27%
Slightly agree	29%	34%	41%
Neither agree nor disagree	31%	14%	18%
Slightly disagree	9%	6%	6%
Strongly disagree	7%	11%	8%
Top 2: Agree	46%	66%	67%
Bottom 2: Disagree	16%	17%	14%
Don't know	7%	3%	1%

I5 To what extent do you think that the introduction of the new clearing process will make it easier or more difficult for you to manage your organisation's finances, or will managing finances be about the same?

Base: All respondents (SMEs/NFPs only)

	SMEs	NFPs
A lot easier	24%	20%
A little easier	21%	22%
About the same	50%	52%
A little more difficult	1%	1%
A lot more difficult	2%	2%
Top 2: Easier	45%	42%
Bottom 2: More Difficult	3%	3%
Don't know	1%	2%

- 45% of SMEs and 42% of NFPs thought the new clearing process would make handling their organisations finances easier
 - Approximately half of SMEs and NFPs thought handling their organisations finances would be about the same with the new clearing process

I6 Thinking now about your own/organisation's interactions with cheques do you think that the introduction of the new clearing process will mean that you will write cheques for your organisation more often, less often, or about the same?

Base: All respondents

	Consumer	SMEs	NFPs
More often	5%	3%	2%
Less often	10%	8%	6%
About the same	75%	87%	91%
Don't know	10%	2%	1%

- The majority of respondents across all groups think that they will continue to write about the same number of cheques

17 Again thinking about you/your organisation's interactions with cheques, do you think that the introduction of the new clearing process will mean that you receive cheques for your organisation more often, less often, or about the same?

Base: All respondents

	Consumer	SMEs	NFPs
More often	7%	8%	6%
Less often	10%	9%	7%
About the same	73%	81%	84%
Don't know	10%	2%	4%

- The majority of respondents across all groups think that they will continue to receive about the same number of cheques

16/17 SUMMARY Thinking now about your own/organisation's interactions with cheques do you think that the introduction of the new clearing process will mean that you will XXX cheques for your organisation more often, less often, or about the same?

Base: All respondents

	Consumers		SMEs		NFPs	
	Write	Receive	Write	Receive	Write	Receive
More often	5%	7%	3%	8%	2%	6%
Less often	10%	10%	8%	9%	6%	7%
About the same	75%	73%	87%	81%	91%	84%
Don't know	10%	10%	2%	2%	1%	4%

- The majority of respondents across all groups think that their cheque usage levels will be the same

APPENDIX – QUESTIONNAIRE

Audience and mode:

General Public – UK face-to-face omnibus base = 1030

Small & Medium Enterprises (SME) – UK CATI base = 375

Not for profit (NfP)– UK CATI base = 375

SECTION ONE ASK SME / NfP ONLY; GENERAL PUBLIC SKIP TO SECTION TWO (C1)

Section One: SME and Not for Profit classification

S1 Can I just confirm this is [TEXTFILL NAME OF ORGANISATION FROM SAMPLE]

Yes - **CONTINUE**

No - **THANK & CLOSE**

S2 Can I speak to the person in your organisation who is responsible for, or involved in, decisions about the methods the organisation uses for making and/or receiving payments?

Yes – **CONTINUE (REPEAT INTRODUCTION IF NECESSARY)**

No - **THANK & CLOSE**

Introduction:

SAY: Good morning/afternoon/evening. My name is from Ipsos MORI, the independent market and opinion research organisation. We're conducting a survey of UK organisations on behalf of the Cheque & Credit Clearing Company. This is the membership body that manages the cheque clearing system. The Government is making changes to legislation that will change the way cheques are cleared and, we would like to see what organisations think about this. This survey will take around twelve minutes. Would you be interested in taking part?

INTERVIEWER SEND EMAIL IF NECESSARY

SAY: Thank you for agreeing to take part in this survey. [NfP ONLY I'd like to start by asking a couple of quick questions about your organisation.]

SME ORGANISATIONS SKIP TO SECTION TWO

S3 Which of the following best describes your organisation? Please mention all that apply to your organisation.

READ OUT AND CODE ALL THAT APPLY

	SC
<i>A registered charity</i>	1
<i>A voluntary, community or charitable organisation i.e. not for profit, that is not registered as a charity (CANNOT BE MULTICODE WITH REGISTERED CHARITY)</i>	2
<i>A for-profit commercial enterprise</i>	3
DO NOT PROMPT <i>Other (type in)</i>	4
DO NOT PROMPT <i>Don't know</i>	5

DP INSTRUCTIONS: IF CODE 3 AT S3 -CLASSIFY AS SME AND SKIP TO SECTION 2

NO S4-S5

S6 ASK ALL NOT FOR PROFIT ORGANISATIONS

S6 What is the total annual income of your organisation in the UK? Please provide your best estimate, even if you do not have an exact figure available. Please exclude any income from associated businesses if applicable.

	SC
<i>£0</i>	
<i>£1-£10,000</i>	
<i>£10,001-£100k</i>	
<i>£100,001-£500K</i>	
<i>>500K</i>	
<i>Don't know</i>	
<i>Refused</i>	

INFORMATION FROM SAMPLE

Region

Rural / urban

SME SIC code

SME number of employees

Section Two: Current banking habits, cheque habits and attitudes

GENERAL PUBLIC SURVEY SAY: I'd now like to ask you some questions on behalf of the Cheque & Credit Clearing Company. This is the membership body that manages the cheque clearing system. The Government is making changes to legislation that will change the way cheques are cleared, and we would like to see what you think about this.

SME / NFP SURVEYS SAY: I'm now going to ask you about banking and cheques. You may or may not use cheques in your personal life, but throughout this survey please think specifically about using cheques for business purposes within your organisation.

(INTERVIEWER - EVEN IF PARTICIPANT NEVER USES CHEQUES WE WOULD STILL LIKE TO SPEAK WITH THEM)

C1 I'm going to read out a list of ways of banking. Please tell me each one that [GENERAL PUBLIC - you personally have ever done] [SME / NFP ADD TEXT – you have ever done on behalf of your organisation].

INTERVIEWER READ OUT AND CODE ALL THAT APPLY

	MC
Visit the branch	
Telephone	
Mobile	
Online	
Text alerts	
None of these	

C2 How many, if any, payments by cheque [GENERAL PUBLIC- have you personally] / [SME / NFP- has your organisation] **made** within the past twelve months?

INTERVIEWER: IF RESPONDENT IS UNSURE PLEASE ASK FOR AN ESTIMATE / PROMPT WITH BANDS / ASK FOR PAST MONTH AND MULTIPLY BY TWELVE AND CODE APPROPRIATELY

	SC
None	
1-10	
11-30	
31-50	
51-100	
101+	
DO NOT PROMPT Some, but don't know how many	

C3 How many, if any, payments by cheque [**GENERAL PUBLIC**- have you personally] / [**SME / NfP**- has your organisation] **received** in the past twelve months?

INTERVIEWER: IF RESPONDENT IS UNSURE PLEASE ASK FOR AN ESTIMATE / PROMPT WITH BANDS / ASK FOR PAST MONTH AND MULTIPLY BY TWELVE AND CODE APPROPRIATELY

	SC
<i>None</i>	
<i>1-10</i>	
<i>11-30</i>	
<i>31-50</i>	
<i>51-100</i>	
<i>101+</i>	
DO NOT PROMPT <i>Some but don't know how many</i>	

ASK C4- IF EVER SEND CHEQUES AT C2 OR RECEIVE ANY CHEQUES AT C3.

IF NEVER SEND OR RECEIVE ANY CHEQUES SKIP TO SECTION THREE (P1)

C4 To what extent, if at all, are cheques important or unimportant [**GENERAL PUBLIC ADD TEXT** – to you personally] / [**SME / NfP ADD TEXT** – in your organisation]?

IF NEEDED: Is that fairly or very important/unimportant / neither important nor unimportant?

CODE TO LIST

	SC
<i>Very important</i>	
<i>Fairly important</i>	
<i>Neither important nor unimportant</i>	
<i>Fairly unimportant</i>	
<i>Very unimportant</i>	
DO NOT PROMPT <i>Don't know</i>	

Section Three: Attitudes towards the new cheque imaging proposition

[GENERAL PUBLIC - USE SHOWCARD 1]

INTERVIEWER SAY: Currently when a cheque is paid in at the bank it needs to be physically transported to a clearing centre.

This is the current typical cheque clearing cycle:

- Day 0 - you pay in a cheque
- Day 2 - you start to earn interest on the money
- Day 4 - you can withdraw the money from your account
- Day 6 – the cheque has “cleared” – that is, the money is yours to keep, and the cheque cannot be returned unpaid

In 2016, a new cheque clearing process will be introduced, so instead of physically transporting cheques, banks will be able to send *images* of cheques to each other during cheque clearing.

Customers will still have chequebooks and write cheques in exactly the same way as they do at the moment. However if someone pays in a cheque, instead of taking around four working days before the money is in their account, it will now be in their account by 5pm the next working day.

It also means that for the person who has written the cheque, the money will leave their account more quickly once the cheque has been paid into the recipient’s account.

INTERVIEWER - CHECK THAT PARTICIPANT UNDERSTANDS THE DIFFERENCES BETWEEN THE CURRENT AND NEW SYSTEM BEFORE CONTINUING

P1 [SME / NfP ADD TEXT – Thinking about your organisation] to what extent, if at all, do you like or dislike the following features of the new system:

- a) If you pay in a cheque the money will now be in your account by 5pm the next working day. **IF NEEDED:** Is that slightly like/dislike; like/dislike a lot; neither like nor dislike?
- b) If someone pays in a cheque you have written, the money will leave your account more quickly. **IF NEEDED:** Is that slightly like/dislike; like/dislike a lot; neither like nor dislike?

CODE TO LIST

	SC
<i>Like a lot</i>	
<i>Slightly like</i>	
<i>Neither like nor dislike</i>	
<i>Slightly dislike</i>	
<i>Dislike a lot</i>	
DO NOT PROMPT <i>Don't know</i>	

INTERVIEWER SAY: Currently after you pay in a cheque it takes six days before you can be certain that it won't "bounce" – that is, that the payment cannot be returned unpaid.

With the new clearing process, customers can be sure that as soon as money from a cheque shows in their account it is theirs, and there is no risk that the cheque will bounce.

P2 [SME / NfP ADD TEXT – Thinking about your organisation] To what extent, if at all, do you like or dislike the idea that with the new clearing process you can be sure that when money from a cheque is showing in your account there is no risk the cheque will bounce?

IF NEEDED: Is that slightly like/dislike; like/dislike a lot; neither like nor dislike?

CODE TO LIST

	SC
<i>Like a lot</i>	
<i>Slightly like</i>	
<i>Neither like nor dislike</i>	
<i>Slightly dislike</i>	
<i>Dislike a lot</i>	
DO NOT PROMPT <i>Don't know</i>	

SAY: Under the new clearing process people will still be able to pay in a cheque as they currently do at a bank, cash machine, Post Office or by post.

If their bank offers this service, customers will also be able to download an app to their smartphone, which they can use to take an image of the cheque and send it to their bank using online banking. It will only be possible to take an image of the cheque **using their bank's cheque imaging app**, and not using things like a standard camera phone, or scanner.

P3 [SME / NfP ADD TEXT – Thinking about your organisation] How useful, if at all, would you find using an app on a smartphone to take an image of a cheque to send to your bank using online banking? **IF NEEDED:** Is that very/fairly useful or not very/not at all useful?

CODE TO LIST

	SC
<i>Very useful</i>	
<i>Fairly useful</i>	
<i>Not very useful</i>	
<i>Not at all useful</i>	
DO NOT PROMPT <i>Don't know</i>	

ASK P3.5 ONLY IF RESPONDENT THINKS SMART PHONE APP IS USEFUL (P3=1-2)

P3.5 If the bank you are currently with said it was not planning to make a smartphone app for cheque imaging available to its customers, how likely or unlikely would you be to switch to another bank that did offer this facility? IF NEEDED: Is that very/fairly likely/unlikely?

CODE TO LIST.

	SC
<i>Very likely</i>	
<i>Fairly likely</i>	
<i>Fairly unlikely</i>	
<i>Very unlikely</i>	
DO NOT PROMPT <i>I don't use cheques</i>	
DO NOT PROMPT <i>Don't know</i>	

P4 Thinking about the new cheque clearing process, which of the following is most appealing to [GENERAL PUBLIC- you personally] / [SME / NfP- your organisation]?

READ OUT. ROTATE START CODE OPTIONS 1 and 2

	SC
<i>The money reaches your account more quickly</i>	1
<i>You can be sure that when the money is in your account there is no risk the cheque will bounce</i>	2
DO NOT PROMPT <i>Neither of these</i>	
DO NOT PROMPT <i>Don't know</i>	

P5-P6 ASK GENERAL PUBLIC ONLY

P5 Thinking about when you **pay in** a cheque how likely or unlikely would you be to download and use a smartphone app to send an image of a cheque to your bank using online banking?

IF NEEDED: Is that fairly or very likely/unlikely?

CODE TO LIST

	SC
<i>Very likely</i>	
<i>Fairly likely</i>	
<i>Fairly unlikely</i>	
<i>Very unlikely</i>	
DO NOT PROMPT <i>I don't use cheques</i>	
DO NOT PROMPT <i>Don't know</i>	

P6 Which of the following best describes how you would **pay in** cheques with the new clearing process?

ROTATE OPTIONS 1,2,3 . READ OUT, SINGLE CODE

	SC
<i>All or most the way I currently do</i>	1
<i>All or most using the new smartphone app</i>	2
<i>Some the way I currently do, and others using a smartphone app</i>	3
DO NOT PROMPT <i>I don't use cheques</i>	
DO NOT PROMPT <i>Don't know</i>	

GENERAL PUBLIC NOW SKIP TO ROUTING INSTRUCTIONS AT START OF SECTION 4 (W1)

P7-10 ASK SMES AND NfPS ONLY

P7 Thinking about **paying in** cheques for your organisation, how easy or difficult would it be for you to download a smartphone app and use it to send cheque images to your bank using online banking?

Please think about this in terms of the practicalities of whether you would have a smartphone available for this.

IF NEEDED: Is that fairly or very easy/difficult?

CODE TO LIST

	SC
<i>Very easy</i>	
<i>Fairly easy</i>	
<i>Fairly difficult</i>	
<i>Very difficult</i>	
DO NOT PROMPT <i>Don't know</i>	

P8 Still thinking about **paying in** cheques for your organisation, how likely or unlikely would you be to download a smartphone app and use it to send cheque images to your bank using online banking?

IF NEEDED: Is that fairly or very likely/ unlikely?

CODE TO LIST

	SC
<i>Very likely</i>	
<i>Fairly likely</i>	
<i>Fairly unlikely</i>	
<i>Very unlikely</i>	
DO NOT PROMPT <i>Don't know</i>	

INTERVIEWER SAY: Banks may provide organisations with a cheque imaging machine they can use instead of a smartphone app to send cheque images to them using online banking. For now please assume that there would be no charge for this.

P9 Still thinking about **paying in** cheques for your organisation, how likely or unlikely would you be to use to an imaging machine from your bank to send cheque images to them using online banking? **IF NEEDED:** Is that fairly or very likely/ unlikely?

CODE TO LIST

	SC
<i>Very likely</i>	
<i>Fairly likely</i>	
<i>Fairly unlikely</i>	
<i>Very unlikely</i>	
DO NOT PROMPT <i>Don't know</i>	

P9.5 Currently, if a large number of cheques are deposited at the same time, only the total value deposited will be listed in Bank Statements and online. Under the new clearing process, the value of each cheque will be listed separately. Assuming there is no additional cost for this, do you think this will make the new system better, worse or neither better nor worse than the current system? **IF NEEDED:** Is that much/a little better/worse?

CODE TO LIST.

	SC
<i>New system is much better than current system</i>	
<i>New system is a little better than current system</i>	
<i>New system is a little worse than current system</i>	
<i>New system is much worse than current system</i>	
<i>New system is neither better nor worse</i>	
DO NOT PROMPT <i>Don't know</i>	

P10 Which of the following best describes how you would **pay in** cheques under the new clearing process?

ROTATE CODES 1-3. READ OUT, SINGLE CODE

	SC
<i>All or most the way I currently do</i>	1
<i>All or most using the new smartphone app or a cheque imaging machine from my bank</i>	2
<i>Some the way I currently do, and others using the new smartphone app or a cheque imaging machine from my bank</i>	3
DO NOT PROMPT <i>I don't use cheques</i>	
DO NOT PROMPT <i>Don't know</i>	

Section Four: How should cheque imaging work

W1 GENERAL PUBLIC ASK ALL WHO WOULD BE LIKELY TO USE APP AT P5 (CODE 1/2 EXTREMELY / QUITE LIKELY). ALL OTHER GENERAL PUBLIC GO TO SECTION 5 (I1)

W1 SME / NfP ASK ALL WHO WOULD BE LIKELY TO USE THE APP OR HARDWARE AT P8/P9 (CODE 1 OR 2 AT P8 OR P9). ELSE GO TO SECTION 5 (I1)

W1 I'd like you to imagine you have used the smartphone app [**SME/NfP ADD TEXT** - or imaging machine from your bank] to send an image of a cheque you are paying in to your bank online. Which, if any, of the following would you like to receive from your bank to confirm they have **deposited the cheque**? Please select as many as apply.

ROTATE START CODES 1-5. READ OUT.

	<i>MC</i>
<i>Confirmation of successful upload through the app</i>	1
<i>A text message</i>	2
<i>An email</i>	3
<i>A phone call</i>	4
<i>Other (type in)</i>	5
<i>No confirmation required</i>	
DO NOT PROMPT <i>Don't know</i>	

W2 Which, if any of the following would you like to receive from your bank to confirm when the **money is in your account**? Please select as many as apply.

Please assume that the money will show on your statement or account summary if you bank online in the usual way.

ROTATE START CODES 1-3. READ OUT.

	<i>MC</i>
<i>A text message</i>	1
<i>An email</i>	2
<i>A phone call</i>	3
<i>Other (type in)</i>	4
DO NOT PROMPT <i>No confirmation required</i>	
DO NOT PROMPT <i>Don't know</i>	

Section Five: Introducing cheque imaging and tiered solutions

I1 Some banks will be able to process cheques more quickly than others. This means that while money from a cheque will always be in your account by 5pm the next working day, it could arrive earlier but you won't know the exact time.

Thinking about this, which, if any of the following statements do you most agree with?

READ OUT. ROTATE START STATEMENTS 1 AND 2

	SC
<i>It is enough to know the cheque will clear by 5pm the next working day</i>	1
<i>I would want to know the exact time the cheque clears</i>	2
DO NOT PROMPT Neither	
DO NOT PROMPT Don't know	

I2 Still thinking about this, which, if any of the following statements do you most agree with?

[SHOW TEXT AS A REMINDER, ONLY READ OUT AGAIN IF NECESSARY - Some banks will be able to process cheques more quickly than others. This means while the new clearing process will mean you can be sure that the money will reach your account by 5pm the next day, it could be earlier than this but you won't know the exact time.]

ROTATE START STATEMENTS 1 AND 2

	SC
<i>Cheques will clear quickly enough with the new clearing process</i>	1
<i>Cheques won't clear quickly enough with the new clearing process</i>	2
DO NOT PROMPT Neither	
DO NOT PROMPT Don't know	

ASK I2.5 OF SMES/NFPS ONLY

I2.5 As some banks will be able to process cheques more quickly than others, if more than one is paid in at the same time, they may clear on different days.

If this were the case, would you prefer to receive clearing updates on cheques submitted at the same time together, or on different days as each one clears?

A clearing update is when the value of the cheques paid in appears in your account and are yours to keep.

ROTATE START STATEMENTS 1 AND 2

	SC
<i>Would prefer a single update for all cheques from a single transaction</i>	1
<i>Would prefer an update as each cheque clears</i>	2
DO NOT PROMPT Neither	
DO NOT PROMPT Don't know	

I3a It is likely to take up to fifteen months for banks to introduce the new clearing system, and some banks will be able to introduce it more quickly than others. This will mean that for a time, cheques from some banks will clear on the same or next working day, whilst others will take up to six working days.

To what extent, if at all do you agree or disagree that this is **acceptable** during this introductory period?

CODE TO LIST

	SC
<i>Strongly agree</i>	
<i>Slightly agree</i>	
<i>Neither agree nor disagree</i>	
<i>Slightly disagree</i>	
<i>Strongly disagree</i>	
DO NOT PROMPT <i>Don't know</i>	

I3b And to what extent, if at all, you agree or disagree that this will make using cheques under the new clearing process **confusing** during this introductory period?

CODE TO LIST

	SC
<i>Strongly agree</i>	
<i>Slightly agree</i>	
<i>Neither agree nor disagree</i>	
<i>Slightly disagree</i>	
<i>Strongly disagree</i>	
DO NOT PROMPT <i>Don't know</i>	

I4 Once the new clearing system has been introduced, banks may process cheques sent to them online using the smartphone app [SME/NfP ADD TEXT - or imaging machine] more quickly than cheques paid in at the branch, cash machine, Post Office or by post.

How much, if at all, you agree or disagree that this is **acceptable**?

IF NEEDED: Is that strongly slightly agree/disagree; slightly agree/disagree; neither agree nor disagree?

CODE TO LIST

	SC
<i>Strongly agree</i>	
<i>Slightly agree</i>	
<i>Neither agree nor disagree</i>	
<i>Slightly disagree</i>	
<i>Strongly disagree</i>	
DO NOT PROMPT <i>Don't know</i>	

I5 ASK SMES AND NfPS ONLY

I5 To what extent do you think that the introduction of the new clearing process will make it easier or more difficult for you to manage your organisation's finances, or will managing finances be about the same?

IF NEEDED: Is that a lot or a little easier / more difficult?

CODE TO LIST

	SC
<i>A lot easier</i>	
<i>A little easier</i>	
<i>About the same</i>	
<i>A little more difficult</i>	
<i>A lot more difficult</i>	
DO NOT PROMPT <i>Don't know</i>	

ASK ALL

I6 Thinking now about [GENERAL PUBLIC - your own] [SME/NfP – your organisation's] interactions with cheques, do you think that the introduction of the new clearing process will mean that [GENERAL PUBLIC- you personally will write cheques] [SME / NfP- you will write cheques for your organisation] more often, less often, or about the same?

CODE TO LIST

	SC
<i>More often</i>	
<i>Less often</i>	
<i>About the same</i>	
DO NOT PROMPT <i>Don't know</i>	

I7 Again thinking about [GENERAL PUBLIC - your own] [SME/NfP – your organisation's] interactions with cheques, do you think that the introduction of the new clearing process will mean that you [GENERAL PUBLIC- personally] receive cheques [SME / NfP- for your organisation] more often, less often, or about the same?

CODE TO LIST

	SC
<i>More often</i>	
<i>Less often</i>	
<i>About the same</i>	
DO NOT PROMPT <i>Don't know</i>	

Samuel Dawes, UK Payments Policy and Markets Unit, for the Cheque and Credit Clearing Company. March 2015