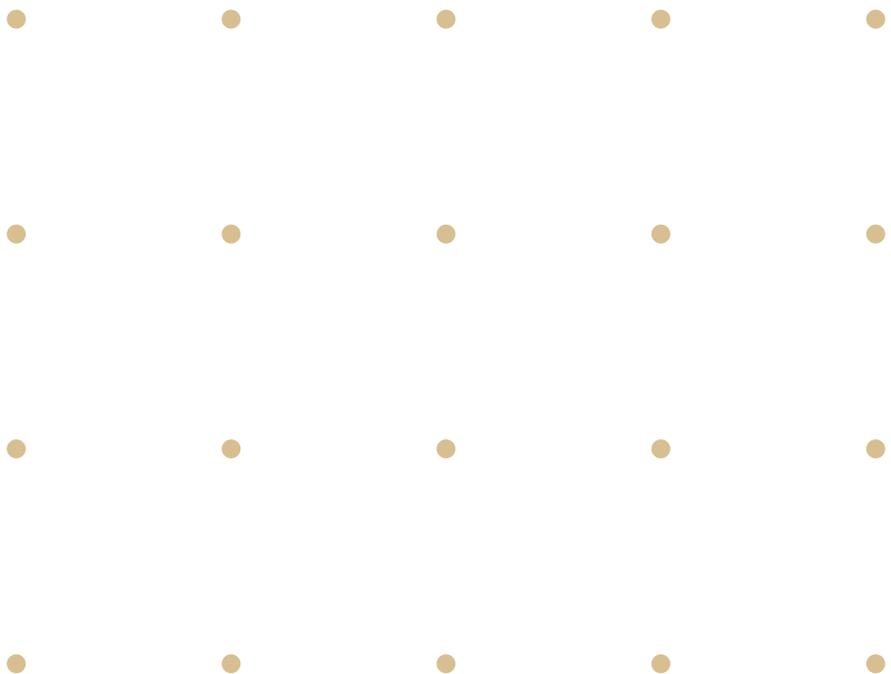




banking
confidence monitor





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Preface



Confidence in the banks is stable. The increase in consumer confidence in the banking sector continued, rising modestly. The banks are pleased to see this indication of confidence. Although confidence in the banking sector waned temporarily due to failure to take action on the prevention of money laundering and a commotion over pay, consumer confidence rose slightly across the board. This encourages the sector to continue to improve in all respects.

The Banking Confidence Monitor shows that we are making progress on transparency and customer focus. The review of the past three years in this Banking Confidence Monitor shows that the sector is significantly changing. Customers stated that being open and honest is the most important theme for them. The banks are committed to ensuring that customers actually experience this in every contact they have with their bank. In addition, the banks have realised that not only can they help consumers, they have a duty to help them. To show that they support them in good times and bad times. This means that we have to keep our eyes and ears open. Customers are entitled not only to expert advice at the outset, they are entitled to expect their bank to continually consider whether a product is still suitable for them. What can we do so that our customers continue to have a nice place to live or run a successful business? The banks take this responsibility very seriously.

A sector that shows its importance for society. The Banking Confidence Monitor shows that customers consider this to be important. The relevant themes here are dealing with debt problems - a priority for the Cabinet - and interest-only mortgages. The banks are taking action in these areas, both individually and collectively. One example is the collective campaign entitled '*Word ook aflossingsblij*'. We also want to help customers facing problematic or high-risk debt (or the potential for this) in concert with the social partners. The banks are thus using their collective power as 'early identifiers' of payment problems.

The sector is working hard on strengthening confidence. But we are not there yet. The balance between ‘giving central priority to the customer’s interest’ and ‘what does the customer want’ can sometimes be hard to achieve. The legislature is placing ever higher demands on the banks when it comes to giving central priority to the customer’s interest. And, on the other hand: do satisfied customers want banks to approach them in the interim period? The in-depth survey of ‘Debts’ in this Banking Confidence Monitor offers some points of reference here.

The Dutch Authority for the Financial Markets (AFM) is also keeping the banks up to the mark. With its new risk-driven supervision, the supervisor has notified the banks as to which parts of their services require additional measures. The findings of the AFM’s Customer Interest Dashboard are not positive. The banks have introduced some good initiatives, in the opinion of the AFM. But the supervisor expects to see additional efforts to limit the risks for customers as far as possible. The sector acknowledges this and will of course work on these findings. Consumers must be able to expect no less from us. At the same time, the sector wants to persevere with its original aim: to ask customers themselves what the banks can do to restore confidence and to let them know whether the banks are making progress with this. For this reason, we ask customers what they expect from us in the future, as well as what they think of us now. The banks will have elements of their services tested that are not or no longer reviewed by the AFM. From now on, we will share our findings more frequently instead of only once a year. The sector hopes this will enable it to focus more on what matters: the development of consumer confidence into the future.

Chris Buijink
President of the Dutch Banking Association

About the Banking Confidence Monitor

Design of the survey

The general section of the Banking Confidence Monitor consists of three elements:

1 Confidence & Perception

- The confidence of consumers in their own banks and in the sector;
- How consumers experience customer focus, transparency and expertise of their own bank.

2 Product & Advice

- The extent to which banks give central priority to customers’ interests as assessed by the Dutch Authority for the Financial Markets (AFM) in 2018 in relation to:
 - Consumer credit (lending);
 - (Semi)automatic asset management (investing);
 - Risk surcharges for mortgages.

3 Service & Use

- Satisfaction of consumers with online services;
- How consumers experience customer contact;
- How consumers experience complaint handling;
- The availability of online banking, mobile banking and iDEAL.

Confidence & Perception

Confidence in banking sector *

Confidence in own bank *

Customer focus *

Transparency *

Expertise *

Product & Advice

Consumer credit **

Automated and semi-automated asset management **

Risk surcharges for mortgages **

Service & Use

Online services *

Customer contact *

Complaint handling *

Availability ***

* Source GfK

** Source AFM

*** Source BVN

Extra: in-depth survey of Debts

The 2018 Banking Confidence Monitor includes an extra element: the results of an in-depth consumer survey of debts and what consumers expect from their bank in this respect. With this survey, banks are following the recommendation of the Advisory Board in 2016, which was that banks could increase the value of the insights in the Confidence Monitor by including an in-depth survey of a particular theme (a product, process, problem or customer group), with the ultimate aim of strengthening customer confidence.

The first in-depth survey on the theme of 'Open and Honest' (2017) showed that consumers consider it important that the banks claim a positive social role for themselves. From the social initiatives that the banks are undertaking, this year we have chosen to focus sector-wide on the theme of problem debts. The figures (from NIBUD, Panteia and NVVK among others) show that many Dutch people have debts, and that a significant proportion of these debts are problematic – an important social issue. The banks have accordingly chosen - as providers of payment services and lenders - to carry out an in-depth survey of debts this year. The survey shows how consumers experience debt and what they expect and appreciate from banks in relation to avoiding, identifying and assisting problematic debts.

Formation

The Banking Confidence Monitor was developed by the Dutch Banking Association in collaboration with the GfK market research agency. The design was developed in consultation with the AFM. The banks participating in the GfK survey in 2018 were: ABN AMRO, ASN Bank, Argenta, BinckBank, ING, Rabobank, RegioBank, SNS, Triodos Bank, Centraal Beheer, LeasePlan Bank, NIBC Direct and Woonfonds. The former participants NN Bank and Knab did not participate in the Banking Confidence Monitor for 2018. The scores in this report on consumer credit, automated and semi-automated asset management and risk surcharges for mortgages are taken from the 2018 Customer Interest Dashboard of the AFM. The in-depth survey of Debts was carried out by the GfK market research agency.

Confidence & Perception

The figures reflect the general confidence in banks. On a scale of 1 (very little confidence) to 5 (very high confidence), the sector as a whole scored a 3.0. As was the case last year, this means there was an increase in consumer confidence in the sector as a whole. Confidence in customers' own banks also increased this year.

Confidence in the sector rises again

Consumer confidence in the banking sector increased, as was the case last year. The sector scored 3.0 in 2018 (2017: 2.9). 57% of consumers said their confidence was 'neither high nor low', the same level as in previous years. The larger increase in the number of consumers stating their confidence was 'high or very high' was a new development in 2018. This percentage rose to 22% in 2018 (2017: 18% and 2016: 16%). The first quarter of 2018 was the first period in which the percentage of customers stating their confidence was high or very high was greater than the percentage of customers whose confidence was low or very low.

The group of consumers whose confidence was low or very low declined: 2017: 25%, 2018: 22%. As was the case last year, young people (aged 18-34 years) expressed the highest confidence. People aged between 50 and 64 years had the lowest confidence. Men have relatively less confidence in banks than women.

Confidence in one's own bank rises

Confidence in one's own bank scored 3.3, compared to 3.2 in 2017. This year was the first to set a higher score, as confidence in one's own bank scored a 3.2 in 2015 and 2016 as well. As in previous years, the score for confidence in one's own bank was higher than the sector score. Customers of small banks were more confident in their own bank than customers of large banks.

The banking sector and health care show the strongest increases in the top 6 sectors

GfK also surveys consumer confidence in other sectors each year. Science, technology companies and retailers posted the highest scores, but did not achieve an increase in 2018. Among the top 6 sectors, only banking (in 6th place) and health care (in 4th place) show the strongest increases in consumer confidence. The travel sector is in 5th place.



Higher scores on aspects that consumers consider to be the most important

Customer focus, transparency and expertise are aspects that affect consumer confidence. Customer focus has the greatest influence (45%), followed by transparency (37%) and expertise (19%). The scores on customer focus and transparency improved in comparison to the previous year. Consumers gave the sector a score of 3.4 on customer focus (2017: 3.3). The score for transparency was 3.6 in 2018 (2017: 3.5). The score for expertise was the same as last year, at 3.8.

Product & Advice

Product & Advice presents the results of a number of AFM's Customer Interest Dashboard modules on a scale of 1 to 5. The AFM has initiated a risk-driven approach to its supervision with effect from 2018. This means that from 2018, the AFM only reviews products and services that in its view constitute a potential risk for the customer's interests, with the aim of preventing products and services that are not (or no longer) in the customer's interests. It is therefore not possible to compare this year's scores with the AFM scores in previous years.

Consumer credit

The AFM gives banks a score of 2.6 on their services relating to consumer credit. It recognises that the sector has made progress on further improving the service provided. The supervisor notes that the emphasis has shifted from revolving to non-revolving credit, meaning credit provided with an end date. The AFM also considers the sector's initiatives designed to reduce the limits of revolving credit to be a step in the right direction. The AFM sees that steps have been taken to further reduce the number of interest-only loans in existing credit portfolios. The AFM also notes that most banks are actively working on converting or adjusting loans with limited repayment of principal. However, the AFM also notes that the sector's efforts have not yet generally delivered the desired results. The supervisor lists a number of market-wide developments where banks can increase their efforts. For instance, the AFM expects to see further progress on converting or adjusting loans with limited repayment of principal. It also calls for a closer link between a loan and its purpose. Regarding revolving credits, the AFM urges the banks to further improve their updating policy, for instance by using a continuous risk-driven monitoring model. The AFM recognises that important initial progress has been made for adequate monitoring, especially interim monitoring. It believes there is potential for a more proactive approach to risk, in which the customer profile is updated and there are reviews to establish whether the loan is still appropriate for the customer, also if the customer's personal circumstances change. The AFM considers it important that providers are transparent towards their customers, especially with respect to interim changes to interest rates. It calls for communication with customers to be clear regarding the consequences of an interest rate change or an announcement that



the interest rate will change, in such a way that the individual customer is aware of the consequences of an interest rate change for the term and costs of their loan.

Automated and semi-automated asset management (SAAM)

The AFM assessed the banks on their automated and semi-automated asset management services in 2018. This particular investment service is fully or partially automated. The banks offer this service to make capital accumulation accessible to a larger group of investors. The AFM focused mainly on how the banks deal with their duty of care with respect to investing: how is the (online) customer profile procedure designed, and how do the banks ensure that the customer data are kept up to date? The AFM notes that the investment firms it reviewed have the intention of offering a good SAAM concept. This last point is important for the AFM, since with SAAM there is no physical asset manager. The banks use consumer research and ask clear questions online to obtain a correct customer profile. The AFM sees room for improvement in the questions regarding the customer's risk appetite. Further attention to the obtaining of information from the customer on their objectives is also needed, as well as obtaining information on the customer's financial position. The AFM urges the banks to further strengthen this innovative service, with more use of technical possibilities and academic insights. The AFM expects the banks to improve the design of their SAAM services.

Risk surcharges for mortgages

Risk surcharges included in the mortgage interest that a customer pays have been scored by the AFM for the first time as part of its new risk-driven supervision. The AFM's starting point with respect to risk surcharges is that the surcharge reflects the customer-specific risk and that if this risk changes, customers are treated equally. The AFM expects customers to be properly informed regarding their risk surcharge and the possibilities of reducing this. The AFM notes that mortgage providers still do not act sufficiently in the customer's interests. This applies to both the way in which risk surcharges are dealt with and the information provided in this respect. The AFM takes the view that too few mortgage providers automatically adjust the surcharge as the customer risk declines. The AFM is positive with respect to mortgage providers that design their policy so that risk surcharges are automatically adjusted and also regarding mortgage providers who now explore this possibility. The AFM stresses the importance of equal treatment of customers. The contractual possibility offered by some mortgage providers to customers to request an adjustment of their risk surcharge is contrary to the principle of equal treatment, in the AFM's view, as this means that proactive customers pay a lower mortgage rate than other customers.

The AFM believes it is important that the risk surcharge is adjusted automatically if the customer's risk classification declines, for all loan elements and (only) on the basis of the customer's net debt position. The AFM is positive regarding the information provided by mortgage providers on their websites: practical and low-threshold information on what customers can do to be placed in a lower risk category. The AFM sees potential for customers to be proactively informed as to their options. For instance, by informing customers annually regarding how much they need to repay to be placed in a lower risk category and thus pay a lower rate of interest.

Or, how much the value of their property would have to be in order to be placed in a lower risk category. Lastly, the AFM believes that mortgage providers should preferably inform their customers continually, but in any case if the interest rate is to be reviewed, regarding the features of their mortgage with respect to the risk surcharge. This is also an appropriate time to inform the customer of their options on the basis of their situation.

Response from the banks

The banks are disappointed by the findings of the AFM's Customer Interest Dashboard. It is for each individual bank to decide whether to take action, and if so, what kind of action to take.

Consumer credit

The banks have become even more careful regarding the provision of revolving credit as opposed to non-revolving credit during the past year. The banks thus recognise the development that the emphasis is increasingly on non-revolving credit with a repayment component, and also appreciate this development. Ensuring that a loan continues to be appropriate for the customer's financial position is in the customer's interest. The banks have devoted much attention to this, for instance by offering solutions to customers who are stuck in a revolving credit. The sector is working further on improving correct and effective monitoring and activation of customers who make limited repayments, so that they can continue to afford the cost of their loans over the remaining term.

Automated and semi-automated asset management (SAAM)

SAAM is a relatively new concept. Both the banks and the AFM believe that it offers many possibilities for making asset management accessible for large groups of retail investors. Customers can invest easily accessible, in a way that suits them. This is particularly important, since it is becoming increasingly necessary that consumers accumulate assets on their own initiative. The banks will therefore continue to

develop SAAM through the use of technological developments, with attention to the proper fulfilment of their duty of care. The banks accordingly are taking the findings of the AFM review on board. The sector acknowledges that the SAAM concept can be improved and are engaged in this effort. The main principle is that SAAM remains accessible to large groups of investors.

Risk surcharges for mortgages

How banks apply risk surcharges is a matter of policy for individual banks. The banks should be given enough room to compete with each other with respect to the formulation of their mortgage terms and conditions. Collective ambitions in this area are contrary to the possibilities of the competition law by which the banks are bound. The individual banks will reflect their ambitions in their own way.

Service & Use

The figures for Service & Use show customer perceptions of contact with their banks and the use of online services on a scale of 1 (disagree) to 5 (agree). There was a further shift to mobile banking and an increase in use of chat facilities with banks in 2018. Customer appreciation of the convenience of contact with their banks remains at a high level.

Shift to mobile banking continues

The number of customers using online services rose in 2018 to 92% (2017: 90%). 2018 also saw a strong increase in mobile banking: 64% of customers used mobile banking, against 57% in 2017 and 54% in 2016. The number of customers using online banking declined further to 80% in 2018. Mobile banking and online banking score equally on 'convenience' and on 'banking without breakdowns', at 4.4 and 4.4 respectively. These scores are the same as in 2017. The website is less frequently used as a source of information. 23% of customers stated that they had looked for information on their bank's website (2015: 39%). For ease of finding information, customers again give a score of 4.0. On the availability of iDEAL, the sector scores 99.59%.

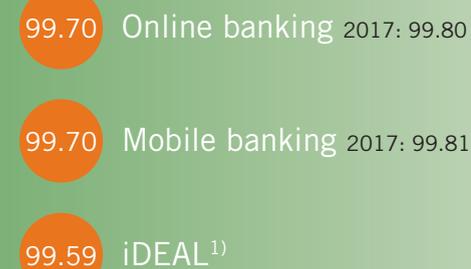
Less personal contact, more convenience

An increasing number of consumers (89%, 2015: 85%) experienced convenience when contacting a bank employee. The sector scored 4.2 on this element. At the same time, the number of consumers looking for direct or personal contact declined. Customer contact showed an additional shift: contact by telephone or in branch declined, while the use of video or other chat facilities increased. (2018: 13% compared to 2015: 2%). 86% of customers stated that their query had been dealt with effectively in the contact with a bank employee. The sector's score on proactivity was higher than in the previous year, but still relatively low: 2.7 in 2018 and 2.6 in 2017. 20% of customers who had experienced a change in their personal lives that affected their financial situation stated that their bank took proactive action. In 2017, this was 16%.

1 Measured and calculated by the Dutch Payments Association over the period from the last quarter of 2017 to the end of the second quarter of 2018. The sector score is the weighted average.



Availability in %



Fewer complaints

Fewer customers made a complaint to their bank (2% in 2018, and 3% in 2017). As in previous years, these customers stated that it was easy to register a complaint. The banks scored 3.4 on this element, unchanged from 2017 and 2016. Over half those who had submitted a complaint considered their complaint was taken seriously by their bank.

In-depth survey of Debts

Dutch household debt²⁾

1.4 million households with high-risk or problematic debts of which:

- 1.2 million are invisible (not known to formal debt assistance);
- 540,000 problematic debts;
- 840,000 high-risk debts.

Many Dutch households have debts. Debts have a serious and often very negative effect on people's personal lives. On average, it takes around five years before people in debt take action, as a result of which the average debt increases to more than € 40,000 at approximately 13 different creditors.

It is important that people are aware of where to find the right help as quickly as possible and the banks, as the providers of payments traffic and lenders, can play a role in identifying, preventing and helping those in debt at an earlier stage. But how? What do people expect from their bank in case of debts, or the danger of debts? When is proactivity appropriate, and what are the initiatives the banks should take in order to help people as effectively as possible? To answer these questions, we have chosen to carry out an in-depth consumer survey with the theme of 'debts'. The survey included people with no payment problems, as well as people with minor or serious payment problems. The findings can give the sector and other institutions some indications for evaluating the impact of this in order to address this social problem.

2 Source: Panteia, Households in debt (2015). In addition to figures, this survey includes the definitions of problematic and high-risk debts.

Likelihood of payment problems

How likely do people think it is that they will get into payment problems? The survey shows that people who are very short of money assess this as significantly more likely than people with a comfortable financial position. The major risk factors cited are high costs of health care, unemployment and an over-generous lifestyle. For many people with low financial resources (47%), unexpected expenses are the major risk factor.

The effect of payment problems on consumer confidence

The survey shows that people with minor or serious payment problems have slightly less confidence (sector score 2.9) in the banking sector than people without payment problems (sector score 3.1). Confidence in one's own bank is the same for both groups. Payment problems are thus not a factor with respect to consumers' confidence in their own bank. The survey also shows that if fewer people were experiencing payment problems, this would have a positive effect on confidence in the sector as a whole.

What do consumers expect from the banks?

Current initiatives: what do the customers think?

The banks are now taking various initiatives to identify, prevent and help people with payment problems. In the GfK survey, customers were asked which of these initiatives they considered to be important, unimportant or very important.

The customers considered the following initiatives to be the most important:

- 1 It would be best if the banks cooperate actively with other institutions in the prevention or resolution of payment problems.
- 2 Strict standards for granting loans.
- 3 Giving lessons in schools on how to manage money.
- 4 Early identification: informing or warning customers on the basis of their account information.
- 5 The offering of budget coaching for the administration.

In case of payment problems, customers appreciate it if the banks approach them

74% of customers thought that the banks provide overview over their daily banking affairs. 70% appreciated it if their bank were to approach them in case of payment problems. Confidence in the banks is relatively high: 47% would inform their own bank if they got into payment problems. 44% were confident that the bank would help them in this case. Customers stated that payment problems would, or would be expected to lead to disappointment, shame and anger. People would focus these emotions on themselves.

Regarding the prevention of payment problems, the customers see the banks having an advisory or identifying role

62% of the customers stated that advice has an important role. 55% saw identification as an important role. Information was the least cited as the most important role. Only one in seven customers thought that the banks have no role to play with respect to payment problems. It is notable that this percentage was higher among people with serious payment problems.

Other notable findings

Customers consider informative meetings to be of virtually no importance, and take the same view with respect to the automatic opening of a savings account when opening a current account. People with serious payment problems consider the cancellation of debt to be significantly more important than people who do not have payment problems. This first group also consider the principle of saving small amounts that are not noticed to be important. One of the questions in the survey asked whether customers could see other initiatives the banks could take to prevent payment problems. 'Personal contact' was mentioned relatively frequently in response to this. Other suggestions included: 'reviewing a customer's finances once every two years and giving advice', and 'contacting a customer if their income is no longer sufficient to meet their expenses, and then asking whether help on budgeting might be needed'.

What are the banks doing now, and what will they do in future?

In recent years, a permanent issue for the banks was to work on improving their service to customers with payments in arrears. But the debt problem, which is largely invisible to assistance services, is a widespread social problem that the banks are willing and able to address more widely.

- The banks want to optimise their early identification of customers with potential debt problems, so that they are aware of these customers at the earliest possible stage and these customers can be referred to the appropriate assistance.
- The banks are cooperating with organisations operating in the field of debt assistance nation-wide, so that more people can be referred to the appropriate assistance of partners involved after early identification.

Recommendations of the Advisory Board

Clear increase in confidence

We see a clear increase in confidence in the banking sector, and in confidence in most individual banks. The increase has been visible over recent years, and we now have a score that is clearly above 3. Furthermore, for the first time this year we see that there are more consumers who are positive regarding the banks with respect to confidence than those who are negative. There is also a visible increase in the majority of the factors determining confidence, and there is no decline in these factors.

One explanation for this could be that Dutch consumers in general have more confidence in businesses and institutions because the economy is doing well. However, this explanation would not seem to be correct, since the rise in confidence is only equalled with respect to health care, and rise in confidence in other sectors is lower or lacking. The rise in confidence in the banking sector seems therefore to be to some extent due to measures taken by the banks to improve their interaction with customers. The significant increases in confidence in recent years (from 2.8 in 2015 to 3.0 in 2018) appear to be robust, especially since this is based on an improvement in the underlying factors that determine confidence. Nonetheless, the sector needs to be very aware of its position at the inception of the confidence monitor and continuously realise that confidence is and will always be fragile. It is also important that there is a real change of culture at the banks, at all levels in the organisation.

One important question is how should we interpret the confidence scores of banks. A score of 3.0 is still rather low, since consumers could assign a score of up to 5. However, the highest confidence score measured in the GfK survey for other sectors is 3.5 (for science), while the average score for all the sectors measured is approximately 3.

In addition to the input from the Banking Confidence Monitor, the in-depth survey of the debt problem and the consultations with the members of the Committee of Consumer Affairs of the Dutch Banking Association, the Advisory Board also consulted with external stakeholders (the Dutch Authority for the Financial Markets (AFM), the Association of (Prospective) Homeowners [*Vereniging Eigen Huis*], the Association of Stockholders [*Vereniging van Effectenbezitters*] and the Consumers' Association) and visited three different banks.

On this basis, the recommendations of the Advisory Board to the banks are as follows.

The Advisory Board makes the following recommendations to the banks:

- In our visits to banks, we see that various initiatives are being taken to serve customers better and meet the requirement of giving central priority to the customer's interests and fulfilling the duty of care. An important theme at the banks is – as we observed – ‘the bank is there for its customers in good and bad times’. The banks are for instance engaging in consultation with customers with interest-only mortgages and trying to help customers who are having payment problems due to changes to their circumstances. Dutch consumers appear to have only limited awareness of these activities by the banks. We think that greater awareness of these activities could positively affect confidence in the sector.
- As was the case last year, ‘being open and honest’ emerged as the most important determining factors and areas of improvement from the survey this year. Our consultations with external stakeholders also showed that the banks are too inclined to take a legalistic attitude in disputes with their customers. The banks could take a more practical and less legalistic approach that would be in the interests of the customer.
- We see various initiatives at banks with respect to fulfilling their social role. One example is the extra attention to banking affairs of older customers, who are finding that banking is becoming more difficult due among other things to digitalisation. These initiatives could be broadened in order to combat digital exclusion. The energy transition is another important opportunity for banks to fulfil their social role and at the same time strengthen their mortgage portfolios. The Netherlands has a strong target of weaning households off the use of gas, and this will also cost Dutch consumers money.
- The in-depth survey of the debt problem shows how the role of the banks is seen with respect to this issue. Customers expect the banks to also fulfil an identifying and advisory role. Proactivity in the early identification of payment problems by banks seems to be appreciated by customers. The banks already have digital tools at their disposal, but the initiative for the use of these tools often rests with the customer. Particularly customers with a debt problem can be more likely to ignore the situation and not make use of these tools. We think that the banks could use the digital technology and data science available in a more proactive way to identify problems and offer solutions. This could however involve a potential conflict with privacy legislation and customer preferences. The customer wants to receive timely help and advice from the bank, but then again does not

want the bank to interfere too much. So the banks have the task of finding a good compromise here.

The Advisory Board proposes the following changes to the design of the Banking Confidence Monitor:

- The AFM scores are still not comparable over time. Reporting only the score measured in the year in question means that comparability will no longer be implied in this report.
- Last year, we recommended that the social importance of banks and the processing of data by the banks should be measured (in connection with digitalisation and privacy). We repeat this recommendation, as it has not yet been implemented.
- We see several possibilities for in-depth surveys. Firstly, more information is needed on digital exclusion and inclusion of customers. Secondly, the internal change of culture at the banks could be given more attention. What does a customer-oriented, open and honest culture at all levels of the bank – from the Supervisory Board and the Management Board down to each employee – actually mean, and what will this mean for the customers? A survey of both customers and bank employees would be useful in this respect. Thirdly, our recommendation that questions for customer segmentation be included in the questionnaire has been adopted this year. The results of this are not yet known, and will be reported in the next Banking Confidence Monitor.

Opportunities for improvement in 2018

The banks hope that the stable trend of improvement in consumer confidence will continue and wish to build on this where they can. This will be achieved by formulating a number of opportunities for improvement for the sector that banks can adopt at individual level. The general opportunities for improvement listed below are based on the consumer survey by GfK, the findings of the AFM's Customer Interests Dashboard modules and the recommendations of the Advisory Board. The actions taken will be listed on the websites of the banks.

1 Extra attention to suitability of revolving credit

The banks will further improve their service in relation to consumer credit. Special attention will be devoted to revolving credit, being credit without an end date. The banks will devote extra attention to responsibility with respect to the provision and management of these credits to ensure that they continue to be appropriate for the customer and their situation.

2 Improve customer information in automatic and semi-automatic asset management (SAAM)

Personal responsibility is becoming more important as a result of developments such as flexibilisation of the labour market and reduced social security. It is becoming increasingly important that people build capital themselves. This is possible through investing: automated and semi-automated asset management is making investing accessible to large groups of consumers. The banks consider it important to know their customers well, and also to be aware of any changes to their financial situation. Automated and semi-automated asset management is provided without a physical asset manager, so the quality of the automated and other processes relating to this service requires full attention. Banks offering SAAM will carry out further reviews of these processes and implement improvements where necessary, and will continue to strive to further improve procedures for obtaining customer information.

3 Higher profile for social ambitions

Individual banks are already developing various initiatives that contribute to a liveable and sustainable society in which everyone can participate equally. The sector wants to demonstrate greater ambition in this area. The banks also see room for developing these initiatives further and looking for greater cooperation, both with each other and with relevant partners. The banks will thus persevere with preventive and solution-oriented initiatives for ageing with financial security - a priority for the current Cabinet. The sector also wants to actively encourage homeowners to take measures to make their homes more sustainable.

2017 in retrospect

Recommendations of the Advisory Board in 2017

Last year, the Advisory Board recommended that banks give good consideration to how they structure personal contacts with customers. The Board called on the banks to continue to devote attention to proactively helping customers with their financial housekeeping, and urged banks to take measures to follow the recommendations from the 'Open and Honest' in-depth survey:

- Admit mistakes and take remedial action;
- Be more transparent towards consumers, for instance regarding lower interest paid on their savings;
- Make clear how the banks contribute to a better society.

Other recommendations concerned the design of the Banking Confidence Monitor itself:

- A system that delivers more comparability between scores over time;
- Devote more attention in the Confidence Monitor to the banks' contribution to society;
- Greater attention to big data and the increasing importance of big data;
- In-depth research into confidence among various consumer groups;
- Clearly state what the banks have done with the recommendation to conduct a study on the inclusion of a (digital) sentiment index, with or as part of the questionnaire.

In 2017 the banks formulated two opportunities for improvement on the basis of these three recommendations:

1 Proactive stance with respect to changes in (financial) situation

Taking a proactive stance with respect to changes in customers' lives that could have consequences for their financial situation.

2 New initiatives on Open and Honest

A critical review of policy, customer contact and communication and implementation of changes that will be noticeable and visible to customers.

The Advisory Board and the Dutch Banking Association have discussed the opportunities for improvement, as well as the design of the Banking Confidence Monitor.

- The recommendations of the Board arising from the 'Open and Honest' survey have all been adopted. See also the section describing new initiatives with respect to Open and Honest.
- The recommendation to make the AFM scores comparable over the years has also been adopted. However, the banks are not able to make these comparable because the AFM changes the principles on which they are calculated. It has been decided to publish only the most recent AFM scores so that figures that are not comparable can no longer be compared.
- With the survey on Debts, the banks have followed the desire of the Advisory Board to have in-depth studies of confidence carried out for various consumer groups.
- The banks have agreed with the Advisory Board to include a (digital) sentiment index in the next Confidence Monitor. The same applies to big data and the increasing importance of big data.
- The recommendation in 2017 to devote greater attention in the Confidence Monitor to the contribution the banks make to society has, in the Board's view, been amply adopted in this Banking Confidence Monitor for 2018.

Review by banks of the opportunities for improvement from 2017

The participating banks have each worked on these opportunities for improvement individually. The approach differs per bank because each organisation is different and wishes to develop its own activities. The websites of the participating banks (see Appendix 2) list which actions have been taken by which bank in order to give shape to those opportunities for improvement. A general sector picture for each opportunity is given below.

Proactive stance with respect to changes in (financial) situation

Changes in a customer's life can have consequences for their financial situation, and may also change the financial product that is most appropriate for them. Proactively approaching customers with interest-only mortgages is a particular item of attention for the banks. The banks consider it important that people with an interest-only mortgage think carefully about their financial situation at the end of the term. For many people, this means that they are already saving now to repay the mortgage, or they know that their income at the end of the term will be sufficient to conclude a new mortgage. But there are also people who are not saving, or whose income will not be sufficient for a new mortgage, for instance due to retirement.

The banks are actively approaching customers to make them aware of the potential consequences to ensure that they do not face an unpleasant surprise. The banks hope that the 'Word ook aflossingsblij' [Enjoy repaying your mortgage] campaign will reach more people and make them aware of their financial situation. The banks' ambition is that everyone can continue to live in their homes without financial worries.

New initiatives on Open and Honest

The in-depth Open and Honest survey has prompted a debate within the banks as to how an 'open' and 'honest' bank behaves and how it does not. The banks have reviewed and made adjustments to their policy, customer contact and communication on the basis of the survey findings and internal and external consultation. For instance, the banks state explicitly which industries they invest in to make their social role more clear. The banks also communicate more clearly on the composition of various fees and charges. One example is the detailed explanation provided to customers regarding the fee for early repayment of a mortgage. Lastly, when mistakes are made, the banks are devoting greater attention to explicitly acknowledging the mistake and are showing greater understanding for the emotions that customers may feel as a result of this.

Review of the past three years

Three years of cooperation on confidence and service

A bank is not a shop where every day customers decide to do their shopping or choose to go elsewhere. Customers entrust their savings to the banks and enter into important and long term financial obligations with them. The sector thus fulfils an important social role. Individual banks often have long term relationships with their customers.

These relationships are based on confidence. People make financial choices that frequently significantly affect their personal lives. They have to be sure that their bank offers and can continue to offer suitable products and services. Social discussions in 2015 revealed that customer confidence in the sector was low and that the services of the banks could be improved. The question then was: how can we cooperate more effectively as a sector in order to increase this confidence? What 'buttons' do we need to press to restore confidence and further improve our services?

A Banking Confidence Monitor has been published in each of the past three years, in 2015, 2016 and 2017. The main finding was that on the 'hard' side, the provision of products and services, consumers gave the banks a good score. The Monitor also showed that bank and customer were in contact relatively frequently. And, that the 'soft', more personal side, which is so important for any relationship of trust, could be improved. If a customer has a complaint, is it easy for them to report this to their bank and do they feel that the bank takes their complaint seriously? And what if changes to a customer's personal situation could have consequences for their financial situation? What kind of help or advice do they expect to receive from their bank?

Only the customers can tell you this. The useful insights from three years of customer surveys have been translated into opportunities for improvement that the banks addressed both collectively and individually. This delivered actual and measurable improvements in areas including complaints handling, simplifying customer communication and arrears management. In consultation with the AFM, the banks have also followed up on various themes which focused on giving central priority to the customer's interests. In summary, three years of monitoring customer confidence were used by the sector to take a fresh approach to important aspects of services and customer relationships, to make improvements and introduce renewals.

A list of the main improvements is provided below.

The banks are working on being open and honest

Being 'open' and 'honest' are the two aspects that customers consider to be the most important when it comes to strengthening confidence. This was shown by the Banking Confidence Monitor 2016. The in-depth survey in 2017 showed what customers actually understand 'open' and 'honest' to mean. These insights have been an important driver for banks with respect to many changes, both towards customers and within their own organisations. The banks have become more open. For example, they offer better access to information that can be used to establish whether they are financially sound. Openness also means providing more and better insight. For instance, in the composition of financial products and charges, and stating clear product terms and conditions. Honesty is another important aspect that is essential for confidence: customers state that they consider it important that a bank admits when it makes a mistake. The banks have worked hard on improving the quality of their complaints handling and acknowledging and remedying mistakes made where possible.

The banks take the initiative in helping individual customers

At what times in a service relationship is contact between customer and bank appropriate? In past years, consumers have stated that they appreciate it when a bank takes the initiative. A proactive approach from the bank – in whatever form – can for instance contribute to a customer not (or no longer) having payment problems. Or choosing a product that is more suitable if their personal circumstances have changed. Several opportunities for improvement in the past three years can thus be grouped under this theme. For example, the opportunity for improvement 'Banks explicitly state how they can assist customers with (potential) payment arrears' (2015 and 2016). But also: 'Banks recommend products that are in the interests of the customer' (2016) and 'Banks actively notify their customers that a change in their personal situation could influence which product is the best for them' (2016). Banks adjust their processes and products on the basis of the 'customer journey': at what times does a customer need their bank? And with what interactions can the bank help the customer most effectively? Individual banks take various initiatives in this respect. For instance, one bank has developed personalised payment statements, with simple ways to take action and avoid problems, for example if the customer is close to getting into debit.

Another example is a bank that has invested in detecting potential mortgage payment arrears and in employee training so that customers can be helped better and more effectively. Yet another bank has trained a team of special advisers that actively approach customers with potential payment problems, so that these customers can better manage their financial situation.

The social role of the banking sector is growing

The Confidence Monitor is a basis for a dialogue on social issues in order to restore confidence in the banks and for banks to learn from each other. These were two explicit additional aims of the Banking Confidence Monitor in 2015. Because strengthening consumer confidence requires not only efforts by individual banks with respect to the service relationship between a customer and their bank. Cooperation between the banks is essential for an approach to broader social themes. The banks are increasingly closely aligned in this. The greater inter-bank cooperation focuses on specific themes, for example on the debt problem and the prevention of problems for customers with interest-only mortgages. But also on the support for specific customer groups, such as young people and older people (financial resilience). Since 2017 the banks have accordingly been organising collective thematic social forums focusing on a dialogue with all stakeholders on the contribution of banks to social themes. The banks collectively started a broad public campaign on interest-only mortgages in the autumn of 2018. The campaign encourages consumers to consider repayment and take action if necessary.

Conclusion

Three years of learning from customers and from each other has contributed to a number of positive and material changes in the sector, with an increase in confidence as a tangible result in 2018. A sound basis on which to build in future years.

Appendices

- 1 Banking Confidence Monitor Design
- 2 Results for sector and per bank
- 3 The Advisory Board
- 4 GfK market survey questions

Appendix 1 Banking Confidence Monitor Design

Development

The Banking Confidence Monitor is developed on the instruction of the Dutch Banking Association. A working group consisting of representatives of ABN AMRO, ING, Rabobank, SNS, RegioBank, ASN Bank, Triodos Bank, a representative of the 'other banks'³⁾ and the Dutch Banking Association is responsible for this Confidence Monitor.

Requirements

The Dutch Banking Association has determined the conditions the Confidence Monitor must meet as a measuring instrument:

- The instrument must speak for itself. This means that consumers must be able to understand the structure and content of the instrument;
- The elements of the instrument must be and must continue to be measurable so that follow-up measurements are possible;
- The results must provide insight into the quality of services and the sector;
- The instrument must offer transparency with sufficient substantiation;
- The instrument must consist of elements that relate to confidence;
- The participating banks must be able to define improvement measures on the basis of the results;
- The scores of the participating banks must be comparable.

Sections

The Banking Confidence Monitor consists of three general sections: Confidence & Perception, Product & Advice and Service & Use.

3 The other banks were represented by Achmea Bank. These are banks that are members of the Dutch Banking Association and are not one of the four systemic banks (ABN AMRO, ING, Rabobank and de Volksbank) with the exception of Triodos Bank, which is represented in the working group.

Confidence & Perception

Confidence & Perception concerns the elements in which consumers state the extent to which they have confidence in their own banks and in the sector (on a scale of 1 to 5).

- The 'transparent' element concerns customer perceptions of how open and honest their own banks are and the question of whether their own banks communicate using accessible language. The 'transparent' element also contains consumers' views on the proactive behaviour of their banks in the event of changes in the products and services used;
- The 'customer focus' element concerns the extent to which consumers experience that their banks listen carefully to them, recommend products that are in their interest, support them in making financial choices, seek solutions together in the event of financial setbacks and meet their agreements;
- The 'expert' element contains customer experiences of the knowledge of banking affairs, the expertise of the bank employees and the insight that the bank provides into the consumer's banking affairs.

Product & Advice

Product & Advice presents the results of a number of AFM's Customer Interest Dashboard modules. The AFM selected the following modules for its dashboard in 2018: risk surcharges for mortgages, lending (consumer credit) and investment (automated and semi-automated asset management).

Service & Use

Service & Use consists of four elements: online services, customer contacts, complaint handling and availability.

- The score for online services is based on consumer experiences with online banking and mobile banking in the past three months. There are four measurements per year. Consumers were asked about the experienced availability of online banking and mobile banking, the convenience of these services and the accessibility of the information through the banks' websites;
- The score for customer contact is based on the experiences of customers who have had personal contact with their bank in the past three months. There are four measurements per year. They were asked for their opinion on how easily they were able to make contact with a bank employee and how the bank handled their query;
- The score for complaint handling is based on the experiences of consumers who submitted a complaint in the past 12 months. They were asked how easy they found it to submit a complaint and how the bank dealt with the matter;

- The availability percentages of online banking and mobile banking give the objective availability during prime time hours during the last year (July 2017 to June 2018). The hours considered to be prime time for online and mobile banking are: on weekdays and Saturdays from 07:00 hours to 13:00 hours and on Sundays and holidays from 08:00 hours to 13:00 hours. Hours during the night are not included as banks usually carry out system maintenance works during these times;
- The availability percentages for iDEAL are stated for the six banks that have a statutory obligation to report on this: ABN AMRO, ING, Rabobank, SNS, ASN Bank and RegioBank. They publish these figures themselves. The smaller banks are not subject to this obligation and do not publish this information. The availability data published by the six banks are the figures from the fourth quarter of 2017 to the end of the second quarter of 2018, a total of nine months. The sector figure (99.59%) is for the same period is calculated and published by the Dutch Payments Association.

Data sources

The results of the Banking Confidence Monitor are based on the following sources: customer survey by GfK, the AFM's Customer Interest Dashboard modules, and measurements by banks themselves.

The Banking Confidence Monitor for 2018 and in-depth survey of Debts, by GfK

In this survey, consumers were asked for their experiences of the banking sector and their perceptions of the services by their own banks. For the Confidence & Perception section, 12,049 consumers completed a questionnaire in the period from 1 July 2017 to 30 June 2018. For the Service & Use section, 11,469 consumers completed a questionnaire in September and December 2017 and in March and June 2018. The sector score is an average score of all respondents. Customers of Woonfonds and BinckBank are insufficiently represented in the GfK panel. They therefore took a random sample from their customer files and distributed the questionnaire themselves.

Figures from AFM's Customer Interest Dashboard modules

Each year, the AFM uses the Customer Interest Dashboard to measure the extent to which banks and other parties give central priority to customers' interests in policies and in practice. The scores in this Banking Confidence Monitor are the latest scores allocated by the AFM.

Bank measurements

The figures for the availability of online banking, mobile banking and iDEAL are the results of measurements performed by the banks themselves. This concerns data that banks submit to the Dutch Payments Association as a standard procedure. The Dutch Payments Association has checked the figures.

Appendix 2 Results for sector and per bank

The Confidence Monitor scores for the sector and the individual banks are given below. If a participating bank does not offer a product or service, or if the size of the sample was too small to determine a reliable result, this is shown through ‘-’. The individual banks also publish the results supplemented by their improvement measures on their websites:

ABN AMRO	www.abnamro.nl/vertrouwensmonitor
Argenta	www.argenta.nl/vertrouwensmonitor
ASN Bank	www.asnbank.nl/vertrouwensmonitor
BinckBank	www.binck.nl/vertrouwensmonitor-2018
Centraal Beheer	www.centraalbeheer.nl/vertrouwensmonitor
ING	www.ing.nl/vertrouwensmonitor
LeasePlan Bank	www.leaseplanbank.nl/vertrouwensmonitor
NIBC Direct	www.nibcdirect.nl/vertrouwensmonitor
Rabobank	www.rabobank.nl/vertrouwensmonitor
RegioBank	www.regiobank.nl/vertrouwensmonitor
SNS	www.snsbank.nl/vertrouwensmonitor
Triodos Bank	www.triodos.nl/vertrouwensmonitor
Woonfonds	www.woonfonds.nl/vertrouwensmonitor

Element	Sector		ABN AMRO		Argenta		ASN Bank		BinckBank		Centraal Beheer		ING	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Confidence & Perception														
Confidence in banking sector	3.0	2.9	3.0	2.9	2.9	2.9	2.7	2.6	2.9	2.8	3.0	2.9	2.9	2.8
Confidence in own bank	3.3	3.2	3.3	3.2	3.4	3.4	3.8	3.8	3.5	3.5	3.5	3.4	3.2	3.2
Customer focus	3.4	3.3	3.3	3.3	3.3	3.3	3.7	3.7	3.3	3.3	3.5	3.4	3.3	3.2
Transparency	3.6	3.5	3.5	3.4	3.7	3.7	4.1	4.1	3.7	3.8	3.7	3.7	3.5	3.5
Expertise	3.8	3.8	3.8	3.7	3.7	3.7	4.1	4.0	3.8	3.9	3.8	3.7	3.7	3.7
Product & Advice ^{4) 5)}														
Consumer credit	2.6	–	2.5	–	–	–	–	–	–	–	–	–	2.6	–
Automated and semi-automated asset management	1.8	–	–	–	–	–	–	–	1.8	–	–	–	2.1	–
Risk surcharges for mortgages	1.9	–	1.5	–	1.5	–	–	–	–	–	1.5	–	2.0	–
Service & Use														
Online services	4.3	4.3	4.2	4.4	–	–	4.6	4.6	4.0	4.0	4.1	4.1	4.3	4.3
Customer contact	3.7	3.7	3.6	3.5	3.3	3.4	3.8	3.8	3.5	3.6	3.7	3.7	3.6	3.6
Complaints handling	3.3	3.3	3.3	3.3	**	**	3.2	3.9	3.1	3.0	**	3.4	3.0	3.1
Availability in %														
– Online banking	99.70	99.80	99.40	99.77	–	–	99.81	99.84	–	–	–	–	99.93	99.82
– Mobile banking	99.70	99.81	99.40	99.77	–	–	99.72	99.84	–	–	–	–	99.92	99.79
– iDEAL*	99.59	–	99.85	–	–	–	99.51	–	–	–	–	–	99.93	–

4 Comparison with 2017 is not possible due to the changes to the Customer Interest Dashboard of the AFM.

5 The sector average is the average score from the review by the AFM. In 2018, this review included a number of parties that do not participate in the Confidence Monitor, in particular a number of insurers that also offer mortgages and finance companies offering consumer credit. The sector average may therefore differ from the average score of the banks stated in this publication.

* Measured from the fourth quarter of 2017 to the end of the second quarter of 2018.

** Too few observations for reliable results.

Element	Sector		LeasePlan Bank		NIBC Direct		Rabobank		RegioBank		SNS		Triodos Bank	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Confidence & Perception														
Confidence in banking sector	3.0	2.9	2.9	2.8	2.9	2.8	3.0	2.9	2.9	2.9	2.9	2.9	2.5	2.5
Confidence in own bank	3.3	3.2	3.5	3.4	3.3	3.3	3.3	3.2	3.7	3.8	3.4	3.3	4.0	4.0
Customer focus	3.4	3.3	3.3	3.3	3.2	3.2	3.4	3.4	4.0	4.0	3.5	3.4	3.9	3.8
Transparency	3.6	3.5	3.9	3.9	3.6	3.7	3.6	3.5	4.0	4.1	3.7	3.6	4.2	4.1
Expertise	3.8	3.8	3.8	3.8	3.7	3.7	3.8	3.8	4.1	4.2	3.8	3.8	4.2	4.1
Product & Advice ^{4) 5)}														
Consumer credit	2.6	–	–	–	–	–	2.6	–	–	–	–	–	–	–
Automated and semi-automated asset management	1.8	–	–	–	–	–	1.8	–	–	–	–	–	–	–
Risk surcharges for mortgages	1.9	–	–	–	2.5	–	2.0	–	–	–	1.5	–	–	–
Service & Use														
Online services	4.3	4.3	4.3	4.3	–	–	4.3	4.3	4.4	4.4	4.5	4.5	4.5	4.6
Customer contact	3.7	3.7	3.6	3.5	3.4	3.4	3.8	3.7	4.2	4.1	3.9	3.8	3.9	4.0
Complaints handling	3.3	3.3	**	**	**	**	3.6	3.5	**	**	3.6	3.5	4.3	4.1
Availability in %														
– Online banking	99.70	99.80	–	–	–	–	99.77	99.84	99.80	99.81	99.74	99.71	99.97	99.93
– Mobile banking	99.70	99.81	–	–	–	–	99.77	99.84	99.66	99.84	99.79	99.84	99.97	99.93
– iDEAL*	99.59	–	–	–	–	–	99.82	–	99.54	–	99.44	–	–	–

4 Comparison with 2017 is not possible due to the changes to the Customer Interest Dashboard of the AFM.

5 The sector average is the average score from the review by the AFM. In 2018, this review included a number of parties that do not participate in the Confidence Monitor, in particular a number of insurers that also offer mortgages and finance companies offering consumer credit. The sector average may therefore differ from the average score of the banks stated in this publication.

* Measured from the fourth quarter of 2017 to the end of the second quarter of 2018.

** Too few observations for reliable results.

Element	Sector		Woonfonds	
	2018	2017	2018	2017
Confidence & Perception				
Confidence in banking sector	3.0	2.9	2.8	2.8
Confidence in own bank	3.3	3.2	3.5	3.6
Customer focus	3.4	3.3	3.4	3.5
Transparency	3.6	3.5	3.7	3.8
Expertise	3.8	3.8	3.7	3.8
Product & Advice ^{4) 5)}				
Consumer credit	2.6	–	–	–
Automated and semi-automated asset management	1.8	–	–	–
Risk surcharges for mortgages	1.9	–	1.5	–
Service & Use				
Online services	4.3	4.3	–	–
Customer contact	3.7	3.7	3.5	3.5
Complaints handling	3.3	3.3	2.9	2.9
Availability in %				
– Online banking	99.70	99.80	–	–
– Mobile banking	99.70	99.81	–	–
– iDEAL*	99.59	–	–	–

4 Comparison with 2017 is not possible due to the changes to the Customer Interest Dashboard of the AFM.

5 The sector average is the average score from the review by the AFM. In 2018, this review included a number of parties that do not participate in the Confidence Monitor, in particular a number of insurers that also offer mortgages and finance companies offering consumer credit. The sector average may therefore differ from the average score of the banks stated in this publication.

* Measured from the fourth quarter of 2017 to the end of the second quarter of 2018.

** Too few observations for reliable results.

Appendix 3 The Advisory Board

The Advisory Board oversees the independence of the Banking Confidence Monitor. It advises on the measuring instrument and the opportunities for improvement by banks based on the results. Each member of the Advisory Board contributes to the development of the Banking Confidence Monitor on the basis of their own background and viewpoints.

Composition

The Advisory Board has six members:

- Prof. P.C. (Peter) Verhoef (chair)
Professor of Marketing, Faculty of Economics and Business,
University of Groningen;
- Prof. F. (Fred) Bronner
Emeritus Professor of Media and Market Research,
Faculty of Social and Behavioural Sciences, University of Amsterdam;
- Ms Y. (Yolanda) Verdonk-van Lokven
Director of HR and Organisational Development,
Nederlandse Spoorwegen [Dutch railways];
- Ms M. (Mirjam) van Tiel
head of De Argumentenfabriek;
- Prof. E. (Eric) van Dijk
Professor of Psychology, Faculty of Social Sciences, Leiden University;
- Mr H.A.M (Harry) Dekker
Benelux Media Director for Unilever.

Selection criteria

The members of the Advisory Board are selected on the basis of the following criteria:

- they have the consumer's point of view in mind;
- they are experts in the field of measurement, communication and giving central priority to customers' interests;
- they can make a substantive contribution to improvement measures;
- they are available for the meetings of the Advisory Board;
- they have no direct relationship with a bank involving paid employment⁶.

Remuneration

The members of the Advisory Board can claim compensation for the time for meetings and the travel costs incurred. Members receive reasonable remuneration for meetings per half-day.

Tasks of members

The tasks of the members of the Advisory Board are:

- to participate in Advisory Board meetings at least twice a year;
- to assess the independence and effectiveness of the survey and the approach;
- to make suggestions for improvement of market research;
- to make recommendations, whether on request or not, on the interpretation of the survey results, measures for improvement and the presentation of the results.

Tasks of the chair

The chair of the Advisory Board initiates and holds final responsibility for the realisation of adequate decision-making and advice. The chair ensures that:

- the Advisory Board has a vision of the objectives of the measuring instrument;
- the Advisory Board determines its advice on the methodology, results and effectiveness of the instrument with due care and in a timely manner, and communicates this on a regular basis (in any event, on a fixed date each year);
- the Advisory Board or, should this be required, a representative (in consultation with the Dutch Banking Association) attends and acts as a spokesperson on behalf of the Advisory Board at relevant meetings.

⁶ An exception is made for Ms Van Tiel. She works for De Argumentenfabriek, an agency that has provided commercial services to various parties in the financial sector since 2009.

Appendix 4 GfK market survey questions

Confidence & Perception questions

- 1 How much confidence do you have in banks?
- 2 Can you explain why you have <answer to Question 1> in banks?
- 3 At which bank or banks do you bank?
- 4 Which bank do you regard as your main bank?
- 5 How much confidence do you have in your main bank?
- 6 Can you explain why you have <answer to Question 5> in your main bank?
- 7 To what extent do you agree or disagree with the following statements with regard to your main bank?
 - ... is open
 - ... is honest
 - ... communicates in a language I understand
 - ... actively informs me of changes in products and services
 - ... listens to customers
 - ... advises on products that are in the interest of customers
 - ... supports me in making financial choices
 - ... searches for solutions with me in the case of financial setbacks
 - ... has knowledge of banking affairs
 - ... has expert personnel
 - ... makes my banking affairs transparent
 - ... meets agreements reached
 - ... is easily accessible (online, by telephone, in branch)
 - ... is a solid bank financially
- 8 Which of the following financial products do you hold with your main bank?
 - Current account
 - Savings account
 - Investments
 - Mortgages
 - Credit/loans
 - Insurance
 - Other product
- 9 How much confidence do you have in the following industries?
 - Travel industry
 - Energy companies
 - Telecom companies
 - Health care
 - Pension funds
 - Insurers
 - Automotive industry
 - Retailers
 - Technology companies
 - Government
 - Sciences
- 10 Have any of the following changes occurred in your personal life in the past 12 months with an effect on your financial situation?
 - Birth of a child
 - Marriage
 - Cohabitation
 - Separation
 - Death in the immediate family
 - Redundancy
 - New job
 - Other
 - None of the above
- 11 To what extent do you agree or disagree with the following statement?
My bank actively notifies me that a change in my personal situation could influence which product is the best for me.
- 12 Please indicate whether statement a or b is more applicable to you when purchasing a financial product:
 - 1 a I look for a lot of information
b I try to limit the amount of information
 - 2 a I take plenty of time for this
b I do this as quickly as possible
 - 3 a I look at many alternatives
b I look at a limited number of alternatives
 - 4 a I do my own research as far as possible
b I let others do as much research as possible
 - 5 a I am inclined to trust advisers
b I am not so inclined to trust advisers
 - 6 a My adviser compares products for me
b I compare as many products as possible myself (online)

- 7 a I discuss this extensively with family and friends
b I discuss this very little with family and friends
- 8 a I search until I find the best product
b I stop searching as soon as I find a product
- 9 a I am prepared to take a gamble
b I look for as much certainty as possible
- 10 a I am willing to try new products
b I prefer to stick to familiar products
- 11 a I prefer a simple product
b The product can also be complicated

Questions Service & Use

Online services

- 1 Have you used any of the following online services of your main bank in the past three months?
 - Mobile banking app on smartphone or tablet
 - Online banking by logging on to the website
 - Searched for information on the website of my main bank
 - I have not used any of the above online services
- 2 To what extent do you agree or disagree with the following statements?
 - *I can usually use the mobile banking app without disruptions*
 - *I can usually use online banking without disruptions*
 - *I can easily arrange my day-to-day banking affairs through the mobile banking app*
 - *I can easily arrange my day-to-day banking affairs through online banking*
 - *I can easily find the required information on the website*
- 3 Which of the following financial products do you hold with your main bank?
 - Current account
 - Savings account
 - Investments
 - Mortgages
 - Credit/loans
 - Insurance
 - Other product

Customer contact

- 1 How have you had contact with an employee of your main bank in the past 3 months?
 - By telephone
 - E-mail
 - Visit to bank branch (personal meeting)
 - (Video) chat
 - Other, (please state) ...
 - I have not had contact with an employee
- 2 To what extent do you agree or disagree with the following statements?
 - *I can easily contact an employee (if necessary)*
 - *My question was handled well in my last contact with an employee*
- 3 Which of the following financial products do you hold with your main bank?
 - Current account
 - Savings account
 - Investments
 - Mortgages
 - Credit/loans
 - Insurance
 - Other product

Complaint handling

- 1 Have you submitted a complaint to your main bank in the past 12 months?
 - Yes, I have submitted a complaint to my bank
 - No, I did have a complaint, but did not submit this to my bank
 - No, I had no complaints
- 2 Can you explain what your complaint was?
- 3 Why did you not submit this complaint to your bank?
- 4 To what extent do you agree or disagree with the following statements?
 - *I found it easy to arrange for my complaint to be processed*
 - *The handling of my complaint was taken seriously*
- 5 How satisfied or dissatisfied are you with the way in which your complaint was solved?

- 6 Which of the following financial products do you hold with your main bank?
- Current account
 - Savings account
 - Investments
 - Mortgages
 - Credit/loans
 - Insurance
 - Other product

Questions for in-depth survey of Debts

This questionnaire makes frequent mention of payment problems. Payment problems may entail one or more of the following:

- bills are paid late or demand notices are received on a regular basis;
- no further withdrawals are permitted on a regular basis;
- direct debits are refused;
- letters from a collection agency or a bailiff are received;
- rent or mortgage payments are paid more than 10 days after the due date.

- 1 Please state your estimate of the likelihood that you would have problems making payments if one of following situations were to occur.
- High health care costs due to sickness
 - Expenses in order to be able to continue to live in your home for as long as possible at a later age
 - Separation from your partner
 - Death of your partner
 - Loss of income due to unemployment
 - Over-generous lifestyle, unnecessary expenses
 - Loneliness (social isolation)
 - High-risk investments
 - Addiction of some sort
 - Gifts of my assets
 - Mortgage not fully repaid after retirement
 - Higher costs for my home
 - Insufficient awareness of my income and expenses
 - Unexpected expenses (e.g. for a car or washing machine)
 - Delaying arrangements for my retirement pension

- 2 Which of the following free initiatives of the banks designed to prevent or solve payment problems do you consider to be the most important, and which do you see as the least important?
- Online housekeeping book
 - Alert on mobile telephone when in debit
 - Lessons in schools on how to manage money
 - Websites with practical information on how to manage money
 - Informative meetings on financial matters
 - Mobile banking app for daily banking
 - Strict terms for borrowing money
 - Informing or warning customers on the basis of their account information (early identification)
 - Personal financial advice based on account information
 - Job coach in case of unemployment
 - Budget coach for help with financial management
 - Active cooperation with other institutions such as municipalities, debt counselling, etc.
 - Partial cancellation of debt
 - Automatic opening of a savings account when opening a current account
 - Arranging for customers to regularly save small amounts that are not noticed
 - Asking whether people wish to make some savings at relevant times (such as when holiday allowance is paid)
- 3 Can you think of any other initiatives a bank could introduce in relation to avoiding payment problems?
- 4 To what extent do you agree or disagree with the following statements?
- I regularly make unplanned purchases
 - If I am short of money, I can ask my parents or friends for help
 - I think spending money now is more important than saving for later
 - I am inspired by my surroundings and/or social media to purchase products
 - If I am short of money, I borrow from my bank or DUO
 - I do not expect to be able to maintain my current spending pattern
- 5 What role do you think the banks should fulfil with respect to avoiding payment problems? Give more than one answer if appropriate.
- Inform: provide information to customers
 - Identify: inform or warn customers on the basis of account information
 - Advise: advise customers that could encounter payment problems
 - None: I do not think a bank has a role here
- 6 What in your opinion is the most important role for the banks in avoiding payment problems?

- 7 If you were to have problems making payments, how would you feel?
Give more than one answer if appropriate.
- Annoyed
 - Afraid
 - Ashamed
 - Angry with yourself
 - Disappointed in yourself
 - Distressed
 - Indifferent
 - Other, (please state) ...
- 8 Have you asked your bank for debt assistance in the past 12 months?
- 9 How satisfied or dissatisfied were you with this?
- 10 How could your bank improve its debt assistance procedure?
- 11 To what extent do you agree or disagree with the following statements?
- I am often short of money
 - I am often unable to pay my bills on time
 - I often do not have money for things I really need
 - I am always wondering whether I really have enough money
 - I often find it difficult to think about something other than my financial situation
 - I often worry about money
 - I just focus on what I have to pay now, I will deal with other payments later
 - Because of my financial situation I live from day to day
 - I do not think about things I have to pay for in the future
 - I feel I have little control over my financial situation
 - I am not very good at managing my financial situation
 - If I think about my financial situation, I feel powerless

