

GFA prototype users – follow up survey

Summary report for HM Treasury

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Introduction, objectives and methodology

Generic Financial Guidance (termed Money Guidance¹ throughout this report) aims to provide people with the tools, information and confidence to take actions that result in better financial decisions. To contribute towards its evidence base, the Thoresen Review established two prototype Money Guidance services, operating between September and December 2007. These services were promoted in a restricted number of geographic areas by two contractors: Consumer Direct operated primarily in the North West region; A4e operated in central London, South Yorkshire and Stoke on Trent. Over 5,000 people contacted the service either by phone, web or face to face (or a mixture of channels).

The prototype services were independently monitored and evaluated during and just after the period of prototype operation, with users of the service and other stakeholders. Our report to the Thoresen Review was published in March 2008 as an Appendix to the Review's main report. Annex A first contains an assessment of the management information database (i.e. the demographics and issues presented, as recorded by advisers) by a consultant, Jackie Wells, and then our evaluation report. Please see http://www.hm-treasury.gov.uk/media/C/3/thoresen_annex1.pdf

Asking users of the prototype service what action they intended to take, and did take as a result of their interaction was a key part of monitoring and evaluating the success of the service offering. A sample of users was recontacted within two weeks of using the Money Guidance service (hence these interviews were spread over the 3 month period of prototype operation).

To deepen our understanding of the potential for the medium term impact of Money Guidance, a further user survey was conducted in March-April 2008 (so 3-6 months after initial interaction with the service). This summary report highlights the main findings from this further piece of research.

The objectives of the follow up survey were to learn about:

- The potential for action-taking in the medium term, that resulted from using the Money Guidance service, and
- Any evidence of a shift in capability and attitude when dealing with personal finances

It was decided not to re-interview those who had accessed the Money Guidance service via the web only, as often their interaction had been very modest. A total of 84 telephone interviews were successfully conducted, using 154 contact records, between 26th March and 11th April 2008. The modest sample size available for this survey means that our findings should be interpreted as indicative only. This issue could be overcome with a larger scale and longer pilot, generating a more robust user base for feedback at all stages.

Of the 84 users re-contacted, 67 had originally contacted the Money Guidance service by telephone and 17 via a face to face meeting; 59 had used the service operated by Consumer Direct whilst 25 used the *Money Fitness* branded service operated by A4e. The sample of 84 is evenly split by gender, and 60% were aged under 45; these proportions are in line with the main user survey. Because of the modest follow up survey sample size, it is not possible to report confidently on sub-group variation. Our main evaluation report can help the reader in this respect (see Annex A referenced above).

The questionnaire used is appended. The survey was designed to be a short, structured enquiry, rather than one capable of reporting in-depth explanations. A detailed data report and verbatim comments database are separately available from the author.

¹ The Thoresen Review adopted the more useful term 'Money Guidance' to describe Generic Financial Guidance in their final report
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MAIN FINDINGS

1. Money Guidance usually prompts people to act

Further evidence confirms that most users were motivated to act upon guidance received. In the main, actions appear to have been taken within the first few weeks.

Money Guidance advisers gave guidance² at almost all face-to-face (F2F) sessions and in most but not all telephone enquiries. The adviser recorded the outcome of the call/face to face meeting against a pre-coded list of protocol options in the management information database, which was summarised in full in Annex A to the main Thoresen report (see previous page).

Respondents to the follow up survey were often unable to spontaneously recall the specific guidance given by an adviser several months previously, as indicated by their verbatim replies. This is perhaps not surprising given the time lapse. We also know that some users were provided with very brief guidance, such as to visit a website, and sometimes no concrete guidance.

Those who were unable to remember all of the suggestions made by their adviser were reminded of them. After prompting, 3 in 4 users in the survey sample felt they had in fact followed up on the stated guidance in full – and a few more in part. This pattern was similar for all sub-groups. Hence, it appears that most users had been motivated to act on guidance, even if the time-lag meant their memories were often vague. We also know from our earlier survey, based on interviews within about two weeks of using the service, that action taking had generally been prompt. This suggests that most actions will probably be taken within a few weeks of initial contact, rather than some months later. A future follow up survey is likely to gain the best balance between effective recall and a comprehensive reading of actions after a shorter interval. We suggest that this would ideally be 3-4 weeks after the service is used.

Many positive comments about action taking were reported in users' initial interviews. For example:

"I've sent letters to the credit card firm to rectify the situation." (female; 40s; telephone)

"I never thought about getting a pension or anything that she said. She said so many things that made me really have a different outlook on life." (male; 20s; F2F)

"I have set myself a realistic budget." (male; 20s; F2F)

Our follow up survey suggests that very few barriers were encountered to acting on Money Guidance, although one needs to remember that the guidance (and the issues presented) was sometimes straightforward. Only the small group in our follow up survey who said they had not fully acted upon the guidance given was asked about the 'barriers' to action taking. Their replies were wide ranging and as such do not point to a specific problem. They included inertia, but also practical issues or changes in lifestyle or circumstances:

"I have not got round to doing it yet." (female; 35-44; face to face)

"I am in the middle of winding up my business and have not sorted out my affairs yet." (male; 65-74; telephone)

"I had no job back then so I was in a state but since then I went back home and got a job." (female; 35-44; face to face)

"Ill health prevented me from doing what they suggested." (female; 35-44; telephone)

² Guidance ranged from specific to general. For example, it might have been 'we suggest you look at website x to compare savings rates'

Some other (minority) comments implied frustration with the guidance, or how to act on it:

“I had tried the Financial Ombudsman before and had got no joy so I thought there was no point contacting them again.” (male; 55-64; telephone)

“I thought some of the suggestions were not relevant to my situation.” (male; 25-34; telephone)

“It costs too much to see an Independent Financial Adviser.” (female; 45-54; telephone)

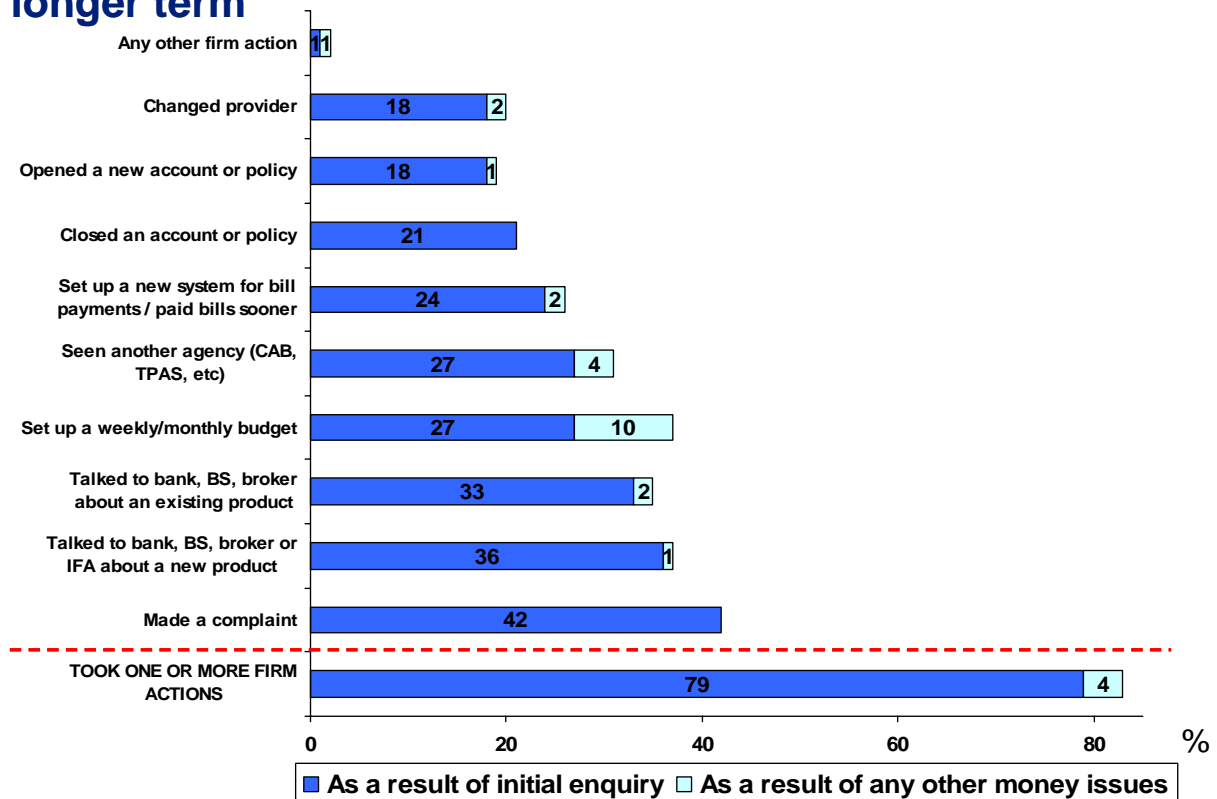
2. Evidence for longer term action taking

This survey indicates that Money Guidance prompts the majority of users to take firm action. Over the medium term, there are signs that Money Guidance can encourage some users to tackle other money issues, like setting up a budget.

Our initial recall survey, carried out up to two weeks after users made their Money Guidance enquiry, reported encouraging early signs of action taking. Our main report concluded “More than eight out of ten respondents took some form of action, and at least two-thirds have already taken what can be termed one or more ‘firm actions’”. The different topics of enquiry and Money Guidance delivery channel impact the likelihood of action taking, and this is heavily influenced by the engagement strategies employed”.

In this follow up survey we prompted users to think about a more comprehensive list of potential actions, so as to gain a full picture of the impact of Money Guidance after several months. In total, an encouraging 8 in 10 undertook at least one of the more definite or ‘firm actions’ listed in the chart below. A similar proportion had discussed or researched their issues, which we have termed ‘soft actions’. We have separated these two categories of actions in the two charts below, although all possible actions were included in the same questions. Note that actions reported are all actions taken since the interaction with the prototype service.

Firm actions taken following the adviser’s suggestions, and longer term



Base: 84 recall interviews. Q3/6/8

The great majority reported ‘firm actions’ when asked about those that resulted directly from ‘the adviser’s suggestions’ (main blue bars above). The list of potential actions was read out in full. Our users were then probed about whether further actions had resulted, either as a follow up to their initial Money Guidance topic

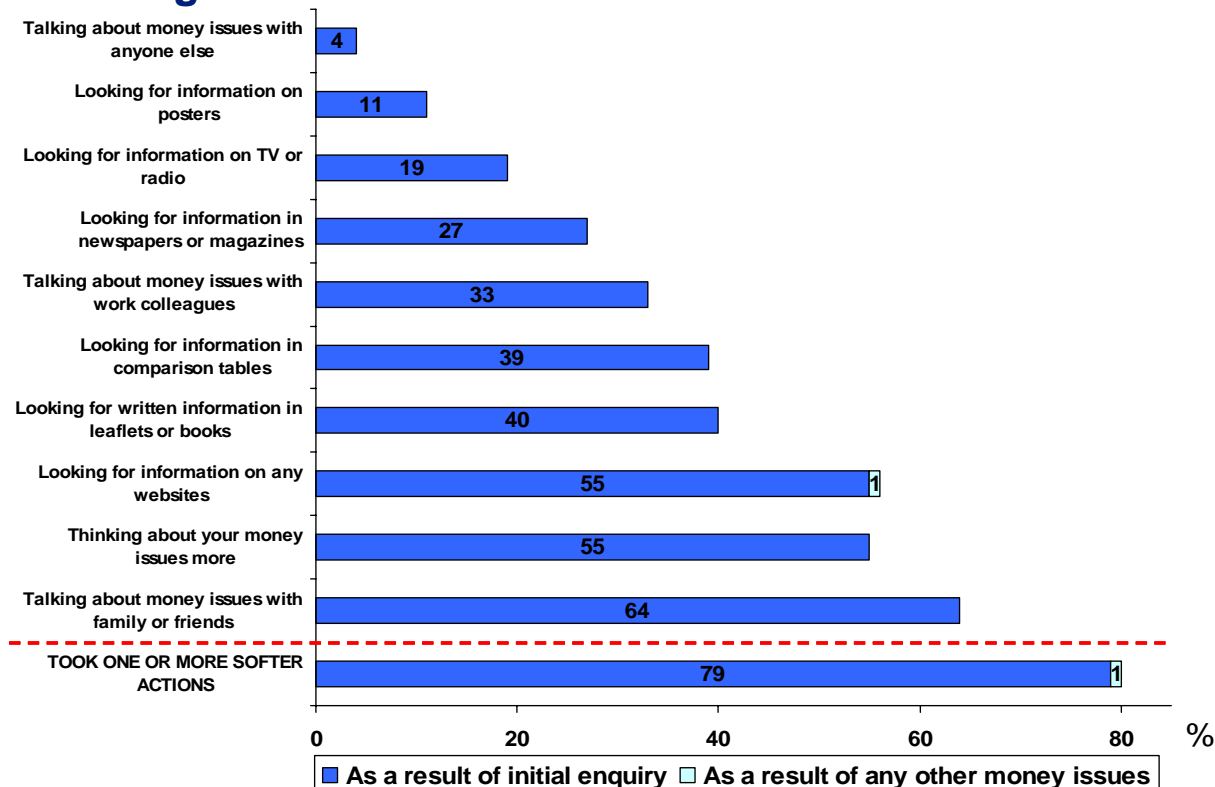
of enquiry or as a result of other money issues faced since. Such “further” actions are shown by the light blue bar extensions.

It seems that the great majority of action taking was in direct response to the adviser’s suggestions, and appears to have taken place soon after the Money Guidance enquiry. The extent of and early taking of firm actions is not surprising when considering the large number of single issue enquiries that were presented to the service, where the required action was clear cut (e.g. desire to make a complaint). When the enquiry was a wider ranging Money Guidance issue, there is some evidence of delayed and/or follow up actions – such as setting up a budget. The sample is too small to be more definitive on this topic, but our main report comments further on this issue.

A high volume and wide range of action taking was therefore apparent after several months, and this was already evident from the results of the initial feedback survey. However, it is not possible to make direct comparisons of the specific actions reported between these two surveys, as a shorter actions list was used for the first interview.

We also have ample evidence of multiple action taking. There was substantial overlap between the firm actions listed and the soft actions of discussion and research listed below, but also many instances of multiple types of ‘firm action’. For example, those making a complaint often talked to providers about existing or new products, contacted other agencies and set up budgets for themselves.

Softer actions taken following the adviser’s suggestions, and longer term



Base: 84 recall interviews. Q3/6/8

Almost all those reporting ‘firm actions’ also reported at least one ‘soft action’ in the chart above, and again the great majority of activity is in relation to the initial Money Guidance enquiry. There is also significant multiple reporting of discussion, thinking and research (online and printed) about the relevant Money

Guidance issues presented. Most of this activity would have taken place soon after the initial enquiry, as high levels of 'soft action' taking were reported in our initial feedback survey.

About 1 in 5 users reported that the guidance received had helped them face other money issues in the intervening months. Our samples are modest, but it appears that this was most common with face to face users of money guidance. These users were younger, with wider ranging money issues to face initially.

3. Encouraging signs of improved capability

There are encouraging signs that Money Guidance can promote financial confidence and capability, prompting users to think about and deal more effectively with money matters.

In addition to the finding that Money Guidance successfully prompts specific action taking, the prototype service also impacted positively on general confidence and people's capability when dealing with personal finance. This finding is based on responses to two questions in the follow up survey. Firstly, text comments about how users now feel after interacting with a Money Guidance service, and secondly ratings on a scale for specified potential improvements that could have occurred as a result of contact with the service.

About two thirds of users gave broadly positive responses at these questions. Example verbatim comments from the full listing supplied are shown below. The obvious theme emerging, however worded, is an increase in confidence.

"It has made me more confident in dealing with money matters." (female; 35-44; telephone)

"I learned not to do things myself any more but to get professional help." (female; 25-34; telephone)

"It helps me to keep track of what I spend and that some things are more important than others to spend money on." (male; 25-34; face to face)

"I am more confident as I feel I am not alone with my problems." (male; 65-74; telephone)

"They gave me more of a structure to solve problems/More of a legal structure." (female; 35-44; telephone)

"I found it supportive/ It is good to know that it is there." (male; 25-34; telephone)

"I can now organise myself better than I had done in the past." (male; 45-54; telephone)

"It has made me more careful and alert when dealing with financial issues. For example a salesman rang me up asking me to invest in shares and I was very wary dealing with him." (female; 65-74; telephone)

"It showed me avenues that I was not aware were open to me, such as financial help websites like Money Supermarket." (male; 35-44; telephone)

"I am not afraid now to complain if something goes wrong." (male; 18-24; telephone)

"I feel better because I have more money now as a result of saving more." (male; 25-34; face to face)

"It helped me to sort my money out." (male; 35-44; face to face)

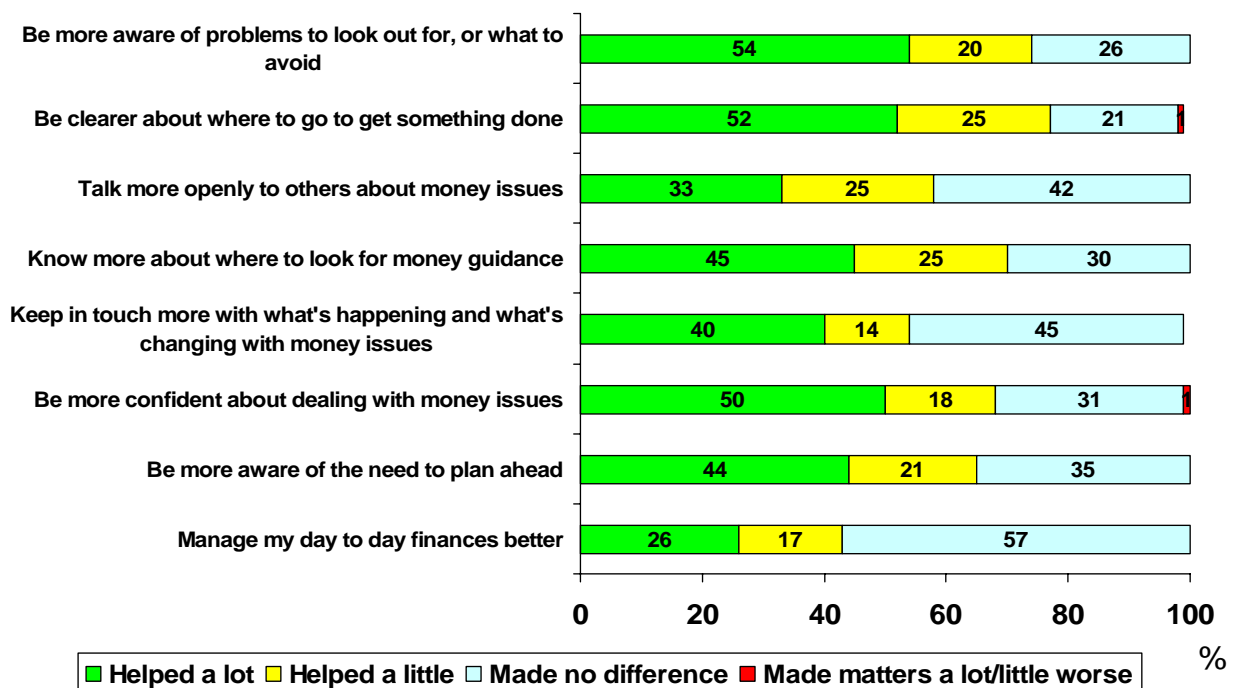
"I can handle my finances better; I took them for granted before. When I received my wages I used to spend it on something new but now I pay off my debts first." (female; 25-34; telephone)

"The knowledge I got has made me feel more empowered and confident about money issues." (female; 35-44; face to face)

The chart below summarises response to the 8 possible improvements that the Money Guidance service could have brought about.

When prompted on each of these improvements and given a balanced rating scale to use, support is strongest for the service having **increased awareness of options and what to avoid, plus where to go for help and boosting overall confidence**. On each of these dimensions, about half felt the Money Guidance service had helped them a lot, and a further 1 in 5 felt it had 'helped them a little', with the balance being neutral. On these measures it was also clear that those who presented more mainstream Money Guidance enquiries, rather than general complaints, were the most positive users.

Medium-term impact of contact with the Money Guidance service: eight prompted changes



Base: 84 recall interviews. Q10

The service was somewhat less successful in helping users manage their day to day finances, or in encouraging them to talk openly to others about their money issues – but many stated in verbatim comments that they were well equipped before contact was made, or did not need this kind of help in relation to the enquiry they had.

In summary, it is unsurprising that the strongest support was given for statements about overall confidence and awareness building: a general feel-good factor is evident in many user comments simply because the service existed, and it has shown users the options available.

Appendix – the questionnaire

GFA prototype users follow up telephone survey FINAL QUESTIONNAIRE - 17th March 2008

ASK FOR NAMED CONTACT. ONLY CALL FACE TO FACE AND TELEPHONE GFA USERS.

Good morning/afternoon/evening. My name is... from RSM, an independent Market Research Company.

Late last year you contacted a pilot guidance service called Money Fitness / Consumer Direct (depending on ID serial number - below) with a money issue. And subsequently very kindly took part in a telephone survey and told us what you thought of that service.

(NB If ID serial number starts 1 or 2, the service was called 'Money Fitness'
If ID serial number starts 3, the service was called 'Consumer Direct')

We have been asked to conduct a final survey with users, to find out the lasting impressions the service had. I will only need a maximum of 10 minutes of your time and wondered if you could take part now please?

You told us in the first interview that you first contacted this service by...to find out about...

(Prompt with details of channel first used and issues wanted to resolve– Q7 and Q1 from main survey – see below for info we hold. NB A and B are NOT new questions)

A. Primary channel used for getting guidance (Main user survey Q7)
NB WE ARE NOT RECALLING PRIMARY WEB USERS

Telephone	
OR In a Face to face meeting	

B. Main money issues list, when contacted the service. (Main user survey – Q1)

Saving for retirement	
Saving for other events	
Investing my money	
Managing my credit card debt	
Managing other debt	
Mortgages	
Budgeting and money management	
Improving my income in retirement	
Equity release	
Banking	
Getting an annuity	
Tax	
State benefits	
Protecting my family (life assurance)	
Some other type of insurance	
Other [please specify]	

As we go through the questions today, remember that I want you to tell me things that happened as a result of contact with Money Fitness / Consumer Direct only.

Other reasons may have prompted you to take action or think differently about your money issues – but we just want to understand how the guidance service made any difference to you.

Please first think back to the money issues you had when you used the guidance service late last year (repeat issues if needed).

1. Can you summarise for me what suggestions the adviser made to you then? DO NOT PROMPT

RECORD IN SUMMARY WHAT GUIDANCE GIVEN, THEN CODE AS

Remembered guidance/suggestions fully	
Remembered in part	
No, not remembered	

NOW CONFIRM OR ADD TO THEIR ANSWER:

From my records here, the advisor you spoke with suggested you ...
PROMPT WITH ACTIONS FROM MI DATABASE ON SAMPLE RECORD

2. To what extent did you follow this course of action that was suggested to you?

Followed suggestions completely	
Partly followed suggestions	
Did not follow suggestions	
No actions suggested	
Can't remember	

IF FOLLOWED COMPLETELY OR PARTLY, ASK Q3

3. I'd like to record all the actions you took in following the adviser's suggestions. These might have been specific actions, and some might be just talking about issues or finding out information. Please tell me which of the actions I read out applied to you. Firstly...

READ OUT FULL LIST, DIVIDED INTO THE TWO AREAS OF SPECIFIC AND SOFTER ACTION

SPECIFIC, HARD ACTIONS

Opened a new account or policy?	
Closed an account or policy?	
Changed from one provider to another?	
Made a complaint to any company or organisation?	
Talked to your bank or building society or mortgage broker about an existing policy / product you hold with them?	
Talked to your bank or building society or mortgage broker, or an Independent Financial Adviser, about a new policy/product?	
Seen another agency (eg. CAB, housing association/TPAS)	
Set up a weekly/monthly budget for yourself	
Set up new system for bill payments, or paid bills sooner	
Attended a talk or seminar on money issues	

Done anything else specific? PLEASE SPECIFY	
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SOFTER ACTIONS

Thinking about your money issues more	
Talking about them with your family & friends?	
OR with work colleagues?	
OR with anyone else? PROBE: who	
Looking for information on any websites	
OR in comparison tables?	
OR written information in leaflets of books?	
OR in newspapers or magazines?	
OR on TV or radio?	
OR on posters?	
OR information from anywhere else? PLEASE SPECIFY	

IF PARTLY OR NOT FOLLOWED SUGGESTIONS AT Q2, ASK Q4

4. Why exactly did you not get around to / not completely follow ... (suggested actions)
 PROBE: What exactly got in the way? (Get full description. Repeat as needed if 2+ suggestions)

ASK ALL

5. Did the original Money Fitness/Consumer Direct guidance lead you to take any FURTHER steps to resolve these money issues, or improve your financial position at all? For example, if you were referred to a comparison website, did you THEN go on to open an account or take out a product?

Yes	
No	

IF YES

6. What exactly did you do; what other actions did you take? PROBE FULLY: Were these definite actions (such as...), or discussion and information collection. IF YES, PROBE WHO / SOURCES

SPECIFIC, HARD ACTIONS

Opened a new account or policy?	
Closed an account or policy?	
Changed from one provider to another?	
Made a complaint to any company or organisation?	
Talked to your bank or building society or mortgage broker about an existing policy / product you hold with them?	
Talked to your bank or building society or mortgage broker, or an Independent Financial Adviser, about a new policy/product?	
Seen another agency (eg. CAB, housing association/TPAS)	
Set up a weekly/monthly budget for yourself	

Set up new system for bill payments, or paid bills sooner	
Attended a talk or seminar on money issues	
Done anything else specific? PLEASE SPECIFY	

SOFTER ACTIONS

Thinking about your money issues more	
Talking about them with your family & friends?	
OR with work colleagues?	
OR with anyone else? PROBE: who	
Looking for information on any websites	
OR in comparison tables?	
OR written information in leaflets or books?	
OR in newspapers or magazines?	
OR on TV or radio?	
OR on posters?	
OR information from anywhere else? PLEASE SPECIFY	

ASK ALL

7. Thinking about any OTHER money issues that you may have faced since you contacted the service, has the guidance you received from Money Fitness/Consumer Direct helped you deal with ANY OTHER issues? Anything at all? PROBE For example, if you looked at comparison tables as a result of using the service before Christmas, have you looked at them for another product or ideas since?

Yes – helped with anything else	
No	

IF YES

8. Please describe what actions you have taken to tackle ANY OTHER issues. PROBE: Were these definite actions (such as...), or discussion and information collection. IF YES, PROBE WHO / SOURCES

SPECIFIC, HARD ACTIONS

Opened a new account or policy?	
Closed an account or policy?	
Changed from one provider to another?	
Made a complaint to any company or organisation?	
Talked to your bank or building society or mortgage broker about an existing policy / product you hold with them?	
Talked to your bank or building society or mortgage broker, or an Independent Financial Adviser, about a new policy/product?	
Seen another agency (eg. CAB, housing association/TPAS)	
Set up a weekly/monthly budget for yourself	
Set up new system for bill payments, or paid bills sooner	
Attended a talk or seminar on money issues	
Done anything else specific? PLEASE SPECIFY	

SOFTER ACTIONS

Thinking about your money issues more	
Talking about them with your family & friends?	
OR with work colleagues?	
OR with anyone else? PROBE: who	
Looking for information on any websites	
OR in comparison tables?	
OR written information in leaflets of books?	
OR in newspapers or magazines?	
OR on TV or radio?	
OR on posters?	
OR information from anywhere else? PLEASE SPECIFY	

ASK ALL

9. And in your own words, did this money guidance service make you feel differently at all about how you were able to tackle money issues in general? PROBE: what change did you feel? Describe how you have been feeling as a result of contact with the guidance service.

10. Finally, I'm going to read out a number of improvements that MIGHT have occurred with your money issues, as a result of your contact with the guidance service. For each one, please tell me if the guidance service has in fact help achieve this, or made matters worse, or made no difference to you? (PROBE A LOT OR A LITTLE). First, has the service helped you...

	Helped a lot	Helped a little	Made no difference	Made matters a little worse	Made matters a lot worse	Don't know
Manage my day to day finances better						
Be more aware of the need to plan ahead						
Be more confident about dealing with money issues						
Keep in touch more with what's happening and what's changing with money issues						
Know more about where to look for money guidance						
Talk more openly to others about money issues						
Be clearer about where to go to get something done						
Be more aware of problems to look out for, or what to avoid						

That's the end of the interview. On behalf of RSM, thank you very much again for your co-operation today and on the earlier survey. It's much appreciated!

Would you like to know where to read the Government's report on a money guidance service on the internet?

IF INTERESTED:

Web address: www.hm-treasury.gov.uk and follow link to independent reviews-Thoresen)

CLOSE INTERVIEW

FURTHER ITEMS ARE CLASSIFICATION DATA ALREADY AVAILABLE FROM FIRST INTERVIEW

11. (Taken from main user survey Q18 onwards) Which of the following statements best describes the financial products you have. READ OUT

I don't really have any financial products, even a bank account	
I have a bank account but nothing else	
I have a bank account and either a mortgage, loan or credit card	
I have a range of banking products and a savings account	
I have a range of banking products and a number of different savings and investment products	
Refused	

12. To finish, can I just ask a few questions about you – these are just for survey analysis purposes only. First, are you aged...

Under 18	
18 to 24	
25 to 34	
35 to 44	
45 to 54	
55 to 64	
65 to 74	
75 and over	

13. Code gender

Female	
Male	

14. And are you...

Working full time	
Working part time (under 30 hours a week)	
A student	
Retired	
Housewife / home-maker	
Out of work	

15. Which region do you live in please? Is it...
IF NOT SURE, ASK TOWN AND WRITE IN TO CODE LATER

Greater London	
Rest of South East	

South West	
Staffordshire / West Midlands	
East Midlands	
East Anglia	
Wales	
North West / Cumbria	
Yorkshire / Humberside	
North East	
Scotland	
Northern Ireland	

16. Are you married or living with a partner, or...

Married / live with partner	
Single	
Widowed	
Divorced or separated	

17. How many adults aged 18 plus (including you) live in your household please? And how many children aged under 18?

Number of adults 18+ in household	
Number of children under 18 in household	

18. And is your home...

Owned outright	
Owned with a mortgage to pay off	
Rented	
Lived in free of charge	
Other	

19. Finally, what of these brackets does your household's total income before taxes and deductions fall into? Is it (give weekly equivalent if necessary)

ANNUAL INCOME	APPROX. WEEKLY EQUIVALENT	
Less than £10,000	Less than £200	
£10,000 to £14,999	£200 to £299	
£15,000 to £19,999	£300 to £399	
£20,000 to £24,999	£400 to £499	
£25,000 to £29,999	£500 to £599	
£30,000 to £34,999	£600 to £699	
£35,000 to £39,999	£700 to £799	
£40,000 to £49,999	£800 to £999	
£50,000 to £59,999	£1,000 to £1,199	
£60,000 or over	£1,200 or over	
Refused		
Don't know		