

Press release

60 percent adoption, less than 15 percent primary usage: Australia's neobanking market faces conversion gap

Adoption is rising and satisfaction is high among Australian neobanking users. But primary banking relationships remain firmly with incumbents, leaving conversion, not growth, as the real challenge. Two patterns define Australia's neobanking market: adoption trails global peers, and while customer satisfaction is high, conversion to primary banking relationships is low. Customers are engaging with neobank – in fact they often prefer the experience – but they're hesitant to rely on them as their main financial institution.

- Around 60 percent of Australian consumers have used a neobank, compared to 70 to 80 percent in comparable global markets
- Less than 15 percent consider a neobank their primary bank, versus a global average of 21 percent
- More than 60 percent remain with incumbent banks for their main financial relationship
- Neobanks capture 33 percent of new accounts in Australia, indicating strong future potential
- 35 percent of consumers expect to switch to a neobank as their primary bank within three years

Sydney, April 28, 2026 – Simon-Kucher, the world's leading commercial growth and pricing consultancy, has just released its Global Neobanking Study 2026, covering more than 300 neobanks across 16 markets, including Australian insights.

Neobanks have crossed into the mainstream

Globally, neobanks now capture 39% of new banking relationships worldwide, hold 19% of all accounts, and generate roughly 5% of global retail banking revenue.

“Neobanks are no longer a niche option for tech-savvy early adopters,” said Christoph Stegmeier, Senior Partner in the Financial Services practice at Simon-Kucher. “They now compete head-to-head with incumbents on customer acquisition, satisfaction, engagement, and relevance.”

Australia is part of this story, but it is not following the same path

While digital banks are gaining momentum globally, Australia stands out for a more gradual shift. Around 60 percent of consumers have used a neobank, but fewer than 15 percent consider one their primary bank.

“Australia is a market where adoption is strong, but conversion is still catching up,” said Joshua Koh, Partner at Simon-Kucher. “Customers are open to neobanks and value the experience, but when it comes to their primary bank, trust and financial value remain decisive.”

The Big Four effect is real and persistent

Australia’s Big Four major banks (Commonwealth Bank, Westpac, NAB, and ANZ) hold deep institutional trust built over generations. They benefit from long-standing customer relationships, integrated credit histories, and products such as home loans that anchor customers over time. While neobanks lead on digital experience and pricing transparency, they are not yet competing on the same depth of relationship.

The underlying demand is stronger than current conversion numbers suggest

35 percent of Australian consumers expect a neobank to become their primary bank within the next three years, with a further 32 percent indicating that is somewhat likely. The shift is underway but shaped by trust and economic factors. Neobanks outperform the Big Four on customer satisfaction, pointing to a structural and behavioral gap.

The next phase of neobanking in Australia

Australia’s trajectory points to steady, incremental change rather than rapid disruption. Converting strong customer satisfaction into primary banking relationships will depend on delivering clear financial value: rates, fees, and rewards that meet switching thresholds.

“The next phase of competition in Australia will be won on financial value,” said Koh. “Providers that deliver clear, tangible benefits will be best positioned to turn strong customer engagement into primary banking relationships.”

Access the full Global Neobanking Study 2026 here: [Global neobanking trends & insights](#)

About Simon-Kucher

Simon-Kucher is a global consultancy with more than 2,200 employees in 30+ countries. As a trusted commercial advisor focused on unlocking better growth, we combine deep consulting expertise, growth specialization, and technology to scale lasting impact. We optimize every lever of commercial strategy – product, pricing, innovation, marketing, and sales – based on what customers want and value. With over 40 years of monetization experience, we are recognized as the world’s leading commercial growth and pricing specialist.

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For further information please contact:

Name: Birte Jung

Email: birte.jung@simon-kucher.com