Consumers Expect Banks To Help them Respond To The Financial Crisis

Contributed by TNS
Wednesday, 01 April 2009

Most consumers expect the recession to generate a new era in banking with financial services providers more tightly regulated.

The Financial Crisis study, that was conducted by TNS, the global market insight and information group, shows that although more financially aware, consumers are still looking to the banking industry to help them respond to this new environment.

The study looks at how the global financial crisis is affecting customers in four key countries; the UK, France, Germany and the US.Â

It has specifically investigated how people are changing their behaviors and attitudes towards financial institutions and financial decisions.

Consumer Financial Behavior is changing
60% of all consumers polled are changing their financial behavior (US 62 %, UK 63 %, France 55% and Germany 53%).Â Changes include spreading money between several banks, moving money into cash and looking for more crisis-proof products and services.Â

12% of US respondents are putting their money into cash which is significantly higher than other countries polled (UK 5%, France 2%, Germany 3%) and 8% of them were also looking to change their current bank of savings/investment provider (UK 7%, France 3%, Germany 1%).

What Do Consumers Expect Of Their Banks?
Consumers are giving a clear signal that they expect their banks to act and reach out to them in this uncertain environment. Around half of consumers in the US (51%), UK (57%), France (50%), and Germany (45%), expect banks to respond to the changed economic landscape with the launch of new products which are better suited to the present situation.Â

Unsurprisingly there is an appetite for lower risk products â€“just under half expect banks to launch new products which are low risk/reasonable yield (47% US, 50% UK, 48% France and 48% Germany). Â

According to the TNS Financial Crisis study banks should already be taking steps to win back customer loyalty. Â

Forty percent of people (40% US, 44% UK, 35% France and 52% Germany) expect the banks to contact them with specific offers to help them manage their finances during the crisis.

A significant number of consumers go further and now expect personal contact to discuss their own individual needs and to examine possible solutions (29% US, 22% UK, 40% France and 31% Germany). Also notable is that almost half of consumers expect their banks to take action to regain their trust, with 45% saying so in the US, 49% UK, 50% France, 44% Germany.

Bob Neuhaus, Global Head of TNS Finance comments:
â€œBanks have largely been seen as causing of this current financial crisis â€“ and consumers are expecting them to make changes.Â However consumer expectations are clearly that those same institutions will be helping them by developing appropriate financial products for the current situation, and communicating directly with sound advice on how to manage better at an individual level.Â This is a great opportunity for banks to increase trust, and win back customer loyalty.â€•

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New YorkÂ March - 2009