Attitudes towards Government Regulation and Consumer Policy Initiatives in Retail Financial Services

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A Report initially issued by

Financial Services Research Forum 2006

Re-issued by the Centre for Risk, Banking and Financial Services 2014

Executive Summary

- The objectives of this study are to provide a detailed insight into public attitudes towards the regulation of retail financial services markets and recent consumer policy initiatives (hereafter CPIs) in retail financial services.
- The study provides a detailed analysis of consumer perceptions of the CAT mark scheme and the Stakeholder product suite initiative.
- A quantitative methodology incorporating a telephone survey of just over one thousand respondents was employed.
- Subsequent analysis showed that the public are reasonably convinced as to the need for Government regulation of financial services but that there are certain groups, such as females, the old and those from the lowest income and class groups who are less inclined to agree with such sentiments. These findings appear counter intuitive but are consistently signalled by the data
- A complicated relationship emerged between consumer characteristics, which capture the internal resources available to consumers in terms of knowledge, confidence and interest and involvement, and attitudes towards the need for regulation of financial services.
- With respect to consumer policy initiatives in financial services, the study found that these initiatives are unlikely to be particularly successful in appealing the target market identified by the Government, those most vulnerable consumers on low to medium incomes.
- However the study also showed that there is a reasonably high general level of acceptance of such initiatives amongst the public and that a Stakeholder type approach is viewed as useful in particular in assisting in the choice process for more complex financial services.
- The study also found that the public, albeit by a small margin, prefer the CAT mark approach to the Stakeholder product approach.
- On balance, the evidence from the study would lend weight to the argument that the initiatives championed by the Government will not appeal to the main target market and are unlikely to assist significantly

in solving the problems of lack of understanding, lack of provision, mis-buying and mis-selling. Whilst this claim is potentially provocative and contentious, it is well supported by rigorous statistical analysis.

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1) Introduction

The objectives of this study are to provide a detailed insight into public attitudes towards the regulation of retail financial services markets and recent consumer policy initiatives (hereafter CPIs) in retail financial services aimed at simplifying the choice process and assuring minimum product standards and specifications. In particular, the study will provide a detailed analysis of consumer perceptions of the CAT mark scheme and the Stakeholder product suite initiative. The Government's vision for retail financial services is a situation where *"consumers can easily identify the products and help they require…can have confidence in the people who provide and advise on products…efficient providers are able to prosper…[and] there is better access for those on low to medium incomes"* (HM Treasury, 2003: pp 7). Should such a vision be realised, then problems related to mis-selling/buying and under-provision of key financial services such as pensions are likely to be reduced significantly. CPIs, and in particular the Stakeholder product suite are seen as crucial elements in the realisation of such a vision and, as such, the success or otherwise of such initiatives will have a major impact on the degree to which the Government and its agents can claim success in the area.

This detailed study of the attitudes of consumers towards such policy initiatives and analysis of the possible behavioural impact upon consumers will therefore provide an important independent insight into the potential impact of CPIs. This is important has it has been argued that only when resultant significant changes in the awareness, attitudes and behaviour of consumers occur can policy be deemed successful (Day, 1976). The insights offered by this report will be of interest and importance to Government, policy makers, practitioners and their representatives, as well as consumer groups. The report proceeds as follows. In chapter two, a literature review is presented and research questions and hypotheses are derived. In chapter three, the research design and methodology are explained, which incorporate a detailed quantitative study of over 1000 people, selected at random to form a representative sample of the UK population. Data is collected on perceptions of service complexity, demographic factors, attitudes towards regulation of financial services and CPIs, the potential role of CPIs in the choice process for various financial services and certain consumer characteristics which represent the internal resources available to consumers in terms of knowledge, experience confidence and interest, or involvement. In chapter four results are analysed and in chapter five discussion and implications are presented. Finally, in chapter six, conclusions are drawn.

2) Attitudes Toward Government Regulation of, and Consumer Policy initiatives in, Retail Financial Services.

The market for retail financial services is characterised as high in information asymmetries (Llewellyn, 1999). Consumers have limited understanding of financial services, meaning that they are vulnerable and may well make decisions which are detrimental to their interests. As a result, consumers are generally viewed as being at a disadvantage when dealing with providers. A recent review of the retail savings and investment sector (HM Treasury, 2002) highlighted a high degree of product complexity and opacity in the marketplace (FSA, 2003a) which exacerbate the problems faced by consumers. Important outcomes of limited understanding and a lack of transparency in the marketplace include "mis-buying" by consumers (Johnson, 2000) and even a lack of adequate provision by consumers (Noble and Knights 2003). In such circumstances, mis-selling is also more likely to occur with the result that public confidence in financial services markets may be undermined.

Such arguments form the basis for justifying the regulation of retail financial services markets in order to protect consumers. At a general level, the Government regulates the conduct and activities of the UK financial services sector through the Financial Services Authority (FSA) with the objectives of fostering market confidence, promoting public awareness and understanding of financial services, protecting consumers to an appropriate level and reducing financial crime (HMSO, 2000). More specifically, its consumer-focused policies include consumer education efforts and provision of impartial information, including comparative material, and generic advice. The statutory duties of firms to know their customer, provide best advice and disclose information at key stages of the sales process are also designed to protect and inform consumers. Although there has been much research aimed at identifying the degree of financial literacy and understanding of financial services in the population (c.f. Financial Services Consumer Panel, 2000, 2001/2) as a basis for justifying regulation, there has been little previous research into consumer attitudes towards the need for regulation of financial services. A small number of previous studies have investigated attitudes towards Government regulation or control of industry at a more general level. Barksdale et al (1982) investigated attitudes towards Government regulation in six countries including England[1]. There, 60% or more of respondents agreed that the Government should test competing product brands and make the results of tests available to consumers. Also, 59% of respondents either strongly agreed or agreed that Government should regulate the sales, advertising and marketing activities of firms. 74% of respondents agreed that a Federal Department of Consumer Protection (or equivalent) was needed. However, respondents in England appeared somewhat inconsistent in their attitudes, as 64% also agreed that, in general, self-regulation of business was preferable to stricter control by Government. As a starting point for the current investigation, and to set the study in context, it is pertinent to ascertain whether this now rather dated study (there has been no major follow-up) is representative of consumer opinion as to the need for Government regulation of retail financial services. Thus:

Research Question 1: What are consumers' attitudes towards Government regulation of retail financial services?

Of particular interest to this study are a number of CPIs aimed at benchmarking or specifying simplified financial services product specifications with the objectives of helping consumers make better, more informed decisions (HM Treasury, 1999) that have been Government, rather than FSA initiatives. It would also be pertinent to check whether consumers' attitudes to recent CPIs differ significantly from attitudes towards Government regulation of retail financial services more generally. Thus:

Research Question 2: What are consumers' attitudes towards recent CPIs in retail financial services?

[1] Barksdale used the term England, however, it is unclear whether the research was limited to England or was carried out on a UK-wide basis

The first initiative was the introduction of CAT standards, applied initially to Individual Savings Accounts (ISAs). Products which adhered to a set of criteria specified by the Government could publicise themselves as CAT standard approved. In effect, the CAT standard became a benchmark against which firms could voluntarily measure their product specifications. It could be argued that the CAT standard is similar to a recognised mark of approval, such as the British Standards Institution, which tests products and services against its own standards and allows firms to use its mark of endorsement in marketing materials provided the firms products or services measure up. In the case of the CAT scheme, the criteria covered concern charges, access and terms, hence CAT. The scheme was subsequently extended to mortgages (HM Treasury, 1999). The Government has urged consumers to view CAT standards as a benchmark, or guarantee, of a minimum set of standards rather than an explicit guarantee or endorsement. When extending the CAT scheme to mortgages in 1999, the Government viewed the introduction of CAT standards as part of broader programmes to improve consumer information and awareness in financial services (HM Treasury, 1999). The CAT standard scheme was, and remains, a voluntary one. According to Johnson, (2000), CAT standards were viewed by the Government as helping in dealing with the problems of inadequate saving by lower income individuals, the lack of confidence in, and understanding of, financial services and the prevalence of products with inappropriate characteristics. it is clear that the scheme is aimed at lower income and less experienced and confident consumers of financial services, who could be characterised as more vulnerable consumers and potential consumers of financial services.

More recently, other Government initiatives, in particular the plan to introduce Stakeholder branded products (see below), appear to have implications for the use of CAT standards in marketing financial services. HM Treasury (2003) acknowledged this fact and stated that the Government believes that, in the main, it makes sense to have only one set of standards, rather than competing but similar sets under different schemes. As a result it was decided that the CAT standard cash ISA will become a Stakeholder cash ISA and that the CAT standard equity ISAs will be incorporated into the medium Stakeholder product range (HM Treasury 2003). However, the CAT standard for mortgages will be retained for the foreseeable future. As a recent estimate puts the value of home loans taken out annually in the UK at over £160 billion (Council of Mortgage Lenders, 2002), this means that a significant element of the retail financial services market which could still potentially fall under the CAT standards scheme. Thus, the following research question remains an important one:

Research Question 3: Is the CAT standard scheme likely to be successful in appealing to the target market identified?

A more recent initiative aimed at assisting consumers in making decisions more aligned to their interests was the introduction of Stakeholder Pensions, available since April 2001. Seemingly similar to the CAT standard scheme, in the case of Stakeholder Pensions the Government also sets standards for charges, access and terms, including a proposed cap on charges. This was initially to be 1%, giving rise to the expression "the 1% world", but after vociferous lobbying by financial services firms, the Government appears to have conceded that a slightly higher cap may be necessary to ensure such products are viable. Johnson (2000) highlights important differences between the Stakeholder regime and CAT standards. The former represent a new class of product and the standards set are compulsory for any product wishing to be designated as Stakeholder. The latter represents a voluntary benchmarking scheme in which it is entirely up to providers whether to design products that meet the criteria specified. Johnson (2000) suggests that Stakeholder pensions should also provide consumers with a reasonable deal and should be acceptable to the target market, which is low to middle income earners. More recently, a Government sponsored review (HM Treasury, 2002) called for efforts to make retail savings and investment products more accessible to those on low to middle incomes and recommended that the Stakeholder concept be extended to a mutual fund or unit linked life assurance fund and a with-profits product. The Government launched a consultation process aimed at identifying the appropriate product specification for the proposed Stakeholder products and discussing possible extensions into other product areas (HM Treasury, 2003). In its response to issues raised in the consultation process, the Government (HM Treasury 2003) noted that some respondents saw mass market potential for Stakeholder branded products, but stated that it remained committed to the principle of designing the products to appeal to the needs of lower income groups. In their response to consultations, the Government also clarified the range of products which would be available in Stakeholder branded form. As discussed above, there will be a cash-based product, an investment product, which may be unit-linked or smoothed fund, and a pension. Its is also envisaged that the Child Trust Fund will be made available within the Stakeholder branded product suite (HM Treasury 2003). Concomitantly, the FSA is considering how best to regulate the sale of such simplified investment products to ensure maximum access whilst still protecting vulnerable consumers (FSA, 2003a). With this in mind, the FSA has carried out some preliminary research into consumers and Stakeholder pensions (2003b). They investigated questions regarding awareness of risk and minimum standards in Stakeholder Pensions and perceptions of whether advice was rendered at the time of sale. However, their investigation was limited to Stakeholder pensions and made no attempt to study other product groups or CAT standards. Thus, contrast between different product groups was absent, as was, in the main, comparison of different consumer segments. It is apparent that the Government is investing a considerable amount of time, effort and expenditure in developing the Stakeholder range, in the hope that such products will appeal particularly to those segments which have been reluctant to engage with financial services. Thus, the study will also investigate whether such efforts are likely to yield success.

Research Question 4: Is the Stakeholder branded product suite likely to be successful in appealing to the target market identified?

In reviewing recent policy statements from the Government and its agents, it is apparent that the general approach is based upon favouring the

Stakeholder branded approach over that of using the CAT standard scheme. HM Treasury (2003) stated that there is a need to simplify the benchmarking structure and concluded that the CAT standard would only continue to be used in the case of mortgages. Stakeholder branded products would prevail in other areas. It would be pertinent to investigate to what degree such developments are aligned to the preferences of the target market.

Research Question 5: Is the Stakeholder branded product suite more likely to be successful in appealing to the target market than the CAT standard approach?

Service Complexity and Consumer Characteristics

Service Complexity

Although financial services are generally thought to be amongst the more complex of services on offer, it is apparent that financial services cannot be viewed homogenously in this respect (Devlin, 1998). The level of complexity will vary according to the financial service being considered. Certain financial services are mentally, as well as physically intangible, in that consumers are less likely to be able to understand and evaluate the features and benefits associated with them. More complex financial services may also be difficult for consumers to evaluate, not least because they are likely to be low in search attributes (those that can be determined prior to purchase, such as a rate of interest) and/or high in credence attributes (those that the consumer lacks the cognitive ability to evaluate even after using the service, such as whether an investment fund has performed optimally). The Financial Services Consumer Panel (2000) found that a substantial minority of consumers found taking out a financial product overly complex, but that perceptions of complexity varied between financial services. 15% of financial decision makers found opening a savings account complicated, with the figure rising to 28% for taking out a pension and 36% for taking out a mortgage. A primary source of complexity cited was the charging structure of products. Roughly 50% of those surveyed agreed that it was difficult to understand charges for pensions, life assurance and investment products, whilst this figure rose to 62% for mortgages. It is expected that consumers who perceive financial services to be relatively complex are more likely to have favourable attitudes towards government regulation of financial services and CPIs aimed at benchmarking or specifying simplified financial services products. This is due to the fact that such customers' perceptions of complexity are likely to leave them feeling vulnerable in financial services markets. As a result, policy that has the objectives of helping consumers make more informed decisions are likely to be appreciated to a greater degree. Such initiatives are also likely to influence choice to a greater degree for such individuals. Thus:

Hypothesis 1a: Consumers perceptions of complexity in financial services markets will be positively related to consumers' preference for Government regulation of financial services markets.

Hypothesis 1b: Consumers perceptions of complexity in financial services markets will be positively related to consumers' preference for CPIs .

Hypothesis 2: Financial services perceived as more complex will be associated with a greater degree of importance for CPIs in the choice process.

Customer Knowledge

Consumers also vary in a number of respects which may have important implications for their attitudes towards regulation of financial services and CPIs in financial services. One important respect in which customers vary is the amount of knowledge they possess. Customer knowledge is an important concept which influences the consumer choice process and product use (Alba and Hutchinson, 1987: Cordell, 1997). Two components of customer knowledge have been identified; familiarity and expertise. The former is a measure of the previous exposure and usage of a product or group of products of an individual. The latter is defined as the ability to perform product-related tasks (Alba and Hutchinson, 1987). In turn, expertise can be measured objectively by employing a test of some description, or subjectively using self-evaluation. (Cordell, 1997). Park et al (1994) suggest that the two measures are related and Park and Lessig (1981) state that both have validity as knowing what a customer thinks he or she knows can also be useful. In the financial services environment, McAlexander and Scammon (1988) looked at the attitudes of high and low knowledge consumers towards regulation in the form of licensing of financial planners and found that low knowledge consumers were more likely to use licensing information as cues to evaluate the competence of financial advisors and suggested that low knowledge consumers are more vulnerable to unqualified and/or unethical financial advisors. Whilst it is accepted that licensing is only one aspect of regulation, it is reasonable to extrapolate the arguments of McAlexander and Scammon to regulation and regulatory initiatives more generally, therefore a relationship between low knowledge and a preference for regulation would be expected. The following hypotheses cover the three distinct elements of customer knowledge:

Hypothesis 3a: Lower familiarity with financial services will be positively related to consumers' preference for Government regulation of financial services markets.

Hypothesis 3b: Lower subjective expertise of financial services will be positively related to consumers' preference for Government regulation of financial services markets.

Hypothesis 3c: Lower objective expertise of financial services will be positively related to consumers' preference for Government regulation of financial services markets.

Hypothesis 4a: Lower familiarity with financial services will be positively related to consumers' preference for CPIs .

Hypothesis 4b: Lower subjective expertise of financial services will be positively related to consumers' preference for CPIs .

Hypothesis 4c: Lower objective expertise of financial services will be positively related to consumers' preference for CPIs.

Should hypotheses 4a-4c hold then this would suggest that the Government objective of using these policies to appeal to less experienced and more vulnerable consumers is justified.

Involvement

Much previous research in the area of consumer attitudes and behaviour has incorporated the notion of consumer involvement. Involvement has been defined as the degree of personal relevance, interest and/or subjective feelings of importance of the product category or purchase decision (Chandrashekaran and Grewal, 2003, Mittel, 1989; Petty, Zaichkowsky, 1985; Cacioppo and Schumann, 1983). In has been shown by a large number of studies that the level of consumer involvement will influence the type and amount of information processing which occurs (Cacioppo and Petty, 1983, Celsi and Olson, 1988, Meyers and Cacioppo, 1996). In particular, consumers with higher levels of involvement are likely to process available information on a product or service more fully and meticulously, rather than relying on mere simplistic cues or heuristics (Meyers-Levy and Peracchio, 1996). Applying such logic to the recent CPIs in financial services, less involved consumers are more likely to forgo a detailed analysis and appraisal of product features and benefits in favour of relying on a CAT standard endorsement or Government specified products when attempting to choose an appropriate product. Thus;

Hypothesis 5b: Lower involvement in financial services will be positively related to consumers' preference for CPIs .

Indeed, such arguments can be extrapolated to arguments concerning attitudes towards Government regulation more generally as less involved consumers are more likely to be inclined to rely on Government protection rather than ensuring that they secure a good deal. Thus;

Hypothesis 5a: Lower involvement in financial services will be positively related to consumers' preference for Government regulation of financial services markets.

Confidence

Consumer confidence is also likely to affect consumer attitudes towards the need for regulation of financial services generally and CPIs in the area. Consumer self confidence is defined as *"the extent to which an individual feels capable and assured with respect to his or her marketplace decisions or behaviour".* More confident consumers are likely to feel more assured with respect to the decisions they are making in financial services. As a result they are likely to foresee less need for regulation of financial services and CPIs design to help and protect more vulnerable consumers. As confident consumers, such individuals will see themselves as less vulnerable and less in need of protection. Thus;

Hypothesis 6a: Lower consumer confidence with financial services will be positively related to consumers' preference for Government regulation of financial services markets.

Hypothesis 6b: Lower consumer confidence with financial services will be positively related to consumers' preference for CPIs.

Risk

The greater the risk that consumers perceive to be associated with dealing with financial services, then the greater the need they may see for regulation of financial services and CPIs designed to help consumers choose a product appropriate for their needs. Services are argued to be riskier than products per-se (Lewis, 1976) and financial services are frequently studied in investigations of risk (Mitchell, 1999) as they are perceived to encompass service offerings of a high risk nature. Consumers who perceive greater risk in financial services are likely to see a greater need for protection, as they will feel more vulnerable as consumers. Thus;

Hypothesis 7a: The higher the perceived risk associated with financial services, the higher the consumer's preference for Government regulation of financial services markets.

Hypothesis 7b: The higher the perceived risk associated with financial services, the higher the consumer's preference for CPIs.

3) Methodology.

A total of 1002 telephone interviews were carried out in the summer of 2004, with the assistance of a professional market research agency. Random sampling techniques were employed using national telephone lists. Quotas for key demographic variables such as gender and age were employed to further enhance the representativeness of the survey. Respondents were informed at the beginning of the interview that the survey focused on consumers' views on financial services markets and the complexity of financial services and that the survey was being carried out by Nottingham University Business School. It was hoped that mentioning the University would enhance the perception of independence of the study and would help re-assure participants that they were not being subjected to "selling under the guise of research". The interview was based upon a fully structured questionnaire, with the measurements required mainly taken from previous published research, with some scales developed by the researcher for the purposes of this study. Subsequently, all scales were subject to factor analysis (either exploratory of confirmatory), which helped confirm the reliability and validity of the measurements employed. A large amount of demographic data was also collected to allow analysis across differing groups of consumers. A copy of the questionnaire can be found in Appendix A.

As can be seen in the questionnaire, questions were introduced with explanatory remarks aimed at explaining in as simple terms as possible what the questions were attempting to ascertain. It is conceded that the subject under investigation is one which is potentially complex and uninteresting to many people. There was, therefore, a challenge in reconciling the need to ask questions in as simplistic a manner as possible, whilst still gathering meaningful and useful data. To overcome such challenges, terms such as CAT mark scheme or Stakeholder products were not used as part of the survey. As an alternative, explanations as to the main traits of each initiative were used on order to avoid alienating respondents with jargon and technical language.

Profile of Respondents.

As can be seen from the table below, the sample was almost equally split between males and females and, as such, is reasonably representative of the UK population, which has slightly more females than males, according to the Advertising Association (2002).

Q16 GENDER:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0 FEMALE	**500**	**49.9**	**49.9**	**49.9**
	1 MALE	**502**	**50.1**	**50.1**	**100.0**
	Total	**1002**	**100.0**	**100.0**	

The social grade of respondents is provided in the table below. For the UK population as a whole the AB group represents 23.8%, C1 27.3%, C2 21.2% and DE 27.7%. (The Advertising Association, 2002). It is apparent that the sample is slightly under-representative at the extremes.

Q19 Social Grade:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 AB	**199**	**19.9**	**19.9**	**19.9**
	2 C1	**307**	**30.6**	**30.6**	**50.5**
	3 C2	**300**	**29.9**	**29.9**	**80.4**
	4 DE	**196**	**19.6**	**19.6**	**100.0**
	Total	**1002**	**100.0**	**100.0**	

The age of the respondents is profiled in the table below. The sample is reasonably representative in terms of age as, according to Mintel (2004) in 2001; 15.10 % of the adult population were 15-24 years old, 17.80% were 25-34, 18.90% were 35-44 years old, 16.16% were 45-54 years old, 12.82% were 55-64 years old and 19.22% were of retirement age or older.

Q15 AGE.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 18 to 24	**100**	**10.0**	**10.0**	**10.0**
	2 25 to 34	**200**	**20.0**	**20.0**	**29.9**
	3 35 to 44	**201**	**20.1**	**20.1**	**50.0**
	4 45 to 54	**170**	**17.0**	**17.0**	**67.0**
	5 55 to 64	**131**	**13.1**	**13.1**	**80.0**
	6 65 and over	**200**	**20.0**	**20.0**	**100.0**
	Total	**1002**	**100.0**	**100.0**	

Finally, the ethnic background of respondents is shown in the table below. Once again, the sample proves reasonably representative of the population of the UK. According to the Advertising Association (2002) 2.1 % of the population are black, 1.7% Indian, 1.2% Pakistani, 0.5% Bangladeshi, 0.2% Chinese, 1.2% other and the remainder white.

Q45 Ethnic Background					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 Black African	**7**	**.7**	**.7**	**.7**
	2 Black Afro-Caribbean	**8**	**.8**	**.8**	**1.5**
	3 Black (other)	**5**	**.5**	**.5**	**2.0**
	4 Indian	**11**	**1.1**	**1.1**	**3.1**
	5 Pakistani	**11**	**1.1**	**1.1**	**4.2**
	6 Bangladeshi	**2**	**.2**	**.2**	**4.4**
	7 White British	**831**	**82.9**	**82.9**	**87.3**
	8 White (other)	**89**	**8.9**	**8.9**	**96.2**
	9 Chinese	**2**	**.2**	**.2**	**96.4**
	10 Other	**15**	**1.5**	**1.5**	**97.9**
	11 Refused	**21**	**2.1**	**2.1**	**100.0**
	Total	**1002**	**100.0**	**100.0**	

Overall, it is apparent that the sample is reasonably representative of the population, which is perhaps not surprising given the professional assistance received during the collection of the data used for the study.

4) Results

Exploring Data About Consumers

The following section presents a detailed summary of the data employed in the study. Subsequent analysis will then explore statistical relationships between the various factors measured as part of the study.

Familiarity

Section one of the questionnaire was designed to measure respondents' familiarity with financial services. Familiarity is considered to be a central element of consumer knowledge, a concept which forms a major constituent of this study. Respondents were provided with a list of nine financial services and were asked which of those services they had ever purchased/used. Although not completely comprehensive, the list was designed to encompass a core range of financial services, including transmission, savings, credit, protection and investment services. Results are shown in the table below.

Usage of Financial Services

Ever purchased/used:	**Number**
Current Account	**909**
Savings Account	**820**
Credit Card	**751**
Life Assurance	**663**
Individual Savings Account	**633**
Pension Plan	**612**
Mortgage	**611**
Personal Loan	**462**
Stocks and Shares and related services	**412**

Current account services were used by more than nine out of ten respondents and, perhaps not surprisingly, headed the list, Savings accounts and credit cards were also towards the top of the usage table, whilst stock and share services were at the bottom. Subsequently, for each case, the sum of positive responses was generated for each respondent, providing an overall measure of familiarity with financial services ranging between zero and nine. The following table provides details of the familiarity measure:

Familiarity with Financial Services					
	N	Minimum	Maximum	Mean	Std. Deviation
Familiarity	**1002**	**.00**	**9.00**	**5.8613**	**2.29879**

The mean value for the familiarity measure was just under six, showing that the average familiarity exhibited by respondents was reasonably high. Males and females did not differ significantly with respect to familiarity, but further analysis (not reported) indicated that those from a higher social class and those older had significantly higher levels of familiarity.

Complexity

The complexity of each of the nine financial services listed, as perceived by consumers, was measured in section 2 of the questionnaire. The scale used ranged from 1 (very simple), to 7 (very complex). Factor analysis grouped the services into two distinct groups, as shown in the table below:

Service Complexity		
	Simple Group	**Complex Group**
Current Account	**2.04**	
Savings Account	**2.37**	
Personal Loan	**4.04**	
Credit Card	**3.04**	
Mortgage		**4.34**
Life Assurance		**3.94**
Individual Savings Account (ISA)	**3.39**	
Pension Plan		**4.55**
Stocks and Shares and related services		**5.20**
Group Average	**2.98**	**4.51**

Figures provided are average complexity scores for the services listed.

Current and savings accounts, personal loans, credit cards and ISAs were grouped together with an overall mean of 2.98, signalling that consumers perceive these services as less complex than the group including mortgages, life assurance, pension plans and share services, which had a mean of 4.51. It is interesting to note that ISAs were perceived as relatively simple by consumers, which is surprising given the variants of the product and the added-tax free features of ISAs. It may be that, as one of the most frequently publicised financial services, the public have become more comfortable with the features and benefits associated with ISAs. Given that financial services are routinely posited to be particularly complex and challenging for consumers, it is interesting to note that, on a 7 point scale a mean of 2.98 is significantly below the mid-point of 4[2], whilst 4.51 for the more complex group is only marginally above the mid-point, indicating perceptions of complexity may not be as great as previously assumed.

Additional analysis indicated that females judged both sets of financial services to be of significantly higher complexity than males, as did those from lower social classes and those who were particularly young or old.

Expertise

The first expertise measurement taken was subjective expertise, defined as an individual's self assessment of their expertise on a particular topic. Put simply, it's how much we think we know. Of course, this may be different to objective expertise, which is what we actually know. Subjective expertise was measured using the following four questions, using a seven point scale, with 1 being strongly disagree and 7 being strongly agree. Males had a significantly higher level of subjective expertise than females, and those from social classes D and E had significantly lower levels.

Subjective Expertise:

Compared to the average person, my knowledge of financial services is very extensive
Compared to the average person, I know more about how to purchase financial services
I have accessed many different aspects of information on financial services
I completely understand financial services
Mean Score: 3.60 Standard Deviation: 1.46

In order to provide an alternative, perhaps more accurate assessment of expertise, objective expertise was also measured. Four questions were asked, as follows:

[2] As the bottom point of the scale is 1and not 0, the mid-point of the scale is 4, rather than 3.5

Objective Expertise

A cash ISA is subject to income tax	yes	**no**	don't know
Unit Trusts are traded on the stock exchange	yes	**no**	don't know
Home insurance is a form of general insurance	**yes**	no	don't know
An annuity provides a regular income	**yes**	no	don't know

Mean Score: 1.80 Standard Deviation: 1.07

The correct response in each case is highlighted in bold above. The total number of correct answers was then calculated to give a respondent's score for objective expertise. Males had a significantly higher level of objective expertise than females. Objective expertise also increased with age and was associated with those from a higher social class.

For both subjective and objective expertise the average, or mean score was below the mid point of the scale, indicating that people are justified in lacking confidence in their expertise of financial services. If individuals are accurately self assessing their expertise, then a high correlation between subjective and objective expertise would result. The table below shows that the correlation between the two measures of expertise is positive and significant, but perhaps not as high as expected. If individuals were assessing their financial services expertise perfectly then the Pearson Correlation would have a value of 1, whereas the actual value in only .225, indicating a considerable deviation between respondent's actual and self-assessed expertise.

		Subjective expertise	Objective expertise
Subjective expertise	Pearson Correlation	**1**	**.225(**)**
	Sig. (2-tailed)	**.**	**.000**
	N	**1002**	**1002**
Objective expertise	Pearson Correlation	**.225(**)**	**1**
	Sig. (2-tailed)	**.000**	**.**
	N	**1002**	**1002**
**** Correlation is significant at the 0.01 level (2-tailed).**			

Confidence

Consumers' confidence in dealing with financial affairs was measured using the following questions, again measured on a 1-7 scale.

Consumer Confidence

I feel <u>confident</u> when making my own financial decisions
I feel <u>certain</u> when making my own financial decisions
Mean Score: 4.52 Standard Deviation: 1.68

The average level of confidence of respondents was notably high, especially given the relatively low level of objective expertise apparent in the study. Males and females were similarly confident and confidence increased with age. This set of results suggests that people are over-confident when approaching the management of their financial affairs and in the quality of the decisions they are making.

Involvement

As discussed previously, the degree to which individuals feel involved in their financial services decisions may well influence their attitudes towards regulation and CPIs. Involvement was measured using the set of questions listed below. The overall mean score for involvement was 5.52 out of 7, which is notably high for a class of services posited to be opaque and uninteresting to most consumers.

Involvement[3]

1) In selecting from many types and brands of financial services available in the marketplace would you say that::

	Strongly Disagree						Strongly Agree	
I would not care at all which one I buy	1	2	3	4	5	6	7	I would care a great deal which one I buy

2) How important is it for you to make the right choice of this product:

Not at all important	1	2	3	4	5	6	7	Extremely important

3) In selecting a financial service, how concerned would you be about the outcome of your choice:

Not concerned	1	2	3	4	5	6	7	Very much Concerned

Mean Score: 5.52 Standard Deviation: 1.37

[3] The questionnaire contains four questions for involvement, however one question was eliminated during preliminary analysis due to low reliability

Males and females were almost identical in their scores for involvement, which was significantly lower for those aged 65 and above and those from the lowest social classes.

Attitudes to Risk

Consumers' attitude to risk was also measured as part of the study, as such attitudes are likely to influence consumer attitudes towards the appropriateness of regulation and the potential impact of CPIs on consumer behaviour in financial services. Attitude to risk was measured using the following questions:

Attitude to Risk

I never invest my money in anything risky
Its best to go for a well known name when considering financial services
Mean Score: 5.25 Standard Deviation: 1.55

The data are indicative of a generally risk averse set of financial services consumers, who prefer to stick with brands with which they are familiar, even though such a course of action may result in poor value for money being obtained. Females were significantly more risk averse than males, as were the relatively old and those from lower social classes.

Attitudes to Regulation of Retail Financial Services

A central focus of the current study is consumer attitudes to Government regulation of financial services and recent CPIs in the area. Attitudes to regulation generally were measured by the following two factors:

Attitudes to Government Regulation		
	Measure	
	Government Regulation	Firm Freedom
The Government should regulate the advertising, sales and marketing activities of financial services firms	5.57	
The Government should pass laws to ensure that the consumers get a fair deal in financial services	5.80	
I don't mind paying more for my financial services due to the Government's efforts to protect consumers	4.57	
I don't mind that I may have less choice if the Government gets involved in financial services	4.26	
Most financial services firms make sincere efforts to treat customer complaints fairly		4.33
Generally, financial services should be free from Government control, that way consumers get a better deal		4.15
Overall Mean	**5.05**	**4.23**
Figures provided are for item means on a 7 point scale		

Research Question 1: What are Consumers' Attitudes towards Government regulation of retail financial services?

The data collected provides an answer to research question 1. In general respondents appeared very keen to enjoy the benefits accruing from regulation of financial services and were reasonably willing to suffer any potentially negative consequences, in terms of paying a higher price and having their choice constrained. The overall mean for the attitudes towards Government regulation scale was 5.05 on a 7 point scale. However, it should be noted that respondents appeared somewhat confused, in that they were also reasonably convinced that financial services firms had their best interests at heart and should be free from Government control. This measurement had an overall mean of 4.23. In this respect, the pattern of results is similar to that found by Barksdale (1982), and appears contradictory. However, consumers appear more convinced of the need for regulation of financial services than of firms generally, with 76% agreeing that the Government should regulate the sales, advertising and marketing activities of financial services firms, against 59% found by Barksdale (1982). Also, only 34% of respondents thought that financial services firms should be free from Government control, against the 64% found for firms more generally by Barksdale.

Respondents were then classified as either having a preference for regulation, if they rated the need for regulation more highly than the advantages of firms being given freedom, or a preference for firm freedom if vice-versa. Overall, 615 (61.4%) had a preference for regulation, whilst 387 (38.6%) had a preference for firm freedom.[4] Preferences for regulation/firm freedom were then compared with key demographic variables to provide a more detailed insight.

Firstly, the data show that females have a significantly higher preference for firm freedom than males. Females are more willing to accept that firms make efforts to treat their customers fairly and should generally be left to their own devices. This may make females more vulnerable to mis-selling activities.

Preference for Regulation and Gender

		Gender		Total
		FEMALE	MALE	
Preference for Regulation	Count	**290**	**325**	**615**
	Expected Count	**306.9**	**308.1**	**615.0**
Preference for Firm Freedom	Count	**210**	**177**	**387**
	Expected Count	**193.1**	**193.9**	**387.0**
Total	Count	**500**	**502**	**1002**
Chi squared 4.80 (Sig. 0.03)	Expected Count	**500.0**	**502.0**	**1002.0**

The following table shows that those of retirement age or older also have less of a preference for regulation than others surveyed. It is perhaps not surprising that pensioners are less inclined to look to the Government for protection in financial services markets, as there is a general perception amongst this group that they do not receive fair treatment from the Government generally. Also, consumers in this age group may be less intimidated by the process of dealing with financial services organisations, having done so a number of times in the past.

[4] For the small amount of cases where the scores were equal, then respondents were classified as preference for freedom

Preference for Regulation and Age						
			Age			Total
			18-34	35-64	65+	
	Preference for Regulation	Count	**182**	**324**	**109**	**615**
		Expected Count	**184.1**	**308.1**	**122.8**	**615.0**
	Preference for Firm Freedom	Count	**118**	**178**	**91**	**387**
		Expected Count	**115.9**	**193.9**	**77.2**	**387.0**
Total		Count	**300**	**502**	**200**	**1002**
Chi squared 6.18 (Sig 0.04)		Expected Count	**300.0**	**502.0**	**200.0**	**1002.0**

The table below shows an analysis of the preference for regulation and household income. The data show that there is a significant relationship between household income and preference for regulation, with those from higher income brackets having a significantly more favourable attitude to Government regulation of financial services than those from the low and medium income groups. This is a surprising result, as it was expected that those from low to medium income groups would feel more vulnerable in financial terms and look to the Government for protection as a result.

Preference for Regulation and Household Income						
			Household Income			Total
			low (<10k)	Medium (10-30K)	high (>30K)	
	Preference for Regulation	Count	**46**	**208**	**361**	**615**
		Expected Count	**60.1**	**215.4**	**339.4**	**615.0**
	Preference for Firm Freedom	Count	**52**	**143**	**192**	**387**
		Expected Count	**37.9**	**135.6**	**213.6**	**387.0**
Total		Count	**98**	**351**	**553**	**1002**
Chi squared 12.84 (Sig. 0.00)		Expected Count	**98.0**	**351.0**	**553.0**	**1002.0**

Research Question 2: What are Consumers' Attitudes towards recent CPIs in retail financial services?

To complement the analysis performed to answer research question 1, similar tests was carried out using respondents' preference for Government CPIs in financial services compared to their preference for firm freedom from legislation. The table below shows results for consumer attitudes towards policy issues being pursued by Government and its agents, aimed at assisting consumers in choosing appropriate financial services. As can be seen from the individual item means, both measures receive strong support from respondents.

Attitudes to Consumer Policy Initiatives	
The Government should set minimum standards for some financial services products sold to consumers	**5.52**
The Government should introduce a quality assurance mark (something like the "lion mark" on eggs), which would show when a financial service offers a reasonable deal for consumers	**5.72**
Overall Mean	**5.69**
Figures provided are for item means on a 7 point scale	

Again, respondents were classified as having a preference for freedom if they rated the need for firm freedom more highly than the need for Government involvement in the form of CPIs and as having a preference for CPIs if the scores were the other way round.

Preference for Policy Initiatives and Gender				
		Gender		Total
		FEMALE	MALE	
Preference for Initiatives	Count	**330**	**359**	**689**
	Expected Count	**343.8**	**345.2**	**689**
Preference for Firm Freedom	Count	**170**	**143**	**313**
	Expected Count	**156.2**	**156.8**	**313**
Total	Count	**500**	**502**	**1002**
Chi squared 3.55 (Sig. 0.06)	Expected Count	**500**	**502**	**1002**

The table above shows that the relationship between gender and preference for CPIs is similar to that for preference for regulation of financial services more generally, with females again having a higher preference for firm freedom rather than CPIs. In the case of CPIs, the relationship is of a marginally significant nature, being statistically significant at the 10% level.

Preference for Policy Initiatives and Age					
		Age			Total
		18-34	35-64	65+	
Preference for Initiatives	Count	**204**	**364**	**121**	**689**
	Expected Count	**206.3**	**345.2**	**137.5**	**689**
Preference for Firm Freedom	Count	**96**	**138**	**79**	**313**
	Expected Count	**93.7**	**156.8**	**62.5**	**313**
Total	Count	**300**	**502**	**200**	**1002**
Chi squared 9.72 (Sig. .01)	Expected Count	**300**	**502**	**200**	**1002**

The relationship between preferences for CPIs verses firm freedom and age are also similar to those find for regulation generally and equally significant. Again, those of retirement age are most likely to have a preference for firm freedom compared to other respondents.

Preference for Policy Initiatives and Household Income						
			Household Income			Total
			low (<10k)	Medium (10-30K)	high (>30K)	
	Preference for Initiatives	Count	**53**	**236**	**400**	**689**
		Expected Count	**67.3**	**241.4**	**380.3**	**689**
	Preference for Firm Freedom	Count	**45**	**115**	**153**	**313**
		Expected Count	**30.6**	**109.6**	**172.7**	**313**
Total		Count	**98**	**351**	**553**	**1002**
Chi squared 13.50 (Sig. .00)		Expected Count	**98**	**351**	**553**	**1002**

The pattern with regards to household income (backed up by analysis with respect to social class which is not reported) was also similar to previous analysis, with those from high income groups more inclined to favour CPIs, whilst those with lower incomes are relatively more in favour of firm freedom. This is a highly significant relationship. Overall it is apparent that there is a very high degree of consistency between attitudes to regulation of financial services generally and attitudes towards the CPIs under investigation, which is perhaps not surprising given the degree of communality between the two measures.

Research Question 3: Is the CAT standard scheme likely to be successful in appealing to the target market identified?

The target market for the CAT mark scheme was initially identified as new and inexperienced savers with little to put away (Johnson, 2000). However, the CAT mark scheme now only applies to mortgages, so the relevance of being an inexperienced saver is questionable. Arguably, the target market for the CAT mark scheme can be interpreted as similar for Stakeholder branded products, which is low to middle income earners. As the table below shows, attitudes to the CAT scheme are broadly similar across income groups, as shown by the similarity of scores for the low, medium and high income groups. An ANOVA test confirms that there are no significant differences

(F=.551, Sig.=.576). Thus, it would appear that although all groups find the CAT scheme reasonably appealing, there is no evidence to suggest that those on low to medium incomes find the scheme particularly attractive. Results comparing attitudes to the CAT scheme with social class (not reported) also showed little difference, providing further evidence that the scheme is unlikely to be successful in appealing particularly to more vulnerable consumers.

Attitudes to CAT Scheme by Income

	N	Mean	Std. Deviation
low (<10k)	**98**	**5.68**	**1.590**
medium (10-30K)	**351**	**5.79**	**1.542**
high (>30K)	**553**	**5.68**	**1.572**
Total	**1002**	**5.72**	**1.563**

Research Question 4: Is the Stakeholder branded product suite likely to be successful in appealing to the target market identified?

A similar set of tests was applied to the question concerned with Stakeholder products, as low to medium income consumers are the main target of this initiative. The results, shown in the table below, suggest that the Stakeholder branded product suite initiative will also not be any more effective in appealing to its target market than financial consumers more generally (F=1.472, Sig.=.230). These figures confirm that there is no significant difference in attitudes towards Stakeholder branded products across different income groups.

Attitudes to Stakeholder Products by Income

	N	Mean	Std. Deviation
low (<10k)	**98**	**5.34**	**1.770**
medium (10-30K)	**351**	**5.62**	**1.544**
high (>30K)	**553**	**5.49**	**1.559**
Total	**1002**	**5.52**	**1.577**

Research Question 5: Is the Stakeholder branded product suite more likely to be successful in appealing to the target market than the CAT standard approach?

The table below shows the attractiveness of each of these CPIs to the target market and compares the mean scores for the two approaches. Although both CPIs are rated positively by low to medium income consumer, with both means well over 5 on a scale of 1 to 7, it is apparent that the CAT scheme approach is favoured by the target market as this mean is significantly higher (t=2.611, sig.=.009). It is acknowledged that the absolute difference between the ratings is not large and that the figures look similar, with a difference of less than 0.25. However, due to the characteristics of the data, this relatively small difference is significant in statistical terms.

Stakeholder verses CAT

		Mean	N	Std. Deviation	Std. Error Mean
	Stakeholder Products	5.56	449	1.598	.075
	CAT Scheme	5.77	449	1.552	.073

The results would suggest that the Government’s target market are significantly more convinced of the merits of approaches such as the CAT scheme, rather than the Government specified product route of the Stakeholder brand. It is worth recapping that the phrases “Stakeholder” and CAT were not used in the questions put to the sample and as a result the “cuddly” and positive associations with the word CAT are not a factor influencing the results.

Further Analysis: Service Complexity and Consumer Characteristics

In order to investigate the remaining hypothesis developed for the study, a series of linear regressions were run which related attitudes to regulation and attitudes towards CPIs in financial services to the service complexity issues and consumer characteristics discussed above. The first regression analysis tested attitudes towards Government regulation generally. Results are shown the table below.

Attitudes to Regulation Regression Analysis					
	Coefficients		Standardized Coefficients	T	Sig.
Model	B	Std. Error	Beta		
(Constant)	2.924	.349		8.385	.000
Complexity of Services (simple)	***6.548E-02***	***.035***	***.081***	***1.884***	***.060***
Complexity of services (complex)	1.839E-02	.032	.024	.567	.571
Familiarity	**5.983E-02**	**.022**	**.107**	**2.696**	**.007**
Subjective expertise	4.014E-02	.031	.048	1.308	.191
Objective expertise	**-8.427E-02**	**.039**	**-.074**	**-2.145**	**.032**
Confidence	2.273E-02	.026	.031	.890	.374
Involvement	**.101**	**.031**	**.111**	**3.237**	**.001**
Risk	**.157**	**.026**	**.200**	**5.973**	**.000**
F=9.93 Sig.=.00 Adj. R square .06					

Firstly, it should be noted that the overall model is significant. This means that there is a meaningful explanatory relationship between consumers' attitudes towards regulation and the factors included in the model. The degree of influence of each of the factors is indicated by the significance, or otherwise, of the t statistic. Those factors highlighted in bold are significantly related to consumers' attitudes towards regulation.

Hypothesis 1a: Consumers perceptions of complexity in financial services markets will be positively related to consumers' preference for Government regulation of financial services markets.

For proposition 1a to be supported, significant positive co-efficients are required for the two complexity of service measures in the study. The results showed that there was marginal support for this proposition. Although there was no significant relationship in the case of relatively complex services, a marginally significant positive relationship was apparent between the perceived desirability of financial services and the perceived complexity of more simple services. Those individuals who perceived more complexity were more convinced as to the desirability of Government regulation of financial services.

Hypothesis 3a: Lower familiarity with financial services will be positively related to consumers' preference for Government regulation of financial services markets.

To accept proposition 3a, a negative significant relationship would be required. The results showed that the relationship is the opposite of that proposed, with those customers having greater familiarity with financial services being more convinced as to the desirability of regulation. Proposition 3a was, therefore, rejected.

Hypothesis 3b: Lower subjective expertise of financial services will be positively related to consumers' preference for Government regulation of financial services markets.

To find in favour of proposition 3b, a negative significant relationship is expected between subjective expertise and the perceived desirability of Government regulation of financial services. The results showed that there was no significant relationship and proposition 3b was rejected.

Hypothesis 3c: Lower objective expertise of financial services will be positively related to consumers' preference for Government regulation of financial services markets.

For proposition 3c to be supported, a significant negative relationship is expected. The results showed that this was the case, with those possessing greater objective expertise of financial services being significantly less convinced as to the desirability of regulation of financial services. Proposition 3c was therefore accepted.

Hypothesis 5a: Lower involvement in financial services will be positively related to consumers' preference for Government regulation of financial services markets.

To support of proposition 5a, a significant negative relationship is required, Results showed that the opposite relationship is apparent, with more involved consumers being significantly more convinced as to the desirability of regulation of financial services. As a result, proposition 5a was rejected.

Hypothesis 6a: Lower consumer confidence with financial services will be positively related to consumers' preference for Government regulation of financial services markets.

For support of proposition 6a, a significant negative relationship is required. The results showed that there was no significant relationship between consumer confidence and attitudes to regulation and proposition 6a was rejected.

Hypothesis 7a: The higher the perceived risk associated with financial services, the higher the consumer's preference for Government regulation of financial services markets.

In the case of proposition 7a, a significant positive relationship is required for support. The results support the proposition, indicating that those who perceive greater risk in financial services consider Government regulation of financial services to be more desirable.

The other regression analysis carried out as part of the study provides similar data for attitudes toward the desirability of CPIs in financial services. Results are shown in the table below and once again indicate that the overall model is a reasonable fit. Other figures should be interpreted as per the previous table.

Attitudes Towards Consumer Policy Initiatives Regression Analysis

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model	B	Std. Error	Beta		
(Constant)	3.158	.374		8.454	.000
Complexity of Services (simple)	5.717E-02	.037	.065	1.536	.125
Complexity of services (complex)	2.072E-02	.035	.025	.597	.551
Familiarity	**7.261E-02**	**.024**	**.120**	**3.054**	**.002**
Subjective expertise	-1.318E-02	.033	-.015	-.401	.689
Objective expertise	-5.927E-02	.042	-.048	-1.409	.159
Confidence	-6.528E-03	.027	-.008	-.239	.811
Involvement	**.212**	**.033**	**.217**	**6.385**	**.000**
Risk	**.145**	**.028**	**.170**	**5.149**	**.000**
F=10.63 Sig.=.00 Adj. R square .08					

Hypothesis 1b: Consumers perceptions of complexity in financial services markets will be positively related to consumers' preference for CPIs.

Proposition 1b was rejected as the data showed that there was no significant relationship between perceptions of complexity and attitudes towards CPIs in financial services.

Hypothesis 4a: Lower familiarity with financial services will be positively related to consumers' preference for CPIs.

The data showed the relationship between familiarity and consumers' preference for CPIs in financial services was significant, but the opposite of that postulated. Those consumers who are more familiar with financial services have a significantly higher preference for such initiatives.

Hypothesis 4b: Lower subjective expertise of financial services will be positively related to consumers' preference for CPIs .

This proposition was rejected as the data indicated that there was no significant relationship between consumers' subjective expertise and attitudes towards CPIs.

Hypothesis 4c: Lower objective expertise of financial services will be positively related to consumers' preference for CPIs.

This proposition was rejected as the data indicated that there was no significant relationship between consumers' objective expertise and attitudes towards CPIs.

Hypothesis 5b: Lower involvement in financial services will be positively related to consumers' preference for CPIs .

Proposition 5b was rejected. In fact, the results were indicative of the opposite relationship between consumer involvement in financial services and attitudes towards CPIs in financial services. More involved consumers are more likely to consider such initiatives meritorious.

Hypothesis 6b: Lower consumer confidence with financial services will be positively related to consumers' preference for CPIs.

Proposition 6b was rejected as the analysis indicated that there was no significant relationship between consumer confidence and the dependent variable.

Hypothesis 7b: The higher the perceived risk associated with financial services, the higher the consumer's preference for CPIs.

Proposition 7b was supported by the data, which showed that those consumers who perceive greater risk when involved in financial services generally are significantly more likely to have a favourable attitude towards CPIs in financial services.

Consumer Policy Initiatives and Consumer Choice

The final substantive element of the survey instrument and subsequent analysis was designed to investigate the degree of influence which CPIs in financial services may have on consumer choice decisions. For this part of the study, savings accounts, mortgages and investment products were investigated. This set of products was chosen to provide a spread of risk and complexity. According to the classification derived earlier in the study, savings accounts were viewed as relatively simple, whilst both mortgages and investment based products were judged relatively complex.

Data from section 7 of the questionnaire and some of the information provided by respondents when completing section 8 were used to investigate Hypothesis 2 which states:

Hypothesis 2: Financial services perceived as more complex will be associated with a greater degree of importance for CPIs in the choice process.

Firstly, the following measures were taken for the three financial services, which provided an indication of the importance of CPIs in the choice process compared to other potentially important factors.

When choosing a savings type account to provide a safe secure risk free environment for your money:	
Compared to things such as the expected rate of return and the brand of the company offering the account, how **important** would it be if the Government controlled the minimum standards of the product (1 not important - 7 very important)	**4.87**
Compared to things such as the expected rate of return and the brand of the company offering the account, how **much** would you consider whether the Government controlled the minimum standards of the product (1 not at all - 7 very much)	**4.64**
Compared to things such as the expected rate of return and the brand of the company offering the account, how **relevant** would it be whether the Government controlled the minimum standards of the product (1 at all relevant – 7 very much relevant)	**4.45**
Overall Mean	**4.66**
Figures provided are for item means on a 7 point scale	

When choosing an investment product, based on the stock market which may entail some risk to your money:	
Compared to things such as the expected rate of return and the brand of the company offering the account, how **important** would it be if the Government controlled the minimum standards of the product (1 not important - 7 very important)	**4.98**
Compared to things such as the expected rate of return and the brand of the company offering the account, how **much** would you consider whether the Government controlled the minimum standards of the product (1 not at all - 7 very much)	**4.92**
Compared to things such as the expected rate of return and the brand of the company offering the account, how **relevant** would it be whether the Government controlled the minimum standards of the product (1 at all relevant – 7 very much relevant)	**4.88**
Overall Mean	**4.92**
Figures provided are for item means on a 7 point scale	

When choosing a mortgage for a house purchase:	
Compared to things such as the expected rate of interest and the brand of the company offering the account, how **important** would it be if the Government controlled the minimum standards of the product (1 not important - 7 very important)	**5.13**
Compared to things such as the expected rate of interest and the brand of the company offering the account, how **much** would you consider whether the Government controlled the minimum standards of the product (1 not at all - 7 very much)	**4.96**
Compared to things such as the expected rate of interest and the brand of the company offering the account, how **relevant** would it be whether the Government controlled the minimum standards of the product (1 at all relevant – 7 very much relevant)	**4.88**
Overall Mean	**4.99**
Figures provided are for item means on a 7 point scale	

The presence of an element of Government control was rated as reasonably important when compared to other factors, such as rate of interest/return and brand in all cases. The mean importance of the Government controlling the minimum standards of the product was lowest for the savings account and similar for the investment based product and the mortgage. The differences in the means were then tested using paired sample t tests to establish whether differences in the means were significant.

Importance: Savings v Investment Product				
	Mean	N	Std. Deviation	Std. Error Mean
Importance in choice for savings	4.6554	1002	1.67211	.05282
Importance in choice For investments	4.9228	1002	1.59657	.05044
t = 4.582 Sig.= 0.00				

Importance: Savings v Mortgage				
	Mean	N	Std. Deviation	Std. Error Mean
Importance in choice for savings	4.6554	1002	1.67211	.05282
Importance in choice for mortgages	4.9910	1002	1.50584	.04757
t = 7.980 Sig.= 0.00				

The tables above confirm that the mean importance for the more simple financial services, the savings account, was significantly less than for the more complex financial services, namely mortgages and investment based products. Thus the data comprehensively support Hypothesis two, which is accepted[5].

[5]As expected, the difference in scores between investments and mortgages was not significant

5) Discussion and Implications

Overall, it is apparent that there is a general recognition of the need for regulation in financial services markets. Relatively high mean scores indicate that consumers do perceive themselves to be in need of protection in the market. However, the public also appear less than clear cut in their opinions as they also rate the need for firms to be given freedom relatively highly. However, on balance a significant majority of those surveyed rate the need for regulation more highly than the need for firm freedom. It is apparent therefore that Government involvement in financial services markets and regulation to protect consumer has a reasonable popular mandate. It is interesting to note that females are significantly less likely to be convinced of the need for regulation of financial services despite the fact that the survey showed that females have a lesser objective and subjective expertise of financial services and are more risk averse. This may leave females particularly vulnerable to mis-selling in financial services markets. It would appear that this disparity cannot be explained by differences in such consumer traits and that females are by their nature more sceptical that the Government can play a role in regulating the market to assist and protect consumers in financial services. Any regulatory agency prefers to be perceived as legitimate and playing a vital role by its "target market" and it is apparent that the FSA has a greater challenge when attempting to legitimise itself and its role in the eyes of females.

A similar line of reasoning can be applied to those for those of retirement age and older and those from social classes D and E, as both of these groups would appear to be less convinced of the need for regulation. It may well be that for these groups, an inherent scepticism in the ability of the Government and its agents to afford a reasonable level of protection and a fair deal may well be responsible for such views. The analysis indicates that the old also exhibit greater confidence and that the old and those from lower social classes feel least involved with financial services. As the latter in particular was later found to be highly significantly correlated with the perceived need for regulation, then this may help explain the relationship between age, social class and attitudes towards regulation of financial services.

Given that complexity has often been cited as a major factor which contributes to the problems which consumers experience in financial services markets, it is interesting to note that perceptions of complexity do not appear to be a major factor in helping explain consumers attitudes towards the desirability of regulation of financial services. It has been suggested previously that efforts to educate consumers and increase their financial literacy might reduce perceived complexity, which may in time provide an opportunity for the regulatory authorities to scale back levels of regulation in financial services markets. The data show that only a weak effect is present and that the public are unlikely to perceive significantly less of a need for regulation, especially for more complex products, even if they do become more financially literate. The Government and its agents may well, therefore, be frustrated in any efforts to reduce regulatory involvement should perceptions of complexity reduce over time.

Other evidence from the study adds further weight to the arguments espoused above. As customers have more experience of financial services and become more familiar, they perceive a greater need for regulation of financial services. Prior to the study, the opposite relationship was expected. It is apparent that the experiences in question are likely to be leaving individuals with a less positive opinion of financial services providers and, therefore, a greater perceived need for regulation. Given the recent scandals surrounding pensions mis-selling, endowment mis-selling and the associated coverage in the press, this is perhaps not surprising. Further evidence is provided in that those who are more involved in financial services in terms of interest and perceived personal relevance also see a greater need for regulation. It would appear that as individuals become more familiar with, and involved in, financial services, they appreciate their vulnerability to a greater degree and realise just how much they do not know and, therefore, need protecting. On the other hand, those who lack familiarity and involvement appear to be “blissfully” ignorant and not prone to worrying about what they don’t know about. In short, they appear to lack sufficient appreciation to cause them to feel concerned and vulnerable. To coin phrase, they don't know what they don't know.

However, the relationship between consumers' expertise, broadly defined, and perceptions of the need for regulation is less than straightforward. Objective expertise, which along with familiarity forms a major element of knowledge, does have the expected relationship with attitudes towards regulation. Those who actually know more about financial services, as measured by an objective test, are less likely to be in favour of regulation of financial services. Those who know more feel less in need of protection, so if Government efforts to improve the general level of financial literacy amongst the population impact successfully on objective expertise, then this may well provide scope of the medium to long term to reduce the degree of regulation of financial services markets. The relationship between risk and the perceived need for regulation is positive. This is as expected, as those who see greater risk in financial services are more likely to judge themselves in need of protection from the Government and its agents. The relationship is also likely to endure through time, although Government efforts to educate consumers about financial services may well result in a greater understanding and appreciation of the nature of risk in financial services markets. However, it is conceded that arguments based upon the Government making progress in the area of increasing general levels of financial literacy should be treated with caution as progress to date has been limited and any future advances will only occur in the long term.

In addition to analysing attitudes to regulation of financial services at a general level, the main objective of this report is to investigate consumer attitudes to recent CPIs in financial services, with a view to establishing their likely success, or otherwise, at appealing to the target market identified, namely low income and more vulnerable consumers. The analysis showed that females are marginally less likely than males to favour policy initiatives such as the Stakeholder product suite and CAT scheme. Therefore, the Government and its agents will have to make particular efforts to convince female consumers of the merits of such schemes, perhaps through well targeted marketing initiatives. Those of retirement age and older are particularly sceptical as to the merits of CPIs, as are those on the lowest income groups and those from the lowest social classes. Given that such individuals comprise the vast majority of the core target market for such initiatives, then it is clear that the Government has a major challenge in achieving “buy-in” from such groups. The evidence suggests that there is a danger that CPIs will go the way of other initiatives such as PEPS and ISAS, which were introduced in order to encourage lower income groups to save and invest, but arguably appealed to a far greater degree to the more wealthy, who viewed them as a significant, and welcome, tax beak.

When asked specifically about each of the CPIs in turn, those on low incomes were no more favourably disposed to such initiatives than any other segment of the market, thus providing further evidence of no significantly greater appeal to those on low incomes. Within the target market identified for such initiatives by the Government, there is a narrow, but significant, preference for a CAT mark type approach over a Stakeholder specification type approach. At first glance this may appear odd in that the net result for consumers, namely product standards that are clear and favourable, are very similar. It may be that those surveyed can identify to a greater degree with a regime which incorporates some kind of “assurance mark” as they are more familiar with such an approach due to British Standards and previous marks, such as the lion mark on eggs. However, the Government has decided to concentrate mainly on the Stakeholder approach and has only retained the CAT scheme for mortgages, with the chance that, in time, mortgages may come under the Stakeholder umbrella for consistency. It would appear that the market prefers an approach which incorporates an assurance mark rather than one which involves Government specified products and that the Government has chosen to champion an approach which is less favoured.

Further analysis showed that CPIs are not seen as more advantageous by those who perceive financial services to be of greater complexity. More “vulnerable” consumers are likely to be those that find financial services particularly complex and, and it would be expected that such consumers and potential consumers would find such initiatives particularly appealing if the Government's objective of appealing particularly to more vulnerable consumers is to be fulfilled. The study also finds no relationship between subjective and objective expertise and preference for CPIs, and no relationship with confidence. If CPIs are to appeal to those particularly lacking in expertise and confidence, as the Government hopes, then it would be expected that those lacking in expertise and confidence would have a positive attitudes towards CPIs.

The results also indicate a positive relationship between involvement and the perceived desirability of CPIs. Such a relationship indicates that those who are more interested in financial services and judge them to be of greater personal relevance are more inclined to see merit in CPIs. Again this is the opposite of what the policy makers in the area may have hoped. Such agencies would prefer that those with low levels of involvement would be more inclined to view such initiatives positively and respond to them, hence helping to correct problems of lack of understanding and provision amongst such groups.

The final substantive element of analysis provided some more positive insights for Government and policy makers in the area. The data show that having Government set minimum standards is judged as more important and relevant in assisting the choice process for relatively complex financial services (mortgages and investment based products) than for a relatively simple offering (a savings type account). Policy makers should take some comfort from the fact that it would appear that the Stakeholder initiative may well succeed in assisting consumers in the choice process for more complex services. Although low income and other vulnerable consumers may well require assistance in all areas, it is the more complex services such as pensions and investment products in particular where they are likely to struggle most greatly to make informed and rational decisions. The Stakeholder approach provides a "cue" to help such consumers in their decision making process.

6) Conclusions

Overall, it is apparent that the public are reasonably convinced as to the need for Government regulation of financial services. There are certain groups, such as females, the old and those from the lowest income and class groups who are less inclined to agree with such sentiments, but, notwithstanding this fact, the general level of acceptance of Government intervention in financial services markets and the level of willingness to make sacrifices are relatively high. Thus, the Government and its agent, the FSA, appear in general to be viewed as fulfilling a legitimate role in regulating financial services.

With respect to Government regulation of financial services markets, a model of financial services regulation has been proposed (Hogarth, 1996) which views increasing financial literacy through consumer education efforts and regulation of financial services as alternative strategies to ensure consumer protection. Financial literacy is unarguably a multi-faceted concept, however, it would be expected that it is related to factors such as greater familiarity with financial services, more expertise in financial services, higher confidence, interest and personal relevance and an enhanced understanding of the risks associated with products. Ex-anti, it was expected that increased levels of these factors would, in the main, be associated with a lesser perceived need for Government regulation of financial services. However, a more complicated relationship emerged between these consumer characteristics, which capture the internal resources available to consumers in terms of knowledge, confidence and interest and involvement, and attitudes towards the need for regulation of financial services. Greater familiarity is, in fact, associated with a greater perceived need for regulation in financial services markets, as are interest and involvement. However, greater objective expertise and a lesser perceived risk are associated with judgements that less regulation of financial services is required.

With respect to CPIs, namely the CAT mark scheme and the Stakeholder product suite, the study shows that these initiatives are unlikely to be particularly successful in appealing the target market identified by the Government, those most vulnerable consumers on low to medium incomes, as no relationship between income and attitudes towards CPIs was found. However the study also shows that there is a reasonably high general level of acceptance of such initiatives amongst the public and that a Stakeholder type approach is viewed as useful in particular in assisting in the choice process for more complex financial services.

The study also suggests that the public, albeit by a small margin, prefer the CAT mark approach to the Stakeholder product approach, a preference which is not reflected in current Government policy in the area. The findings also show that those from the lowest social classes, those on low incomes and females are less convinced as to the merits of the CPIs investigated by the study. On balance, the evidence from the study would lend weight to the argument that the CPIs championed by the Government will not appeal to the main target market and are unlikely to assist significantly in solving the problems of lack of understanding, lack of provision, mis-buying and mis-selling. In due course the Government may well have to consider more radical solutions, which could include increased state provision. An alternative would be some form of compulsion, which would involve mandatory contributions into a form of personal savings and investment fund, which could then be called upon for certain specified purposes.

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Appendix A

Good afternoon/evening, my name is _____and I'm calling from JRA Research, an independent Market Research agency. Im doing some work for The University of Nottingham's Business School, on consumers' views of financial services markets. They would like to know how complex you find financial services and what might be done to help simplify such services. Could you spare a few minutes to complete this questionnaire?
Please be assured that this is a genuine market research survey and that no one will contact you to try to sell you anything as a result of taking part, while all your responses will be treated with strict confidence

YES -> CONTINUE
NO -> CLOSE

Section 1 : We need to know how familiar you are with financial services

Please tell us whether you have ever used (either solely or jointly) or searched for information on the following financial services;
a. Firstly which of these types of financial services have you ever purchased or used? READ OUT EACH TYPE IN TURN

	Ever purchased/used
Current Account	☐
Savings Account	☐
Personal Loan	☐
Credit Card	☐
Mortgage	☐
Life Assurance	☐
Individual Savings Account	☐
Pension Plan	☐
Stocks and Shares and related services	☐

b. I would also like to find out how simple or complex you find these financial services. Using a scale from 1 to 7, where 1 would mean you find it 'very simple' and 7 would mean you find it 'very complex', how simple or complex do you find…? READ OUT EACH TYPE IN TURN: NB REMIND RESPONDENT OF SCALE AS NECESSARY

	Very simple			Neutral			Very complex
Current Account	1	2	3	4	5	6	7
Savings Account	1	2	3	4	5	6	7
Personal Loan	1	2	3	4	5	6	7
Credit Card	1	2	3	4	5	6	7
Mortgage	1	2	3	4	5	6	7
Life Assurance	1	2	3	4	5	6	7
Individual Savings Account (ISA)	1	2	3	4	5	6	7
Pension Plan	1	2	3	4	5	6	7
Stocks and Shares and related services	1	2	3	4	5	6	7

Section 2: Your knowledge of financial services

*a. Please could you indicate the extent to which you agree or disagree with the following statements: again please use a scale from **1 to 7**, where 1 would mean you **'strongly disagree'** and 7 would mean you **'strongly agree'**, how strongly do you agree or disagree that…? READ OUT STATEMENTS IN TURN*

	Strongly disagree			Neutral			Strongly agree
Compared to the average person, my knowledge of financial services is very extensive	1	2	3	4	5	6	7
Compared to the average person, I know more about how to purchase financial services	1	2	3	4	5	6	7
I have accessed many different aspects of information on financial services	1	2	3	4	5	6	7
I completely understand financial services	1	2	3	4	5	6	7

b. Now, please tell me whether the following statements are correct as far as you know? READ OUT EACH STATEMENT

A cash ISA is subject to income tax	yes	no	don't know
Unit Trusts are traded on the stock exchange	yes	no	don't know
Home insurance is a form of general insurance	yes	no	don't know
An annuity provides a regular income	yes	no	don't know

*c. Please could you indicate the extent to which you agree or disagree with the following statements: : again please use a scale from **1 to 7**, where 1 would mean you **'strongly disagree'** and 7 would mean you **'strongly agree'**, how strongly do you agree or disagree that…? READ OUT STATEMENTS IN TURN*

	Strongly disagree			Neutral			Strongly agree
I consider myself an expert in financial services	1	2	3	4	5	6	7
I am proficient in financial services matters	1	2	3	4	5	6	7
My friends and acquaintances consider me an authority on financial services matters	1	2	3	4	5	6	7

Section 4: Confidence, Involvement and Risk

*a. Please could you indicate the extent to which you agree or disagree with the following statements: again please use a scale from **1 to 7**, where 1 would mean you **'strongly disagree'** and 7 would mean you **'strongly agree'**, how strongly do you agree or disagree that…? READ OUT STATEMENTS IN TURN*

	Strongly disagree			Neutral			Strongly agree
I feel <u>confident</u> when making my own financial decisions	1	2	3	4	5	6	7
I feel <u>certain</u> when making my own financial decisions	1	2	3	4	5	6	7

b. Please could you indicate the extent to which you agree or disagree with the following statements: : again please use a scale from ***1 to 7****, where 1 would mean you* ***'strongly disagree'*** *and 7 would mean you* ***'strongly agree'****, how strongly do you agree or disagree that…? READ OUT STATEMENTS AND THE 2 'ENDS' OF THE SCALE IN TURN*

4) In selecting from many types and brands of financial services available in the marketplace would you say that::

	Strongly Disagree						Strongly Agree	
I would not care at all which one I would buy	1	2	3	4	5	6	7	I would care a great deal which one I would buy

5) Do you think the various brands of a particular financial service available in the market are very alike or very different:

They are very alike	1	2	3	4	5	6	7	They are all very different

6) How important is it for you to make the right choice of this product:

Not at all important	1	2	3	4	5	6	7	Extremely important

7) In selecting a financial service, how concerned would you be about the outcome of your choice:

Not at all concerned	1	2	3	4	5	6	7	Very much concerned

c. Please could you indicate the extent to which you agree or disagree with the following statements:

	Strongly disagree			Neutral			Strongly agree
I never invest my money in anything risky	1	2	3	4	5	6	7
Its best to go for a well known name when considering financial services	1	2	3	4	5	6	7

Section 5 : The role of the Government

a. Please could you indicate the extent to which you agree or disagree with the following statements: READ OUT EACH STATEMENT IN TURN

	Strongly disagree			Neutral			Strongly agree
The Government should regulate the advertising, sales and marketing of financial services firms	1	2	3	4	5	6	7
Most financial services firms make sincere efforts to treat customer complaints fairly	1	2	3	4	5	6	7
Generally, financial services should be free from Government control, that way consumers get a better deal	1	2	3	4	5	6	7
The Government should pass laws to ensure that the consumers get a fair deal in financial services	1	2	3	4	5	6	7
I don't mind paying more for my financial services due to the Government's efforts to protect consumers	1	2	3	4	5	6	7
I don't mind that I may have less choice if the Government gets involved in financial services	1	2	3	4	5	6	7
The Government should set **minimum standards** for some financial services products sold to consumers	1	2	3	4	5	6	7
The Government should introduce a **quality assurance mark** (something like the "lion mark" on eggs), which would show when a financial service offers a reasonable deal for consumers	1	2	3	4	5	6	7

Section 6 : Choosing savings, investments and mortgages

a. For the following products, compared to things such as the **expected rate of return** and the **brand of the company** offering the account, how important would it be if the **Government** controlled the minimum standards of the product? READ OUT EACH TYPE OF PRODUCT IN TURN

Type of Product	Not at all imp			Neutral			Very Imp
A **savings type account** to provide a **safe secure risk free environment** for your money	1	2	3	4	5	6	7
An **investment product**, based on the stock market which may entail **some risk to your money**	1	2	3	4	5	6	7
A **mortgage** for a **house purchase**	1	2	3	4	5	6	7

b. Compared to things such as the **expected rate of return** and the **brand of the company** offering the account, how much would you consider whether the **Government** controlled the minimum standards of the product? Again please use a scale from 1 to 7 where 1 would mean that you would not consider it at all, and 7 would mean that you would consider it very much.
READ OUT EACH PRODUCT TYPE IN TURN

Type of Product	Would not consider at all			Neutral			Would consider very much
A **savings type account** to provide a **safe secure risk free environment** for your money	1	2	3	4	5	6	7
An **investment product**, based on the stock market which may entail **some risk to your money**	1	2	3	4	5	6	7
A **mortgage** for a **house purchase**	1	2	3	4	5	6	7

c. Compared to things such as the **expected rate of return** and the **brand of the company** offering the account, how relevant would it be whether the **Government** controlled the minimum standards of the product? Again please use a scale from 1 to 7 where 1 would mean that it would not be at all relevant to you, and 7 would mean that it would be very much relevant to you. READ OUT EACH TYPE OF PRODUCT IN TURN

Type of Product	Not at all relevant			Neutral			Very Much relevant
A **savings type account** to provide a **safe secure risk free environment** for your money	1	2	3	4	5	6	7
An **investment product**, based on the stock market which may entail **some risk to your money**	1	2	3	4	5	6	7
A **mortgage** for a **house purchase**	1	2	3	4	5	6	7

Section 7 : More about choosing

a. I am now going to read out a number of features which may help you choose an **investment product**, based on the stock market. Please tell us how important each would be in helping you choose? A*gain please use a scale from* ***1 to 7****, where 1 would mean* ***'not at all important'*** *and 7 would mean* ***'very important'.*** *READ OUT FEATURE IN TURN*

	Not at all Imp			Neutral			Very Imp
The level of service that the company provides	1	2	3	4	5	6	7
Product features such as performance	1	2	3	4	5	6	7
Having minimum standards set by the Government aimed at ensuring a reasonable deal in terms of cost and product features	1	2	3	4	5	6	7
The relationship, if any, that you have with the provider of the investment	1	2	3	4	5	6	7
The brand of the company offering the product	1	2	3	4	5	6	7
The costs associated with the product	1	2	3	4	5	6	7

b. And here are a number of features which may help you choose an **savings** account. Please tell us how important each would be in helping you choose :

	Not at all Imp			Neutral			Very Imp
The level of service that the company provides	1	2	3	4	5	6	7
Product features such as interest rate	1	2	3	4	5	6	7
Having minimum standards set by the Government aimed at ensuring a reasonable deal in terms of cost and product features	1	2	3	4	5	6	7
The relationship, if any, that you have with the provider of the account	1	2	3	4	5	6	7
The brand of the company offering the product	1	2	3	4	5	6	7
The costs associated with the product	1	2	3	4	5	6	7

Section 8 : Finally, as I need to interview a cross section of people, please can you tell us a bit about yourself?

A. Are you

1. Female   2. Male

B. Position in your household

1. Head of Household   2. Joint Head of Household   3. Not Head of Household

C. Marital Status

1. Married   2. Living Together   3. Single   4. Widowed   5. Separated   6. Divorced

D. What is, or was prior to retirement, the occupation of the Head of Household ?

1. Professional   2. Senior Management   3. Middle/Junior Management   4. Skilled Manual   5. Unskilled Manual   6. None/Other/Houseperson

E. What is, or was prior to retirement, your occupation?

1. Professional   2. Senior Management   3. Middle/Junior Management   4. Skilled Manual   5. Unskilled Manual   6. None/Other/Houseperson

F. What is your age ....years

G. Total Number in your Household…………………people

H. How would you classify the total pre-tax annual income of your household:

I. How would you classify your personal total pre-tax annual income:

	H. Household Total	I. Personal Total
1. Under £10,000	1	1
2. £10,000 to 20,000	2	2
3. £20,001 to 30,000	3	3

4. £30,001 to 40,000	4	4
5. £40,001 to 50,000	5	5
6. Over £50,000	6	6

J. How would you best describe your ethnic background

1. Black African 2. Black Afro Caribbean 3. Black Other 4. Indian 5. Pakistani 6. Bangladeshi
7. White British 8. White Other 9. Chinese 10. Other 11. Prefer not to say

H. Is your accommodation 1. Owned Outright 2. Being Bought with Mortgage 3. Rented from Private Landlord 4. Rented (Housing Association) 5. Rented(Local Authority) 6. Other

---

Would you be interested in taking part in any future market research that we, or our partners, may conduct on behalf of this or any other client?

YES -> Take Details
NO -> CLOSE

RESPONDENTS' NAME:____

TEL NUMBER: ____

ADDRESS: ____

____

EMAIL ADDRESS:____

Thank you for taking part in this survey!

INTERVIEWER DECLARATION: I certify that I have interviewed a qualified respondent for this interview.

Interviewer's Name:________________________________**Interviewer Number** ___ ___ ___ ___
Interviewer's Signature:_____________________________________**Date:**_______________________________
____