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To: Banking Enquiry
Subject: Competition in Banking: Switching Costs

To whom it may consumer

A contributing factor that affects competition in the banking sector, concerns the portability of account numbers. This is analogous to the portability of cell phone numbers in the cell phone industry. Its simple really...

There is a strong disincentive for consumers to switch banks as their account number will change and they will be forced to communicate this to all their customers/suppliers/etc. When they switch banks, they run the risk of someone not being able to pay them.

To increase competition, the competition commission should impose account number portability on the banking sector. i.e. when consumers switch banks, their account number should not need to change.

I hope you take their into serious consideration

Jamie