



CONSUMERS AND FINANCIAL COMMUNICATIONS SURVEY

Results as at March 2023

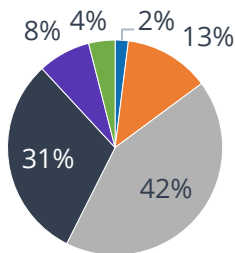


Consumer Duty comes into force 31 July 2023 when the Financial Conduct Authority (FCA) expect the regulation 'to improve outcomes for consumers in all areas of business between firms and customers'¹ with one of the four principle outcomes being Consumer Understanding.

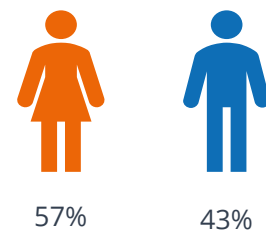
Simplify Consulting surveyed over 100 consumers of Savings & Investments, Retirement and/or Protection products to gather data on their experiences with financial communications.

The survey results provide an insight into their current understanding, level of engagement and other behaviours when interacting through different channels, and across different types of financial communications.

Q1: Age bracket of respondents



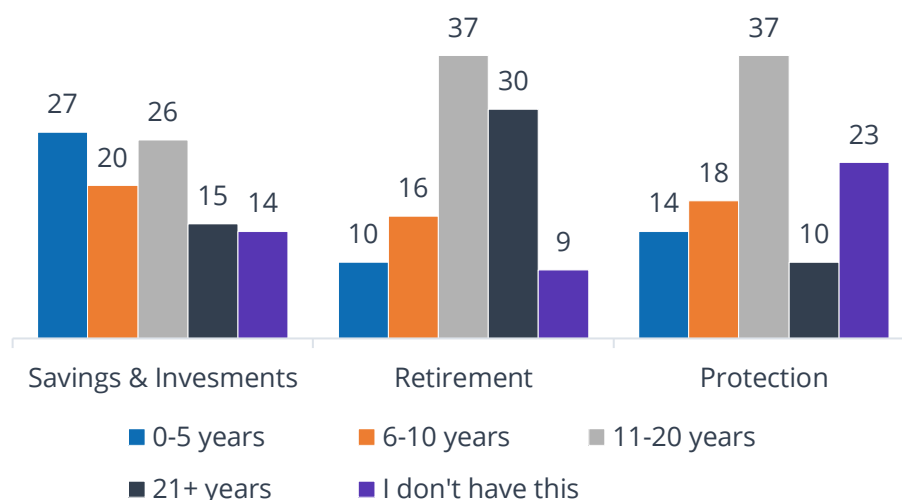
Q2: Gender split



■ 18-24 ■ 25-34 ■ 35-44 ■ 45-54 ■ 55-64 ■ 65+

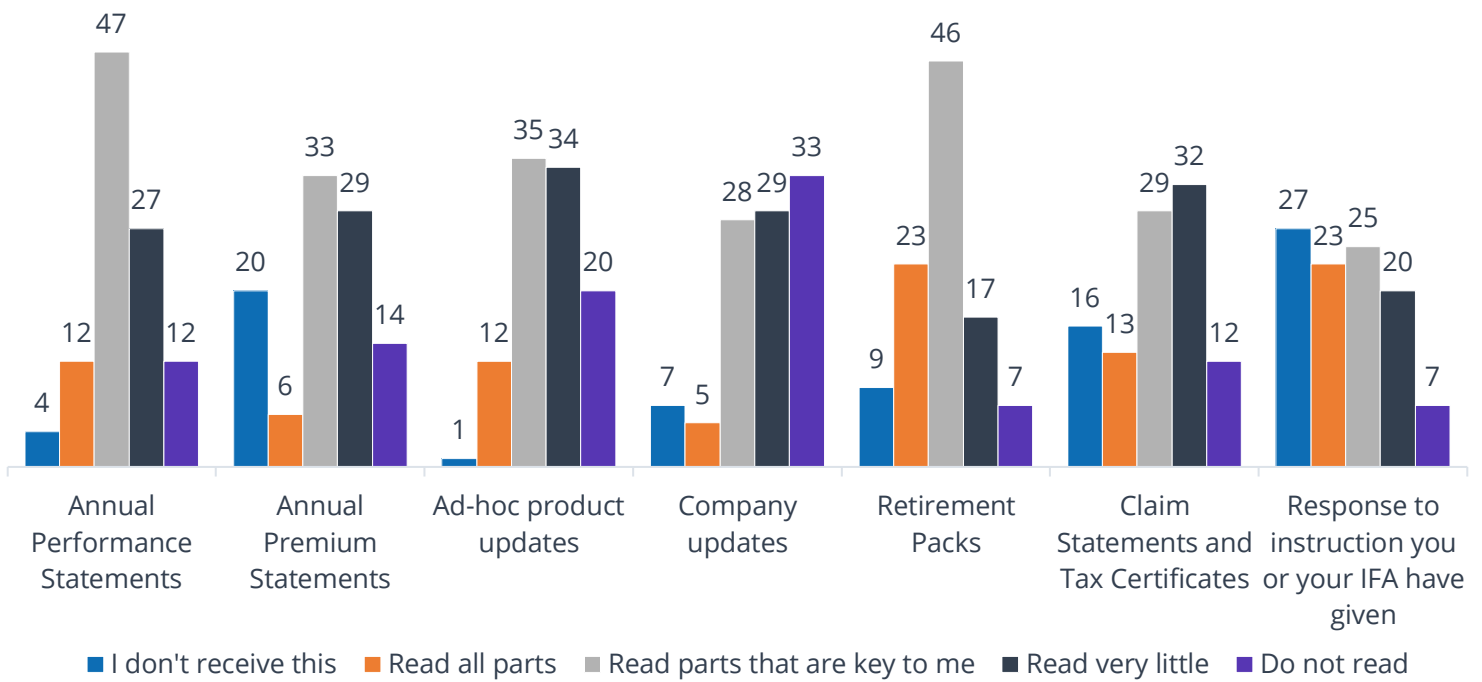
■ Male ■ Female ■ Non-Binary ■ Prefer not to say

Q3: Type of financial products held by our respondents (multiple selection) and the period of time products have been held.



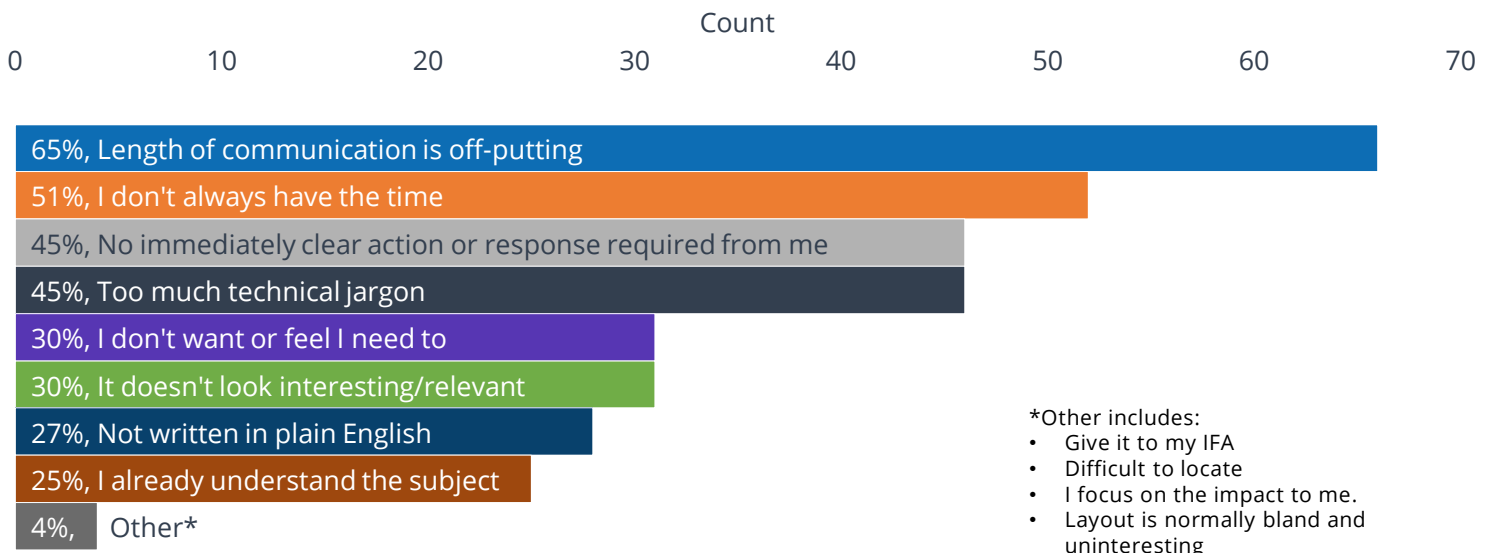
(1) Financial Conduct Authority (2023, January 08). *Consumer Duty implementation plans*, Multi-firm reviews: <https://www.fca.org.uk/publications/multi-firm-reviews/consumer-duty-implementation-plans>

Q4: Level of consumer engagement with different types of financial communications.



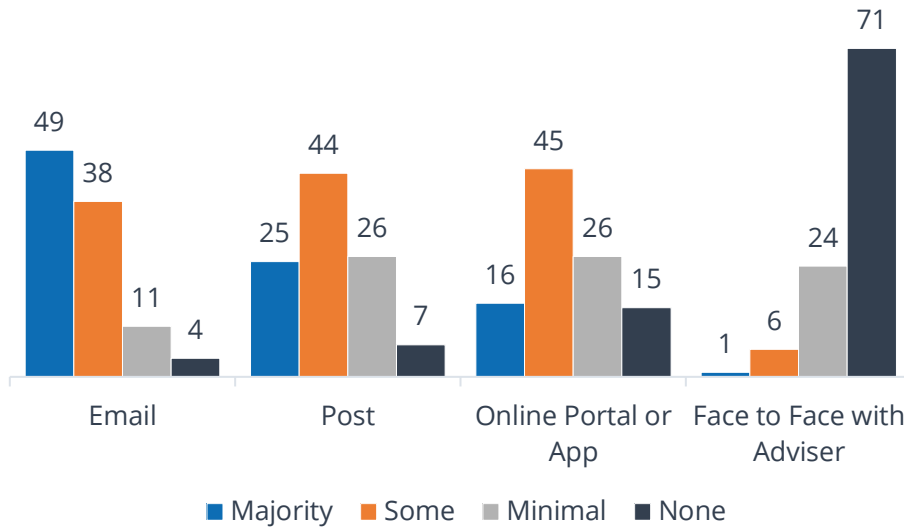
There is a clear need for Consumer Understanding to improve as 46% of our respondents showed little or no engagement with 30% reading very little and 16% who do not read their communications at all.

Q5: Consumers responses (multiple selection) when asked what discourages them from reading all or part of their communications from their financial services provider



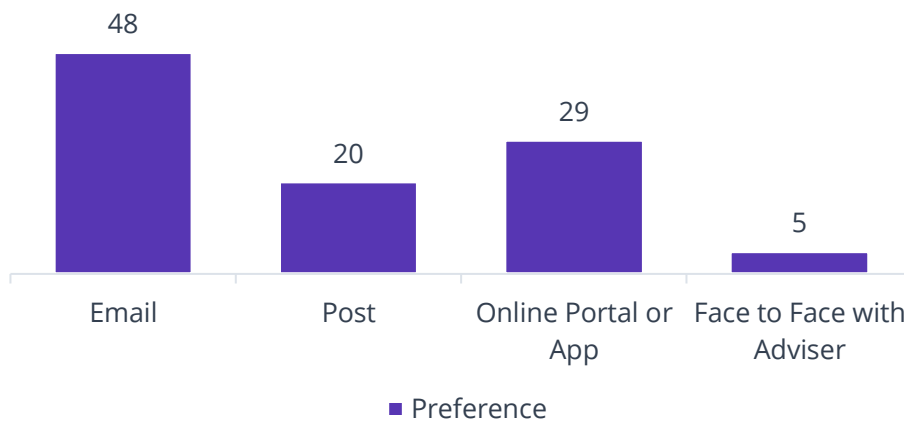
A high proportion of consumers were disengaged due to time available to read lengthy communications.

Q6: How consumers currently receive their financial communications from their financial services provider.



Where 71 consumers stated 'None' when asked about receiving financial communications from an Adviser it cannot be assumed that they have an Adviser.

Q7: Consumer preferences on how they receive communications from their financial services provider.



Consumer preferences correlate with how they receive their communications with all age brackets having a high preference for email.

Q8: CONSUMER COMMENTARY ON POOR COMMUNICATIONS RECEIVED AND THE IMPROVEMENTS THEY WOULD LIKE TO SEE



Incomprehensible communication.

Way too wordy, jargon filled and no clear instructions as to actions/relevance.

It is all quite difficult to understand, unless you have a background in finance... Which I don't!

I trust info from App / Online more than email due to scamming.

Insurance cover information but via a mobile app and the content was jumbled up - the footer was over the privacy wording and made it difficult to read.

Need clear simple prominent summary of key points from investors' perspectives and conflicts of interest rather than a long document.

Include flag at the top of the comms to indicate whether it's for info only, requires action (and by when) etc.

I received an application form for a protection policy that was 20 pages long and had duplicate questions throughout. Really poorly designed and off-putting to complete.

Summarise key points at the top of the letter to make you read on.

Several letters for one ad hoc single pension contribution. Should be one letter.

Locked behind a portal or very difficult to access.

I believe the key information should be detailed at the start of the letter if possible and if not it should be easily identifiable, i.e. in bold or in a table.

Just the layout of information, very factual, doesn't excite me.

Small print/regulatory warnings needs to be more decisive/specific, larger font and at head of correspondence not at end.

CONSUMER DUTY..

ARE YOU READY?

- Outbound correspondence checked?
- Web Site checked?
- Application Forms checked?

Are you ready? If not, it's not too late, our out of the box assessment tool is ready to go.

Just get in touch to find out more.

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