



Special Eurobarometer 373

RETAIL FINANCIAL SERVICES

SUMMARY

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This survey has been requested by Directorate-General Internal Market and Services and co-ordinated by Directorate-General for Communication (DG COMM "Research and Speechwriting" Unit).

http://ec.europa.eu/public_opinion/index_en.htm

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Special Eurobarometer 373 / Wave EB76.1 – TNS Opinion & Social

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Retail Financial Services

Conducted by TNS Opinion & Social at the request of
Directorate-General Internal Market and Services

Survey co-ordinated by Directorate-General Communication

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INTRODUCTION

As part of its broader remit of facilitating the European internal market, the European Commission has a range of policy initiatives designed to improve the consumer experience of buying retail financial products¹.

In 1999, the European Commission adopted its Financial Services Action Plan. The action plan identified priorities and a timetable for measures to establish a single market in wholesale financial services, make retail markets open and secure, and strengthen the rules on prudential supervision. In 2007, as part of a review of the single market, the European Commission published a Green Paper on future EU policy on retail financial services in the single market², in which it stated that despite significant progress in delivering a single market for financial services in recent years, retail financial services integration had not yet reached its potential and competition seemed insufficient in some areas. Consequently, the European Commission stated its aim of enhancing customer welfare, improving services, helping individuals make sound financial choices, and promoting the single market itself by facilitating cross-border financial activity.

The Green Paper provided examples of retail financial products including current bank accounts, personal loans, mortgages, savings, pensions, investments and insurance products, and set out to dismantle barriers to competition and customer mobility in these product areas.

To support the Commission's initiatives in the area of retail financial services, this Eurobarometer survey examines current consumer behaviours and attitudes when buying financial products both in their home countries and in other EU Member States. This report also looks at the customer experience of buying retail financial products and of switching financial services provider within the EU, and also what advice and information consumers receive when purchasing financial products.

¹ An overview of the European Commission's retail financial services policy can be found here: http://ec.europa.eu/internal_market/finservices-retail/policy_en.htm.

² Information about the Green Paper can be accessed here: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0226:FIN:EN:PDF>

In the course of this survey, 26,856 European citizens aged 15 and above were interviewed about retail financial services by the TNS Opinion & Social network between 3 and 19 September 2011 in all 27 European Union Member States³, as requested by the European Commission's Directorate-General Internal Market and Services. The methodology used is that of surveys as carried out by the Directorate-General for Communication ('Research and Speechwriting' Unit)⁴. A technical note on the methodology for interviews conducted by the institutes within the TNS Opinion & Social network is annexed to the main report. This note indicates the interview methods and the confidence intervals⁵.

This study analyses the way in which retail financial products and services are perceived both at EU level and within individual Member States. It also provides socio-demographic analysis to help understand how different sections of European society regard the issues surrounding financial products differently from others. The statistical breakdowns include: male/female; age range; the impact of education; social and financial status; and a range of other socio-economic factors.

The study focused on specific products and asked about these individually. Where these are analysed by individual Member State, the base sizes are sometimes extremely small and need to be treated with caution. Base sizes are indicated throughout this report, and where less than 100 the data needs to be treated as indicative only. Detailed data tabulations by Member State are appended to the main report.

The Eurobarometer web site can be consulted at the following address:

http://ec.europa.eu/public_opinion/index_en.htm

We would like to take this opportunity to thank all the respondents across the EU who gave their time to take part in this survey. Without their active participation, this survey would quite simply not have been possible.

³ Further information on the methodology used can be found in the technical note which specifies the interview methods as well as the confidence intervals.

⁴ http://ec.europa.eu/public_opinion/index_en.htm

⁵ The results tables are included in the annex. It should be noted that the total of the percentages in the tables of this report may exceed 100% when the respondent can give several answers to the same question.

SUMMARY

There are huge disparities between individual Member States in the ownership of financial products and services. While citizens do not seem to feel disenfranchised, the fact that **one in ten citizens in the EU do not have a bank account** is notable. One critical measure of the success of the policy initiatives under consideration will be not only to see whether the level of cross-border purchasing increases but also to see whether this fundamental gap in financial inclusion between Member States narrows.

Another finding is the **inertia** amongst EU citizens when it comes to financial products and services. The majority do not receive recommendations or consider more than one product, even when it comes to products such as mortgages or more sophisticated investment products. Similarly, the majority have not switched providers for existing products that they have or see the need to do so.

Given this inertia, it is unsurprising that current levels of cross-border purchasing of these kinds of products and services are so low. **Almost all (94%) have never purchased such a financial product or service from another Member State and eight in ten would not consider it.** Most do not see the benefit or the need. It is worth pointing out that although the majority says they have never purchased financial products or services from another Member State, this clearly presumes that consumers are aware where their products originate from. There may be an issue to do with the way financial products are branded by national financial institutions which may mean some people are not aware that the products they have are from somewhere else.

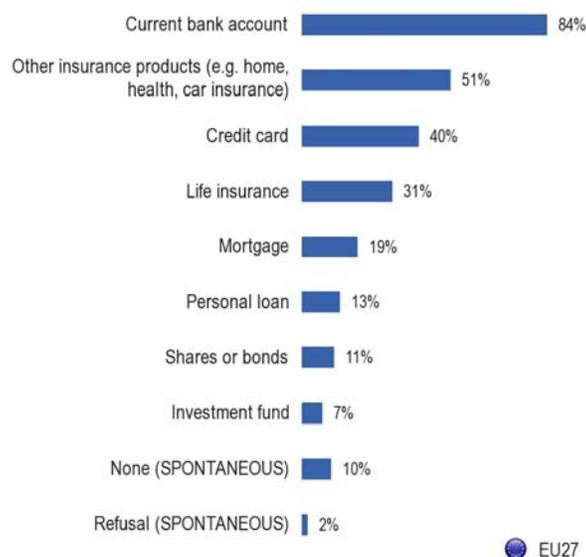
In conclusion, this survey identifies a clear need for **improving financial literacy** amongst EU citizens. Many people who have financial products or services are unaware of the advantages of shopping around for financial products (both within their own country and in other Member States) and similarly seem to not see the potential benefits of switching providers in order to secure a better deal. Many respondents are still dependent on face-to-face purchasing and rely on their providers for recommendations. Encouraging the use of other purchasing channels, such as the internet, or making advice and recommendations more readily available to citizens would enable them to compare products in a way which is perhaps more limited currently. There seems to also be a need for improved regulation in the way that these products are sold with the transparency of the purchasing process a common issue, particularly when it comes to how the salesperson is being remunerated.

FINANCIAL PRODUCTS

While over eight in ten citizens (84%) have a current bank account, ownership of other types of financial product is much less common and one in ten EU citizens (10%) possess none of the financial products covered in the survey.

Figure 1: Which products people have (base: all respondents; n=26,856)

QB1. Which of the following financial products and services do you have, if any?



There are significant variations between Member States with people in the EU15 countries more likely to own most types of financial product than in the NMS12 countries. Detailed analysis is available in the full report.

Most people without a bank account feel that they do not need one. Over half (56%) of the people who do not have a current bank account say they do not have one because they do not need or want one. One in ten (9%) use another person's bank account, while 7% say they are too young to open a bank account. In total, 5% say they have been refused an account for various reasons.

Consumer inertia is high when it comes to taking out new products. The majority (56%) of those EU citizens who own any financial products say they have not purchased any of these within the last five years, with a relatively small proportion of people having purchased a specific product during that period. Only 17% say that they purchased 'other' insurance products, such as home, health and car insurance, while 16% say they opened a current bank account. One in ten (10%) say they purchased a credit card, 8% a personal loan, and 7% a mortgage and life insurance respectively. A further 4% purchased shares or bonds, with 2% purchasing an investment fund.

CROSS-BORDER PURCHASING

It is relatively rare for individuals to purchase financial products and services in other EU Member States⁶. In total, 94% of those with any financial products say they have never bought a financial product outside their home country.

Figure 2: Products purchased cross-border (base: all respondents with any products; n= 23,564)

QB3. Which of these products did you purchase outside of (OUR COUNTRY) in another EU Member State?



Current bank accounts are the most likely product to be opened in other EU countries, but even in this case this is only mentioned by 3% of product holders. Only 1% of respondents have obtained credit cards, shares or bonds, or 'other' insurance products outside their own country, while negligible numbers of people have purchased a mortgage, a personal loan, an investment fund or life insurance. There is no significant variation between EU15 and NMS12 results on this question.

⁶ QB3: 'Which of these products did you purchase OUTSIDE of (OUR COUNTRY) in another EU Member State?' (IF NECESSARY READ: BY 'PURCHASED' WE MEAN WHEN YOU INITIALLY TAKE THE PRODUCT OUT WITH A PROVIDER) (READ OUT LIST OF PRODUCTS HELD AT QB1 AND CODE ALL PURCHASED IN ANOTHER EU MEMBER STATE – MULTIPLE ANSWERS POSSIBLE). Current bank account; mortgage; credit card; personal loan; shares or bonds; investment fund; life insurance; other insurance products (e.g. home, health, car insurance); none (SPONTANEOUS); refusal (SPONTANEOUS); do not know.

Four out of five (80%) people say they would not consider purchasing a financial product in another EU Member State⁷. However, around one in ten say they would consider purchasing some type of financial product in another country. 5% say they would consider obtaining a bank account, while 4% say they would consider purchasing shares and bonds in a different EU country. 3% of respondents say they would consider buying a mortgage, 'other' insurance products, a credit card, or an investment fund. 2% would potentially buy a personal loan or life insurance in a foreign EU country. There are only minor differences between the EU15 and NMS12 results on this question.

EXPERIENCE OF PURCHASING FINANCIAL PRODUCTS

For all of the financial products asked about in this survey, European respondents **are most likely to say that they bought the product directly from the provider face to face⁸.** For all but two of the eight products, at least 50% of people say they purchased the product face to face.

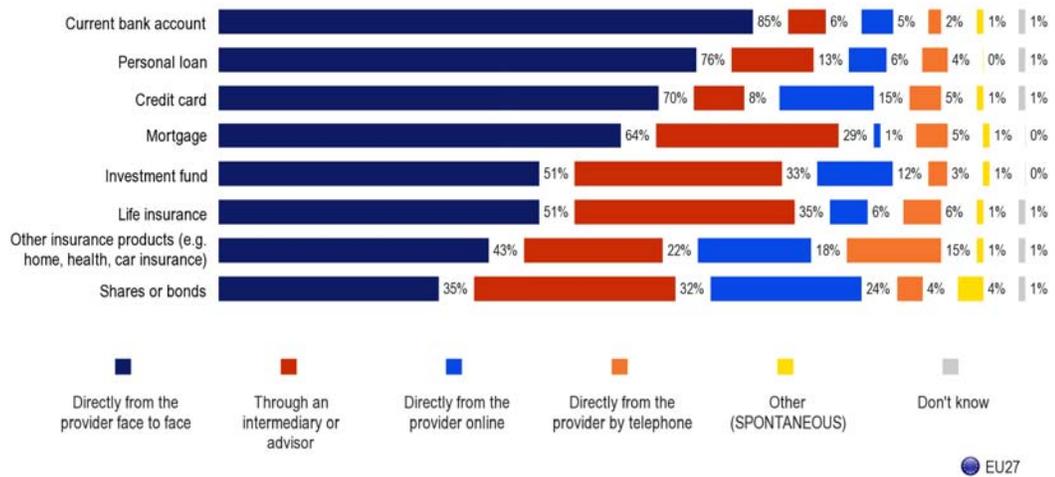
More than eight in ten (85%) citizens with a current bank account say they opened it directly with the provider face to face, compared with only 6% who say they obtained their bank account through an intermediary, and 5% say they opened the account directly from the provider online. Only 2% of respondents said that they opened their account by telephone. There is some variation between EU15 and NMS12 responses on this question, with NMS12 respondents somewhat more likely to have acquired a bank account directly from the provider face to face: 89% say they did this, compared with 83% of EU15 respondents.

⁷ QB10: 'Would you ever consider purchasing a (NOT QB3 PRODUCT) from another EU Member State?' (IF NECESSARY READ: BY 'PURCHASED' WE MEAN TAKE OUT THE PRODUCT) (READ OUT EACH PRODUCT NOT PURCHASED IN ANOTHER EU MEMBER STATE AT QB3 – MULTIPLE ANSWERS POSSIBLE). Current bank account; mortgage; credit card; personal loan; shares or bonds; investment fund; life insurance; other insurance products (e.g. home, health, car insurance); none (SPONTANEOUS); refusal (SPONTANEOUS); do not know.

⁸ QB5: 'Thinking about the (QB4 PRODUCT) you purchased, could you tell me how you purchased it?' (ONE ANSWER ONLY FOR EACH PRODUCT PURCHASED WITHIN LAST 5 YEARS AT QB4). Directly from the provider face to face; directly from the provider by telephone; directly from the provider online; through an intermediary or advisor; other (SPONTANEOUS); do not know.

Figure 3: Channel of purchase (base: those with products purchased in last 5 years; n=10,128)

QB5. Thinking about the product you purchased, could you tell me how you purchased it?



Personal loans were purchased directly from the provider face to face by 76% of respondents, with 13% saying that they obtained their personal loan through an intermediary. 6% say they purchased a loan directly from the provider online, while 4% say they acquired theirs directly from the provider by telephone. NMS12 respondents are again more likely to have acquired this product directly from the provider face to face: 91% took out their loan in this way, compared with 70% of EU15 respondents. However, EU15 respondents are more likely to have used the other three means of purchase: 15% relied on an intermediary or advisor, for example, as opposed to just 6% of NMS12 respondents⁹.

Seven out of ten (70%) obtained their **credit cards** directly from the provider face to face. While only 8% acquired a credit card through an intermediary or advisor, 15% did so directly from the provider online, with a further 5% of people getting their credit card directly from the provider by telephone. Again there is a distinction between NMS12 and EU15 Member States, with 85% of people in the NMS12 saying they obtained their credit card directly from the provider face to face, compared with 66% of EU15 respondents. EU15 respondents are again more inclined to use other methods of purchase, with 18% saying they obtained their credit card directly from the provider online, compared with just 4% of NMS12 respondents.

⁹ The base for these results is quite low: only 145 EU15 respondents and 62 NMS12 respondents say they obtained a personal loan through an intermediary.

Mortgages were purchased directly from the provider face to face by 64% of people with this product, although almost three in ten (29%) obtained theirs through an intermediary or adviser. Only 1% bought a mortgage directly from the provider online, and 5% purchased one directly from the provider over the telephone. Four out of five (80%) NMS12 respondents with a mortgage purchased it directly from the provider face to face, much higher than the 62% of EU15 respondents who purchased it in this way. In the EU15, acquiring a mortgage through an intermediary or adviser is more common: 30% of people in this area did this, compared with 17% of NMS12 respondents.

Half of all respondents (51%) say they purchased **life insurance** directly from the provider face to face, with 35% reporting that they did so through an intermediary or advisor. Just 6% bought life insurance directly from the provider online, with 6% having bought their life insurance directly from the provider by telephone.

Around four in ten (43%) of those who have '**other**' **insurance products** purchased these directly from the provider face to face. Around one in five (22%) obtained their insurance products through an intermediary or advisor; 18% bought theirs directly from the provider online; and 15% did so directly from the provider by telephone. NMS12 respondents are much more likely to buy this type of product directly from the provider face to face: 60% purchased their products this way, compared with just 38% of EU15 respondents. NMS12 respondents are also more likely to have used an intermediary or advisor (31%, compared with 18% of EU15 respondents). Citizens in the EU15 say are more likely to have bought their 'other' insurance product by telephone (19%, as opposed to 2% of those in the NMS12) and also online (23%, as opposed to 4% of NMS12 respondents).

Around half (51%) of all EU respondents who have purchased **investment funds** say they did so directly from the provider face to face, while one in three (33%) made the purchase through an intermediary or advisor. 12% of people acquired their investment fund directly from the provider online, while just 3% did so directly from the provider by telephone. While 62% of NMS12 respondents with an investment fund acquired it directly from the provider face to face, only 50% of EU15 respondents did the same.

Around one in three of those with **shares or bonds** (35%) say they bought these directly from the provider face to face, with a similar number (32%) having purchased theirs through an advisor or intermediary. One in four (24%) bought shares or bonds directly from the provider online, while just 4% did so by telephone.

Around half of consumers (52%) tend to take the first product they see when obtaining a current bank account or credit card, although respondents are more inclined to shop around when purchasing other types of financial products.

Just over half of all EU respondents (52%) who have taken out a credit card in the last five years say they took the first product they saw when it came to obtaining it¹⁰, with 46% saying that they compared different products before making a decision. The same proportion of respondents (52%) also say they took the first bank account they looked at, whereas 45% compared different products first.

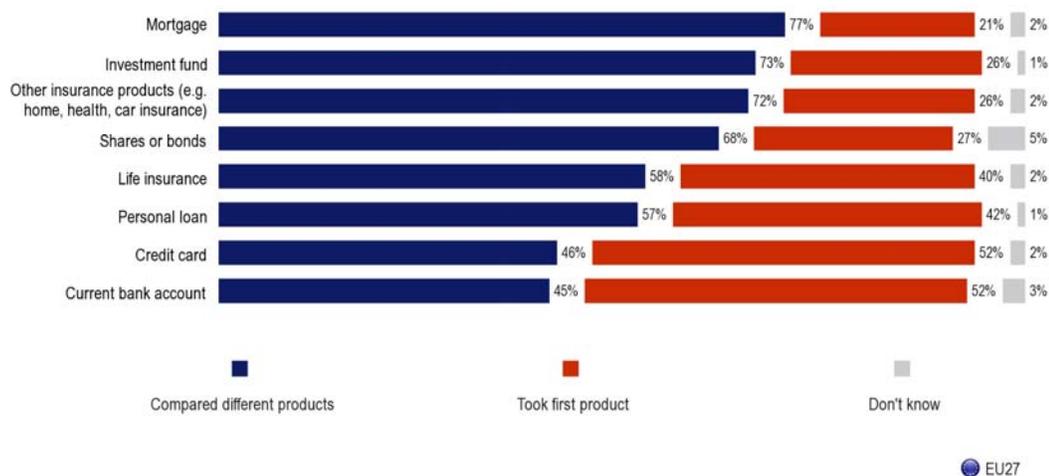
For all other products, the majority of respondents shopped around. Four out of ten (42%) of respondents who have taken out a personal loan recently say they took the first loan product they saw, whereas 57% compared different products. When buying life insurance 40% of respondents bought whichever product they came across first, as opposed to 58% who compared different products before purchasing. 26% of respondents who have purchased 'other' insurance products say they took the first product they came across, whereas 72% compared different products.

When it comes to larger purchases or more sophisticated financial products, an even higher proportion of consumers are more likely to shop around. Only 27% of people with shares or bonds took the first product they saw, while 68% compared different products. Of those with investment funds, 26% took the first product they saw, while 73% compared different products. One in five (21%) of people with a mortgage bought the first product they found, whereas 77% compared different products before making a decision.

¹⁰ QB8: 'When you purchased the (QB4 PRODUCT) did you take the first product that you looked at or did you compare several different products before making a final decision?' (ONE ANSWER ONLY FOR EACH PRODUCT PURCHASED WITHIN LAST 5 YEARS AT QB4). Took first product; compared different products; do not know.

Figure 6: Whether shopped around (base: those with products purchased in last 5 years; n=10,128)

QB8. When you purchased the product did you take the first product that you looked at or did you compare several different products before making a final decision?



INFORMATION AND ADVICE

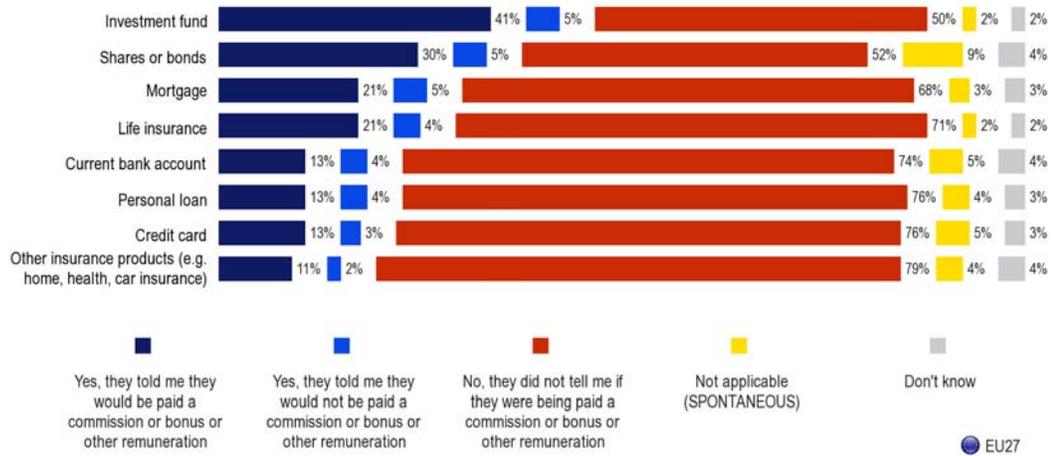
Across all products, most consumers are not given information about whether the person selling them a financial product is being paid commission - however most say they are given general written information about the product they are purchasing. Furthermore, many consumers do not receive recommendations when purchasing financial products or services, and where they do they tend to rely on the product provider.

For all of the financial products included in this survey, at least 50% of those who purchased the product in the last 5 years say the person who sold them the financial product in question **did not tell them whether he or she was being paid a bonus or commission or other remuneration**¹¹. People purchasing investment funds were most likely to say the salesperson told them that he or she would be paid a commission or bonus (41%), while 5% say the salesperson explained that he or she would not be paid; however even here half (50%) say they were not told either way.

¹¹ QB6: 'Did the person who sold you the (QB4 PRODUCT) tell you whether they would be paid a commission, bonus or any form of additional remuneration if you took that particular product? (ONE ANSWER ONLY FOR EACH PRODUCT PURCHASED WITHIN LAST 5 YEARS AT QB4). Yes, they told me they would be paid a commission or bonus or other remuneration; yes, they told me they would not be paid a commission or bonus or other remuneration; no, they did not tell me if they were being paid a commission or bonus or other remuneration; Not applicable (SPONTANEOUS); do not know.

Figure 4: Remuneration information given (base: those with products purchased in last 5 years; n=10,128)

QB6. Did the person who sold you the product tell you whether they would be paid a commission, bonus or any form of additional remuneration if you took that particular product?



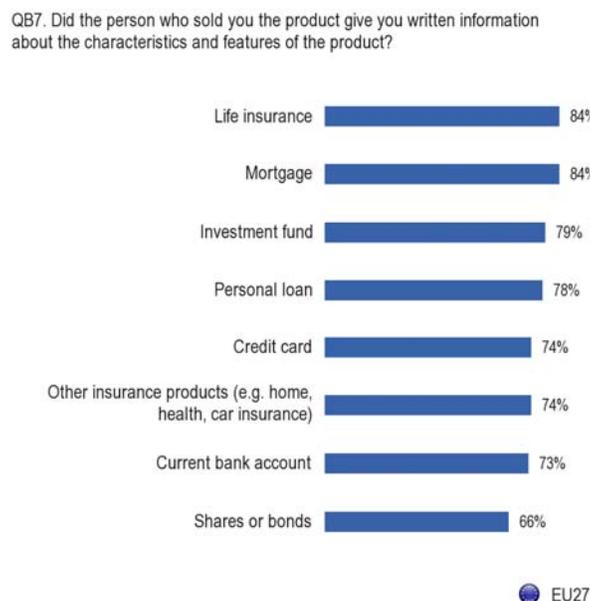
When buying **shares or bonds**, 30% of respondents say the salesperson told them that he or she would be paid a commission or bonus, while 5% say the salesperson explained that he or she would not be paid anything; but 52% say the salesperson did not tell them whether he or she was being paid a commission. Around one in five (21%) of those respondents who bought **life insurance** say the salesperson told them that he or she would be paid a commission, with 4% saying that the salesperson told them he or she was not being paid; but 71% say they were not told whether the individual selling them the product was being paid a commission. 21% of respondents who purchased a **mortgage** say the salesperson told them that he or she would be paid a commission or bonus, while 5% say the salesperson informed them that he or she would not be paid; but two-thirds (68%) were not told either way. Among the respondents who took out a **personal loan**, 13% say the salesperson told them whether he or she would be paid a commission or bonus, while 4% say the individual concerned said that he or she would not be paid; but 76% say the salesperson did not say whether he or she would be paid a commission. The same proportion of respondents (13%) who own a **credit card** say they were informed whether the salesperson would be paid a commission or bonus, while 3% say the salesperson said he or she would not be paid; but 76% say they were not told. Over one in ten people who have a **current bank account** (13%) say the individual selling them the product told them that he or she would be paid a commission or bonus, while 3% say the salesperson made clear that he or she would not be paid; but 72% say they were not told.

Just 11% of people who said they had bought **'other' insurance products** say the salesperson told them that he or she would be paid a commission or bonus, while 2% were told that the salesperson would not be paid; but 79% say they were not told whether a commission was being paid.

Respondents from the NMS12 countries are in some cases more likely to say that they were told by the person selling them the product that he or she would be paid a commission. 51% of people in the NMS12 who own shares or bonds say they were told that the salesperson would be paid a commission, as opposed to 28% in the EU15. 19% of NMS12 respondents who have a credit card say the person selling them the card said he or she would get a commission, compared with 11% in the EU15. Similarly, 18% of NMS12 respondents with a personal loan say they were told the salesperson would be paid a commission, compared with 11% of those in the EU15. However, 42% of EU15 respondents who have an investment fund say the salesperson said that he or she would be paid a commission, as opposed to 30% of those in the NMS12 who say the same.

With all financial products asked about, the majority of people who bought those products within the last five years say they were given written information on the characteristics and features of the product when they purchased it.

Figure 5: Written information given (base: those with products purchased in last 5 years; n=10,128)



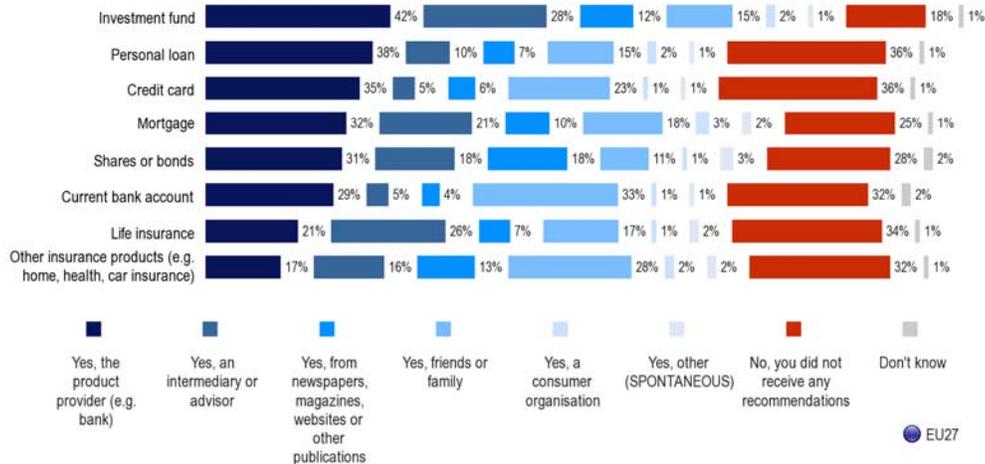
Among those who say they purchased life insurance or a mortgage within the last five years, 84% say that the person selling them the product gave them written information about the product's characteristics. This compares with 79% of those who purchased an investment fund, 78% of those who obtained a personal loan, 74% of respondents taking credit cards and 'other' insurance products. 73% of respondents who opened a current bank account were given written information, as were two-thirds (66%) of those who own shares or bonds.

Four out of ten (42%) of those who have recently purchased investment funds received a recommendation from the product provider¹². Three in ten (28%) say their investment fund was recommended to them by an intermediary or advisor. 12% say it was recommended by a newspaper, magazine or website, and 15% say that family or friends recommended the product they acquired. Just 18% say they did not receive any recommendations.

¹² QB9: 'Before you purchased the (QB4 PRODUCT), did anyone recommend a particular product to you or did you read any recommendations anywhere?' (IF NECESSARY READ: DID YOU RECEIVE ANY RECOMMENDATIONS FOR A SPECIFIC PRODUCT THAT WOULD BE MOST SUITABLE FOR YOU – e.g. A PARTICULAR CURRENT BANK ACCOUNT, CREDIT CARD) (SHOW CARD WITH SCALE – MULTIPLE ANSWERS POSSIBLE FOR EACH PRODUCT PURCHASED WITHIN LAST 5 YEARS AT QB4). Yes, the product provider (e.g. bank); yes, an intermediary or advisor; yes, a consumer organisation; yes, friends or family; yes, from newspapers, magazines, websites or other publications; yes, other (SPONTANEOUS); no, you did not receive any recommendations; do not know.

Figure 7: Whether received recommendation (base: those with products purchased in last 5 years; n=10,128)

QB9. Before you purchased the product, did anyone recommend a particular product to you or did you read any recommendations anywhere?



Among respondents who have purchased a **personal loan** within the last 5 years, 38% say the product provider recommended the loan to them, while 10% were recommended the product by an intermediary or advisor. 7% saw the product recommended in a newspaper, magazine or website, while 15% say that their family or friends advised them to buy the product. Over a third (36%) say they did not receive any recommendations.

Of all European respondents who have recently purchased **credit cards**, 35% say the product provider recommended the product to them, while 5% say they were recommended the product by an intermediary or advisor. 6% saw their credit card recommended in a newspaper, magazine or website and 23% were told about it by their family or friends. Over a third (36%) of credit card holders did not receive any recommendations.

A third of respondents (32%) who have recently purchased a **mortgage** say the product provider recommended their particular mortgage to them. One in five (21%) say that an intermediary or advisor recommended their mortgage. One in ten (10%) saw the product recommended in a newspaper, magazine or website, with 18% saying that their family or friends recommended the mortgage to them. A quarter (25%) of people who have recently purchased mortgages say they did not receive any recommendations.

Among EU respondents who have recently purchased **shares or bonds**, 31% were recommended the products they ultimately selected by the product provider. 18% say that an intermediary or advisor recommended the product, with the same proportion having seen the product recommended by a newspaper, magazine or website. While 11% say that their family or friends recommended the shares or bonds to them, 28% of those who own shares or bonds say they did not receive any recommendations.

Only 29% of Europeans who have recently opened **current bank accounts** say the account they chose was recommended to them by the product provider. Only a very small proportion say their bank account was recommended by an intermediary or advisor (5%) or by a newspaper, magazine or website (4%). However, a third (33%) say that their family or friends recommended the product to them, making 'family and friends' the most common response. A third (32%) say they did not receive any recommendations about which bank account to choose.

One person in five (21%) who has **life insurance** say they were recommended the product by the product provider, while 26% say that an intermediary or advisor recommended the product to them. Only 7% say they saw their life insurance product recommended by a newspaper, magazine or website, though 17% say that their family or friends recommended it to them. A third of people with life insurance (34%) say they did not receive any recommendations.

Only 17% of all EU respondents who have bought **'other' insurance products** say they were recommended the products they chose by the product provider. 16% say that an intermediary or advisor recommended the product, while 13% say the product they bought was recommended by a newspaper, magazine or website. Three in ten (28%) say that their family or friends recommended the product to them. A third (32%) of respondents say they did not receive any recommendations.

SWITCHING PRODUCTS

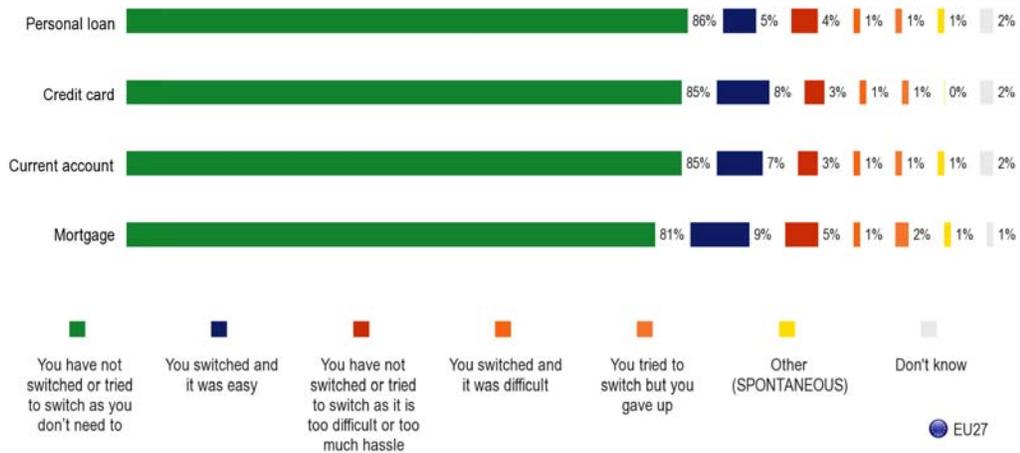
Over 80% of people never attempt to switch providers after buying a personal loan, a credit card, a current account or a mortgage.

At least 80% of EU citizens with a personal loan, credit card, current bank account or mortgage say they have not switched or tried to switch providers¹³.

In the case of **personal loans**, 86% say they have not switched or tried to switch as they do not need to, while 5% say they switched and it was easy and 4% say they have not switched or tried to switch as it is too difficult or too much hassle. Only 1% switched and found it difficult, with the same proportion saying they tried to switch but gave up.

Figure 8: Switching behaviour (base: all with bank account – n=22,469; mortgage – n=5,007; loan – n=3,532; or credit card - n=10,774)

QB12. You mentioned earlier that you have a product. Which of the following statements best describes whether or not you have switched or tried to switch your product to another provider within the last 5 years?



Similarly, with **credit cards**, 85% say they have not switched or tried to switch as they do not need to, while 8% say they switched and it was easy and 3% say they have not switched or tried to switch as they considered it would be too difficult or too much hassle. Only 1% switched and found it difficult, with the same number saying they tried to switch but gave up.

¹³ QB12: 'You mentioned earlier that you have a (QB1 PRODUCT). Which of the following statements best describes whether or not you have switched or tried to switch your (QB1 PRODUCT) to another provider within the last 5 years?' You have not switched or tried to switch as you do not need to; you have not switched or tried to switch as it is too difficult or too much hassle; you switched and it was

Among **current account** holders, 85% have not switched or tried to switch as they do not need to, while 7% say they switched and it was easy and 3% say they have not switched or tried to switch as it is too difficult or too much hassle. Just 1% switched and found it difficult, with another 1% saying they tried to switch but gave up. Among **mortgage** holders, 81% say they have not switched or tried to switch as they do not need to, 9% say they switched and it was easy, and 5% say they have not switched or tried to switch as it is too difficult or too much hassle. Just 1% switched and found it difficult, while 2% say they tried to switch but gave up.

PROBLEMS AND COMPLAINTS

The vast majority of people (85%) say they have never had a problem with a financial product or service. While the majority of those who experience a problem do complain, over a quarter (27%) say they did not complain to anyone. People who have had a problem are most likely to complain to the product provider directly, and similarly when asked who they would complain to if they had a problem in the future, six in ten (60%) say they would go to the provider.

Figure 9: Problems experienced with financial products/services (base: all respondents; n=26,856)

QB13. Have you ever had a problem either with a financial product or service you have purchased (e.g. the product was not as originally described to you) or in your relationship with the provider who sold you the product or service, either within (OUR COUNTRY) or in another EU Member State?



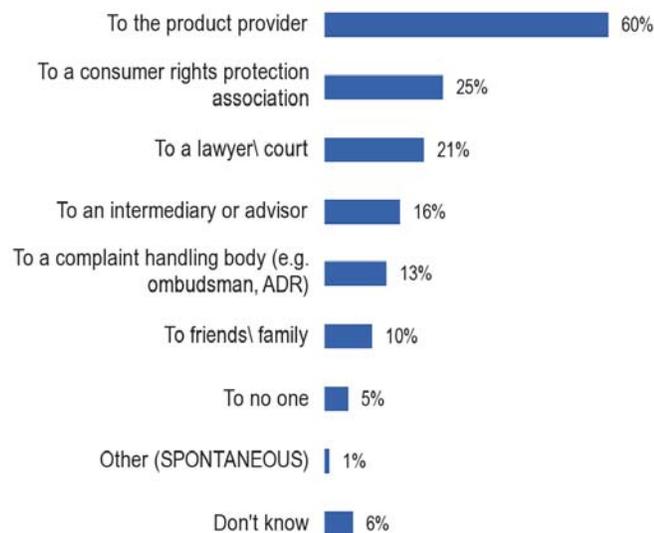
EU27

easy; you switched and it was difficult; you tried to switch but you gave up; other (SPONTANEOUS); do not know.

The vast majority (85%) of all European citizens say they have never had a problem either with a financial product or service or in their relationship with the provider who sold it to them¹⁴. However, 7% of respondents say they have had a problem with product or service purchased in their home country, while 5% say they have had a problem with a provider in their country. Only 1% say they have experienced problems with a financial product or service purchased in another EU Member State.

Figure 10: Who would complain to (base: all respondents; n=26,856)

QB15. Imagine that you had a problem with a financial product or service you purchased (e.g. the product was not as originally described to you), or in the relationship with the provider you purchased it from, who would you go to?



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All respondents were asked where they would go if they had a problem with financial product or service or with the provider¹⁵. **Six in ten (60%) respondents say they would complain to the product provider** if they have a problem with a financial product or service they purchase, with a quarter (25%) of people saying they would take their complaint to a consumer rights protection association.

¹⁴ QB13: 'Have you ever had a problem either with a financial product or service you have purchased (e.g. the product was not as originally described to you) or in your relationship with the provider who sold you the product or service, either within (OUR COUNTRY) or in another EU Member State?' (MULTIPLE ANSWERS POSSIBLE). Yes, you have had a problem with financial product/service purchased in (OUR COUNTRY); yes, you have had a problem with provider in (OUR COUNTRY); yes, you have had a problem with financial product/service purchased in another EU Member State; yes, you have had a problem with provider in another EU Member State; No, you have never had problem; do not know.

¹⁵ QB15: 'Imagine that you had a problem with a financial product or service you purchased (e.g. the product was not as originally described to you), or in the relationship with the provider you purchased it from, who would you go to?' (MULTIPLE ANSWERS POSSIBLE). To the product provider; to an intermediary or advisor; to a consumer rights protection association; to a complaint handling body

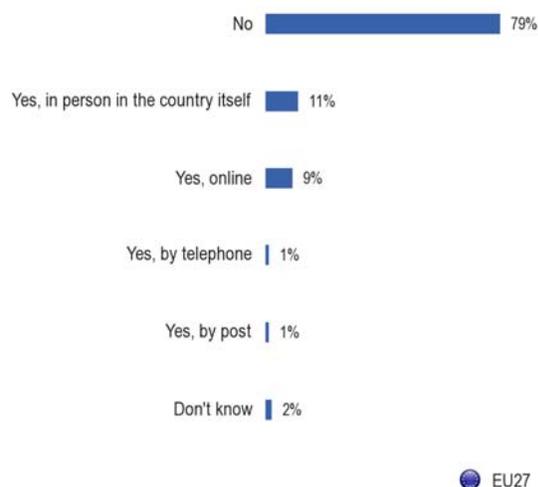
One in five (21%) say they would take their complaint to a lawyer or court, with 13% saying they would turn to a complaints handling body and 10% saying they would complain to friends or family. While 5% say that hypothetically they would complain to no-one, this contradicts the relatively high proportion (27%) who said that they had not complained when encountering an actual problem in the past.

PAYING FOR OTHER GOODS AND SERVICES

Four in five citizens (79%) say they have not bought goods or services of any kind in another EU country over the past year.¹⁶ However, 11% say they have bought a product in person in another EU country and 9% say they have bought a product from another EU country online. Only 1% has bought a product by telephone or by post. EU15 respondents are somewhat more likely to have bought something from another Member State: only 78% say they have not done this, compared with 83% of people in the NMS12.

Figure 11: Other cross-border purchasing (base: all respondents; n=26,856)

QB16. Thinking now about all types of goods and services, not just financial products. Within the last 12 months, have you purchased any goods or services from outside (OUR COUNTRY) in any other EU Member State?



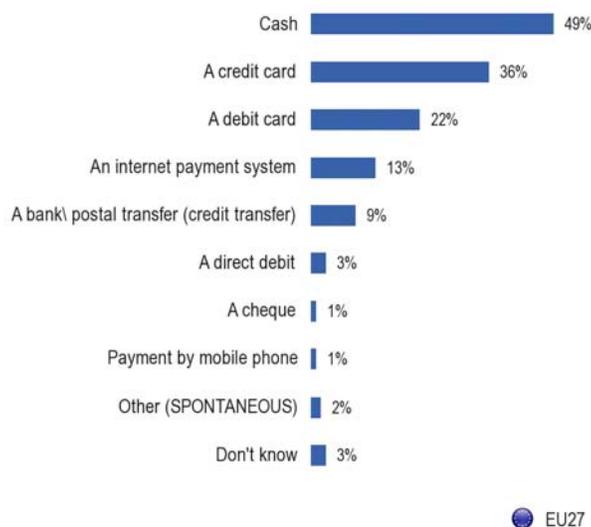
(e.g. ombudsman, ADR); friends or family; to a lawyer/court; none; other (SPONTANEOUS); do not know.

¹⁶ QB16: 'Thinking now about all types of goods and services, not just financial products. Within the last 12 months, have you purchased any goods or services from outside (OUR COUNTRY) in any other EU Member State?' (MULTIPLE ANSWERS POSSIBLE). Yes, online; yes, in person in the country itself; yes, by telephone; yes, by post; yes, other (SPONTANEOUS); no; do not know.

Half of the EU respondents (49%) who said they had bought a product in another EU country used cash to make their purchase¹⁷. It should be pointed out that this would probably include people who used an ATM to withdraw money while in a different country. Over a third (36%) used a credit card, while 22% used a debit card. 13% bought the product using an internet payment system, while 9% used a bank/postal transfer. Smaller proportions paid by direct debit (3%), cheque (1%) or mobile phone (1%).

Figure 12: Payment method (base: all who purchased something cross-border; n=5,125)

QB17. When you have purchased goods or services from other EU Member States, what method of payment have you used?



¹⁷ QB17: 'When you have purchased goods or services from other EU Member States, what method of payment have you used?' (MULTIPLE ANSWERS POSSIBLE) Cash; a credit card; a debit card; a bank/postal transfer (credit transfer); a direct debit; an internal payment system; payment by mobile phone; a cheque; other (SPONTANEOUS); do not know.

TECHNICAL SPECIFICATIONS

SPECIAL EUROBAROMETER 373

"Retail Financial Services"

TECHNICAL SPECIFICATIONS

Between the 3rd of September and the 18th of September 2011, TNS Opinion & Social, a consortium created between TNS plc and TNS opinion, carried out the wave 76.1 of the EUROBAROMETER, on request of the EUROPEAN COMMISSION, Directorate-General for Communication, "Research and Speechwriting".

The SPECIAL EUROBAROMETER 373 is part of wave 76.1 and covers the population of the respective nationalities of the European Union Member States, resident in each of the Member States and aged 15 years and over. The basic sample design applied in all states is a multi-stage, random (probability) one. In each country, a number of sampling points was drawn with probability proportional to population size (for a total coverage of the country) and to population density.

In order to do so, the sampling points were drawn systematically from each of the "administrative regional units", after stratification by individual unit and type of area. They thus represent the whole territory of the countries surveyed according to the EUROSTAT NUTS II (or equivalent) and according to the distribution of the resident population of the respective nationalities in terms of metropolitan, urban and rural areas. In each of the selected sampling points, a starting address was drawn, at random. Further addresses (every Nth address) were selected by standard "random route" procedures, from the initial address. In each household, the respondent was drawn, at random (following the "closest birthday rule"). All interviews were conducted face-to-face in people's homes and in the appropriate national language. As far as the data capture is concerned, CAPI (*Computer Assisted Personal Interview*) was used in those countries where this technique was available.

ABBREVIATIONS	COUNTRIES	INSTITUTES	N° INTERVIEWS	FIELDWORK DATES	POPULATION 15+
BE	Belgium	TNS Dimarso	1028	03/09/2011 18/09/2011	8.939.546
BG	Bulgaria	TNS BBSS	1006	03/09/2011 12/09/2011	6.537.510
CZ	Czech Rep.	TNS Aisa	1069	03/09/2011 14/09/2011	9.012.443
DK	Denmark	TNS Gallup DK	1002	03/09/2011 18/09/2011	4.561.264
DE	Germany	TNS Infratest	1582	03/09/2011 18/09/2011	64.409.146
EE	Estonia	Emor	1000	03/09/2011 18/09/2011	945.733
IE	Ireland	Ipsos MRBI	1015	03/09/2011 16/09/2011	3.522.000
EL	Greece	TNS ICAP	1000	03/09/2011 16/09/2011	8.693.566
ES	Spain	TNS Demoscopia	1004	03/09/2011 18/09/2011	39.035.867
FR	France	TNS Sofres	1046	03/09/2011 18/09/2011	47.756.439
IT	Italy	TNS Infratest	1043	03/09/2011 17/09/2011	51.862.391
	Rep. of			03/09/2011 18/09/2011	
CY	Cyprus	Synovate	506		660.400
LV	Latvia	TNS Latvia	1014	03/09/2011 18/09/2011	1.447.866
		TNS Gallup		03/09/2011 18/09/2011	
LT	Lithuania	Lithuania	1031		2.829.740
LU	Luxembourg	TNS ILReS	502	03/09/2011 17/09/2011	404.907
HU	Hungary	TNS Hungary	1015	03/09/2011 18/09/2011	8.320.614
MT	Malta	MISCO	500	03/09/2011 18/09/2011	335.476
NL	Netherlands	TNS NIPO	1002	03/09/2011 17/09/2011	13.371.980
		Österreichisches		03/09/2011 18/09/2011	
AT	Austria	Gallup-Institut	1018		7.009.827
PL	Poland	TNS OBOP	1000	03/09/2011 18/09/2011	32.413.735
PT	Portugal	TNS EUROTESTE	1035	03/09/2011 18/09/2011	8.080.915
RO	Romania	TNS CSOP	1050	03/09/2011 12/09/2011	18.246.731
SI	Slovenia	RM PLUS	1024	03/09/2011 17/09/2011	1.759.701
SK	Slovakia	TNS Slovakia	1013	03/09/2011 18/09/2011	4.549.955
FI	Finland	TNS Gallup Oy	1003	03/09/2011 18/09/2011	4.440.004
SE	Sweden	TNS GALLUP	1020	03/09/2011 18/09/2011	7.791.240
	United			03/09/2011 18/09/2011	
UK	Kingdom	TNS UK	1328		51.848.010
TOTAL EU27			26.856	03/09/2011 18/09/2011	408.787.006

For each country a comparison between the sample and the universe was carried out. The Universe description was derived from Eurostat population data or from national statistics offices. For all countries surveyed, a national weighting procedure, using marginal and intercellular weighting, was carried out based on this Universe description. In all countries, gender, age, region and size of locality were introduced in the iteration procedure. For international weighting (i.e. EU averages), TNS Opinion & Social applies the official population figures as provided by EUROSTAT or national statistic offices. The total population figures for input in this post-weighting procedure are listed above.

Readers are reminded that survey results are estimations, the accuracy of which, everything being equal, rests upon the sample size and upon the observed percentage. With samples of about 1,000 interviews, the real percentages vary within the following confidence limits:

Observed percentages	10% or 90%	20% or 80%	30% or 70%	40% or 60%	50%
Confidence limits	± 1.9 points	± 2.5 points	± 2.7 points	± 3.0 points	± 3.1 points