



CONSUMER AFFAIRS COMMISSION

Banking Hall Wait Time Survey

Research Department

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EXECUTIVE SUMMARY

This study examined the wait time experiences of banking clients in the Kingston Metropolitan Area (KMA). The study utilized a quantitative trend design. Three hundred (300) respondents were surveyed from across four commercial banks: National Commercial Bank, Scotiabank, Sagcor Bank and First Global Bank. It should be noted that First Caribbean Bank declined to participate in the survey. The survey was conducted on September 21, 23 and 26, 2016 between regular banking hours. The main findings of the survey are as follows:

Wait Time

- Overall, the largest group of respondents (41%) reported spending less than 10 minutes **in the line** followed by those who spent between 10 and 20 minutes, (28%) and then those who spent more than 30 minutes (24%).
- The business clients reported less wait times **to see a teller** than personal clients.
- Wait time appeared to be shortest mostly before 'pay day,' which landed on the September 23rd 2016 for this survey.
- Data collected from this sample suggested that the time of day affected the wait time experienced in banking halls. Thus shorter wait times were observed within the first hour of the banks' operations.

Teller Time

- Overall, the majority (84%) of respondents reported spending less than 10 minutes **at the teller**, followed by those who spent between 10 and 20 minutes.
- The study showed that the date of the transaction had no impact on time spent at the teller.
- Time spent at the teller seemed unaffected by the time when the clients entered the banking hall.
- The analysis showed that the business clients **spent more time at the teller** in comparison

to personal clients.

- The time spent at the teller differed by the number of transactions being conducted.
- Time spent at the teller was unaffected by the time when the clients entered the banking hall.

Satisfaction and Preference

- Overall, close to two-thirds of the sample was satisfied with their wait time.
- Business clients appeared to be more satisfied with their wait time than the personal clients.
- The data suggested that clients were not generally satisfied with longer wait times.
- The date of transaction had limited impact on the satisfaction with wait times.
- Regarding preference, the data showed that business clients would be more appreciative of less waiting time.

Bank Comparisons

It was observed that National Commercial Bank and First Global Bank had the longest and shortest wait times respectively.

Conclusion

Overall, within the KMA, banking hall users experienced differing wait times. The study showed that wait times increased during high traffic days, like 'pay-day.' Teller times however, seemed to be unaffected as most respondents reported spending less than 10 minutes at the teller regardless of the date or client type. However, more than one third of the sample reported that their experience was atypical. As such, it is recommended that a follow-up survey be conducted without giving the banks prior notice. This is imperative in light of the increased quest for increased financial inclusion on the part of Jamaican consumers aimed at decreasing their vulnerability in the financial landscape. Further details are provided in the full report given below.

BACKGROUND

To compete and remain competitive, banks in Jamaica have provided their customers with innovative services built around the use of Information Communication Technology (ICT). These electronic-banking (e-banking) services include the use of ATMs, telephone banking, internet banking and mobile banking to making deposits, transfers, withdrawals, enquiries and payments. For the banks, this has reduced their cost of doing business. For customers, this has meant a cheaper option for conducting these transactions which tend to attract higher fees when conducted using a teller.

However, many Jamaicans still prefer to use the banking hall teller in order to conduct business. In 2010¹, one report found that services like internet banking and telephone banking were not important when choosing a bank or conducting business. In 2012², another report suggested that approximately 8% of Jamaicans use internet banking. In more recent times, there have been reports of scamming and other illegal activities which make it risky to conduct business electronically in Jamaica.

As Jamaicans continue to form queues in the banks to access the teller, the issue of wait times becomes a concern. Conducted among banks in the Kingston Metropolitan Area (KMA), this study will examine those experiences. Furthermore, it will compare the experience across different days that represent peaks and troughs in activity, and between different types of

¹ Consumer Affairs Commission (2010), "Country Report: Jamaica's Banking Sector". CAC, Kingston

² Telecommunications Policy and Management Programme (2012), "Caribbean ICT Indicators and Broadband Study: A Qualitative Report. Prepared for IDRC." UWI, Kingston

clients. This is not an evaluation of the providers of the services, but more an examination of the experience of the Jamaican banking consumer.

This study has two possible benefits. First, the data provided will illustrate the extent to which Jamaicans are losing productive time by accessing their financial services in the banking halls. Long average wait times take time away from conducting other business. Second, the findings could be used to encourage public-private partnerships towards encouraging the increased use of e-banking. E-banking can improve both transparency and efficiency within both the economy and government. As such a public education campaign would be justified.

METHODOLOGY

DESIGN

Based on the nature of the study, a quantitative, trend design was deemed appropriate. This being the most suitable design for tracking changes within the similar variables over periods of time, though not with the sample participants. The study was conducted over three days- September 21, 23 and 26, 2016. The rationale behind selecting these days was so that the data could be obtained for peak and non-peak banking days. In addition, to ensure greater reliability of the data, data capture was rotated between morning and afternoon at each respective bank.

SAMPLE

The survey utilized a two-tier sampling approach in order to arrive at a convenience sample of clients. First, 23 branches of the five (5) commercial banks in Jamaica- National Commercial Bank, Scotiabank, Sagicor Bank, First Global, and First Caribbean International Bank were targeted (Appendix 1). These 23 banks represented more than half (58%) of the total number of banks in the Corporate Area. In terms of location, to ensure good spatial representation, all geographical areas that were major banking corridors and high traffic areas were surveyed. These were Down Town Kingston, Cross Roads, New Kingston, Half Way Tree, Constant Spring Road, and Liguanea locations.

Prior to conducting the survey, the banks were advised formally about CAC's intention to conduct the survey

With respect to sample selection of clients, data was not forthcoming from all five commercial banks to allow the selection of a statistically representative number of respondents for the survey, therefore the CAC had to utilize the next best approach – utilization of a convenience sample. While there are risks to this method, there are immense benefits: data can be gathered quickly and theories can be also be swiftly formulated and these theories can inform subsequent studies. The CAC is aware that personal banking clients exceed the number of business clients and so with this knowledge a ratio of 5 to 3 was used for selection of respondents using the convenience sample. As such, the survey targeted 552 respondents: 345 personal clients and 207 business clients.

INSTRUMENT AND DATA COLLECTION

The data collection instrument was a closed- ended questionnaire that captured data pertaining to the type of transaction being conducted, wait time and banking client's demographics (Appendix 2).

To collect the data, a trained team of survey officers went into the banks on the days planned. The survey officers alternated the time of day they went to collect data- between morning (opening to noon) and afternoon (noon to closing). Customers already in a queue were randomly chosen until the stipulated quota was met. Every fifth personal client was approached, as was every third business client. Where any potential participant declined, the next client from each category was approached. The survey officer kept track of the participant to assist them in measuring the time they took to conduct their business.

DATA ANALYSIS

The data were entered into Statistical Package for the Social Sciences (SPSS) for statistical analysis. Analysis involved calculating the appropriate descriptive statistics (frequencies, percentage response distributions, measures of central tendency). Cross tabulations were done to ascertain which type of customer, (as indicated by the customer, whether personal or business) had the longest waiting time, among other necessary comparisons.

LIMITATIONS

There were some shortcomings that placed **restrictions** on the survey methodology and could have impacted the survey results. These limitations are as follows:

- One banking group, First Caribbean International Bank, declined to participate in the survey which reduced the number of participating banks to four (4), as such their clients are not represented. Also, the banks did not provide data on the number of clients that normally visited their halls. Therefore, it was not possible to create a statistically representative sample.
- In order to secure access to their clients, the bank managers and staff were given prior knowledge of the survey. Tellers may have improved their performance in order to reduce wait times.
- The survey relied on the awareness and memory of clients. It required them to note the time they entered, how long they spent in the lines and at the teller.

- This survey was limited to a few days given resource constraints. As such it does not represent wait times over a longer period.

DATA ANALYSIS

With all banks not cooperating in the survey and reduction in original targeted sample size, responses were analysed from 446 respondents across four (4) financial institutions: National Commercial Bank, Scotiabank Jamaica, First Global and Sagicor; First Caribbean International Bank declined to participate in the exercise. Additionally, one bank in Cross Roads asked to be removed from the survey. At the time the CAC Survey Officer visited this bank, its systems were experiencing technological difficulties. Data gathered under these conditions would not have provided a true reflection of wait times experienced by clients of this bank. Respondents who did not complete all items on the instrument, or who did not provide clear responses were excluded. Following data cleaning, the dataset was reduced to 300 respondents. The responses were approximately evenly distributed among the branches of these institutions situated in high traffic areas of the Kingston Metropolitan Area. Figure 1 displays the distribution of clients received on the various days of the survey from the various banks.

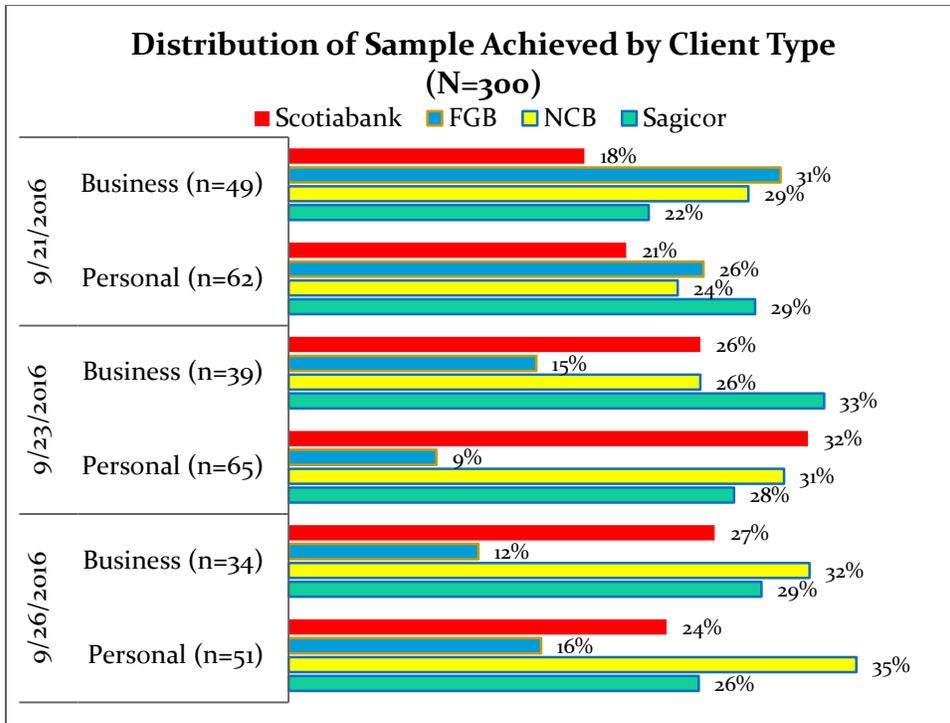


Figure 1

DEMOGRAPHICS

The age-sex (see Figure 2) pyramid illustrates a fairly young sample with more males than females. The majority of respondents were between the ages of 26 to 55 years old (66%), typically the working age group in Jamaica and thus mostly likely to use banking services. Overall there were more males (62%) than females (38%). Furthermore, more of the males were business clients (46%) than were females (32%) (see Figure 3).

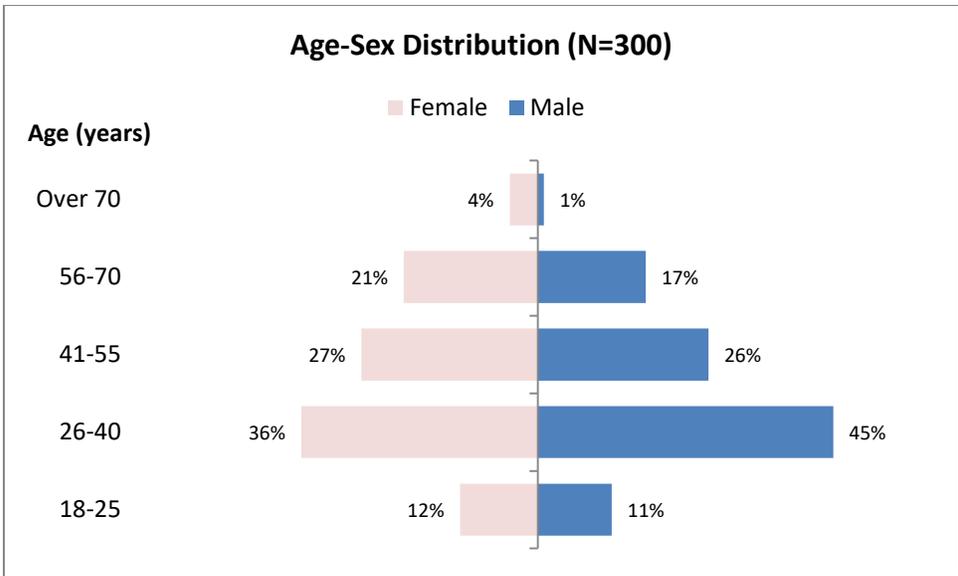


Figure 2

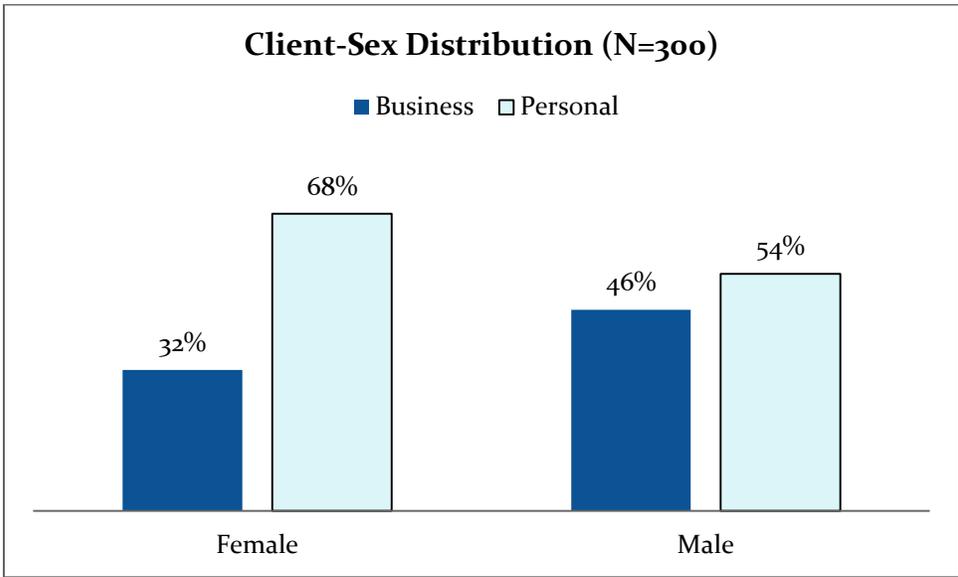


Figure 3

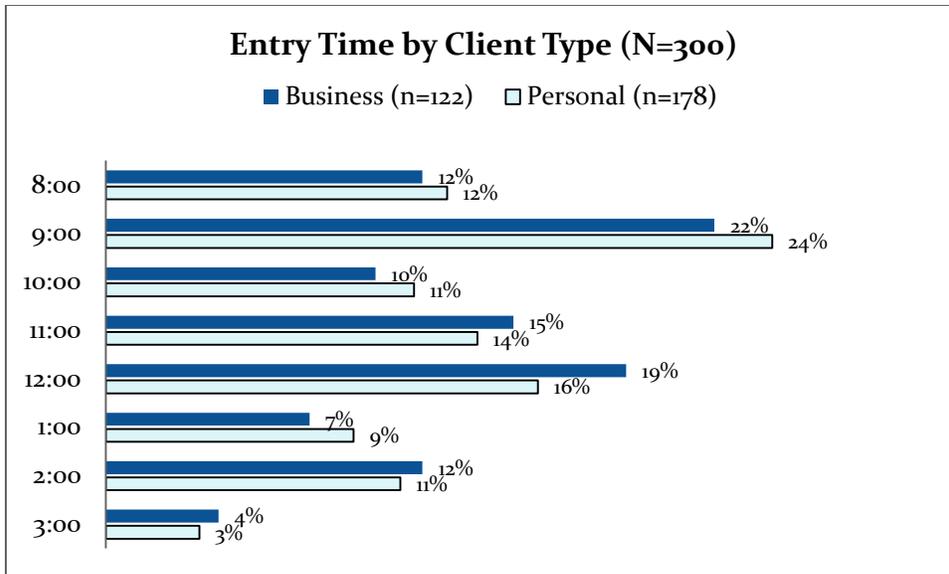


Figure 4

Almost one quarter (24%) of the sample entered their respective banking halls between 9:00 and 10:00AM. Another 17% entered their banks between 12:00 noon and 1:00PM. The data suggests that the personal clients entered the bank earlier than business clients (Figure 4). In aggregate, 61% of personal clients entered the bank between 8:30 and 11:00AM, while 58% of business clients entered the bank in the same period. Compared by date, it appears that clients entered the bank earlier on September 23, 2016, but later on the other dates (see Figure 5).

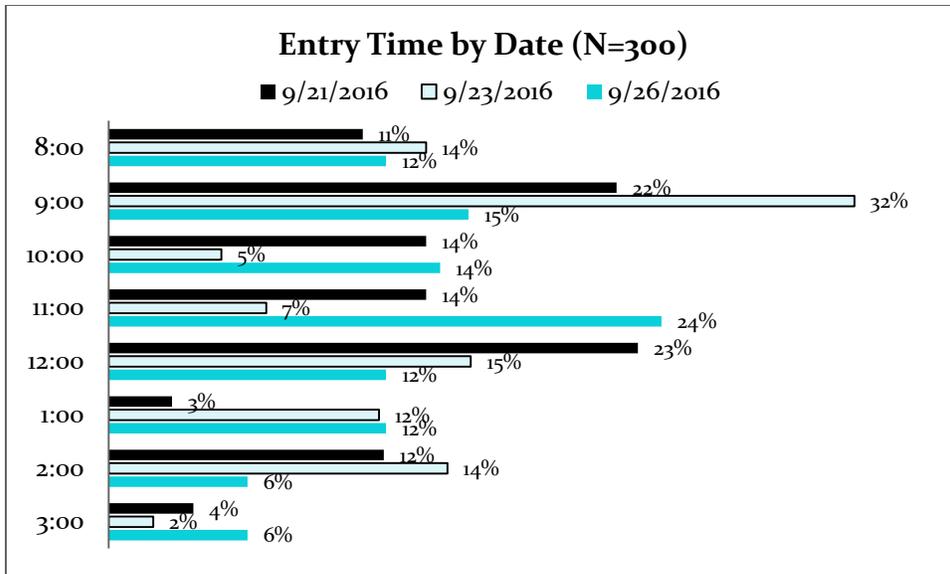


Figure 5

Over two thirds (69%) of the sample had only one transaction over the survey period, with the proportion decreasing as the number of transactions increased. As illustrated (see Figure 6), the business clients tended to have more transactions than personal clients.

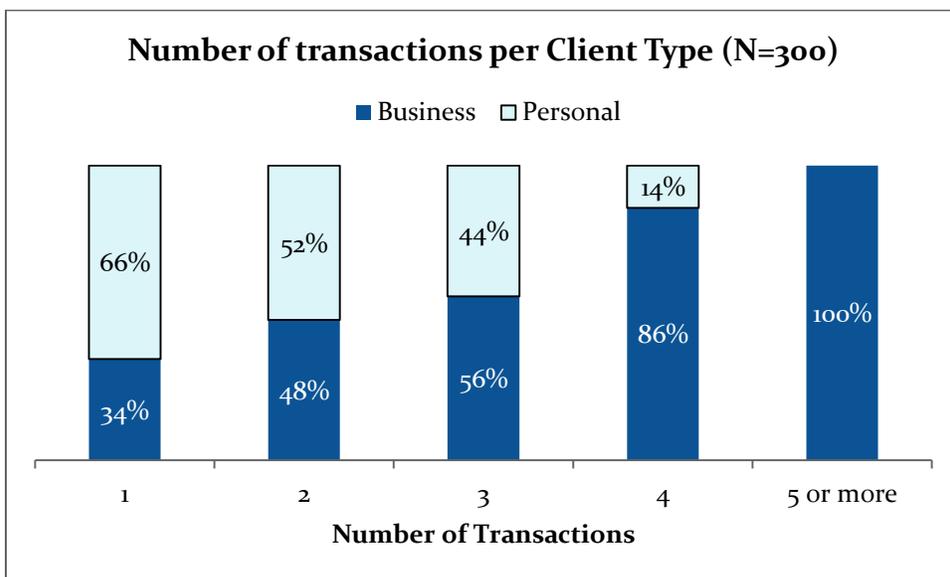


Figure 6

CLIENT EXPERIENCES

WAIT TIME

Overall, the largest group of respondents (41%) reported spending less than 10 minutes in the line, followed by 28% who spent between 10 and 20 minutes, and 24% who spent more than 30 minutes. The business clients appeared to have less wait time to see a teller than personal clients. For example, while 43% of business clients reported waiting less than 10 minutes compared to 40% of personal clients. On the other hand, 29% of personal clients reported waiting more than 30 minutes, compared to 17% of the business clients. (see Figure 7)

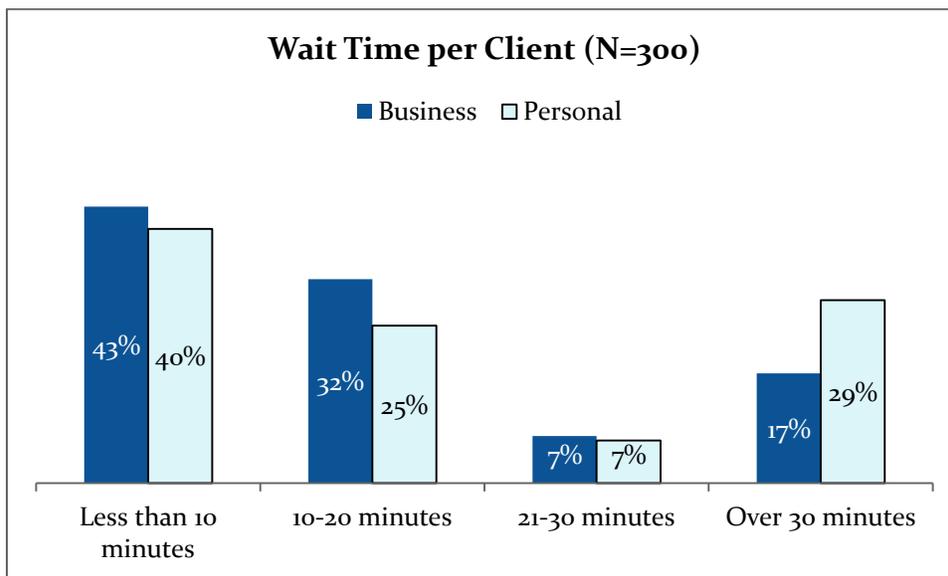


Figure 7

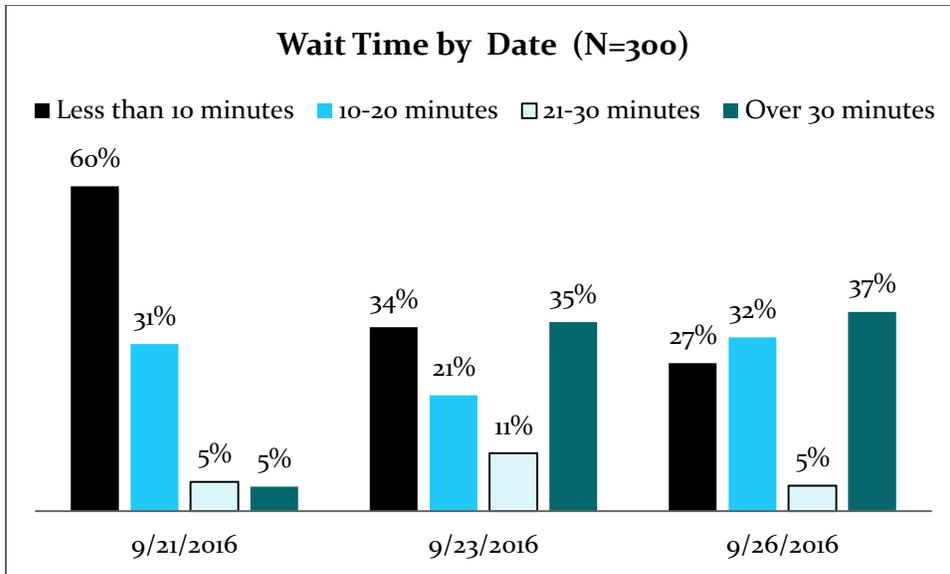


Figure 8

Wait time appears to be shortest mostly before pay day, which landed on the **September 23rd 2016** for this survey. Most of the sample (60%) reported waiting less than 10 minutes before seeing a teller on September 21st, compared to 34% who reported similarly on September 23rd, and 27% on September 26th. Conversely, while only 5% reported spending more than 30 minutes on September 21st, 35% reported waiting over 30 minutes on September 23rd and 37% who reported the same on September 26th. (see Figure 9)

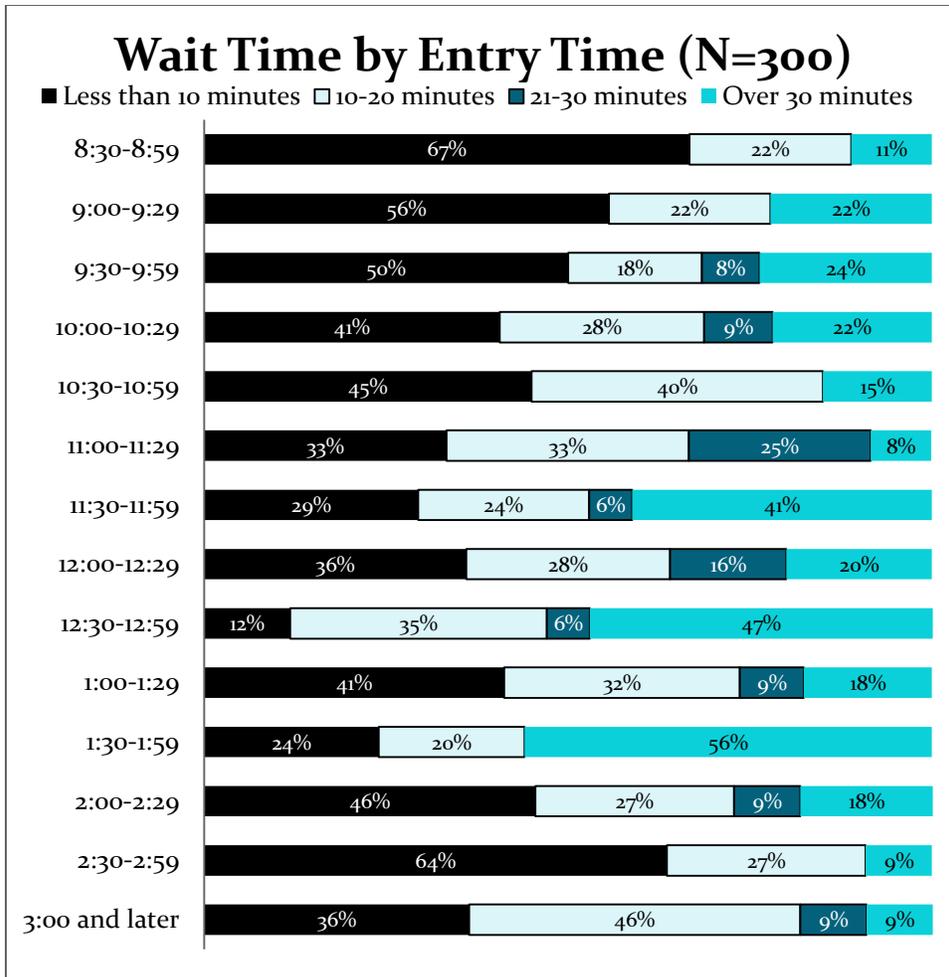


Figure 9

Data collected from this sample suggests that the time of day affects the wait time experienced in banking halls. The illustration shows that between 8:30AM and 1:00PM the proportion of respondents experiencing wait times of less than 10 minutes decreased, and reversed following that period. Approximately two thirds of the sample reported waiting for no more than ten (10) minutes after entering the banking hall between 8:30 and 8:59AM and between 2:30 and 2:59PM. Only about one third reported similarly between 12:00PM and 1:30PM. (see Figure 9)

TELLER TIME

Overall, the majority of respondents (84%) spend less than 10 minutes at the teller, followed by 13% who spent between 10 and 20 minutes. The date of the transaction apparently had no impact. On all three days, eight out of every ten respondents reported spending no more than 10 minutes with the teller (see Figure 10).

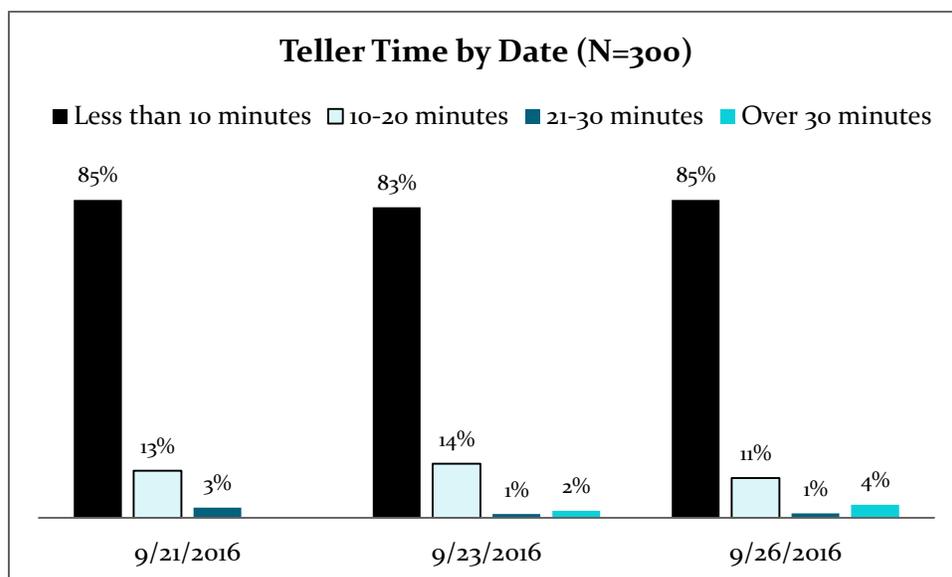


Figure 10

Contrary to their wait time experience, **it appears that the business clients spent more time at the teller in comparison to personal clients.** More personal clients (90%) than business clients (75%) reported spending less than 10 minutes at the teller, while more business clients (19%) than personal clients (8%) spent between 10 and 20 minutes (see Figure 11). This may be because business clients are usually conducting more transactions per client or due to increase in volume e.g. lodgements.

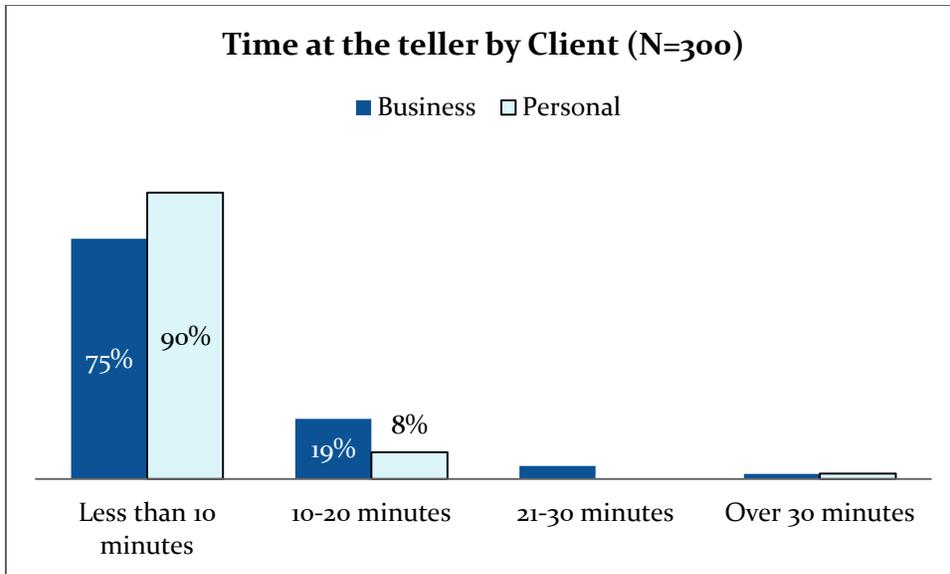


Figure 11

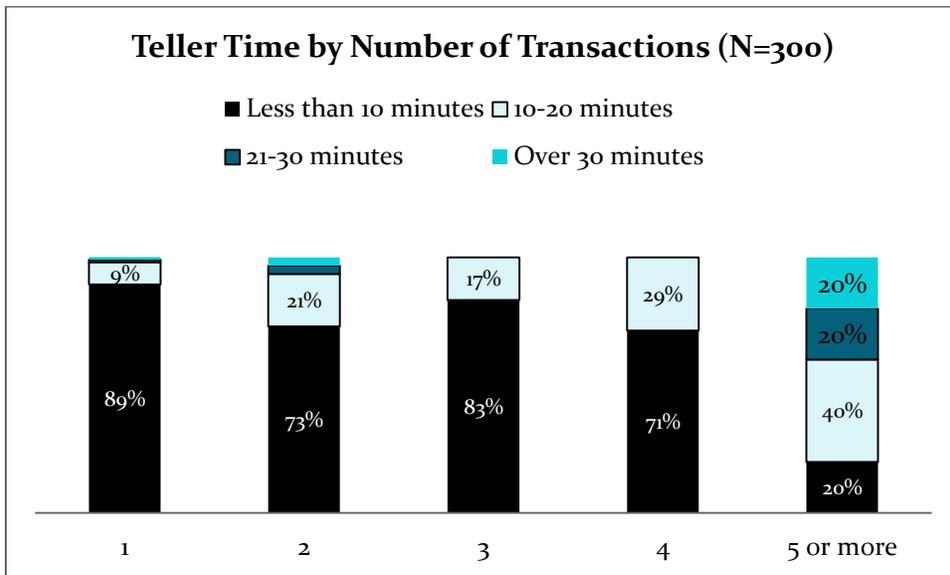


Figure 12

The time spent at the teller differed by the number of transactions, but it appeared that this was only when the client was conducting five or more transactions. As shown, when conducting between one and four transactions, more than 70% of the sample spent no more than 10 minutes. However, only 20% of the sample could report spending such a short time when conducting five or more transactions. (see Figure 12)

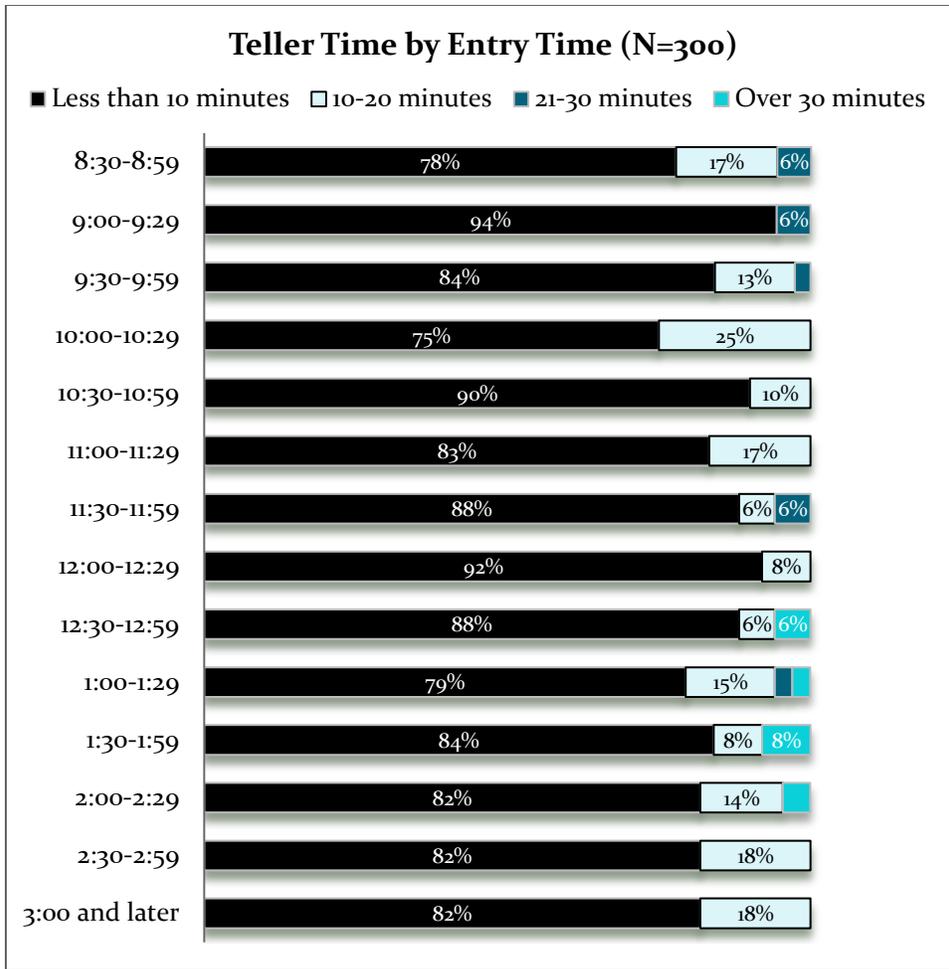


Figure 13

Time spent at the teller seemed unaffected by the time when clients entered the banking hall. For all time slots, the majority of the respondents completed their interaction with the teller in less than 10 minutes (Figure 13)

SATISFACTION AND PREFERENCES

Overall, close to two thirds (64.7%) of the sample were satisfied with their wait time. Business clients appeared to be more satisfied with their wait time than the personal clients. While less business clients (28%) than personal clients (40%) said they were not satisfied, more business clients (72%) than personal clients (60%) said they were satisfied

(see Figure 14). This is to be expected given that business clients reported experiencing less waiting time on average than personal clients.

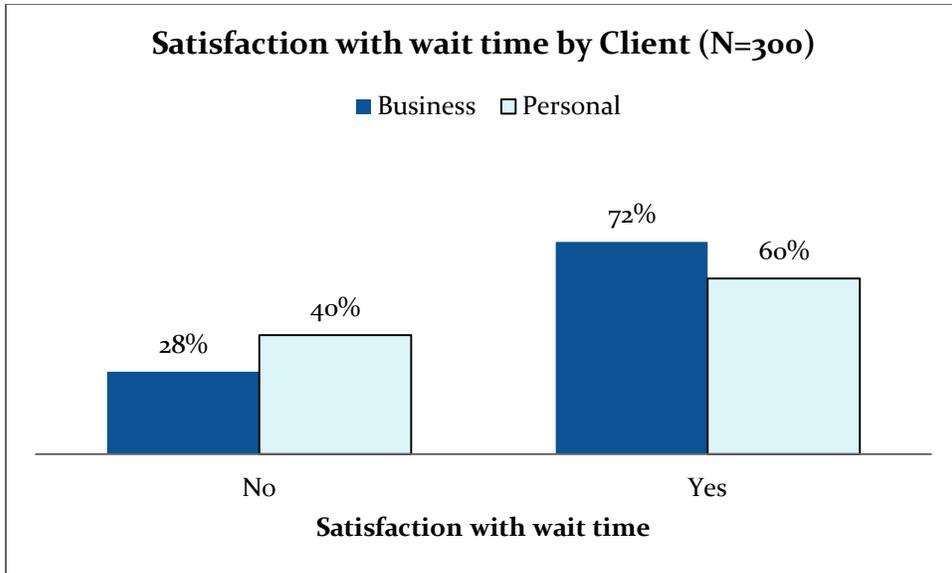


Figure 14

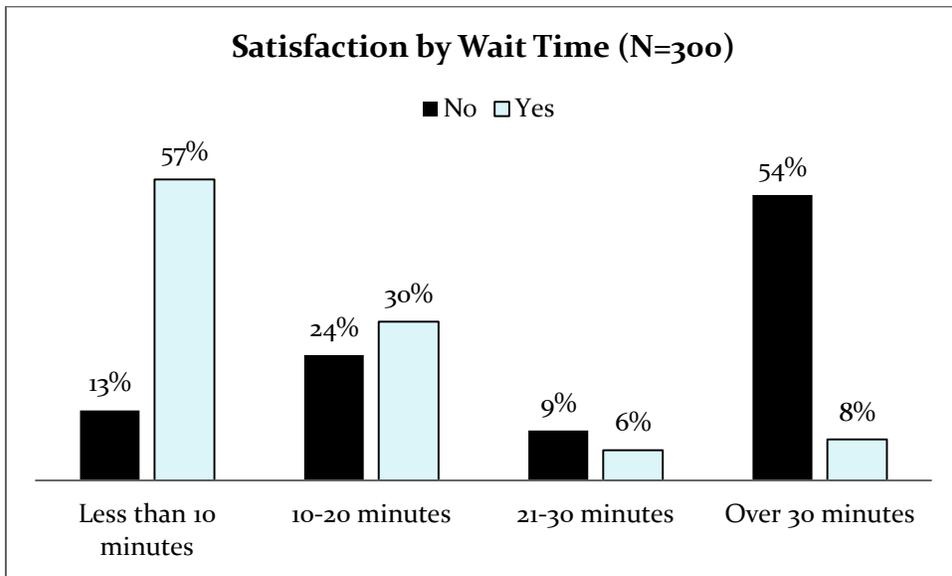


Figure 15

The data suggests that clients are not generally satisfied with longer wait times.

While more than half (57%) of those who felt satisfied waited less than 10 minutes to see a teller,

more than half (54%) of those who were not satisfied with their wait time spent over 30 minutes waiting before seeing the teller (Figure 15)

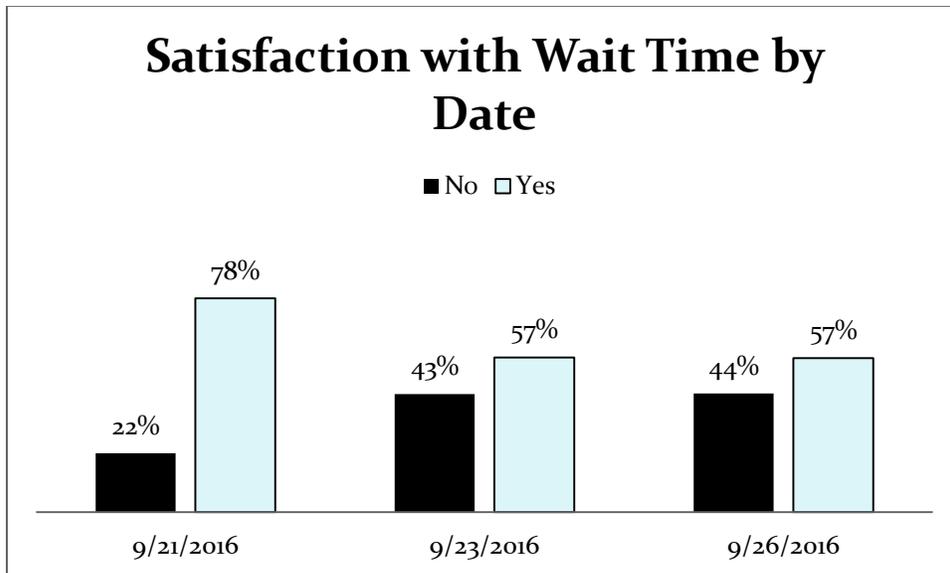


Figure 16

The date had limited impact on the satisfaction with wait times. On September 21, more than three quarters (78%) of respondents were satisfied with their wait time, with the differential decreasing noticeable after this date (Figure 16). This may be because traffic increases on these days, or because clients which to complete their transactions faster on these days.

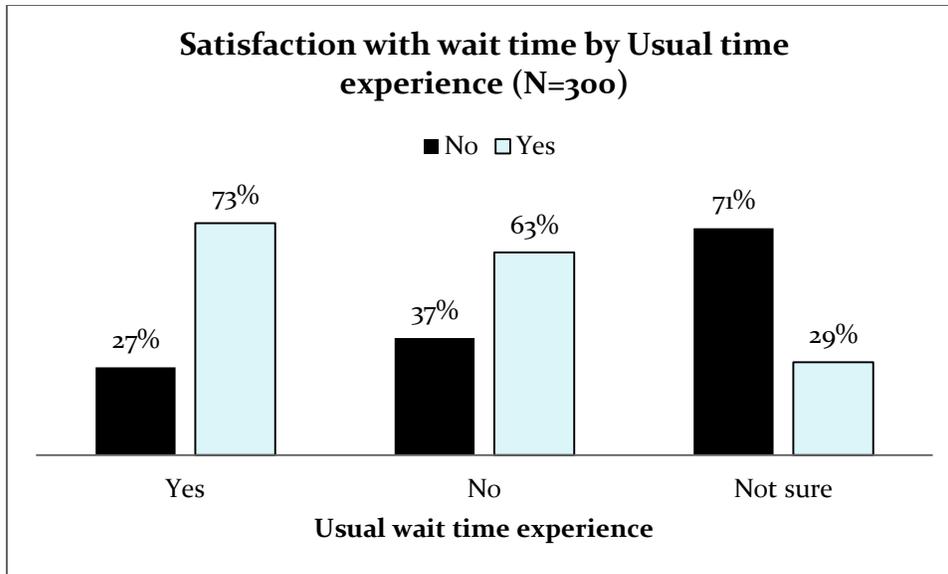


Figure 17

Slightly more than one half of the sample (52%) shared that the wait time they experienced was the usual wait time they experienced, while a very close to one third (37%) reported that it was not their usual experience. When responding to that item on the instrument, however, respondents stated that they usually spent a longer time waiting. This would explain why both those respondents who experienced typical (73%) and atypical (63%) wait times during the survey were more likely to report satisfaction with the wait time: either they were accustomed to that time, or it was shorter than usual (Figure 17).

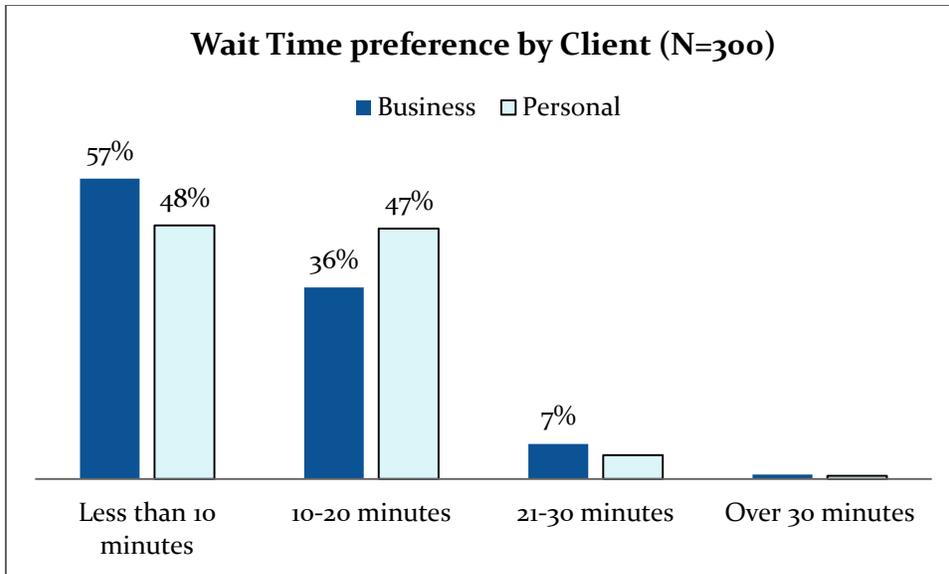


Figure 18

Regarding preference, it would appear that business clients would be more appreciative of less waiting time. More of them (57%) than personal clients (48%) preferred a wait time of less than 10 minutes, while more personal clients (47%) than business clients (36%) preferred a wait time of between 10 and 20 minutes. However, it should be noted, that in aggregate, both groups preferred roughly the same amount of time: that is, no more than 20 minutes (Figure 18).

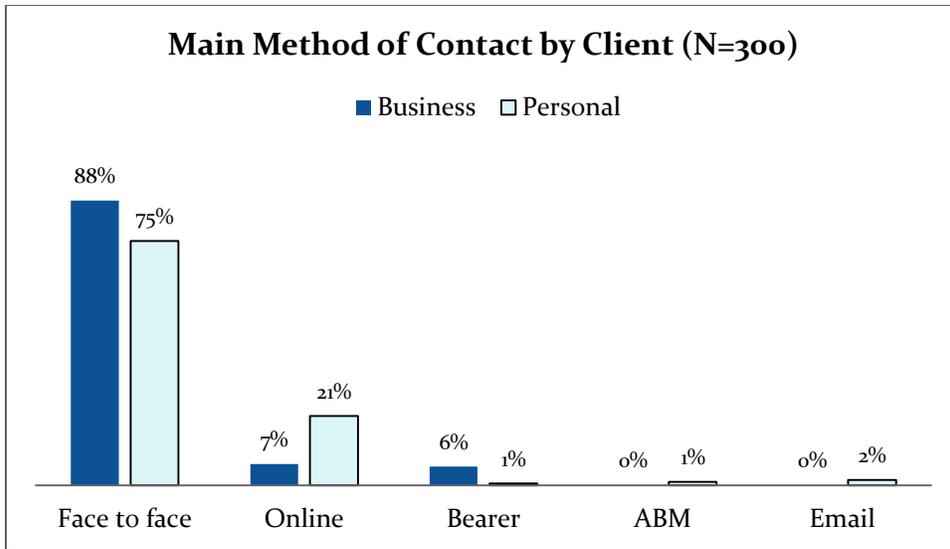


Figure 19

The majority of the sample (80%) reported accessing the services of the bank mainly face-to-face, followed distantly by 15% who did so via the internet, and 3% by a Bearer. As illustrated (Figure 19), the business clients (88%) were more likely than personal clients (75%) to conduct face-to-face transactions, while the personal clients (21%) were more likely than business clients (7%) to conduct online transactions.

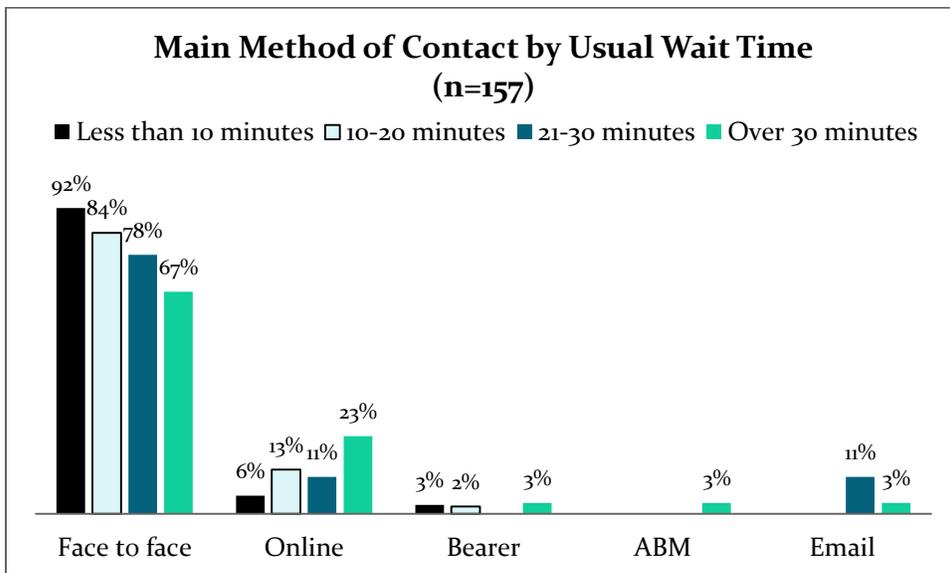


Figure 20

The data suggests that the main method of contact may be in response to the wait times experienced. Among those respondents who indicated that the wait time experienced during the survey was their usual wait time (n=157), the proportion who mainly conduct transactions face-to-face declined as the usual wait time increased. Conversely, as the usual wait time increased, the proportion mainly conducting business online increased. A similar trend was observed with respect to the other means of conducting transactions. (Figure 20).

CONCLUSION

This study sought to examine the extent of delays in the banking halls experienced by Jamaican consumers. The results showed that within the KMA, however, these times increased during high traffic days, like pay-day, However, teller times seemed to be unaffected as most respondents indicated spending less than 10 minutes with completing a transaction regardless of the date or client type.

Further evidence of efficiency could be seen in the time experienced at the tellers. All clients, regardless of their type, date of entry or time of entry took a relatively short time to complete their transaction at the teller. The only variable that impacted teller times and which can be expected, was that the number of transactions increased the time spent at the teller.

Clients wanted shorter wait times. This was expressed explicitly by all clients. Furthermore, satisfaction with wait time was higher for those clients who experienced shorter

wait times. This could explain why business clients, clients who entered on low traffic days and earlier in the day showed higher satisfaction with the wait times.

These shorter wait times could be afforded by the increased use of e-banking services. Interestingly, those clients who normally experienced long wait times appeared more likely to use online banking. However, most clients still conduct transactions mostly face-to-face. This may be because of the type of business being conducted. Most clients were making a deposit, and most entered the bank daily or fortnightly. One could assume these are day labourers who cannot yet conduct their necessary transactions online because these services are not yet available.

It is difficult to say whether the banks can do more to increase the customer experience of their clients as it relates to wait times. This survey seems to suggest that the banking staff is as efficient as they can be, attending to staff as quickly as possible in order to reduce both wait time and time at the teller. They have provided their clients with alternatives that could speed up their transaction time, which they also want. It may not be that these clients are reluctant to make the move to e-banking because of the nature of their transactions. It is suggested that banks could invest in digitizing services such as cheque deposits which could open the world of e-banking to a wider cross section of clients.

As the monetary cost of doing business in banking halls increases, clients of the banks should not be saddled with an increase in the cost on their time as well. Consumers would be doubly charged in this scenario, in an environment where “time is money”. The CAC continues

to advocate for lower banking rates and fees for consumers, which extends to the time-cost of doing business.

Finally, this study will form the platform for future studies that investigate banking phenomenon in the interest of Jamaican consumers. This is imperative in light of the increased quest for increased financial inclusion on the part of Jamaican consumers aimed at decreasing their vulnerability in the financial landscape.

Recommendations

The Consumer Affairs Commission will conduct further studies. These will be attempted anonymously as the fact that banks had prior knowledge of the survey may have influenced the findings

APPENDIX I

COMPARISON BY BANKS

Below are comparisons of the wait time, teller time and satisfaction with the wait time by the banking institution. The data suggests that while time at the teller does not differ noticeably, it appears that wait time and satisfaction with wait time do. Specifically, FGB appears to have the shortest wait time, while NCB has the highest. As a result, NCB clients are least satisfied with the wait time, while FGB clients are most satisfied. These findings may not point to any inefficiency within any of the banks. This may be a factor of the market share of these banks. NCB, as the leader, has high traffic and this will impact the experience of customers. On the other hand, FGB has a smaller client base, so their clients should experience a shorter wait time.

