

EUROBAROMETER 56.0

PUBLIC OPINION IN EUROPE: VIEWS ON FINANCIAL SERVICES

REPORT

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RESEARCH GROUP (EORG)**

For the

**Health and Consumer Protection
Directorate-General**

**Directorate A – Consumer Affairs
“Financial Services”**

Managed and organised by:

**Directorate-General Press and Communication
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This opinion survey, carried out at the request of the DG Health and Consumer Protection, was managed and organised by the Public Opinion Analysis Unit of the Directorate-General Press and Communication.

It was conducted in all countries of the European Union between 22 August and 27 September 2001, under the general coordination of INRA (EUROPE) – European Coordination Office, located in Brussels, on behalf of the European Opinion Research Group (EORG).

The questionnaire, its technical details and the names of the bodies involved in the research are given in an appendix.

This European Commission accepts no liability of any kind arising from this report.

The report was originally written in French.

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The following are the abbreviations for Member states used in the graphs:

B	Belgium
DK	Denmark
D WEST	Old Länder
D TOTAL	Germany
D OST	New Länder
GR	Greece
E	Spain
F	France
IRL	Ireland
I	Italy
L	Luxembourg
NL	Netherlands
A	Austria
P	Portugal
FIN	Finland
S	Sweden
UK	United Kingdom

Note concerning the separate classification of the old and new Länder of Germany: there were good reasons for this in autumn 1990 when East Germany was first included among the countries covered by the Eurobarometer. The distinction has been retained despite reunification, since it often reveals marked differences in opinion between these two areas.

The abbreviation used for the whole of the European Union is "EU15" and the abbreviation "DK" means "Don't know".

INTRODUCTION

Financial services provide some of the essential linkages in the life of European nations, and of modern societies generally; their practical importance is already established and increasing constantly, due to the combination of a number of developments in full swing throughout the world:

- the globalisation of economies, and the consequent widening of the range of services on offer: a true “world economy”, often heralded, is now becoming a reality;
- the penetration of new ICTs (information and communication technologies), which now strongly affect all business areas in manufacturing and services; the financial services industry shows a particularly high and growing presence of new ICTs;
- a more and more marked interest among Europeans in the financial products (private pension funds, for instance) in view of the erosion of the social guarantees provided by the Welfare State as it developed in Western Europe after the Second World War.

Governments at all levels (local, national and international) have a duty to respond to this rapidly-developing economic and technological environment. The European Union in particular has a responsibility for putting in place a legislative framework that can ensure the harmonised development of Financial Services on offer in the various Member states and at the same time adequately protect consumers’ rights.

This is why, at the request of the European Commission’s Health and Consumer Protection Directorate-General, the European Opinion Research Group (a consortium of market research and public opinion agencies, composed of INRA - EUROPE and GfK *Worldwide*) conducted wave 56.0 of the STANDARD EUROBAROMETER ¹, between 22 August and 27 September 2001.

The present document gives an analysis of the results from this wave of surveys, arranged in four parts:

I: Europeans’ views of banking and insurance services

II: The legal framework of consumer protection

III: Consumers’ use of means of payment in the European Union

IV: The main types of financial product available to Europeans

¹ The Eurobarometer surveys, or more properly the “standard Eurobarometer surveys” have been conducted since 1973 (EB N° 0), on behalf of the European Commission’s former DG X, Education and Culture. Greece has been included since autumn 1980, Portugal and Spain since autumn 1985, eastern Germany since autumn 1990 and Austria, Finland and Sweden since spring 1995.

In each member country, the questions referred to in the report were put to a representative sample of the national population aged fifteen or over. 16.162 people in all were questioned, an average of around one thousand per member country, except in Germany (two thousand, one in the new Länder and one in the old), the United Kingdom (1.300: one thousand in Great Britain and 300 in Northern Ireland) and Luxembourg (600). We should make it clear that the figures for the European Union as a whole which are presented in this report are weighted averages of the national figures: the weighting used for each member country was the quota of that country's (15+) population as a proportion of the total EU population (15+).².

The questions are numbered 14 to 28, because the questionnaire on financial services was included in a Eurobarometer survey covering other subjects also.

NB: the percentages given in the graphs that illustrate the report and in the tables forming the appendices may total more than 100% where questions allow for several responses.

Where questions allow for no more than one response, this total can also, due to rounding, fail to be exactly 100%, but will be very close (for instance, 99% or 101%).

In view of the variety of education systems within the European Union, it has been decided to establish unofficial education "bands". The first, or "less educated", covers those who left full-time education at or before 15; the second, or "medium", covers those who left full-time education between 16 and 19; and the third, or "highly educated" covers those who left full-time education after the age of 19.

The technical specifications given in the appendix detail matters of methodology such as fieldwork dates, sample selection, population covered, weightings, confidence limits, etc. It would be as well to define certain terms as used in these technical specifications: "marginal weighting" is that based on one variable, such as age or sex, while intercellular weighting is based on the combination of two variables, such as, for instance, age and sex. "NUTS Regions" are a classification of regions in the European Union following a three-level hierarchical structure. The Eurobarometer is weighted on the basis of NUTS 2 regions.

The replies to questions are all, or nearly all, presented as follows: an account of the figures at European level, introducing the question and its main results for the European Union as a whole (including graphs); a breakdown of the figures by country, giving more detailed results by comparison with those for the EU; and lastly, where appropriate, an analysis of social or demographic variables pointing to interesting features of the replies.

² See the technical specifications in the appendix.

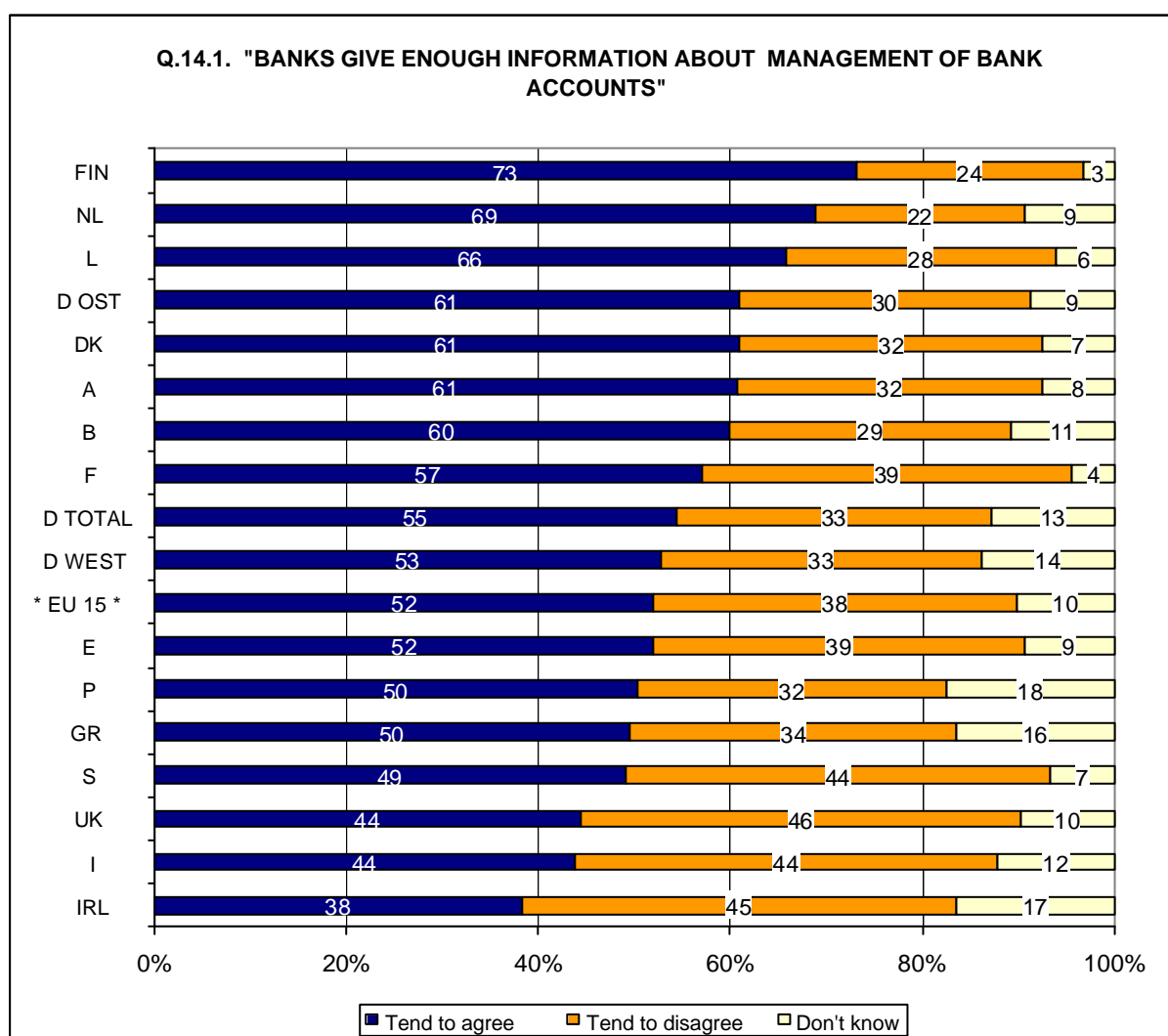
I. EUROPEANS' VIEWS OF BANKING AND INSURANCE SERVICES

The interviewees were asked to indicate whether they agreed or disagreed with each of a list of eleven statements about banking and insurance services in Europe.

1. Information about management of bank accounts

a. Europe-wide figures

A slight majority of Europeans (52%) "tends to agree" with the statement that "*the banks give enough information about management of bank accounts*". But nearly four Europeans out of ten (38%) say the contrary ("tend to disagree"). Lastly, 10% of those interviewed have no opinion on the subject.



b. Analysis by country

The countries fall into three distinct groups:

- a group where at least two people out of three “tend to agree” with this statement: Luxembourg (66%), the Netherlands (69%) and, above all, Finland (73%)
- another group where between 50% and just over 60% “tend to agree”: Portugal (50%), Spain (52%), “West” Germany (55%), France (57%), Belgium (60%); Austria, Denmark and “East” Germany all show 61%
- a final group of three countries: the United Kingdom and Italy (44%) and Ireland (with the smallest number, 38%, who “tend to agree”)

2. The cost of a bank account

a. Europe-wide figures

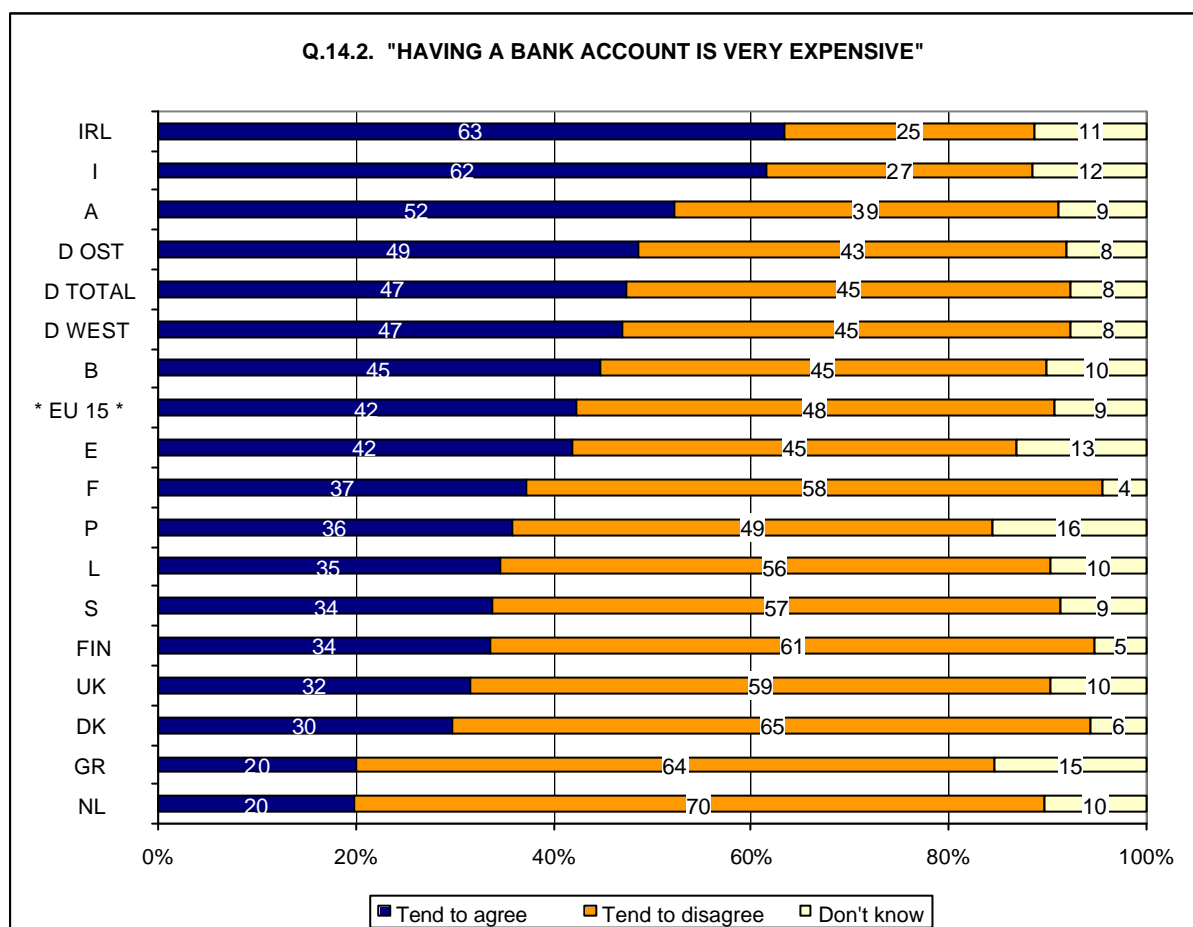
While more than four Europeans out of ten (42%) think having a bank account is very expensive, 48% of those interviewed disagree, while 9% have no opinion.

b. Analysis by country

Three countries stand out, with majorities of the opinion that having a bank account is very expensive: Ireland (63%), Italy (62%) and Austria (52%).

Within more or less 10 points of the European average (42% “tend to agree”), the majority of countries form a relatively homogeneous group, with just three bringing up the rear: Denmark (30%), Greece (20%) and the Netherlands (20%).

See graph, next page



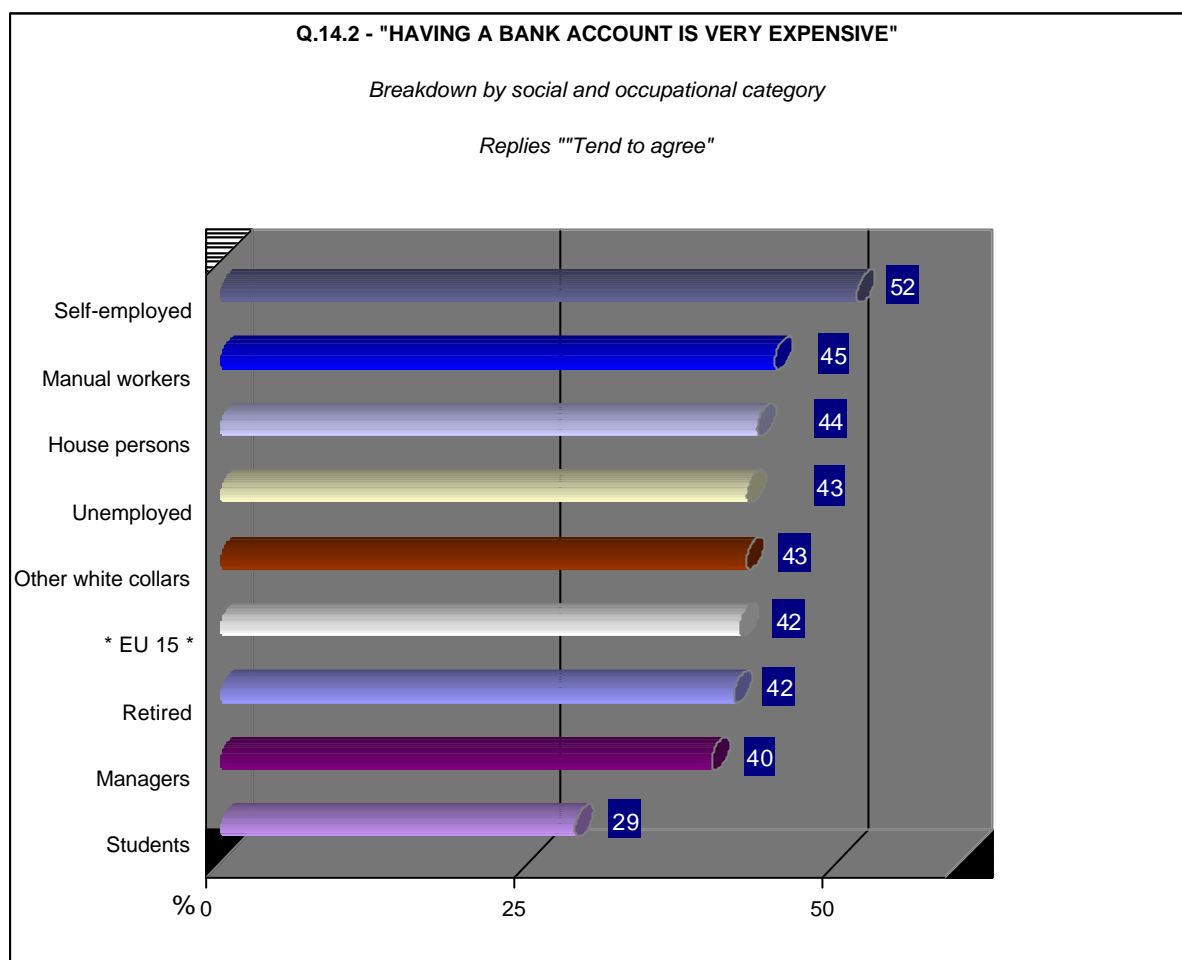
c. Analysis by social or demographic category

The analysis by social or demographic category reveals marked differences, especially in terms of social and occupational categories. As we see from the next graph, 52% of the self-employed regard having a bank account as very expensive (10 points above the "EU15" average of 42%). Next comes a fairly homogeneous group with results between 45% and 42%: manual workers (45%), house persons (44%), unemployed (43%), "other white-collar workers" (43%) and retired people (42%). Managers (40%) gave a lower figure than this group, and students a lower one still (29%).

The age factor undoubtedly affects perceptions of the cost of a bank account: while only 32% of 15-24 year-olds think it expensive, 43% of 25-39 year-olds do, and 46% of 40-54 year-olds (with a slightly lower percentage for the category of those aged 55 and over).

In the same way, more (than the overall average) of those who had left full-time education earliest (45% "tend to agree" compared with 29% of students) and those living in rural areas (43% "tend to agree" against 40% for city-dwellers) think that having a bank account is very expensive.

See graph, next page



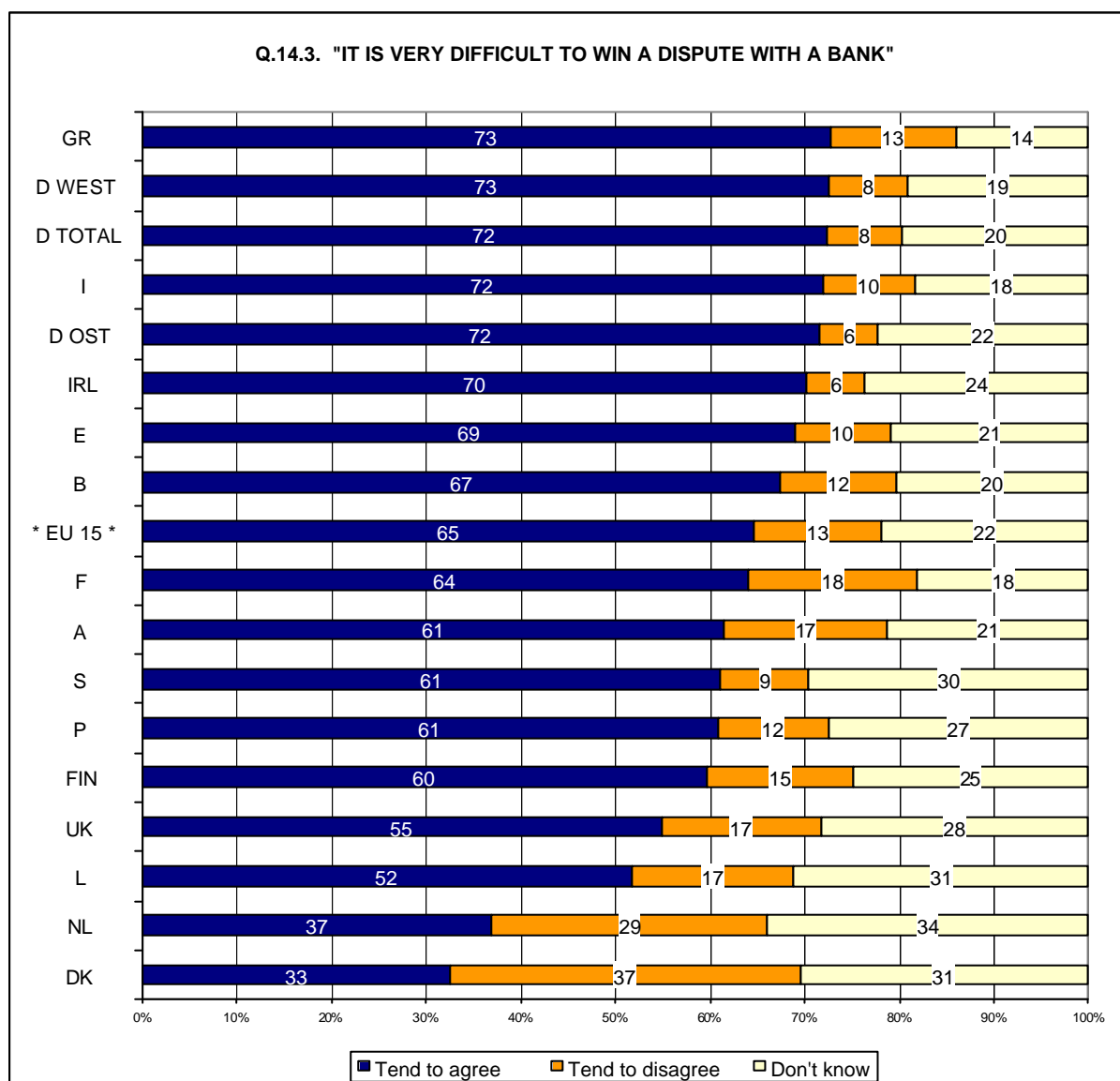
Lastly, if we look at four income levels (very low: “- -”, low “-”, high “+”, very high “++”), we find the “low” and “high” income groups have the highest positive scores (46 and 45%, respectively, “tend to agree”) while the “very low” income group gives a 42% positive result (equal to the “EU15” average). The highest income group shows a very low average: just 37% “tend to agree”.

3. Disputes with banks

a. Europe-wide figures

65% of Europeans tend to agree with the statement that *“it is very difficult to win a dispute with a bank”*. Only 13% of those interviewed say the contrary; though we should note that more than two Europeans out of ten (22%) have no opinion on this question.

See graph, next page



b. Analysis by country

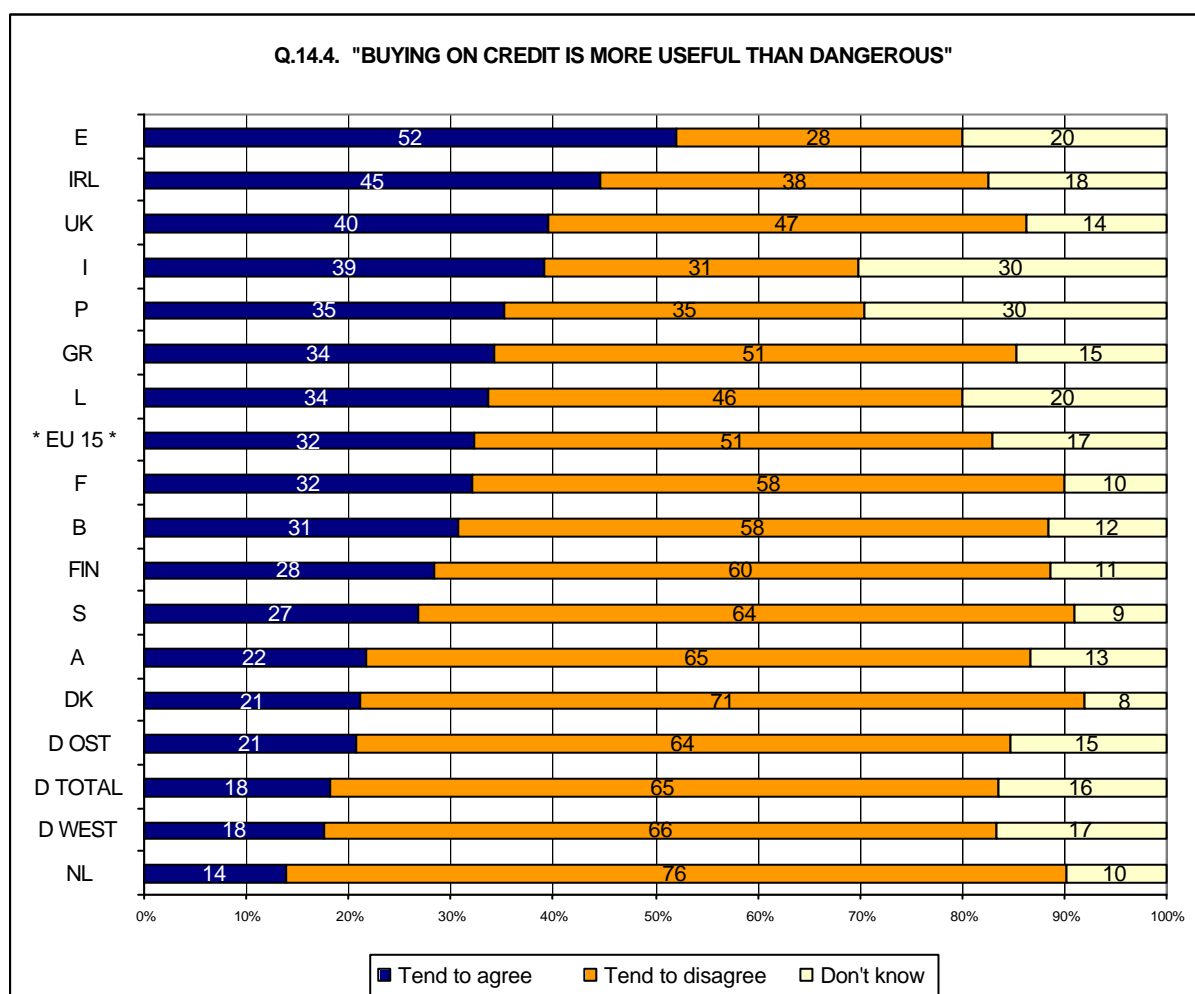
There are marked differences from country to country: in thirteen of the fifteen Member states there was majority support for the statement that it is very difficult to win in a dispute with a bank. The rates of support range from 52% for Luxembourg to 73% for Greece.

Two countries are very clear exceptions: the Netherlands (37% “tend to agree”) and, even more so, Denmark (33% “tend to agree”); Denmark is moreover the only country where the respondents who “tend to disagree” (37%) outnumber those who “tend to agree”.

4. Consumer credit

a. Europe-wide figures

Almost one European in three (32%) agrees with the statement that buying on credit is more useful than dangerous. But an outright majority (51%) disagrees with this statement, perhaps meaning that the dangers of consumer credit outweigh its usefulness. 17% of Europeans have no opinion on the subject.



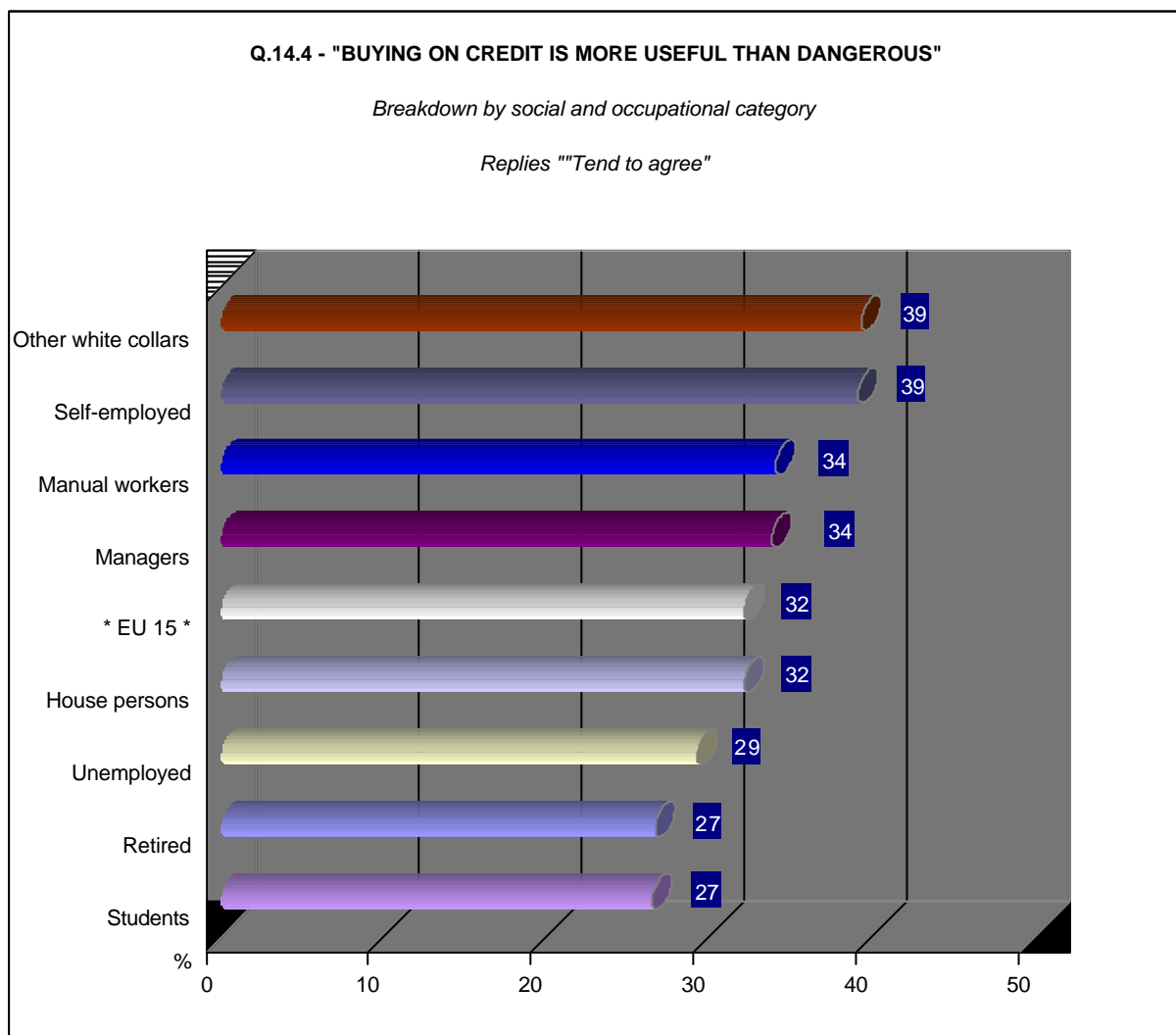
b. Analysis by country

The breakdown of the figures by country points to Spain as the only place where public opinion supports (very slightly: 52%) the statement that buying on credit is more useful than dangerous. All the other countries give results ranging from 45% (Ireland) to 14% (Netherlands). We should note that, in line with the European average (and with the exception of Spain, Ireland, Italy and Portugal), in all the countries those who "tend to disagree" outnumber those who "tend to agree".

c. Analysis by social or demographic category

The analysis of the results according to our social/occupational categories (see graph below) enables us to identify three groups:

- the self-employed and the "other white-collar workers": 39% of these support the statement that buying on credit is more useful than dangerous
- the manual workers, managers and house persons: these reflect more or less the "EU15" average (32% "tend to agree")
- lastly, the unemployed (29%), retired people (27%) and students (27%) have the lowest rate of support for this statement

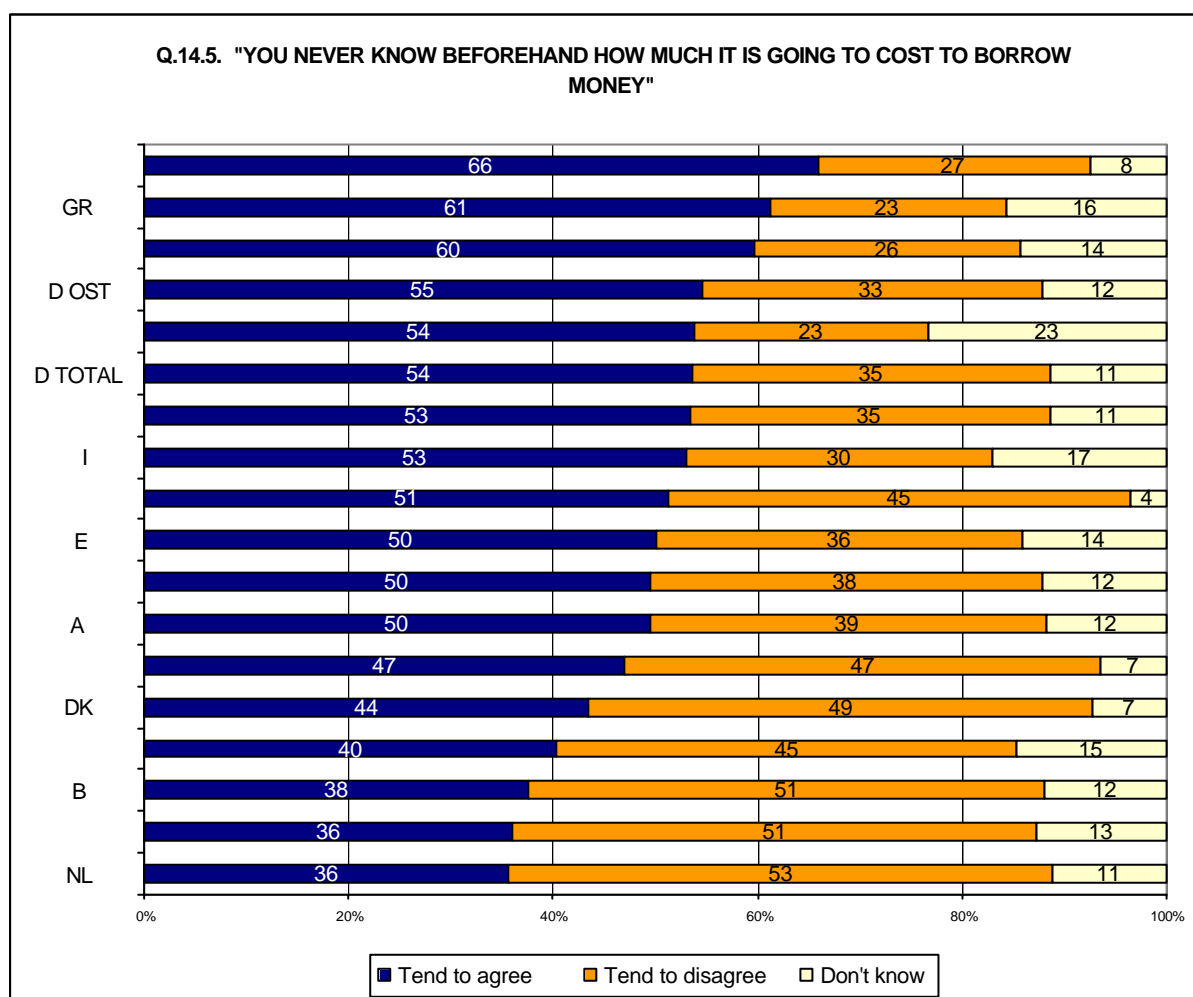


More generally, men aged 25-29, who left full-time education at 20 years or older, who live in small or medium towns and who have very high incomes show a rate of support above the European average.

5. Cost of credit

a. Europe-wide figures

One European in two thinks that when it comes to credit, “you never know beforehand how much it is going to cost to borrow money”; approximately 40% of Europeans say the contrary, and 12% have no opinion.



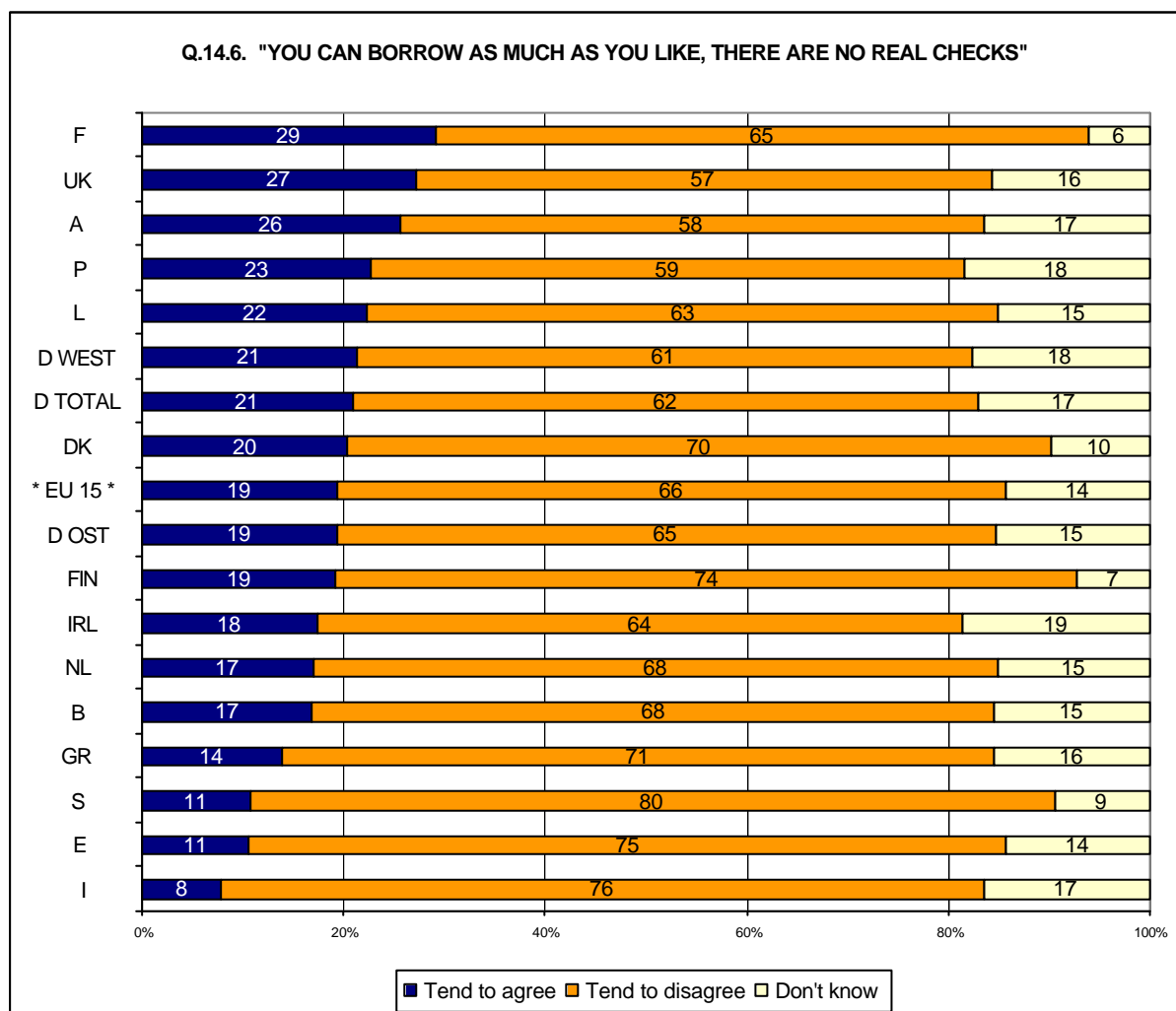
b. Analysis by country

This statement reveals a divide between the countries of north-western Europe, where fewer than 50% of respondents “tend to agree” (Sweden: 47%; Denmark: 44%; United Kingdom: 40%; Belgium: 38%; Luxembourg and the Netherlands: 36%), and the other countries of Europe, with “tend to agree” scores ranging from 50% (Austria and Spain – the European average) to 66% for Finland.

6. Lending restrictions

a. Europe-wide figures

A majority (two thirds of those interviewed) disagreed with the statement that “you can borrow as much as you like; there are no real checks”. Fewer than 20% of Europeans support this statement, while 14% of those interviewed have no opinion.



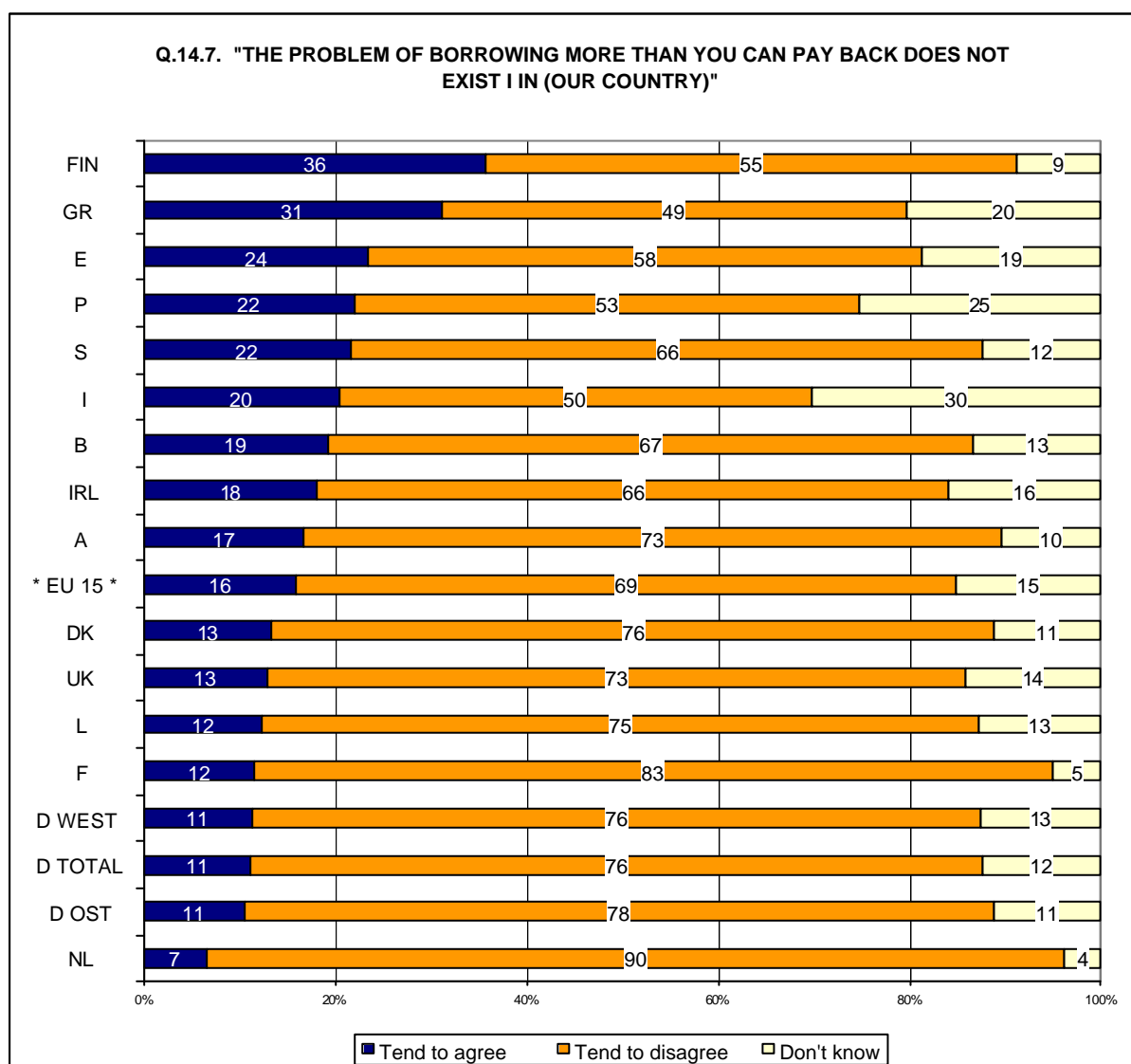
b. Analysis by country

Public opinion in all EU countries showed a majority (from the lowest figure, 57% in the United Kingdom, up to 80% in Sweden) disagreeing with the statement that “you can borrow as much as you like, there are no real checks”. In three countries, however, at least one person in four supports this statement: Austria (26%), the United Kingdom (28%) and France (29%).

7. Over-indebtedness

a. Europe-wide figures

When asked about the existence of over-indebtedness, 69% of Europeans think this problem exists in their country, compared with 16% who think it does not and 15% who have no opinion.



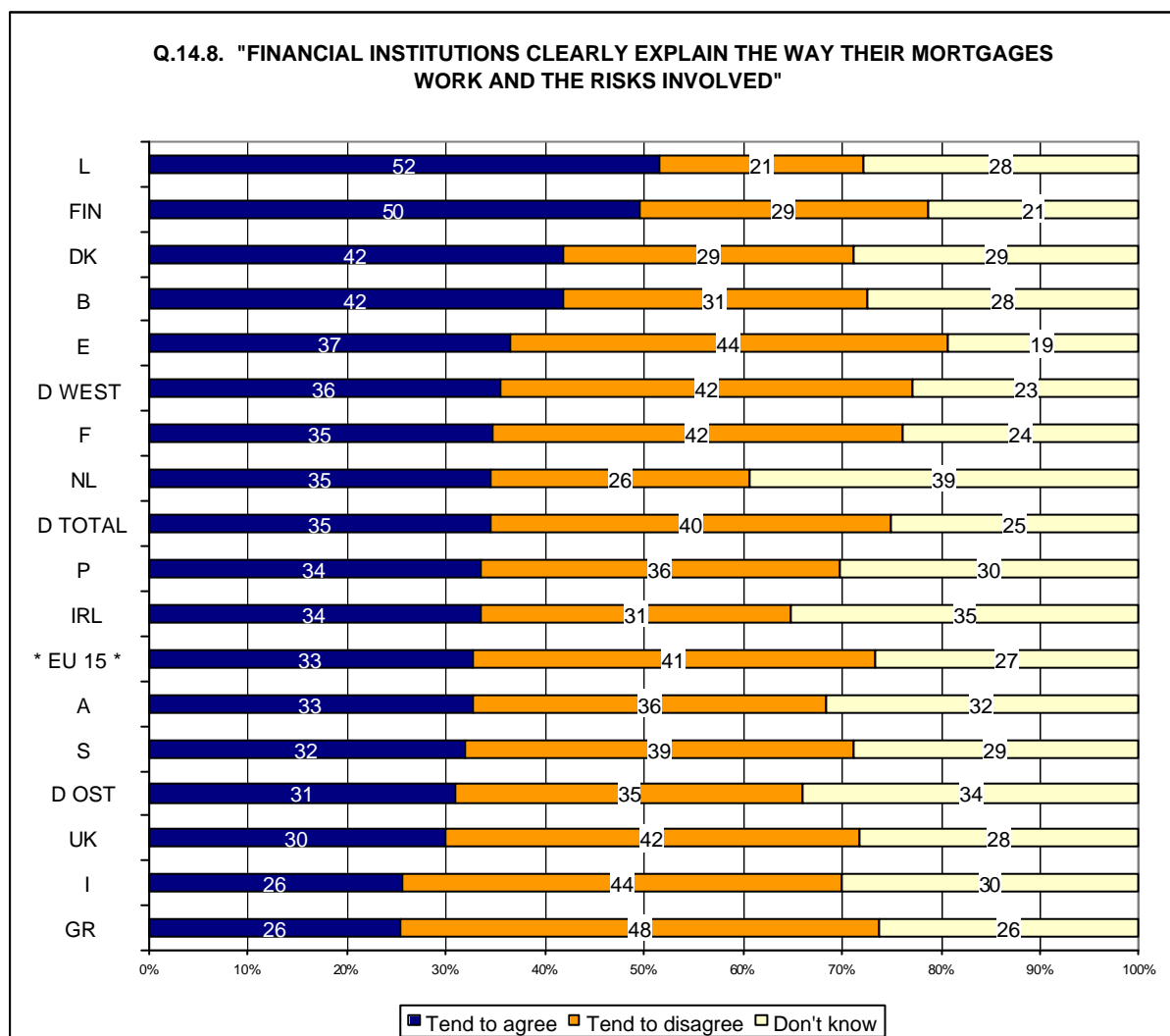
b. Analysis by country

With the exception of Greece and Italy, the above graph suggests that a majority in each member country disagrees with the statement that over-indebtedness does not exist in its country. We may note five countries with especially large majorities "tending to disagree": Luxembourg (75%), Germany and Denmark (76%), France (83%) and, highest of all, the Netherlands (90%).

8. The perils of housing loans

a. Europe-wide figures

Fewer than one European in three (33%) think that lenders clearly explain how housing loans work and what the perils are; 41% of those interviewed think the contrary, while 27% have no opinion.



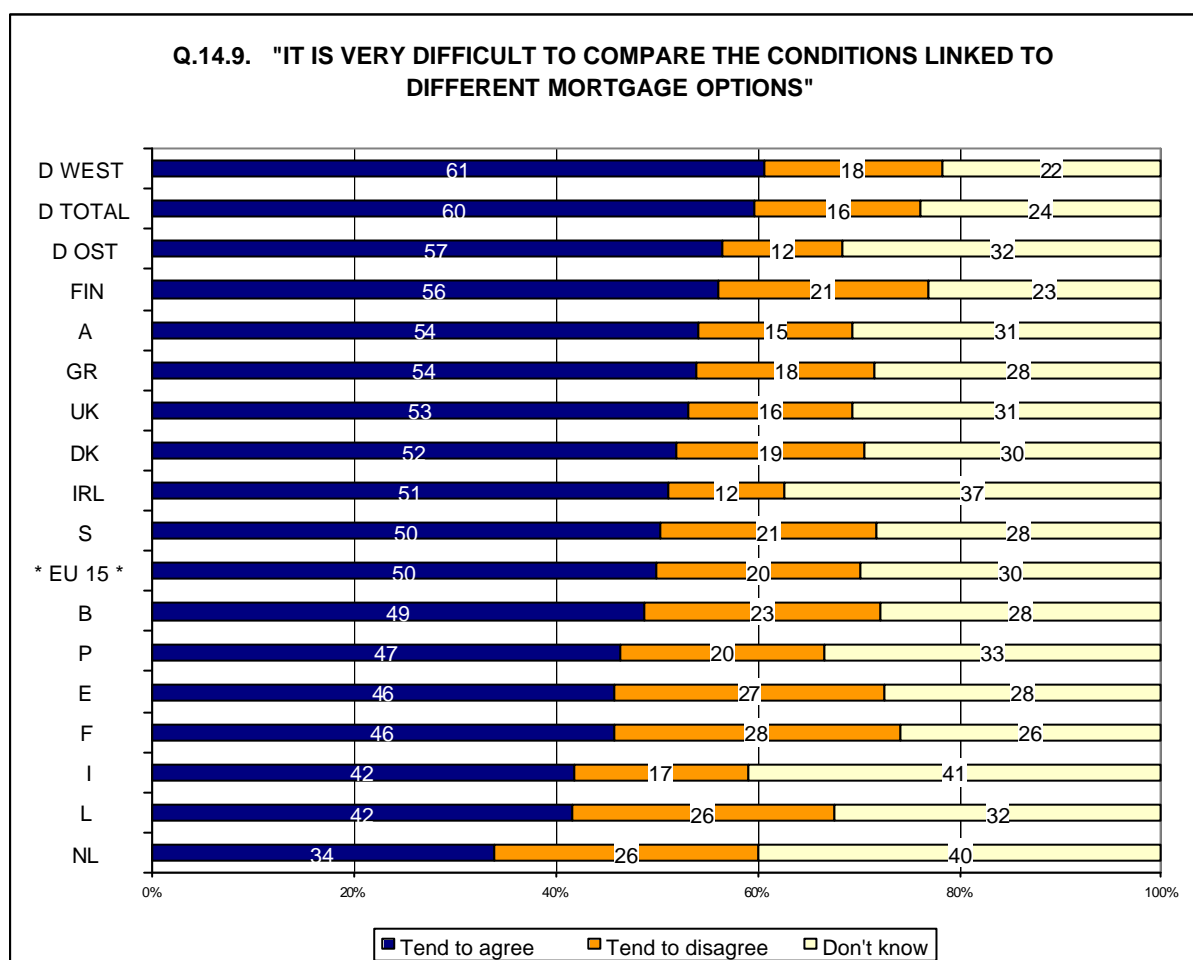
b. Analysis by country

This statement reveals marked differences in public opinion among the different countries. In four north-west European countries this assertion gets at least 40% support: Belgium and Denmark (42%), Finland (50%) and Luxembourg (52%). In most countries, the degree of support ranges from 37% (Spain) to 30% (United Kingdom), and two countries bring up the rear with only 26% "tending to agree": Greece and Italy. One final important detail: the high percentage of those with "no opinion" in all countries (from 19% in Spain to 39% in the Netherlands).

9. Comparing mortgage options

a. Europe-wide figures

Half of all Europeans say it is very difficult to compare the conditions linked to different mortgage options; 20% of those interviewed disagree, while 30% have no opinion.



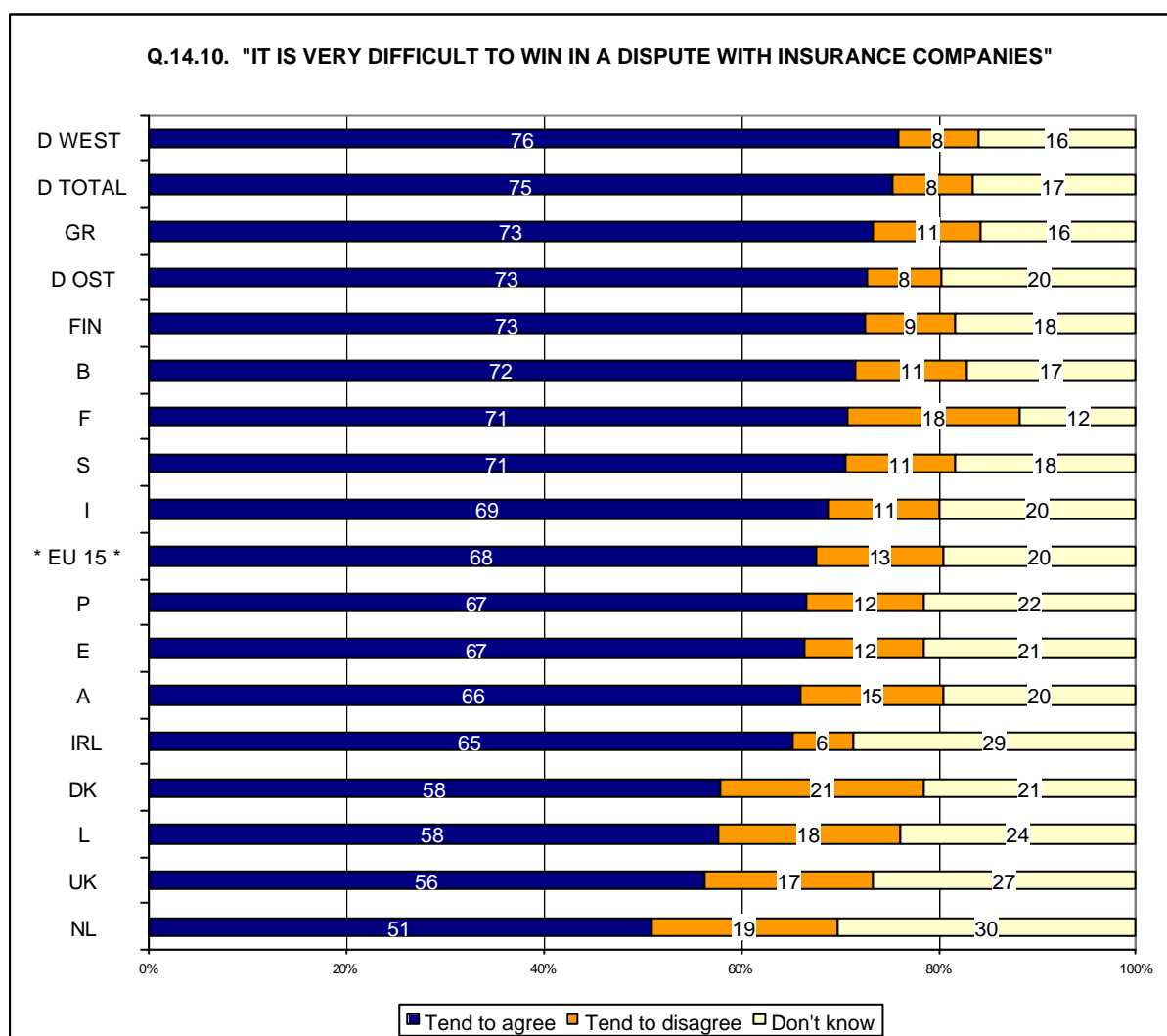
b. Analysis by country

Eight countries out of the fifteen show majority support for the statement that it is very difficult to compare the conditions linked to different mortgage options: Sweden (50%), Ireland (51%), Denmark (52%), the United Kingdom (53%), Greece and Austria (54%), Finland (56%) and Germany (60%). Below the European average (50%), there are six countries where the percentages of respondents who "tend to agree" range from 49% (for Belgium) to 42% (for Luxembourg). The Dutch – with the lowest figure – returned a fairly even balance of replies: 34% "tend to agree", 26% "tend to disagree" and 40% have "no opinion".

10. Disputes with insurance companies

a. Europe-wide figures

A majority of more than two thirds (68%) thinks that it is very difficult to win in a dispute with insurance companies. Only 13% of Europeans disagree, while 20% of European public opinion has no opinion on the question.



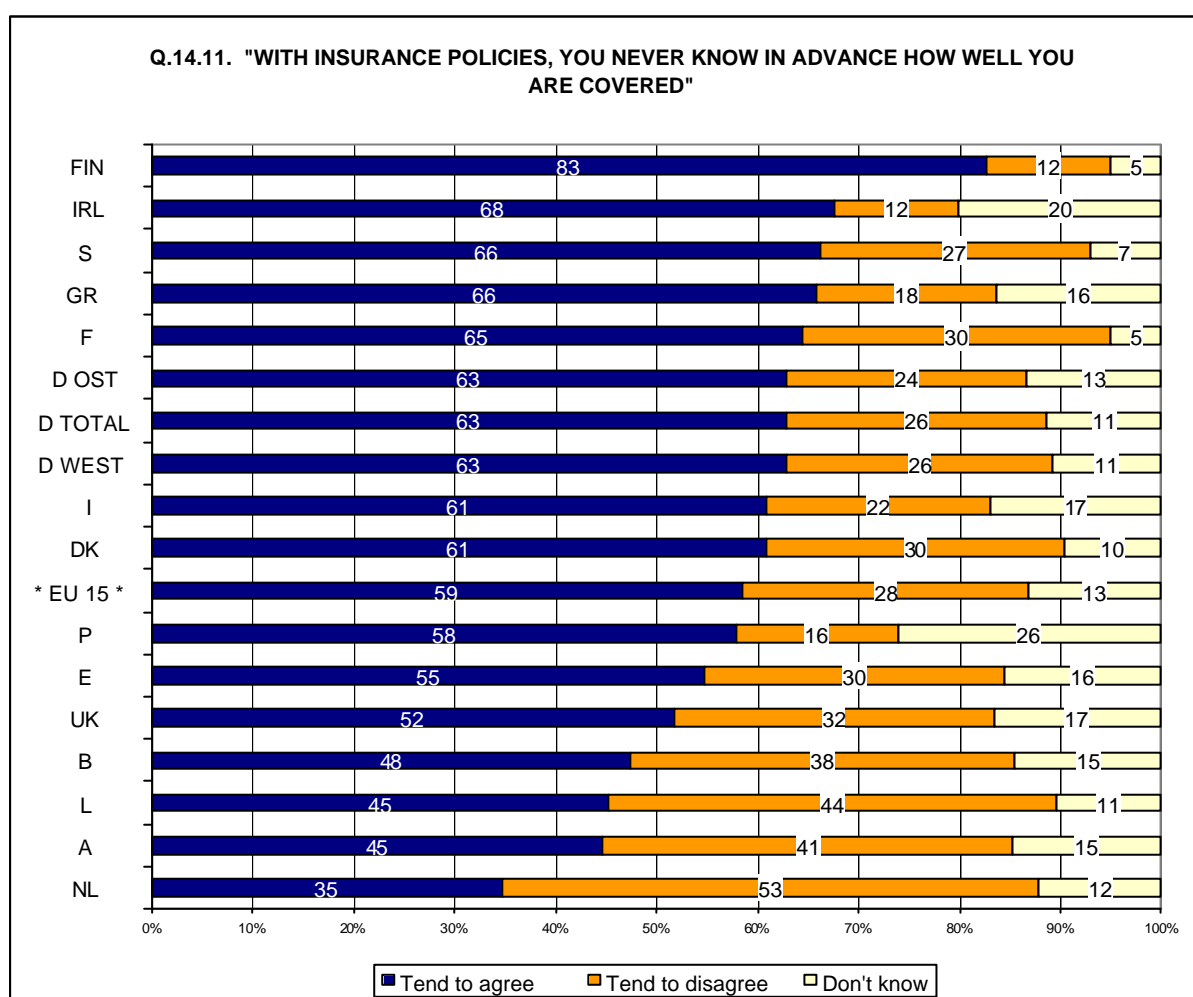
b. Analysis by country

The salient fact is that public opinion overall supports the statement that it is very difficult to win in a dispute with insurance companies. The extent of this agreement, though, varies by as much as 25 percentage points: while in the Netherlands the proportion in agreement is 51%, in Ireland 65% and in Sweden 71%, "West" Germany leads with 76% (and 73% for "East" Germany).

11. Insurance cover in the event of loss

a. Europe-wide figures

Nearly six Europeans out of ten (59%) support the statement that “with insurance policies, you never know in advance how well you are covered”. Less than one third (28%) of European public opinion disagrees; 13% of those interviewed had no opinion.



b. Analysis by country

With the exception of four countries (Belgium, 48%; Luxembourg and Austria both 45%; the Netherlands 35%), all countries show support percentages ranging from 52% (for the United Kingdom) to 68% (for Ireland). Finland once more has a figure quite different from its partners': 83% “tend to agree”, 12% “tend to disagree” and 5% have “no opinion”.

II. THE LEGAL FRAMEWORK OF CONSUMER PROTECTION

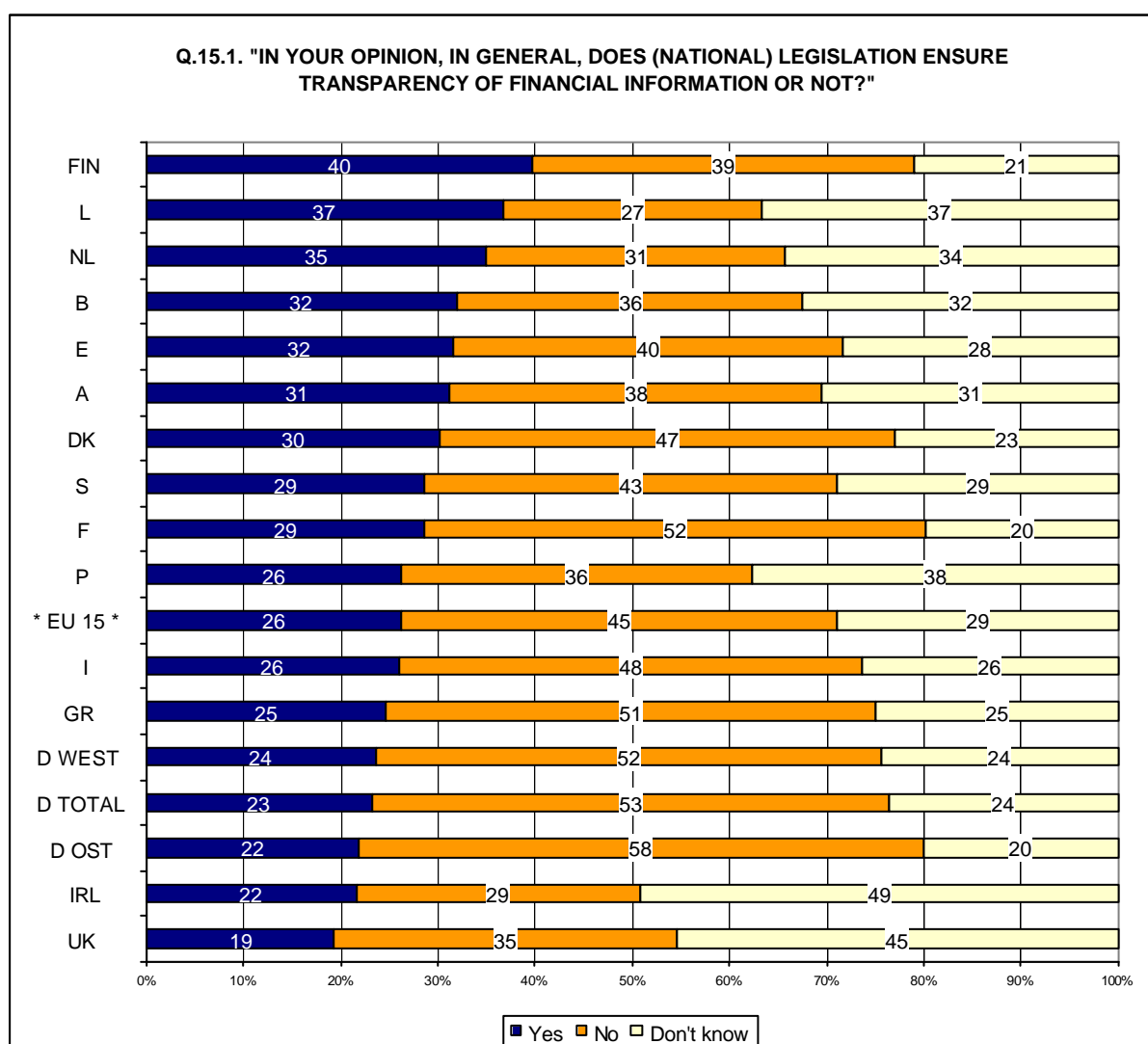
1. Consumers' judgements of their country's legislation on Financial Services

The interviewees were then asked to give their opinions on the way their country's legislation regulates financial services, especially in terms of consumer protection.

1.1. Transparency of financial information

a. Europe-wide figures

The main fact to note is that in the view of some 45% of Europeans, their country's legislation does not guarantee transparency of financial information; only 26% of Europeans gave a positive reply. Nearly three Europeans out of ten (29%) have no opinion on the subject.



b. Analysis by country

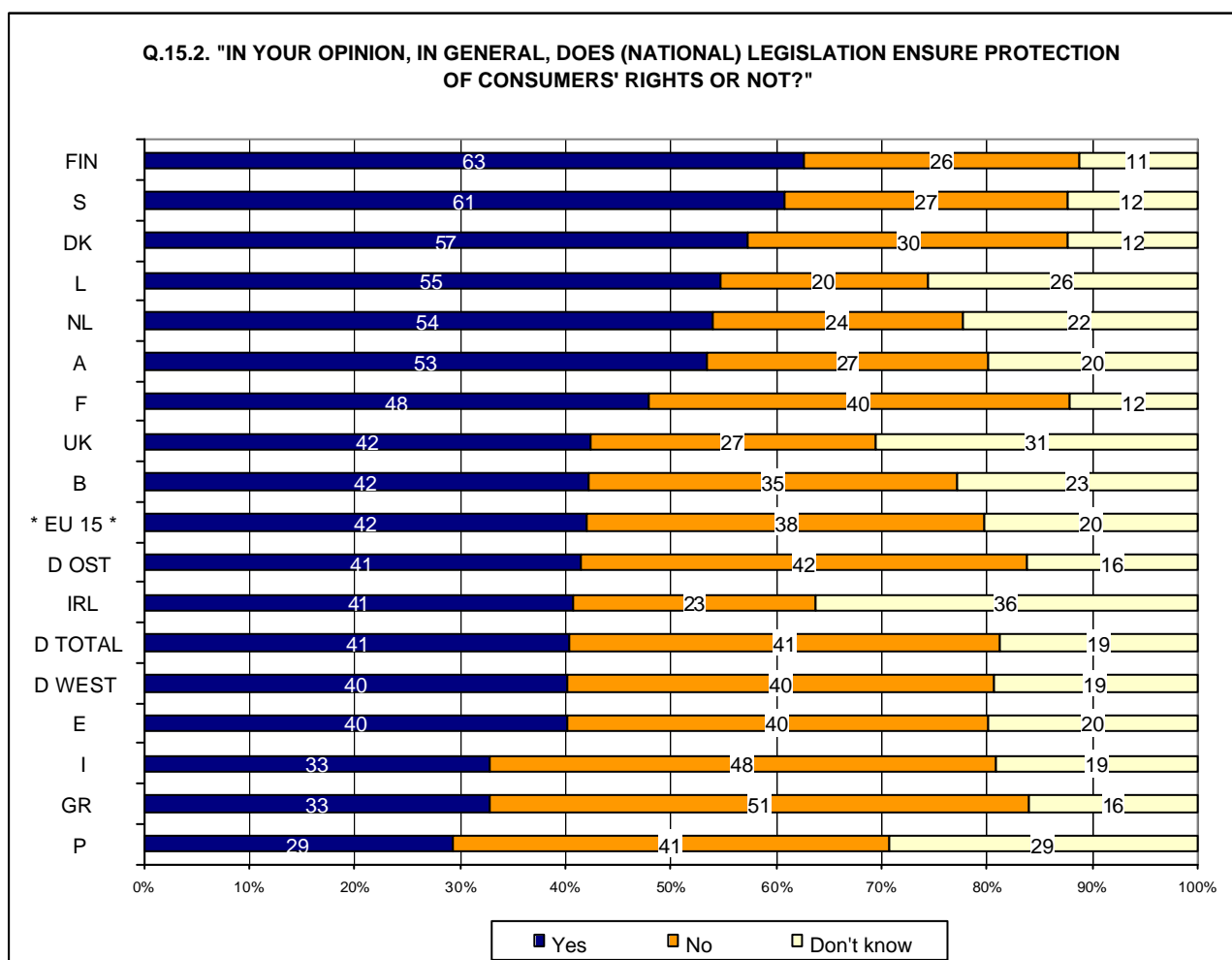
Apart from Finland, Luxembourg and the Netherlands, all the EU countries showed more negative replies than positive ones: for instance, Portugal was very close to the European averages: 26% “yes”, 36% “no” and 38% “no opinion”. In the three exceptions, at least one third of those interviewed gave a positive reply: 35% in the Netherlands, 37% in Luxembourg and 40% in Finland.

We might also mention the three countries where the percentages of negative replies were above 50%: Greece (51%), France (52%) and Germany (53%).

1.2. Protection of consumers’ rights

a. Europe-wide figures

A relative majority of Europeans (42%) think their country’s legislation does guarantee protection of consumers’ rights; 38%, however, think the opposite, while 20% have no opinion.



b. Analysis by country

In only six does a majority of the public think their country's legislation does guarantee protection of consumers' rights: Austria (53%), the Netherlands (54%), Luxembourg (55%), Denmark (57%), Sweden (61%) and Finland (63%).

By contrast, we find three countries (all in southern Europe) where approximately one third (or less) of respondents answered "yes": Italy (33%), Greece (33%) and Portugal (29%). Greece, moreover, is an extreme case in that an outright majority (51%) said their country's legislation does not guarantee protection of consumers' rights.

1.3. Possible recovery actions against banks and insurance establishments

a. Europe-wide figures

Europeans who think their country's legislation does provide recovery actions against banks and insurance establishments are in a minority: just 29%, compared with 40% who think it does not; and we should note a significant proportion (31%) who had "no opinion" on a point of such importance.

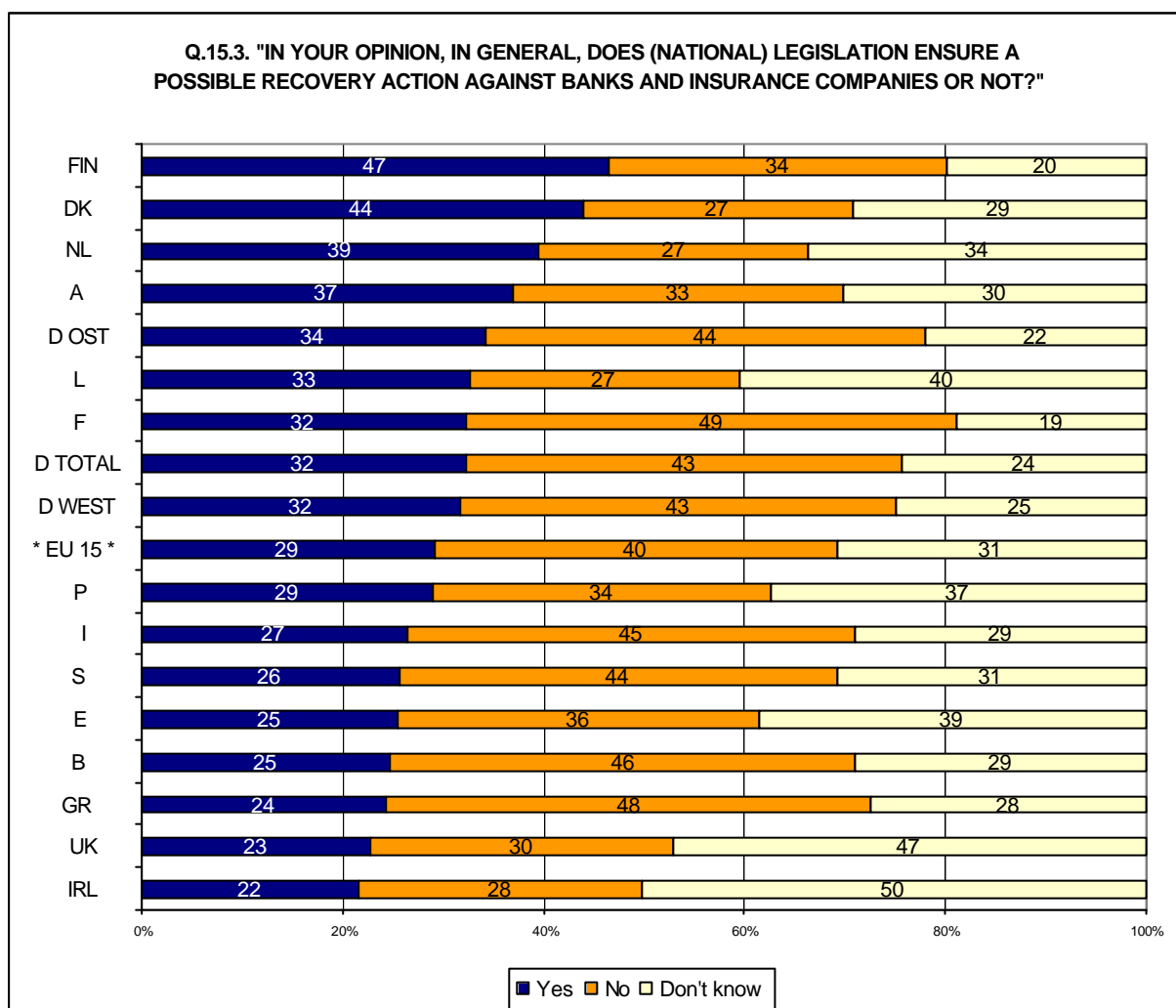
b. Analysis by country

The recovery actions available against banks and insurance establishments under national legislation are a matter on which opinions in EU countries differ considerably: in only five countries were there majorities (relative) in agreement with the statement that their country's legislation does provide means of redress against banks and insurance establishments: Luxembourg (33%), Austria (37%), the Netherlands (39%), Denmark (44%) and Finland (47%).

We should note that the four southern European countries – Portugal, Italy, Spain, and Greece – had percentages of "yes" replies lower than the European mean of 29%.

The figures for those with "no opinion" deserve a moment's attention. While this percentage was 31% for the European Union as a whole, it was only 19% in France (and 20% in Finland) but as high as 50% in Ireland.

See graph, next page



1.4. Security when making a transaction

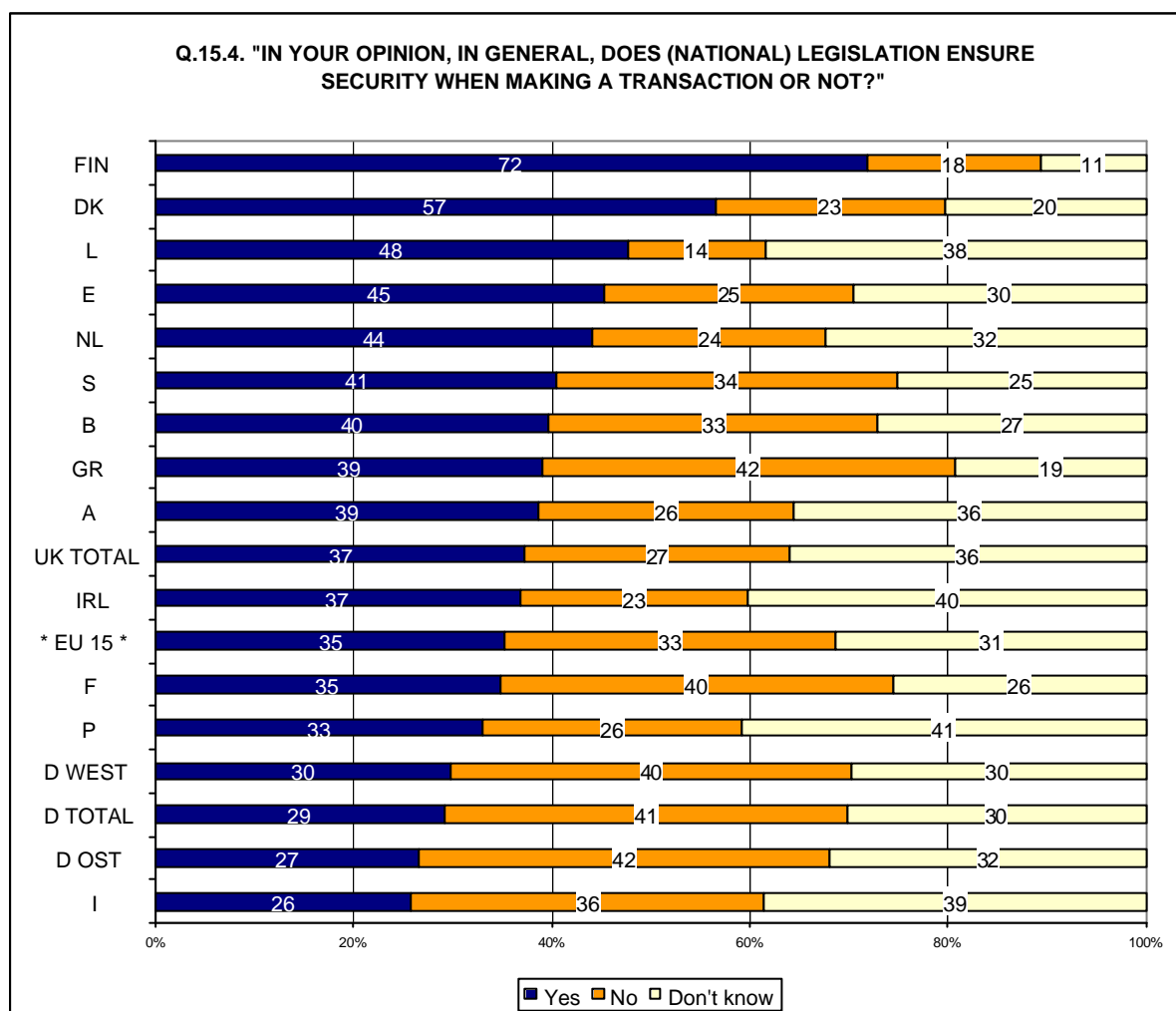
a. Europe-wide figures

The question whether national legislation does or does not ensure security when making a transaction revealed wide differences in opinions: 35% answered “yes”, 33% “no”, and 31% expressed no view.

b. Analysis by country

In only two countries did a majority think that their legislation did ensure security when making a transaction: Denmark (57%) and Finland (72%). All the other countries (with the exception of Germany and Italy where 29% and 26% respectively answered “yes”) had proportions of affirmative replies between 33% (Portugal) and 48% (Luxembourg).

See graph, next page



1.5. Protection of the confidentiality of information

a. Europe-wide figures

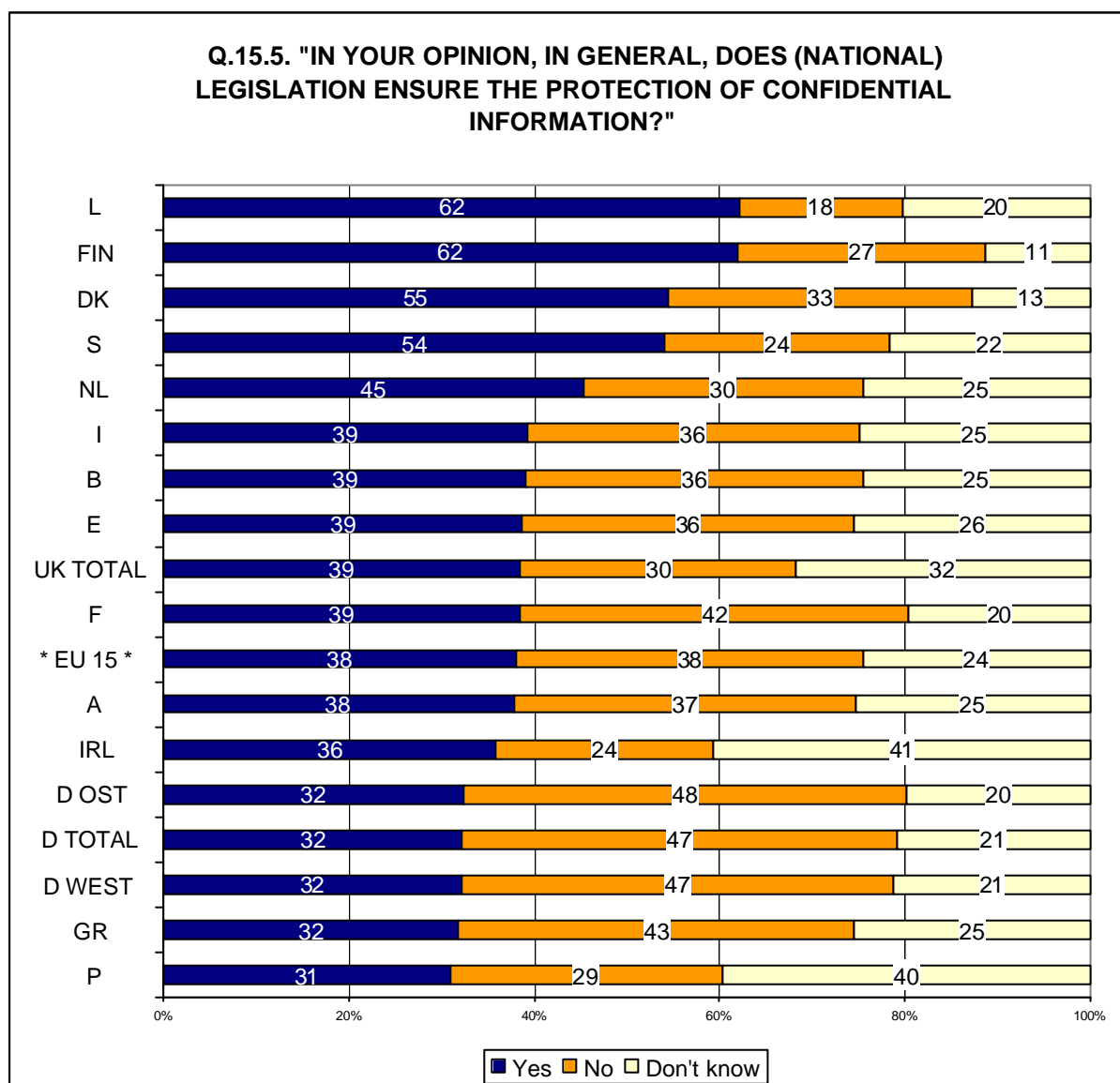
38% of Europeans think their country's legislation does guarantee protection of the confidentiality of information, and an exactly equal proportion thinks it does not. 24% of Europeans gave no opinion.

b. Analysis by country

This question produced replies in fairly similar proportions: in 11 of the 15 countries the percentages of "yes" replies fell between 31% (for Portugal) and 45% (for the Netherlands): this was the lower end of the scale. Public opinion in four countries (including the three most northerly ones) shows an outright majority of "yes" replies: Sweden (54%), Denmark (55%), Finland and Luxembourg (62%).

We should also mention three countries where negative replies outnumbered affirmative ones: France (42% "no" vs. 39% "yes"), Greece (43% vs. 32%) and Germany (47% vs. 32%).

See graph, next page



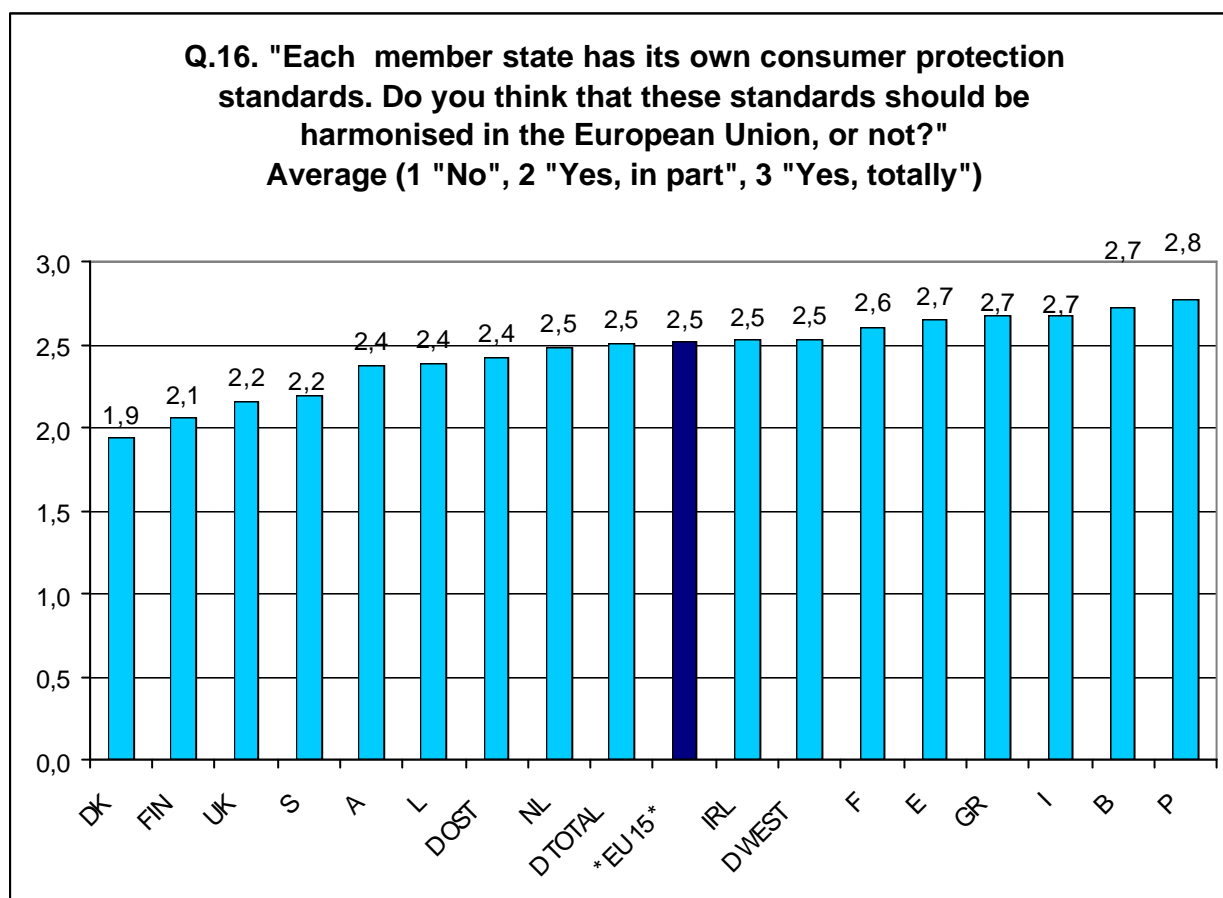
2. The need for European harmonisation of consumer protection regulations

a. Europe-wide figures

The interviewees were next asked this question: "Each member country has its own regulations for consumer protection. Do you think these standards should be harmonised throughout the European Union, or not?". A large majority (on average, 2.5 out of 3) said "yes".

When we analyse the percentages behind this average, we get the following result: 53% of those interviewed consider this a proper matter for full harmonisation throughout the European Union, against 19% who think such harmonisation should only be partial; 10% consider these standards should not be harmonised at Community level; and, lastly, 18% have no opinion.

See graph, next page



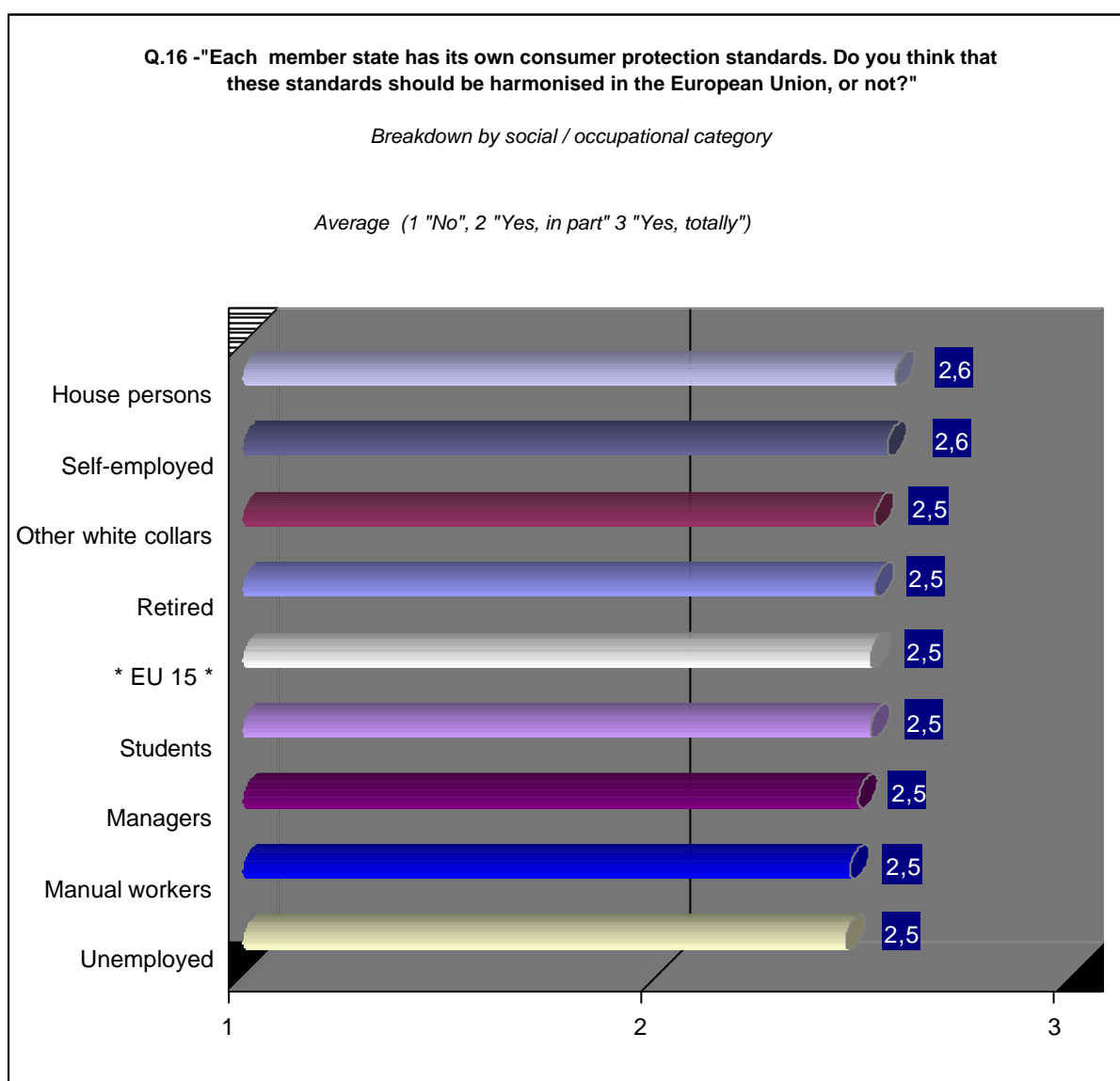
b. Analysis by country

This question, which connects with another wider one, "should Europe take a stronger role (in consumer protection) ?", illustrates fairly predictable levels of support for and opposition to the idea in each of the Member states: the three countries that are traditionally the most Eurosceptic – Denmark, the United Kingdom and Sweden – have the lowest "positive" scores, with averages of 1.9 for Denmark (37% "no"), 2.2 for the United Kingdom (21% "no") and 2.2 for Sweden (23% "no"); Finland is one of the countries where support for European harmonisation of consumer protection regulations is feeblest (27% "no" and 27% in favour of a partial harmonisation; still, 32% of Finns are however in favour of total harmonisation of these standards).

All the other countries have averages ranging from 2.4 to 2.7. We should note the case of Portugal, with the highest average of 2.8, corresponding to the following percentages: 2% "no", 13% "yes, in part" and 64% "yes, totally").

c. Analysis by social or demographic category

The analysis by social/occupational variables reveals remarkably homogeneous results (see graph below). In six of the eight categories used, the average was equal to that for the whole European Union ("EU15": 2.5). Only the Self-employed and House persons groups showed somewhat higher figures (2.6). Analysis of the results by age group, amount of education, urban/rural area, and income likewise suggested no noteworthy differences. The EU-wide harmonisation of consumer protection regulations appears therefore to be an objective very widely supported by public opinion.



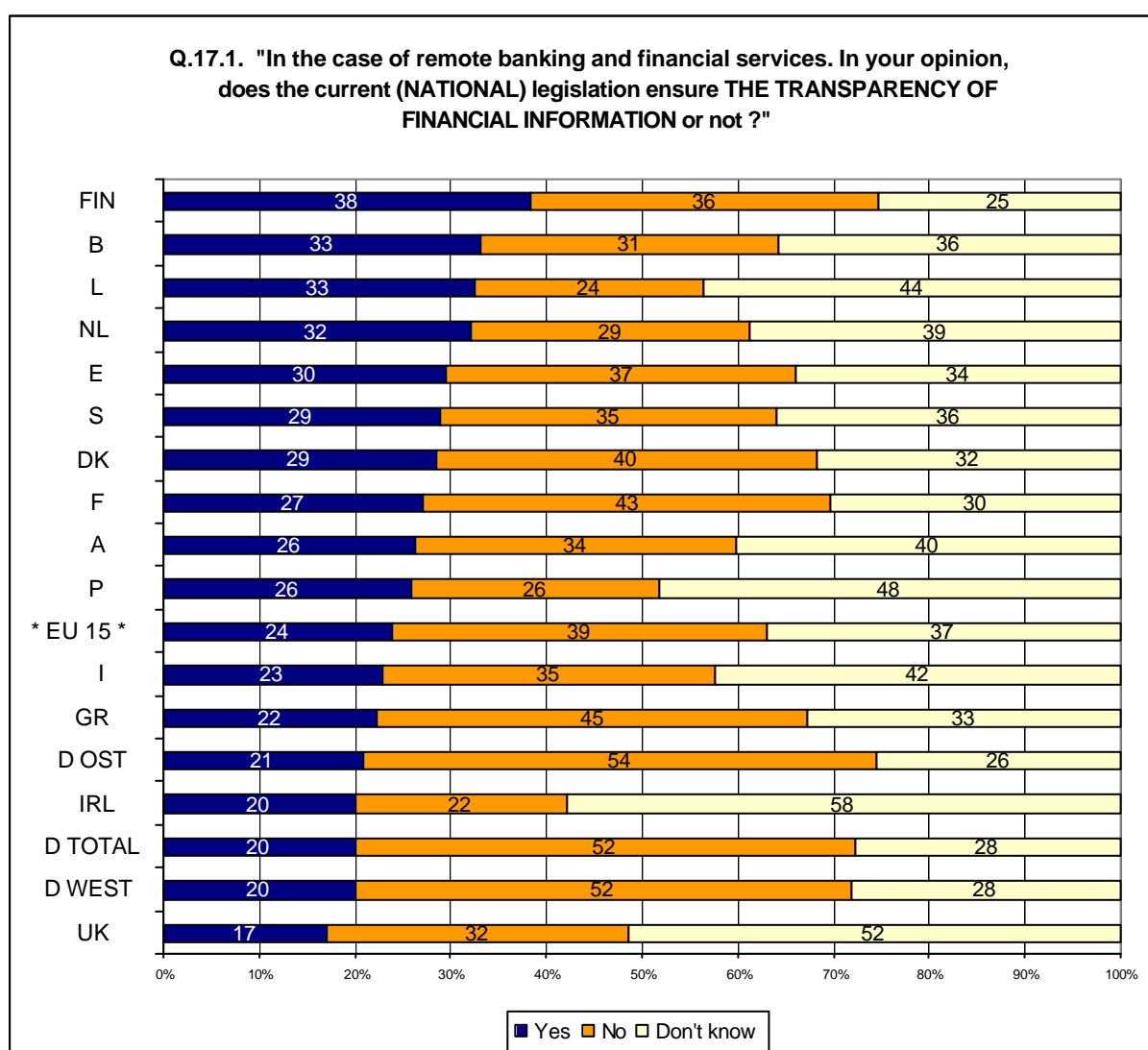
3. “New means of payment”, national legislation and consumer protection

Those interviewed were then invited to give their opinion on each of five statements concerning the way in which their country’s legislation regulates remote banking and financial services such as Phone Banking / Remote Banking (or national equivalent), Internet Banking, etc.

3.1. Transparency of financial information

a. Europe-wide figures

Some four Europeans out of ten (39%) consider their country’s legislation on the new means of payment does not guarantee transparency of financial information, 24% are of the contrary opinion, while 37% have none at all.



b. Analysis by country

European consumers are clearly interested in remote banking and financial services, but also somewhat apprehensive: this is borne out by the analysis of results by country.

We should first note the very high percentages of those with “no opinion”: 25% even in Finland, despite that country’s up-to-date handling of new information and communication technologies (on which the development of remote banking and financial services is based); and as many as 58% in Ireland.

Secondly, we note the relatively even distribution of these national results among the three types of reply. Like Denmark (29% “yes”, 40% “no”, 32% “no opinion”) or Belgium (33% “yes”, 31% “no”, 36% “no opinion”), all member countries give results indicating some degree, perhaps, of bewilderment or at least a form of incomprehension in the face of these new and complex procedures.

Lastly, we may point to four countries where the “yes” replies outnumber the “no”: the Netherlands (32% “yes” vs. 29% “no”), Luxembourg (33% vs. 24%), Belgium (33% vs. 31%) and Finland (38% vs. 36%).

3.2. Protection of consumers’ rights

a. Europe-wide figures

37% of Europeans consider their country’s legislation on the new means of payment does not guarantee the protection of consumers’ rights; 31% think it does, while 32% have no opinion.

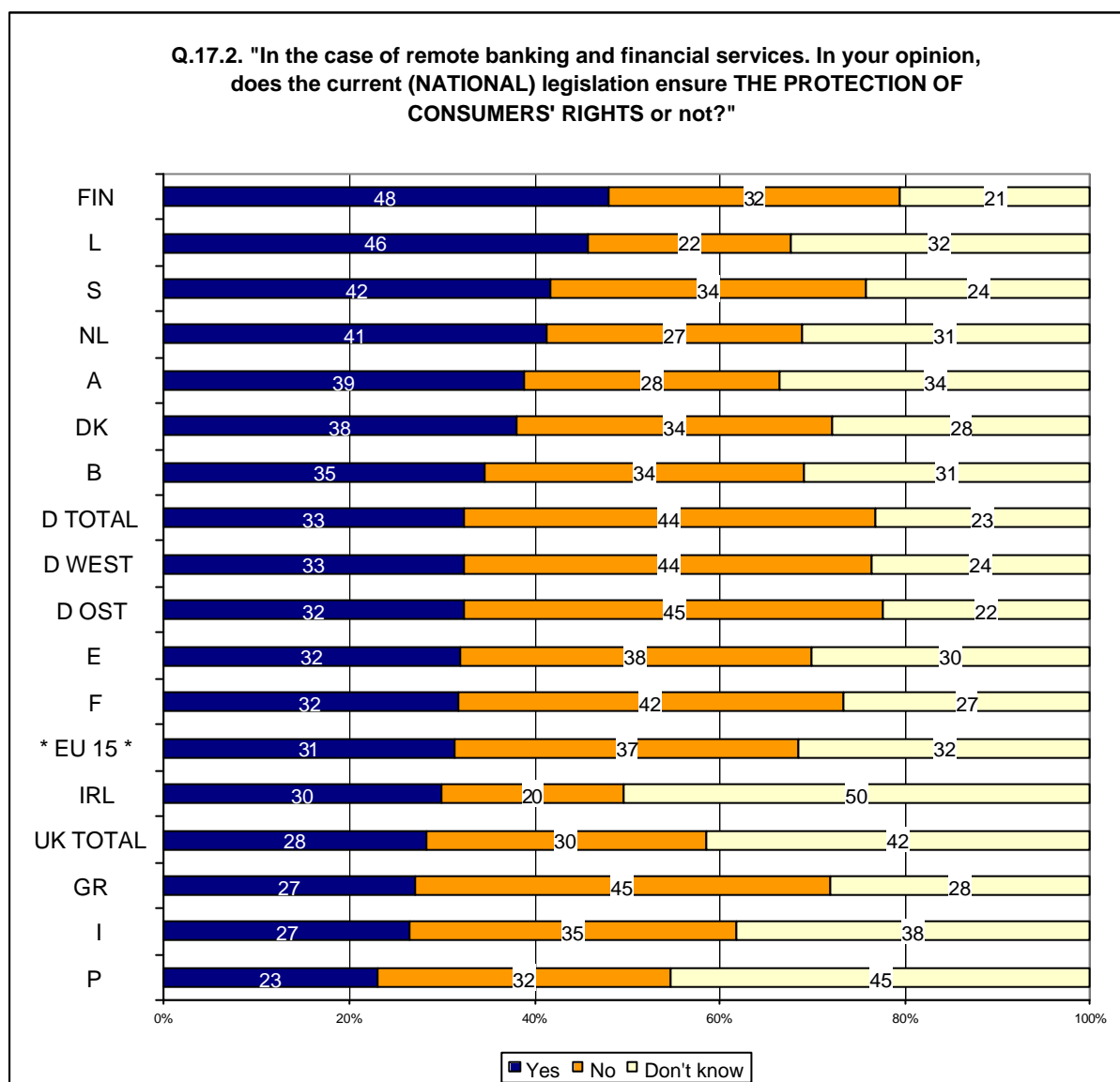
b. Analysis by country

The public in individual countries seems a little at a loss about the extent to which their country’s legislation guarantees the protection of consumers’ rights; indeed percentages of “no opinion” are still high.

A majority of countries (eight of the fifteen) showed a preponderance of “yes” replies over “no” ones: Ireland (30% “yes”, 20% “no”, but also 50% with “no opinion”), Belgium (35%: 34%), Denmark (38% vs. 34%), Austria (39% vs. 28%), Netherlands (41% vs. 27%), Sweden (42% vs. 34%), Luxembourg (46% vs. 22%) and Finland (48% vs. 32%).

Only four countries have fewer than 30% “yes” replies: United Kingdom (28%), Greece (27%), Italy (27%) and Portugal (23%).

See graph, next page



3.3. Protection of the confidentiality of information

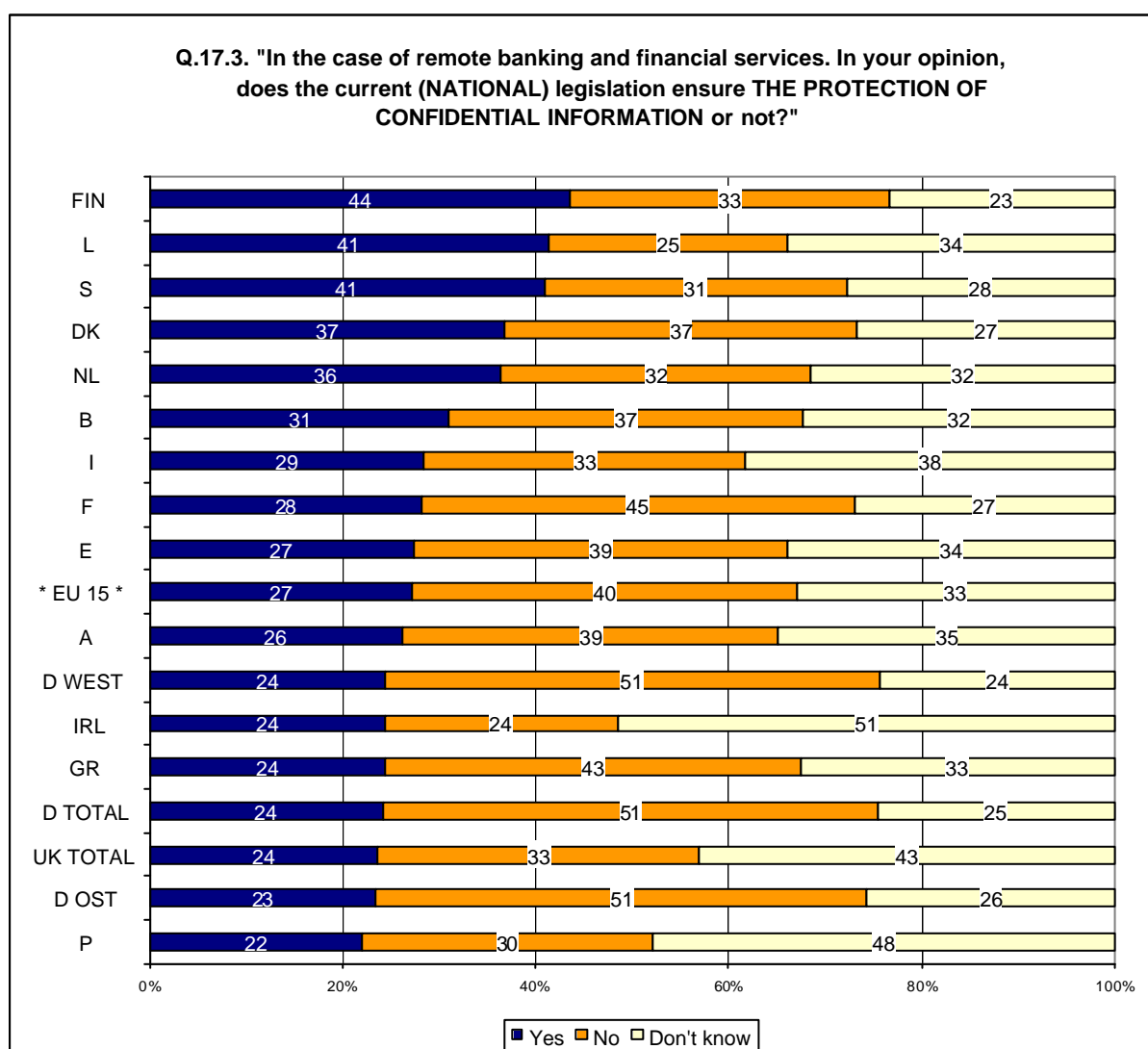
a. Europe-wide figures

Four Europeans out of ten consider that their country's legislation specifically concerning the new means of payment does not guarantee protection of the confidentiality of information; on the other hand, 27% replied that it does; and 33% gave no view.

b. Analysis by country

The issues surrounding protection of the confidentiality of information do not seem to bring out any very marked national differences, either. The proportion of those with “no opinion” is still very high (from 23% in Finland to 51% in Ireland). There is one fairly distinctive result, however: 51% of Germans regard their national legislation as not guaranteeing protection of the confidentiality of information circulating in these distance banking and financial services.

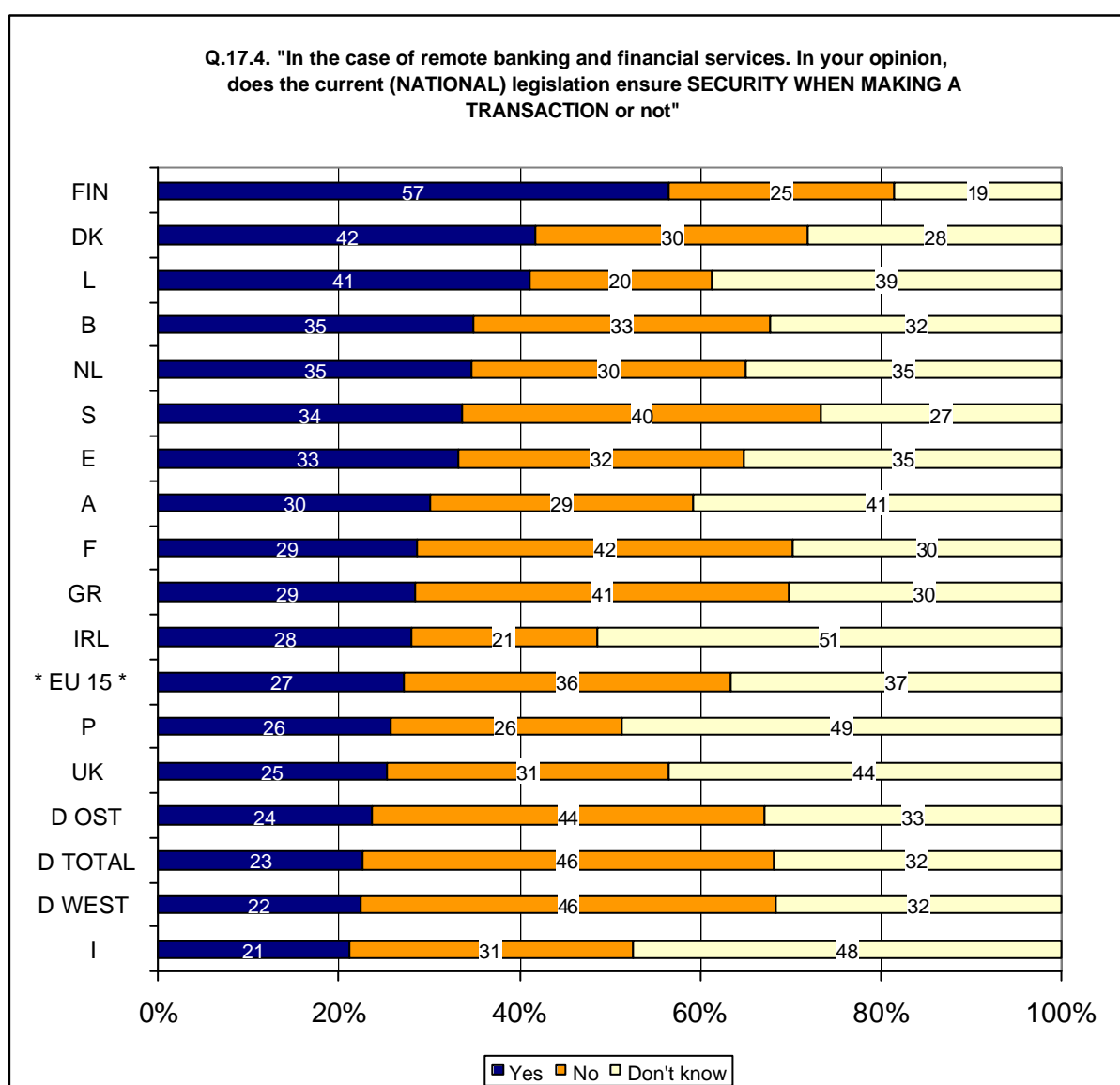
“Yes” replies range from 22% in Portugal to 44% in Finland. Only five countries show proportions of “yes” replies lower than 25%: Ireland, Greece, Germany and the United Kingdom (all with 24%); and Portugal (22%).



3.4. Security of transactions

a. Europe-wide figures

In the view of nearly four Europeans out of ten (36%), their country's legislation concerning the new means of payment does not guarantee the security of transactions; only 28% think the contrary, and 37% have no opinion.



b. Analysis by country

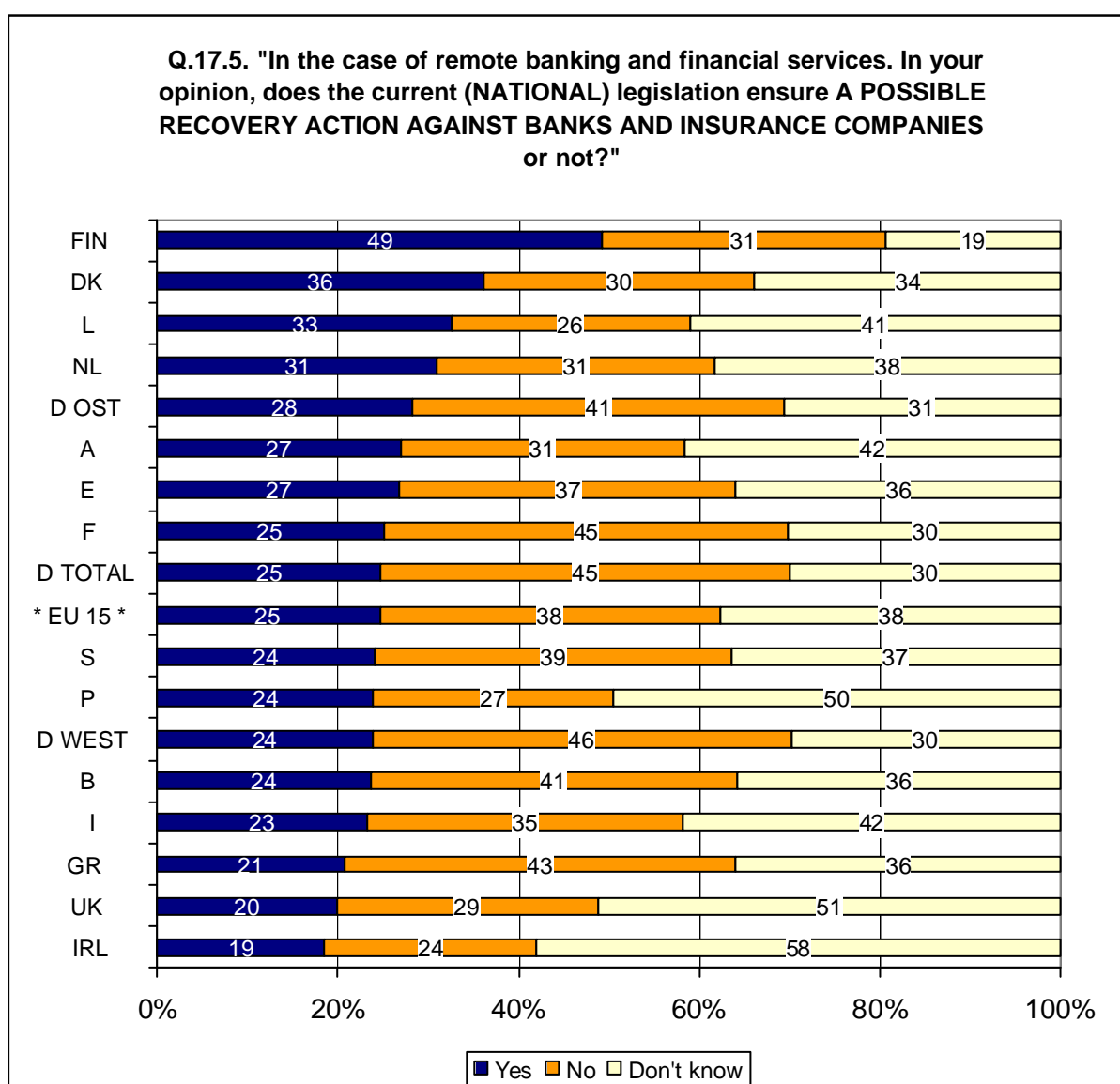
The salient fact here is that only one country has a percentage of "yes" replies of more than half: 57% of Finns think their country's legislation guarantees the security of transactions. In the other Member states, the proportion of "yes" replies ranges from 42% in Denmark down to only 21% in Italy (where, moreover, 31% of those interviewed answered "no", and as many as 48% had no opinion).

People in each individual country therefore seem to be really cautious on the question whether their national laws guarantee consumers' rights. The replies from Spain support this comment: 33% "yes", 32% "no" and 35% "no opinion"... Caution, or lack of interest in the question ?

3.5. Redress from banks and insurance establishments

a. Europe-wide figures

38% of those interviewed think their country's legislation on these distance services does not guarantee recovery actions against banks and insurance establishments; only one European in four said it did, while 37% have no opinion.



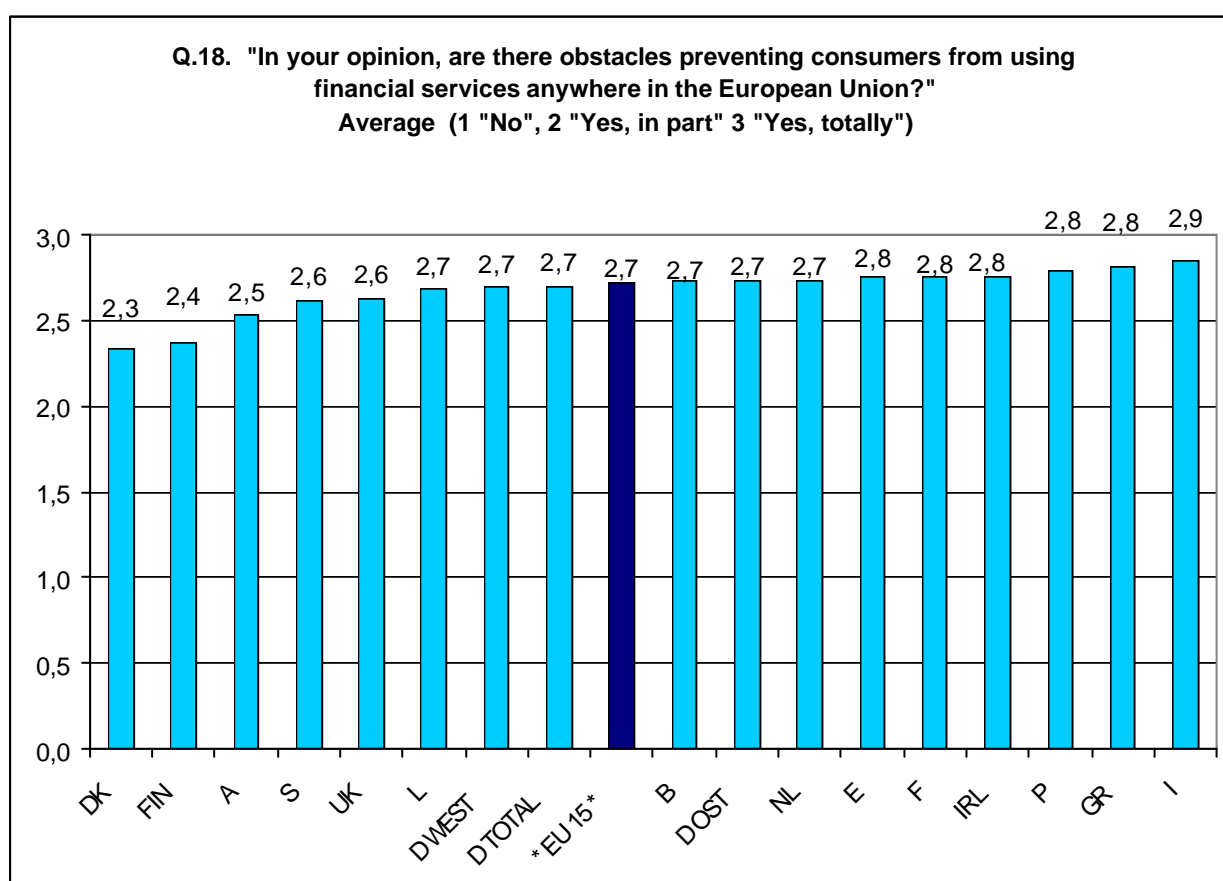
b. Analysis by country

This last question concerning the provisions in national law for seeking redress from banks and insurance establishments shows that average opinion still varies greatly from country to country on this type of recourse. With the exception of Finland, where almost one person in two (49%) said “yes”, and Denmark (36% “yes”), all the other countries have proportions of “yes” replies lower than 35%, the lowest being in the United Kingdom (20%) and Ireland (19%).

4. What role is there for the European Union in regulating the new technologies associated with financial services?

a. Europe-wide figures

The marketing of financial services via the new technologies was the next issue raised. When asked “In your view, is it necessary to take steps or not to take measures in the European Union to protect consumers in the use of these new technologies? (IF YES) Totally or in part?”, a majority of Europeans (on average, 2.7 out of 3) replied positively. Analysis of the percentages underlying this average gives the following results: “yes, totally”: 65% of Europeans, “yes, in part”: 14%; 5% of those interviewed said “no”, and 16% had no opinion.



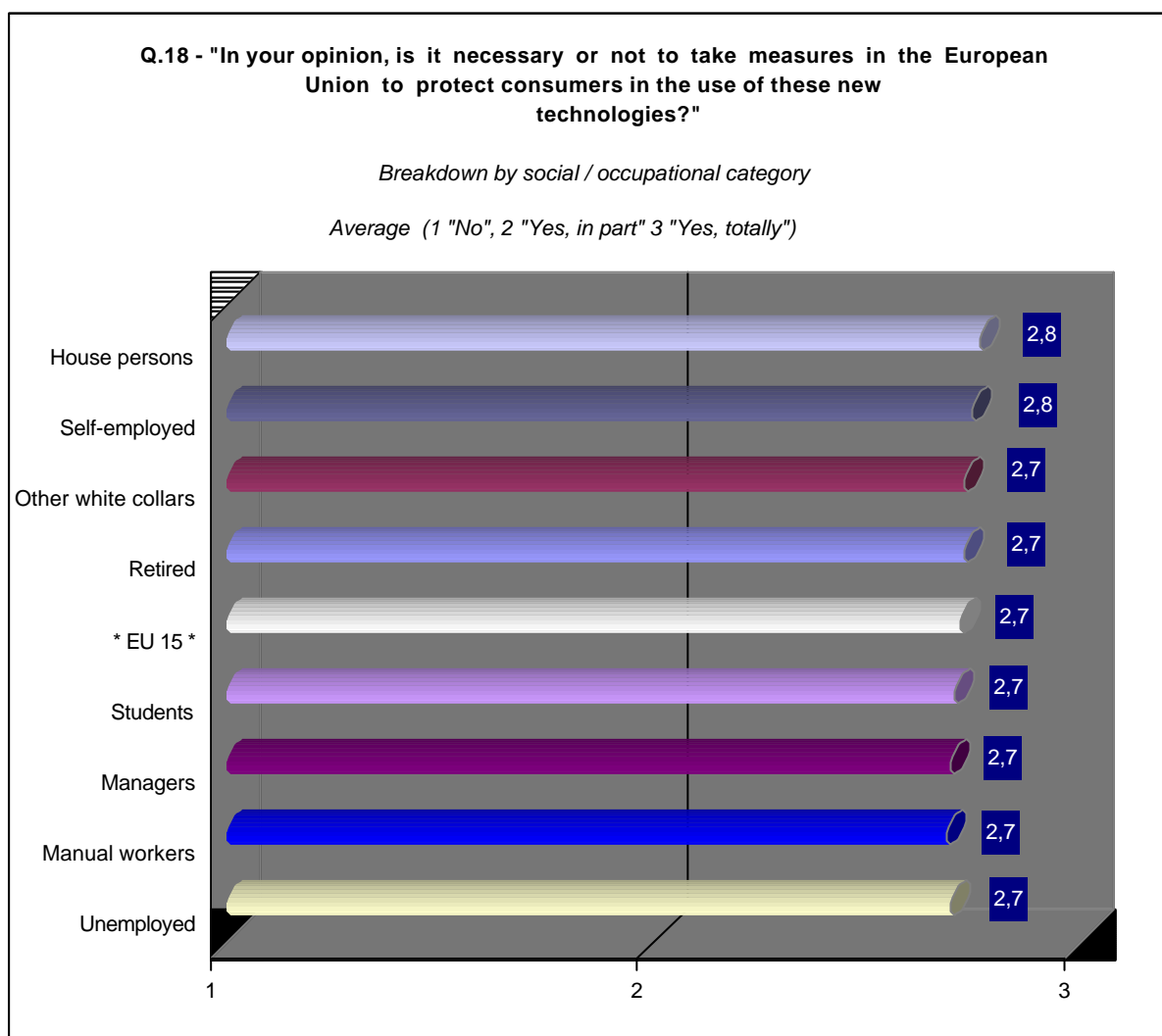
b. Analysis by country

We should note first of all that thirteen of the fifteen Member states fall within 0.2 percentage points of the European average (2.7), meaning in all cases that there is a majority in most member countries in favour of taking measures at EU level to protect the consumer. As an example, we may take the position in Sweden: 7% think it unnecessary to take such measures; 21% answered “yes, in part” and 65% “yes, totally”.

Two countries however have scores of less than 2.5: Finland (mean score 2.4) and above all Denmark (mean score 2.3).

c. Analysis by social or demographic category

Once more, as can be seen from the graph below, the need for “more Europe” in the regulating of the new technologies associated with financial services is supported by a very even expression of public opinion. Factors of sex, age, education, urban/rural area, occupation and income show differences of only 0.1 percentage point from the “EU15” average of 2.7.



III. CONSUMERS' USE OF THE VARIOUS MEANS OF PAYMENT IN THE EUROPEAN UNION

1. Preferred means of payment

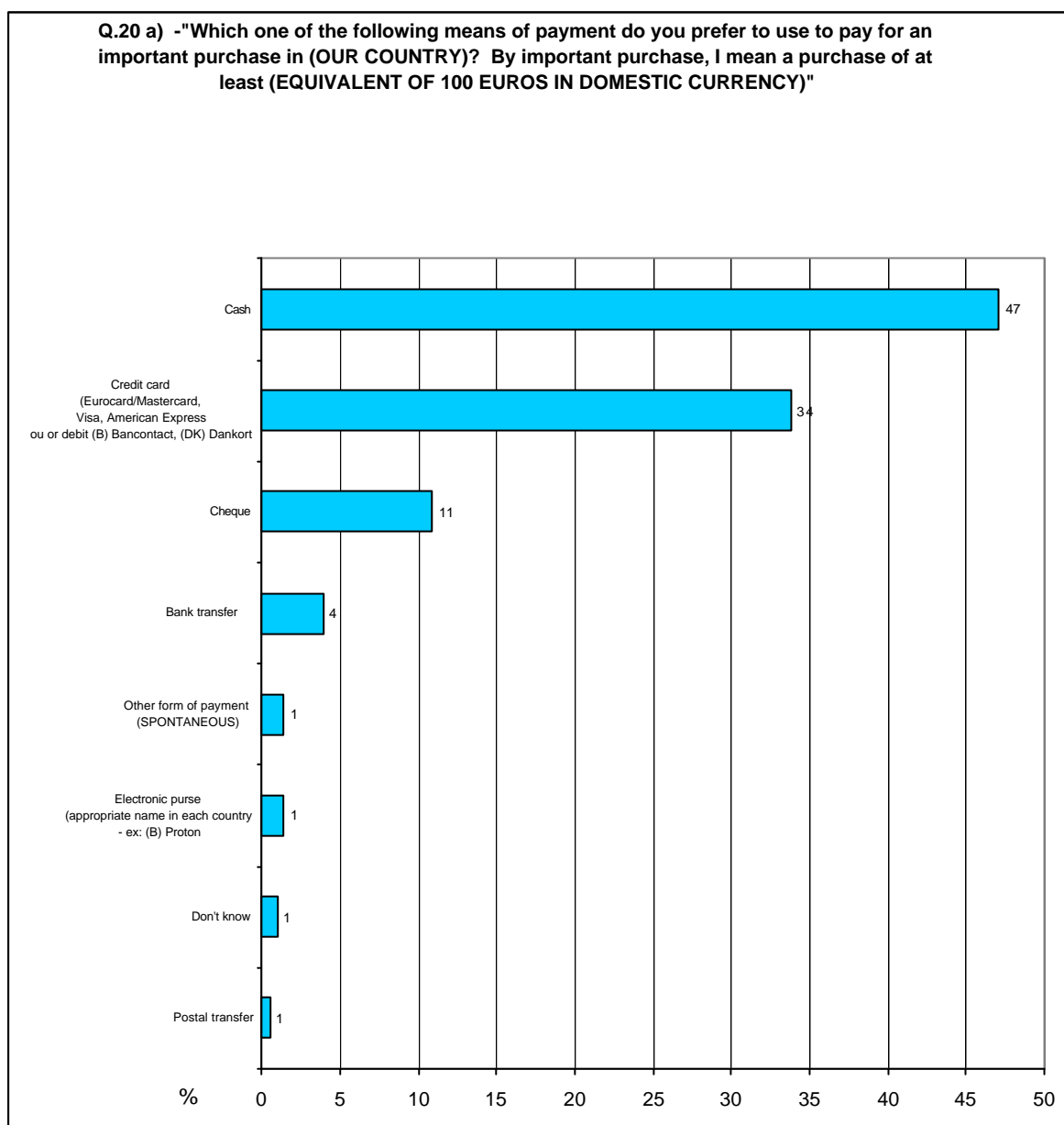
1.1. In one's own country

Those interviewed were then asked their opinion on this question: "Which of the following means of payment do you prefer to use to pay for an important purchase in (OUR COUNTRY)? By "important purchase", I mean a purchase of at least (EQUIVALENT OF 100 EUROS IN DOMESTIC CURRENCY). (ONE ANSWER ONLY)".

a. Europe-wide figures

Cash is the mode of payment preferred by Europeans (47%) when making an expenditure of at least 100 euros in their own country, followed by credit card (34%), cheque (11%, but we shall see below that only four countries - France especially – make great use of this), bank transfer (4%). All the other means of payment scored less than 5% as did bank transfers (4%) or the electronic purse (1%). The postal transfer comes last with 0.5%.

See graph, next page



b. Analysis by country

The choice of cash as the preferred mode of payment for an important purchase needs closer examination at country level: the figures vary by a factor of almost five.

Cash is least used in France: 18%; but we should observe straight away that France is the country where the cheque has a most dominant position (43%) by comparison with the European average (11%). Seven countries' figures for a preference for cash are below 50%: Netherlands (23%), Luxembourg (36%), Belgium (37%), Denmark (39%), Sweden (40%), United Kingdom (45%) and Finland (49%). Above 50%, we may mention Germany (52%), Portugal (53%), Italy (56%), Austria (60%), Ireland (61%), Spain (67%). Greece has the highest figure: 88%.

The use of the cheque-book is also uneven among the countries of the European Union. Only five countries give figures higher than 5%: Italy (7%), United Kingdom (13%), Portugal (13%), Ireland (18%) and France (43%).

Credit card use also reveals major differences. Nine countries have figures lower than 40%: Greece (7%), Ireland (16%), Portugal (22%), Austria (25%), Spain (29%), Germany (32%), Italy (32%), France (36%) and the United Kingdom (37%). Three countries' figures are above 50%: Denmark (52%), Luxembourg (55%), Netherlands (62%).

The electronic purse only really does well in two countries: Portugal and Sweden, with 7% (by comparison with the European average of 1%).

Bank transfers are used mainly in four countries: Belgium (6%), Austria (8%), Germany (10%) and the Netherlands (11%).

1.2. Purchases in another EU country

a. Europe-wide figures

The supplementary question concerned the mode of payment used for important purchases in another member country of the European Union. The main deduction is that the ranking observed in the replies to the earlier question is preserved, but only just: cash (34.7%) is only slightly ahead of the credit card (34.6%); cheques are in this case preferred by fewer than 5% (4.1%). Bank transfer (3%), the electronic purse (1%) and the postal transfer (0.3%) are means of payment very little used.

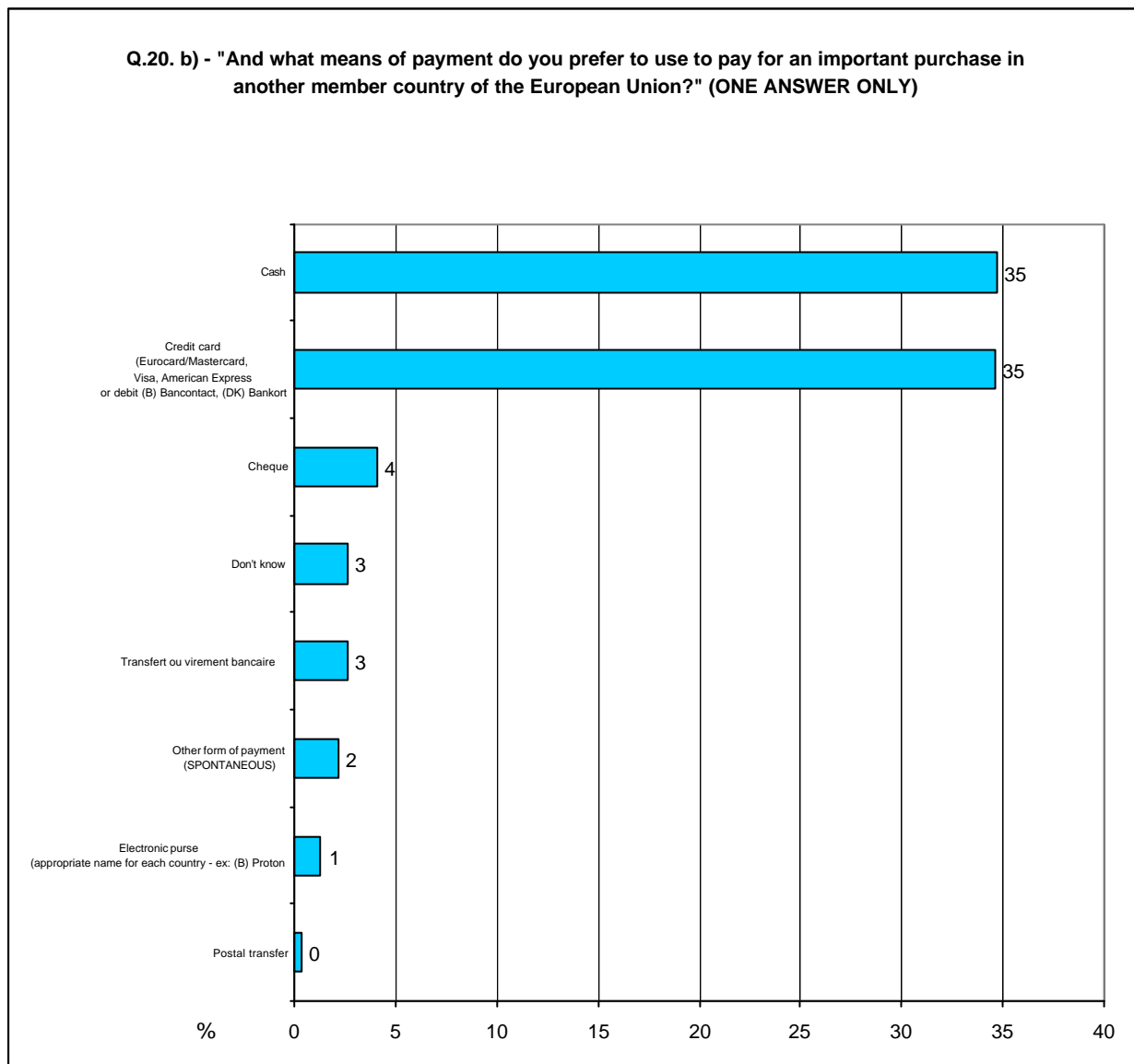
b. Analysis by country

The percentages for use of cash to pay for an important purchase in another member country show great similarity in national replies, which range from 20% for France to 46% for Finland, with intermediate figures of 34% for Italy and 38% for Greece.

The range of figures for the credit card in the former question is found again, but to a smaller extent. Eight countries give figures below the European average (35%): Greece (7%), Portugal (22%), Ireland (25%), Germany (30%), Austria (31%), Finland (31%), Spain (32%) and Italy (34%). The four leading countries in use of credit cards for purchases in another EU country were the Benelux countries (Belgium: 45%; Luxembourg: 57%; Netherlands: 58%) and Denmark (49%).

The use of cheques is once more a particularly French preference (12%) even for use in another member country (the European average is 4%).

See graph, next page

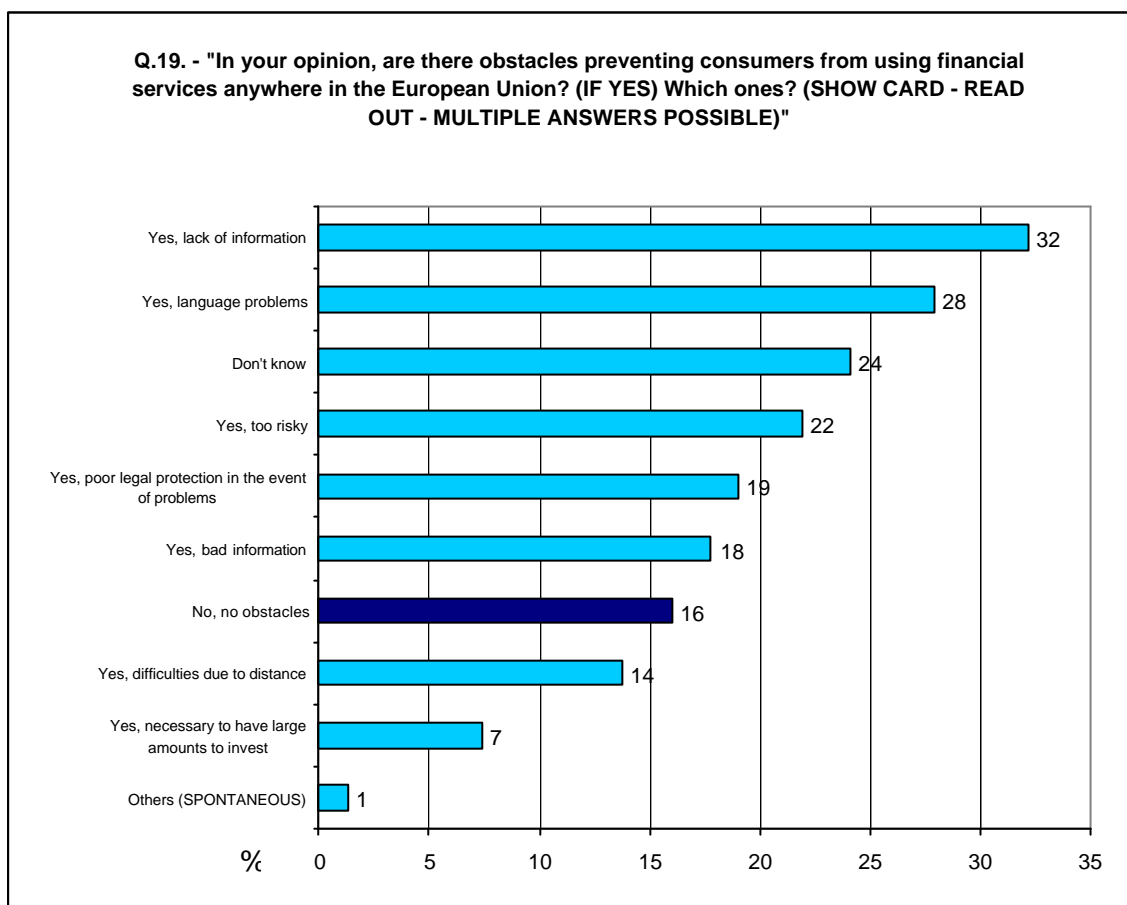


2. Obstacles to the use of financial services from other member countries

a. Europe-wide figures

Those interviewed were then asked: "In your opinion, are there obstacles preventing consumers from using financial services anywhere in the European Union? (IF YES) Which ones? (SHOW CARD - READ OUT - MULTIPLE ANSWERS POSSIBLE)"

We should first note that 16% of European respondents saw no type of obstacle, and that 24% of Europeans have no opinion. Among those answering “yes”, we need to distinguish (in decreasing order of importance): lack of information (32%); problems due to language (28%); too risky (22%); poor legal protection in the event of problems (19%); poor reporting (18%); difficulties due to distance (14%); the need to invest large sums (7%).



b. Analysis by country

11% of Germans do not think there are obstacles in the way of consumers' recourse to financial services anywhere in the European Union, and most countries' figures are within 5 percentage points of the European average (16%). Outside this group, we can report figures that might be regarded as "extreme" from Denmark and Finland (46%).

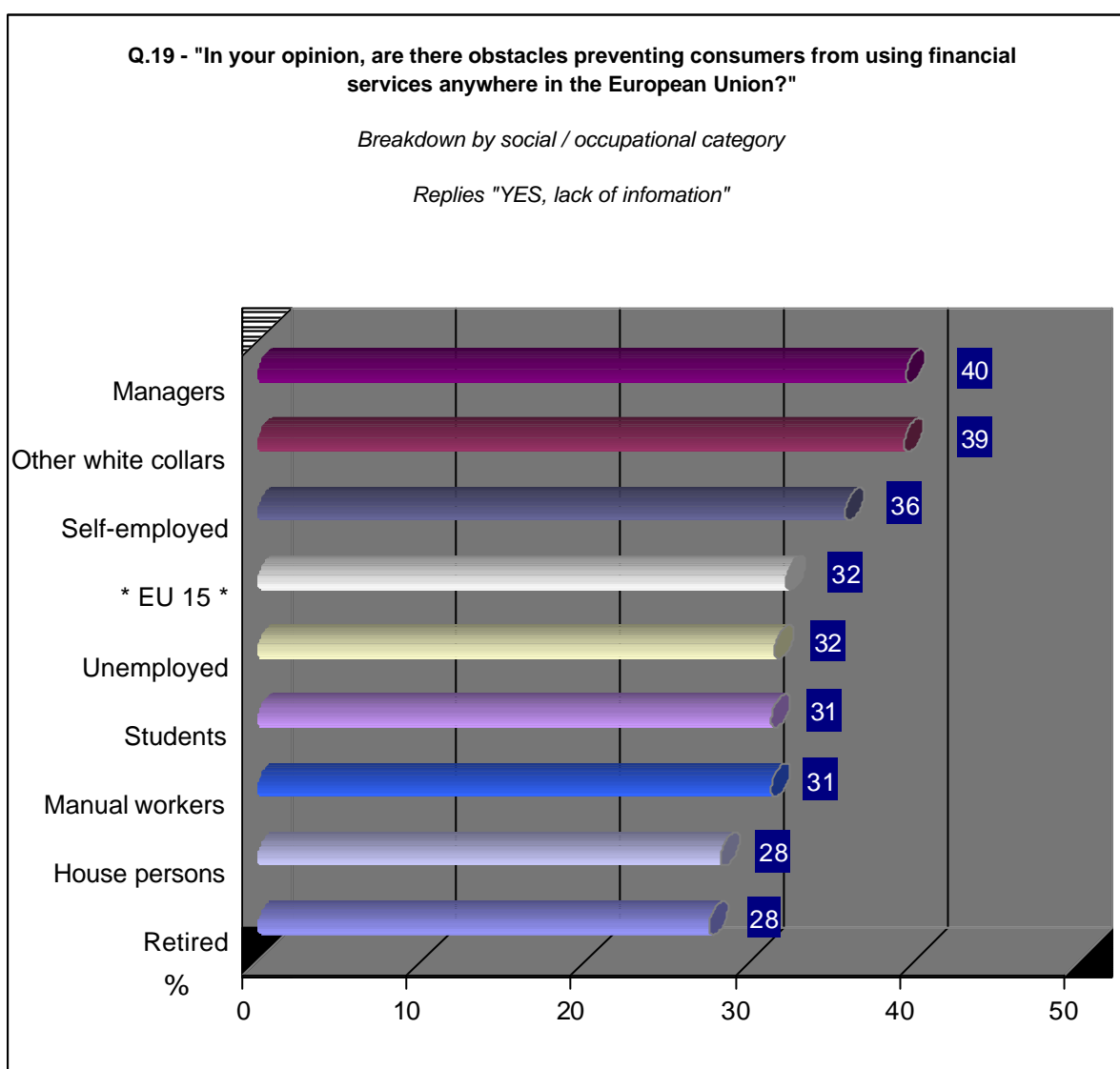
The reply quoting a lack of information gets different levels of support in the various countries. The highest figures, above one third of all replies, are found in five countries: Netherlands (35%), Germany (36%), France (38%), Portugal (39%) and Greece (42%). At the opposite end, three countries gave figures below 25%: United Kingdom (22%), Finland (22%), and Denmark (19%).

The question of risk involved in the use of financial services from anywhere in the European Union produced a noteworthy response in the case of Germany, where 42% of those in "West" Germany (51% in the eastern part) mentioned this risk.

c. Analysis by social or demographic category

In this analysis by social or demographic category we shall consider the numbers of replies mentioning “lack of information (“EU15” average: 32%).

The categories with higher scores on this than the European average are the following: people aged 25 – 54 (35%), those who left full-time education at 20 years or older (38%), city-dwellers (33%), managers (40%), “other white-collar workers” (39%) and the highest income group (38%). In others words, active, educated, high-income groups with responsibilities are those who require information concerning the supply of financial services in EU member countries.



3. Reasons given for the use of the preferred means of payment

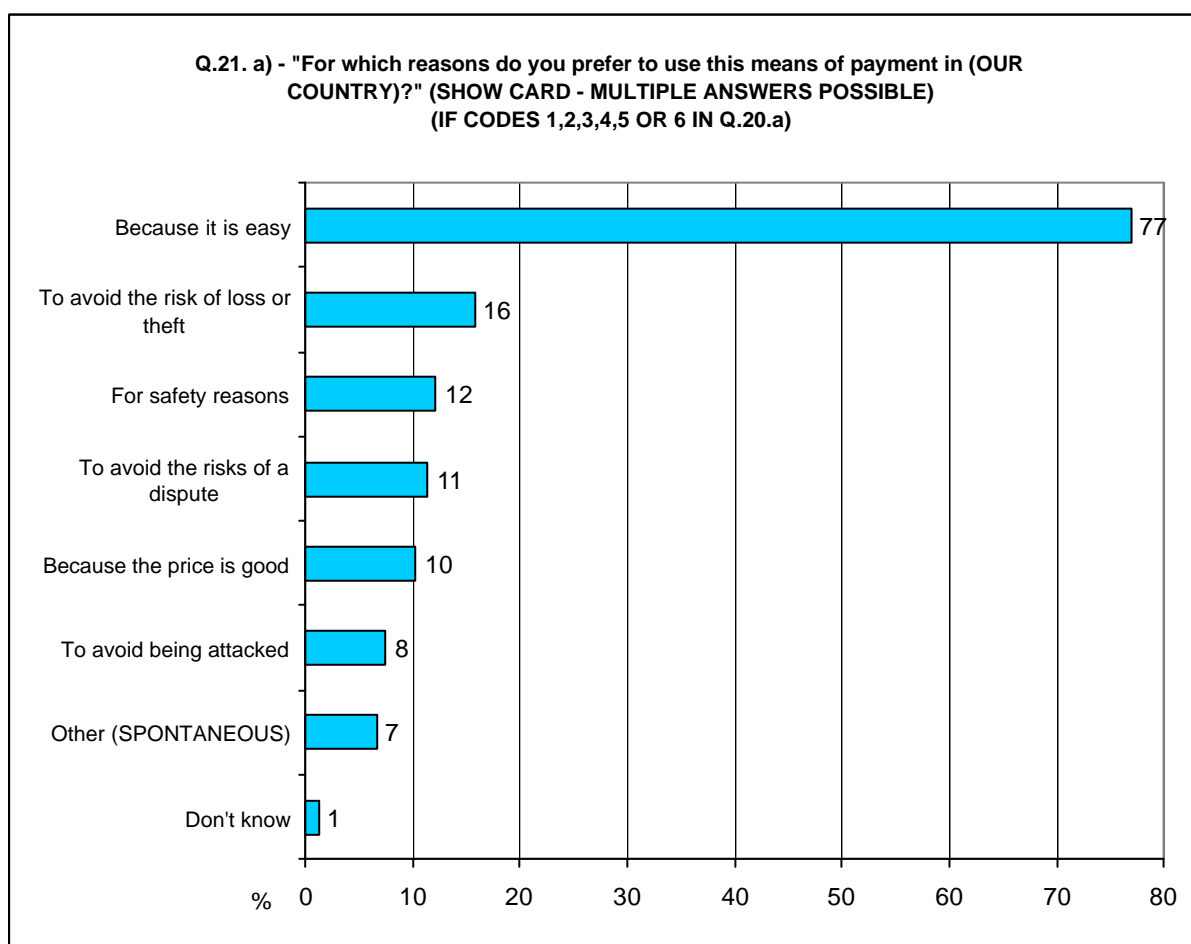
3.1. In the country of residence

a. Europe-wide figures

Respondents' reasons given for the use of the preferred mode of payment within the country of residence are as follows. The first response, clearly ahead of all the others, is ease of use, chosen by more than three Europeans out of four (77%). Four other replies had much lower scores:

- to avoid risks of loss or theft (16%)
- for reasons of security (for instance: PIN, etc) (12%)
- to avoid risks of a dispute (11%)
- on grounds of cost (10%)

The last reason scored no more than 10%: to avoid being attacked (8%).



b. Analysis by country

In each member country a majority of at least two thirds referred to the ease of use of their preferred mode of payment. The figures are all within 10 points of the European average (77%): from 67% for Greece, 76% for the Netherlands and 83% for Germany, to 87% in Sweden.

The consideration of cost was particularly important in Germany (19%), Denmark (22%) and Greece (23%); the European average was 10%.

The answer “to avoid the risks of loss or theft” was picked by more than 26% in Luxembourg and by three Dutch people out of ten (31%).

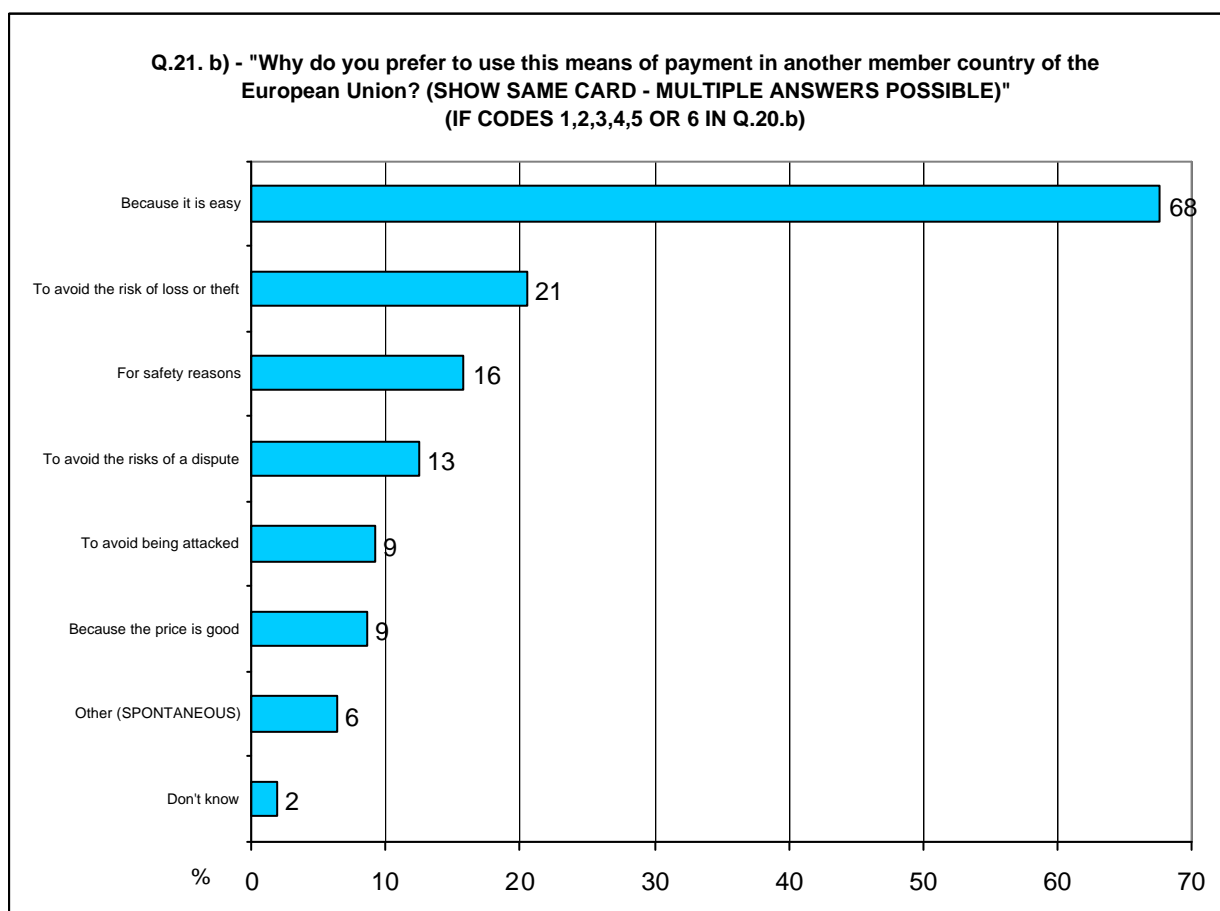
3.2. In another member country

a. Europe-wide figures

Ease of use came first again as the reason for the preferred mode of payment in another EU country; it was cited by two out of three Europeans (68% compared with 77% for the previous question). Next come the following motives:

- to avoid the risks of loss or theft (21% against 16% for the previous question)
- for reasons of security (for instance: confidential PIN) (16% against 12%)
- to avoid the risks of a dispute (13% against 11%)
- to avoid being attacked (9% against 7.5%)

The cost argument was this time canvassed by fewer than 10% (9% against 10% for the previous question).



b. Analysis by country

Once more, the country figures for the mention of ease of use of the preferred mode of payment are within 10 points of the European average (68%). We find the following figures below 65%: Spain (57%), Greece (61%), Ireland and United Kingdom (63%). At the other extreme, four countries had figures above 70%: Sweden (71%), Luxembourg (73%), Belgium and Germany (76%).

Security considerations ("to avoid the risk of loss or theft") take on a greater importance in the context of payments abroad, as the country figures clearly show. Four countries only showed scores lower than 20%: Greece (15%), France (15%), Austria (17%) and Germany (18%), while more than 25% gave this reason in five countries: Ireland (26%), Sweden (28%), Luxembourg (29%), Netherlands (32%) and Denmark (33%).

4. Extent of use of the "new means of payment"

a. Europe-wide figures

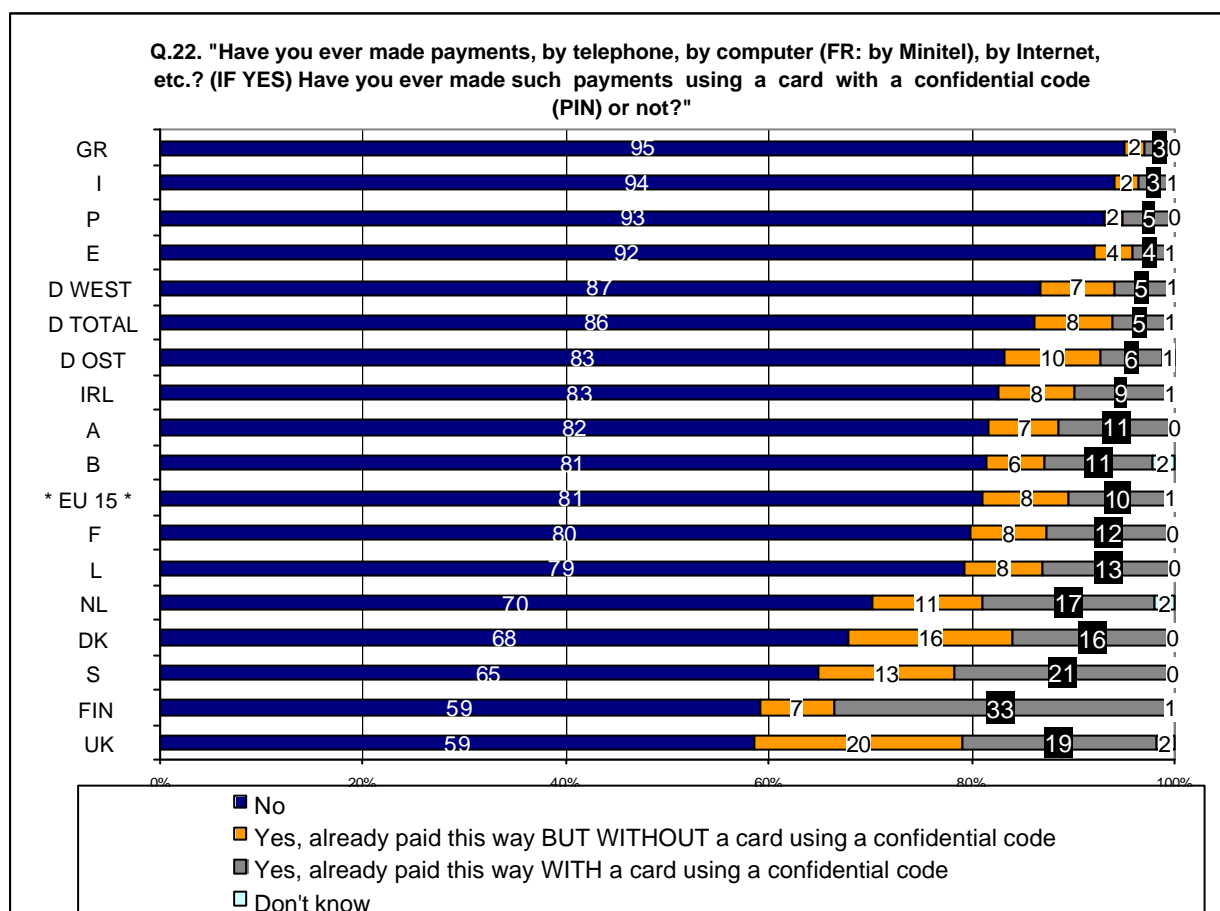
Asked "Have you ever made payments by telephone, by computer (or, in France, by Minitel), by Internet, etc.? (IF YES) Have you ever made such payments using a card with a confidential PIN?", more than eight Europeans out of ten (81%) said "No". Only 8% of those interviewed said they had used one of these "new means of payment", but not with a card and confidential PIN, while 10% said they had paid in this manner.

b. Analysis by country

The salient fact is that over 90% of answers were negative in the four southern EU countries: Spain (92%), Portugal (93%), Italy (94%) and Greece (95%).

Another major point: only five countries (from northern and north-western Europe) gave "no" figures of 70% or below. In descending order, these were: Netherlands (70%), Denmark (68%), Sweden 65%, Finland (59%) and United Kingdom (59%).

See graph, next page



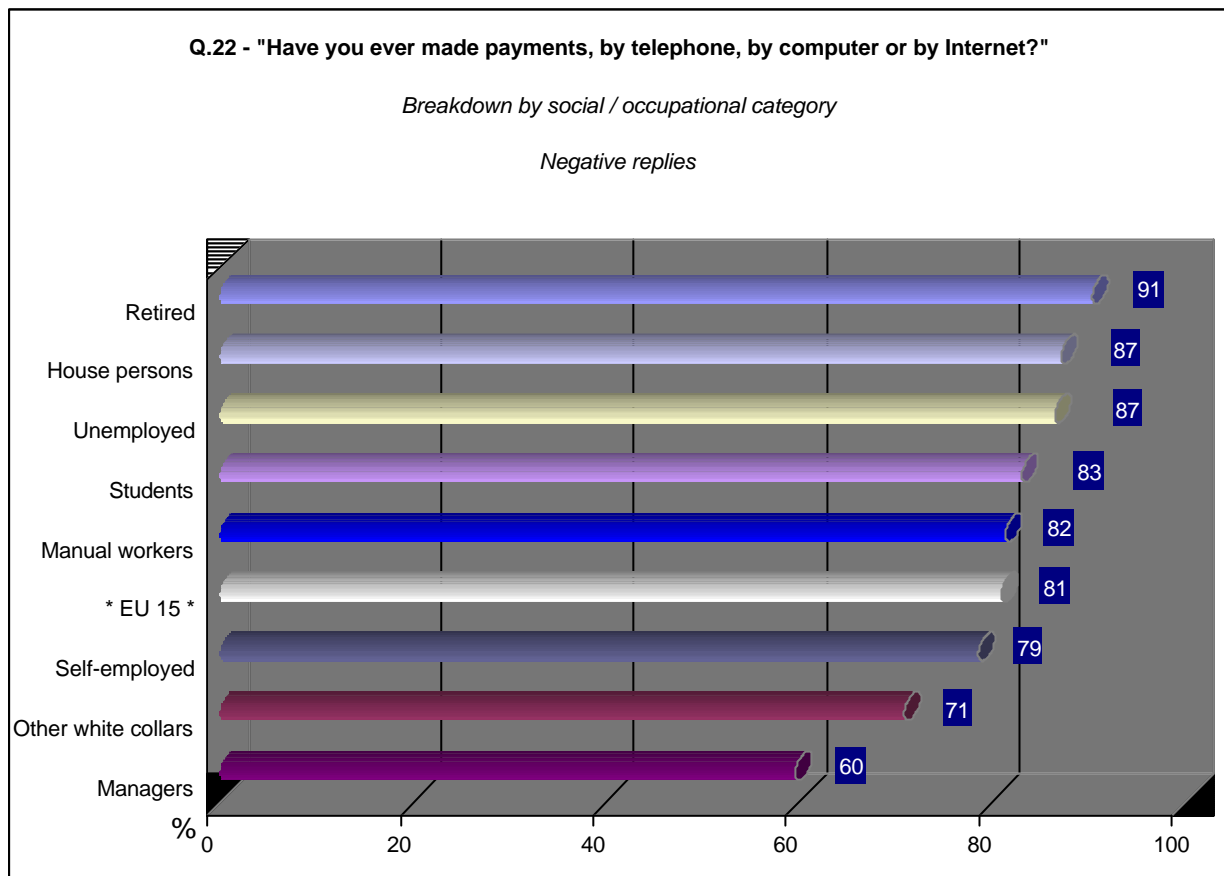
c. Analysis by social or demographic category

For this question, about the use of the new means of payment (especially the remote ones, with or without a card and confidential PIN), we shall take a closer look at the negative replies. At first sight (looking at the figures in the graph below) we see three distinct groups:

- One where more than 85% replies were negative: retired people (91%), house persons and the unemployed (87%)
- a second group, within two percentage points of the European average ("EU15", 81%): students (83%), manual workers (82%) and the self-employed (79%)
- lastly, the group with the lowest percentages of negative replies: "other white-collar workers" (71%) and lowest of all, managers (60%).

More generally, the social or demographic categories with the highest rates of negative replies are the following: women (83%, against 79% for men), those aged 55 and over (90%, against 73% for the 25-39 year-olds), those who had left full-time education at 15 (91%, against 70% for those who studied to the age of 20 or more), the inhabitants of rural areas (85% against 78% for city-dwellers), and those with the lowest incomes (90%, against 65% for the highest income group).

See graph, next page



5. Reasons for not using these “new means of payment”

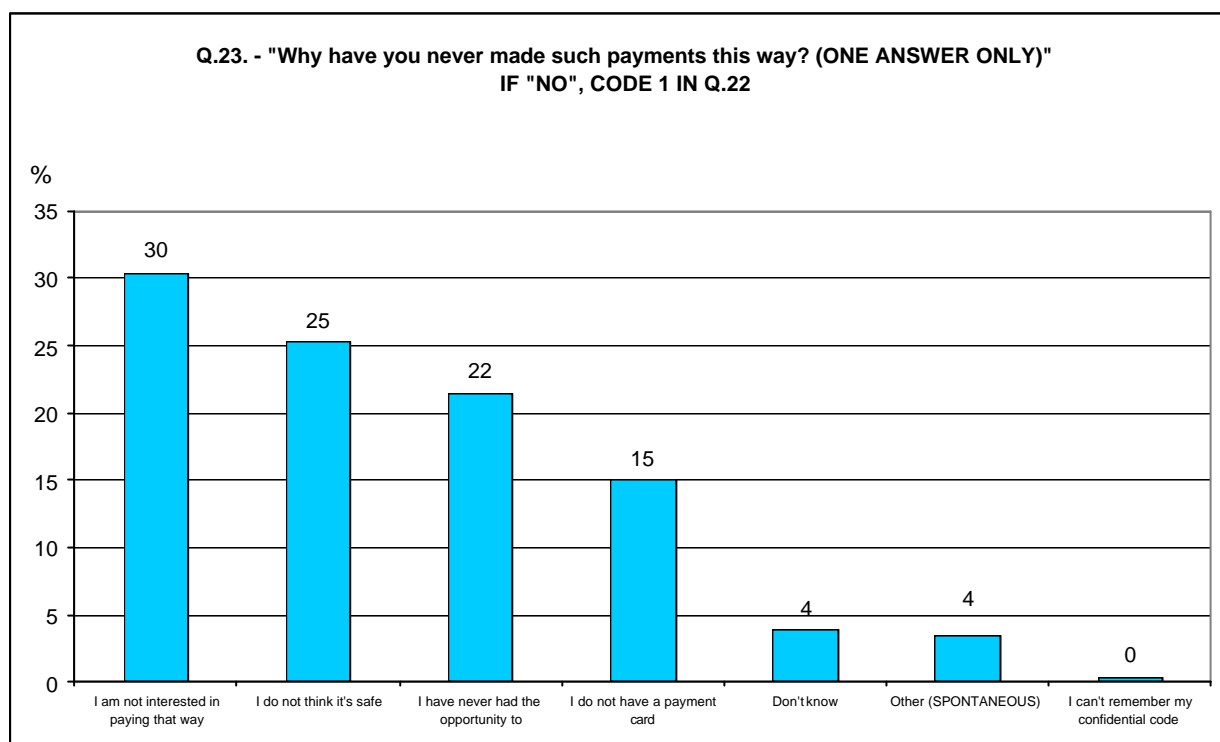
a. Europe-wide figures

Four main reasons are given for not using these “new means of payment” (in descending order):

- disinclination (“I am not interested in paying that way”): 30%
- risk (I do not think it's safe”): 25%
- lack of occasion (“I have never had the opportunity to”): 22%
- do not possess a payment card: 15%

0.4% of those interviewed observed that they could not remember their confidential PIN.

See graph, next page



b. Analysis by country

In five countries at least 40% of public opinion gave the “disinclination” answer: Portugal (41%), Austria (42%), Spain (42%), Sweden (44%) and Greece (50%). On the other hand there were four countries where over 30% reported this: United Kingdom (29%), Italy (27%), Luxembourg (20%) and France (10%).

47% of the French, 34% of Luxemburgers and 26% of the British feel these “new means of payment” are not secure.

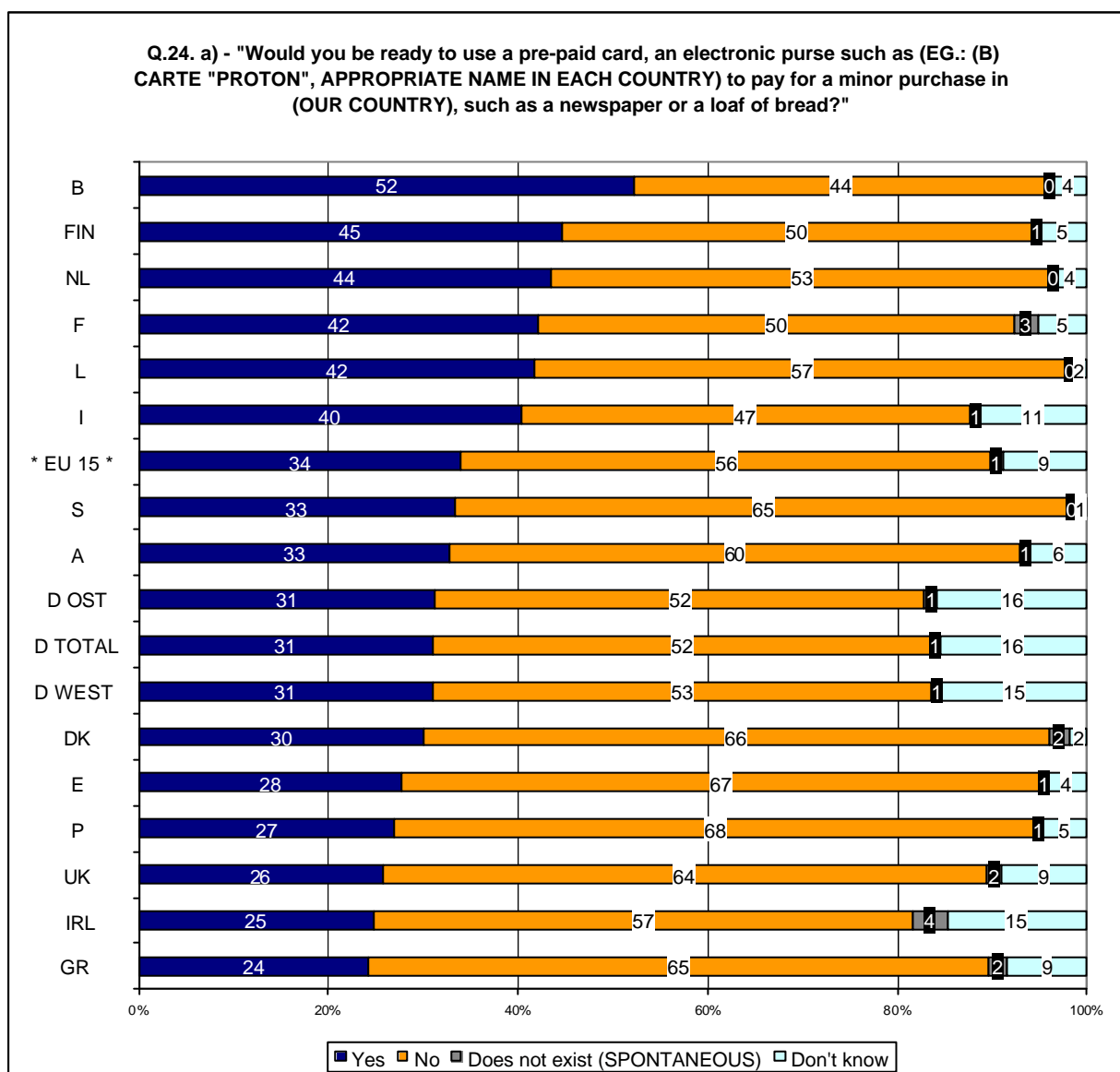
6. Europeans’ attitudes to using an electronic purse

6.1. In their country of residence

a. Europe-wide figures

One European in three (34%) would be prepared to use a prepaid card or electronic purse in their own country to pay for a small purchase (for instance a newspaper or a loaf of bread). Strategies for developing the electronic purse in Europe can therefore count on the support of a broad swathe of public opinion. 56% of Europeans, on the other hand, answered in the negative, while 9% have no opinion.

See graph, next page



b. Analysis by country

Only one country scores above the symbolic level of 50%: Belgium (52%) where the "Proton" card has found a place in many consumers' habits.

As the above graph shows, the percentages of "yes" replies fall within 10 points of the European average (34%). At the lower end of the scale are Greece (24%), Ireland (25%) and the United Kingdom (26%); and at the higher end, besides Belgium which we have already mentioned (52%), we find Luxembourg (42%), France (42%), the Netherlands (44%) and Finland (45%).

Lastly, we should mention the seven countries where at least 60% of respondents indicate that they are not prepared to use an electronic purse (in their own countries) to pay for a small purchase: Austria (60%), United Kingdom (64%), Greece (65%), Sweden (65%), Denmark (66%), Spain and Portugal (67%).

6.2. In another EU country

a. Europe-wide figures

In contemplating travel in another EU country, 31% of Europeans would be prepared to use a prepaid card or electronic purse (3 percentage points less than for the question before); 56% said "No" (as before) and 12% have no opinion (+3 points).

The potential for development of the use of the "electronic purse" is therefore confirmed (in each of the Member states), both for purchases in one's own country and elsewhere in Europe.

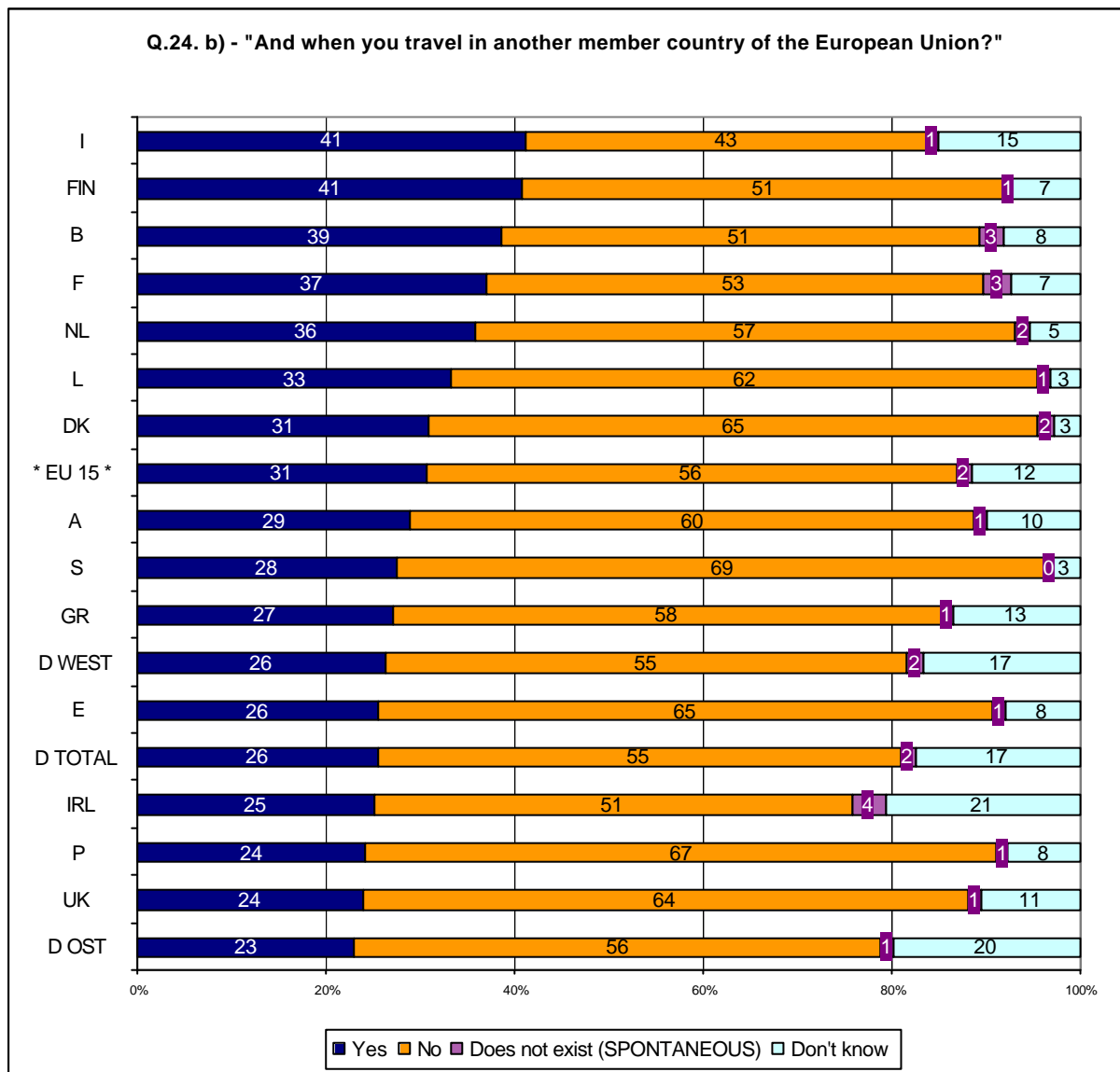
b. Analysis by country

Belgian respondents now slip to third place, with 39% answering "yes". First come the Italians, with 41% positive replies (but 43% negative ones, also).

Overall there are fewer "yes" replies than for the last question (paying for a small purchase in one's own country). To take the example of Spain: here, 26% would be prepared to use an electronic purse in another member country, while the proportion of positive replies was 28% in the case of a payment made in Spain.

We should mention here also those countries where there was an overwhelming negative response (over 60%): Luxembourg (62%), United Kingdom (64%), Denmark (65%), Spain (65%), Portugal (67%) and Sweden (69%).

See graph, next page



IV. EUROPEANS' MAIN TYPES OF FINANCIAL PRODUCT

1. Savings account

a. Europe-wide figures

The proportion of Europeans who have a savings account at one of the institutions below is as follows:

- at a bank: 40% (47% have never had one)
- at a Savings Bank (Caisse d'Epargne): 30% (57% have never had one)
- at a "Building Society"³: 23% (66% have never had one)
- at the Post Office: 11% (74% have never had one)

We may note that 5% on average of those interviewed say they have themselves closed a savings account (whatever the type of financial institution). On the other hand, between 0.2% (Post Office) and 0.5% ("Building Societies") have had their savings account closed by the financial institution.

b. Analysis by country

* Savings account at a bank:

European average: 40%

The three countries with the highest percentages:

- Belgium: 77%
- Greece: 75%
- Netherlands: 70%

The three countries with the lowest percentages:

- Germany: 36%
- Spain: 33%
- Italy: 9%

³ Definition of "Building Society" from the *Britannica Concise Encyclopedia* (<http://education.yahoo.com/reference/encyclopedia>): "Financial institution that accepts savings from depositors and uses those funds primarily to make loans to home buyers. Savings and loan associations (S&Ls) originated with 18th-cent. British building societies, in which workmen banded together to finance the building of their homes. S&Ls were initially cooperative institutions in which savers were shareholders in the association and received dividends in proportion to profits, but today are mutual organizations that offer a variety of savings plans." There are no "Building Societies" in Belgium, Denmark, Germany, Greece, France, Italy or the Netherlands.

* Savings account at a Savings Bank:

European average: 30%

The three countries with the highest percentages:

- Germany: 56%
- Spain: 54%
- Luxembourg: 46%

The three countries with the lowest percentages:

- Finland: 7%
- Portugal: 5%
- Italy: 4%

* Savings account at a "Building Society":

European average: 23%

The three countries with the highest percentages:

- United Kingdom: 46%
- Austria: 31%
- Ireland: 22%

The three countries with the lowest percentages:

- Spain: 1%
- Portugal: 1%
- Finland: 0% (0.4%)

* Savings account at the Post Office:

European average: 11%

The three countries with the highest percentages:

- Netherlands: 31%
- Ireland: 22%
- France: 16%

The three countries with the lowest percentages:

- Portugal: 4%
- Finland: 3%
- Spain: 1%

2. Current account

a. Europe-wide figures

The proportion of Europeans who have a current account at one of the institutions mentioned below is as follows:

- at a bank: 56% (30% have never had one)
- at a Savings Bank: 27% (60% have never had one)
- at a "Building Society": 8.3% (81% have never had one)
- at the Post Office: 8% (78% have never had one)

We therefore notice the same ordering as that for possession of a savings account. The percentages of those who have had current accounts closed, whether by their own choice or by the financial institutions, are slightly lower than in the case of savings accounts:

<u>Current account closed by decision:</u>	<u>of the customer:</u>	<u>of the institution:</u>
<i>Current account at a:</i>		
- bank	3%	0.2%
- Savings Bank	4%	0.4%
- "Building Society"	2%	0.4%
- Post Office	2%	0.1%

b. Analysis by country

* Current account at a bank:

European average: 56%

The three countries with the highest percentages:

- Finland: 83%
- Belgium: 80%
- France: 76%

The three countries with the lowest percentages:

- Germany: 38%
- Spain: 34%
- Greece: 11%

*

Current account at a Savings Bank:

European average: 27%

The three countries with the highest percentages:

- Germany: 60%
- Spain: 49%
- Luxembourg: 39%

The three countries with the lowest percentages:

- Finland: 7%
- Portugal: 7%
- Belgium: 6%

* Current account at a "Building Society":

European average: 8%

The three countries with the highest percentages:

- United Kingdom: 17%
- Ireland: 7%
- Austria: 5%

The three countries with the lowest percentages:

- Spain: 0.4%
- Luxembourg: 0.3%
- Finland: 0.2%

* Current account at the Post Office:

European average: 8%

The three countries with the highest percentages:

- Netherlands: 42%
- France: 16%
- Luxembourg: 13%

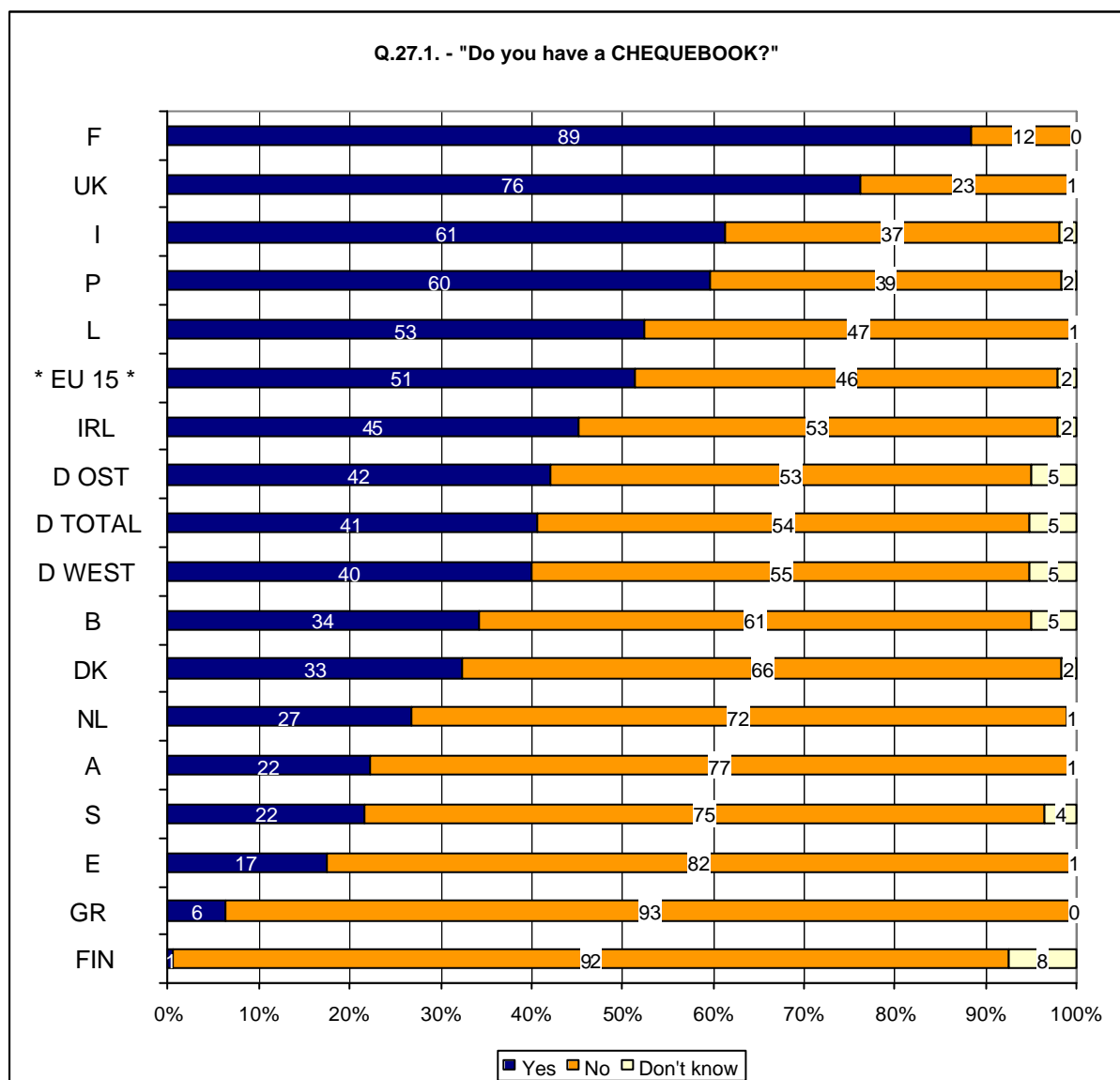
The three countries with the lowest percentages:

- Greece: 1%
- Spain: 0.5%
- Portugal: 0.4%

3. Chequebook

a. Europe-wide figures

One European in two (51%) has a chequebook; 46% do not, and some 2% “have no opinion”.



b. Analysis by country

We find some extreme situations on this matter of chequebook ownership in the countries of the European Union. In five countries more than 50% say they have one: Luxembourg (53%), Portugal (60%), Italy (61%), United Kingdom (76%) and, highest of all, France (89%). Slightly below the European average (51%) we find Ireland (45%), Germany (41%), Belgium (34%) and Denmark (33%).

Below 30% come the Netherlands (27%), Austria (22%), Sweden (22%), Spain (17%), Greece (6%) and finally Finland, lowest with 0.6%.

4. Bank cards

4.1. Credit card

a. Europe-wide figures

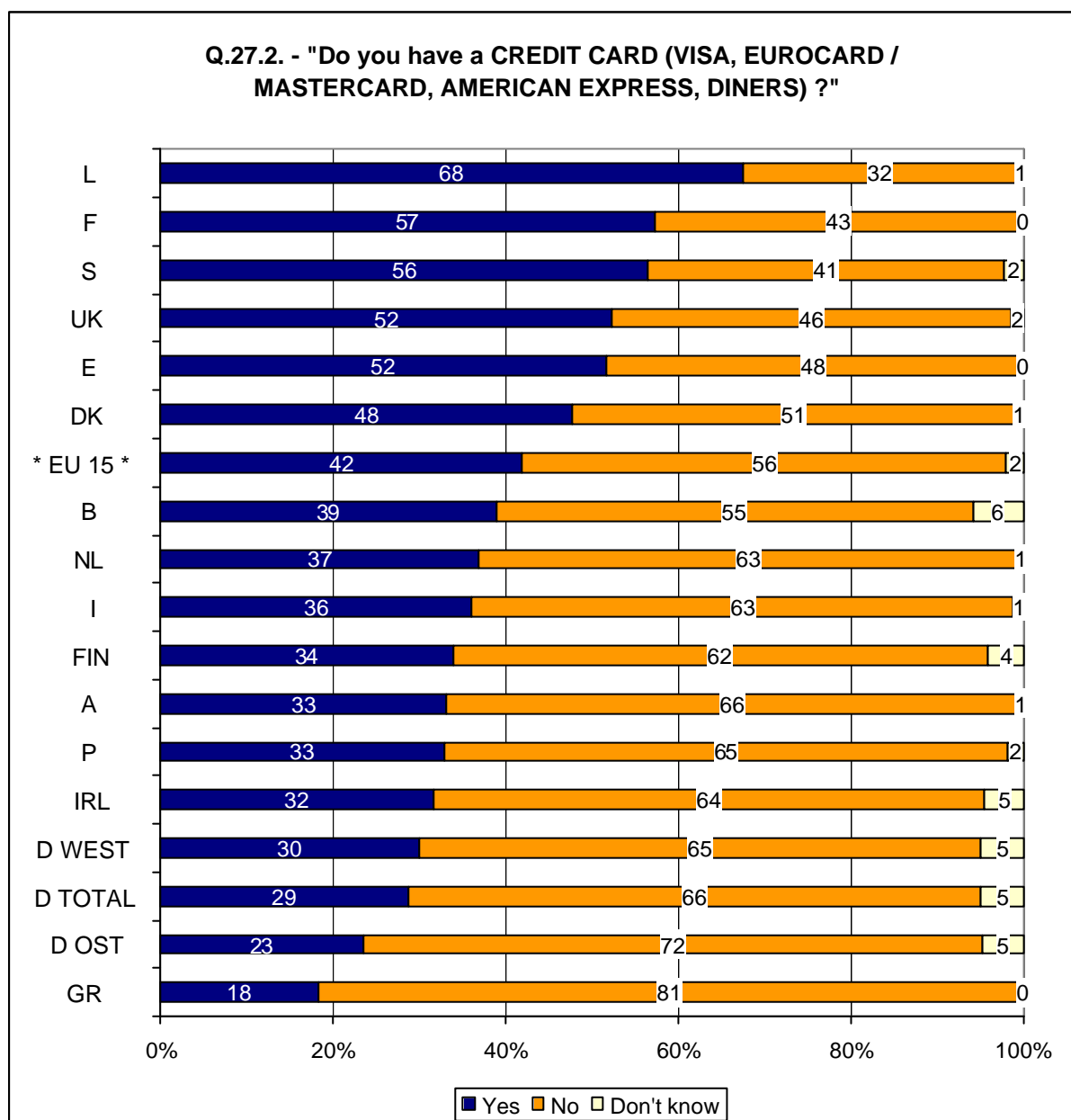
More than four Europeans out of ten (42%) have a credit card (e.g. VISA, Euro-Card / MasterCard, American Express, Diners); 56% do not.

b. Analysis by country

Here again the national situations reveal marked differences. We can arrange the EU countries in three groups:

- the first includes countries where the proportion of those who have a credit card is greater than 50%: Spain (52%), United Kingdom (52%), Sweden (56%), France (57%) and Luxembourg (68%)
- the second is that between 50% and 30%, and is made up of countries from Denmark (48%) to Ireland (32%)
- last come Germany (29%) and Greece (18%)

See graph, next page

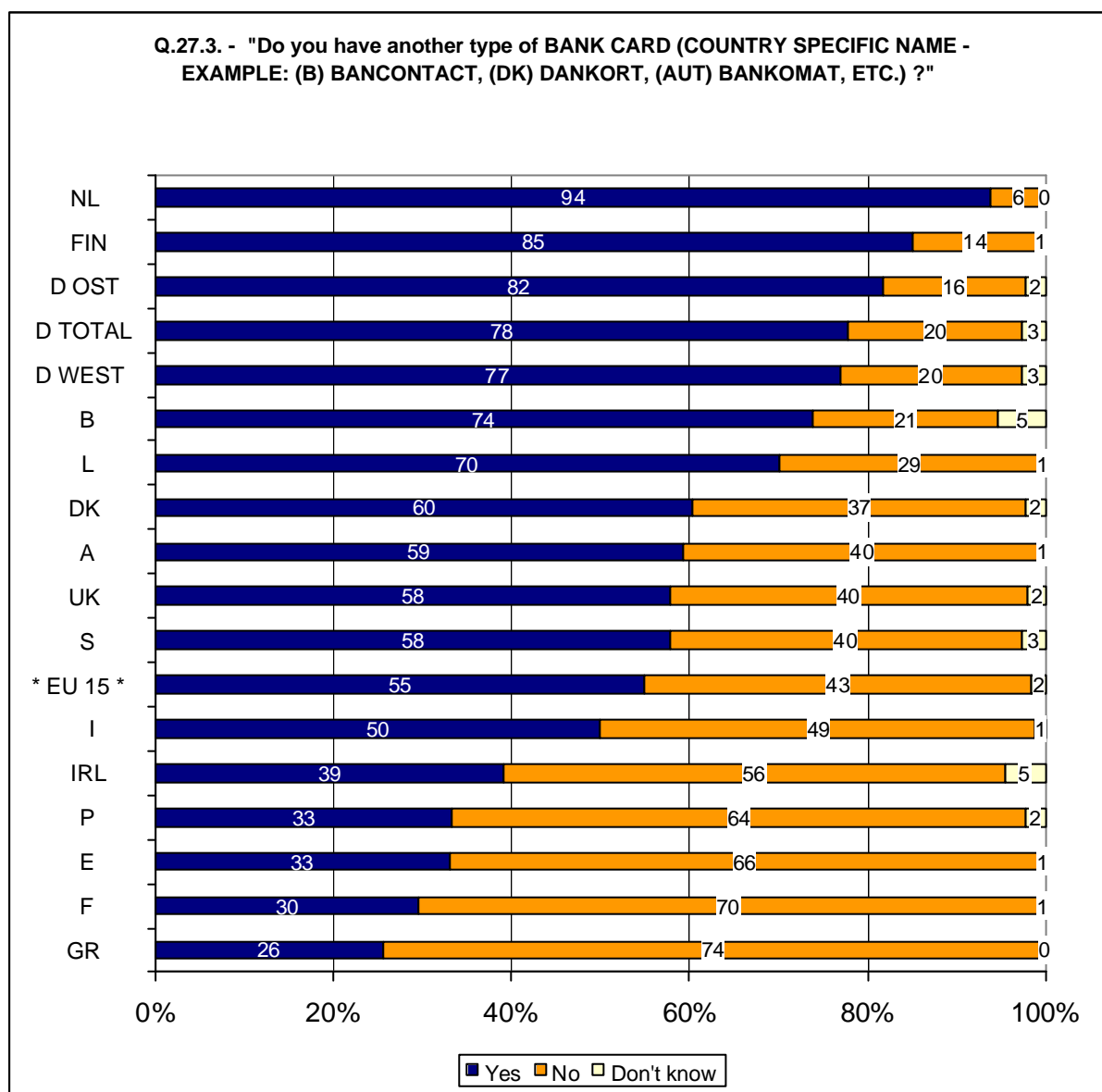


4.2. Other bank card

a. Europe-wide figures

Though half of all Europeans have no credit card, 55% of them do have "another bank card" (such as, for instance, the "Bankomat" in Austria, "Dankort" in Denmark or "Bancontact" in Belgium). 43%, on the other hand, do not; and 2% have no opinion on the subject. The extent of penetration of these "other bank cards" could therefore still increase considerably.

See graph, next page



b. Analysis by country

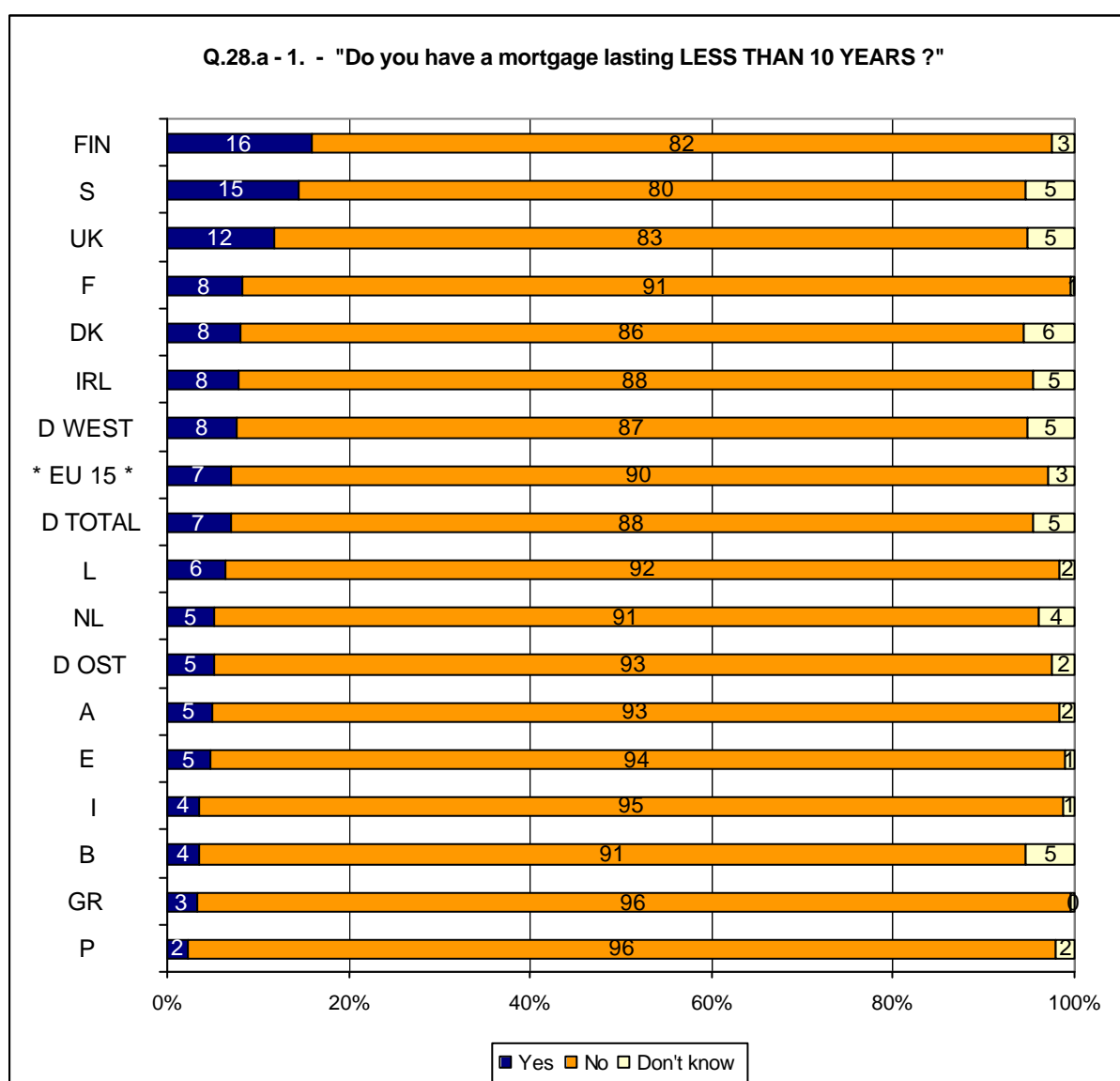
Once again, the national situations are very varied. Ten countries out of the fifteen had figures of 50% or more for positive replies (from 50% for Italy to 94% for the Netherlands). At the other end of the scale, four countries' figures are below 40%: Ireland (39%), Portugal (33%), Spain (33%), France (30%) and Greece (26%).

5. Mortgage loan

5.1. Mortgage lasting less than 10 years

a. Europe-wide figures

Some 7% of the European population have a mortgage lasting less than 10 years.



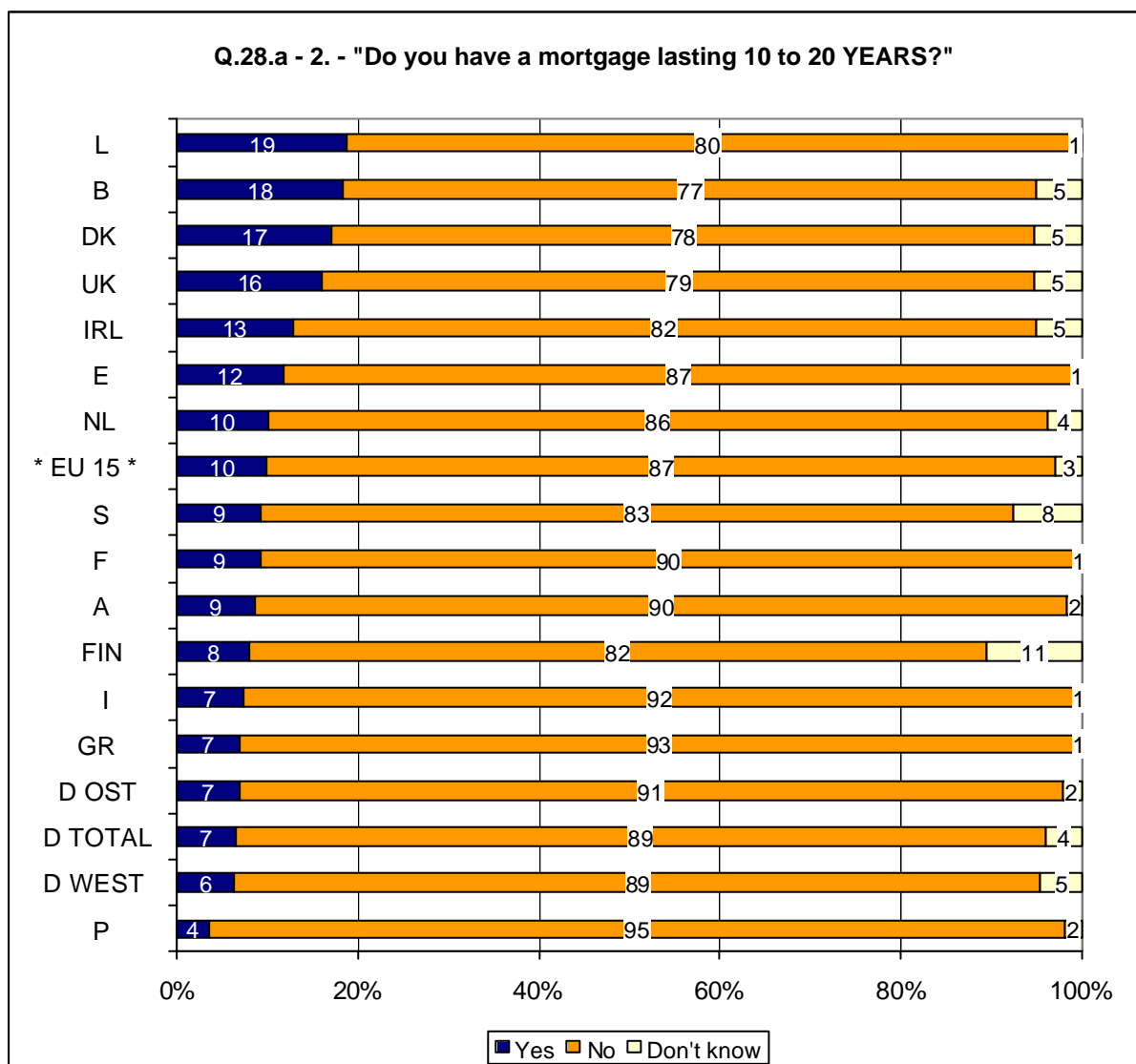
b. Analysis by country

Among the three countries with more than 10% "yes" replies, we find two northern European countries (Finland: 16%; Sweden: 15%) and the United Kingdom. We should also point out that the four southern European countries have the lowest figures (less than 5% "yes" replies): Spain (4.8%), Italy (4%), Greece (3%) and Portugal (2%).

5.2. Mortgage lasting 10 to 20 years

a. Europe-wide figures

One European in ten has a mortgage lasting 10 to 20 years.



b. Analysis by country

Country figures on this question vary by a factor of five: only 4% of Portuguese say they have a mortgage lasting 10 to 20 years, while some 19% of the Luxemburgers are in the same situation.

c. Analysis by social or demographic category

Study of the figures for mortgages lasting 10 to 20 years enables us to distinguish two basic groups among the various social and occupational categories (see graph below):

- One with a proportion of between 10% and 20%: manual workers (14%), “other white-collar workers” (16%), the self-employed (17%), and managers (19%)
- The other – with proportions below the European average (“EU15”: 10%) – composed of house persons (9%), retired people (3%) and students (0.3%)

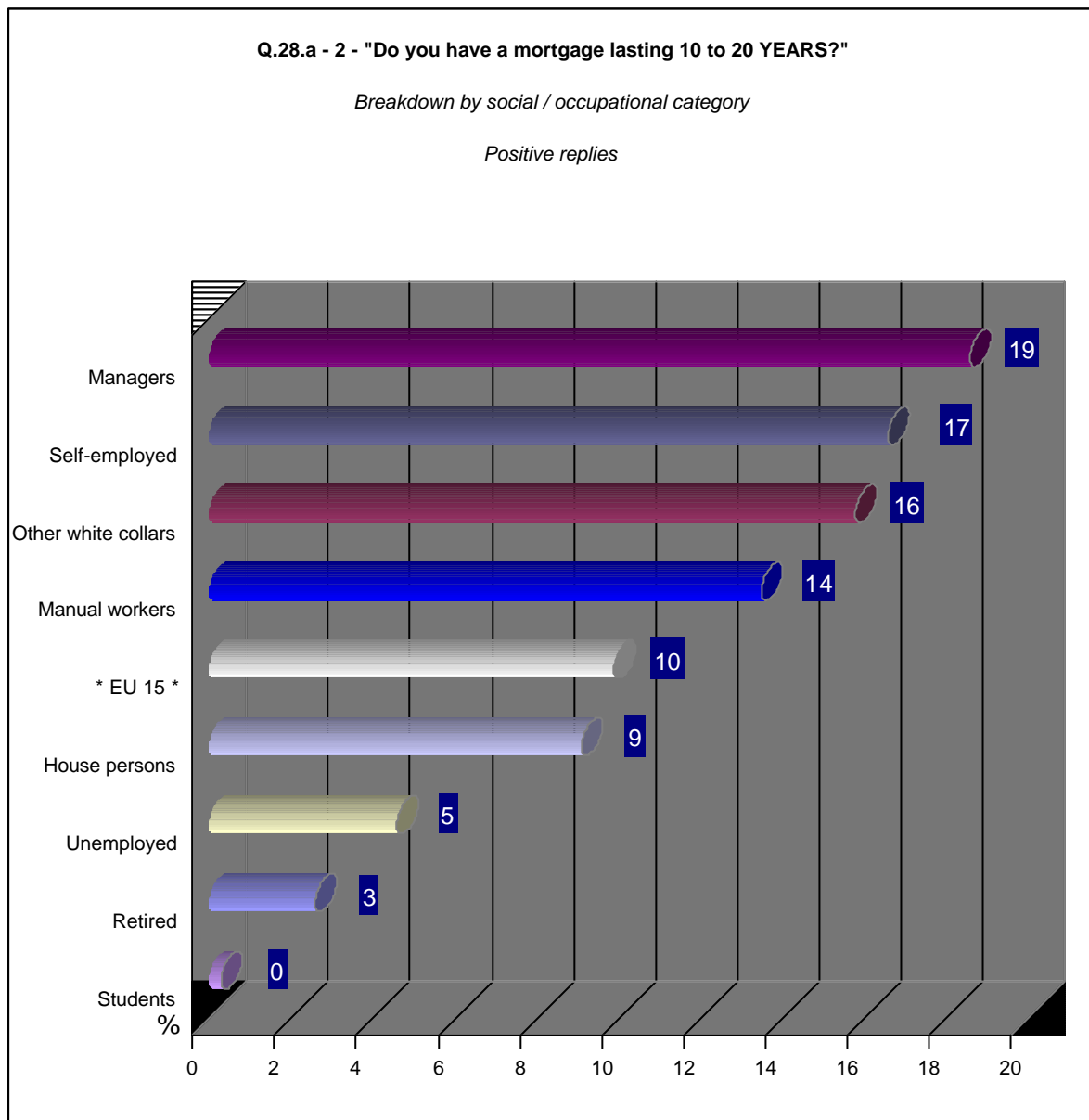
As might be expected, the “age” factor is of considerable importance on this issue: it is mainly the people “in the prime of life” (in career terms, at least) who take out mortgages: 16% of 25-39 year-olds and 17% of 40-54 year-olds, compared with only 1% of 15-24 year-olds and 4% of those aged 55 or more.

The level of education is another important factor: 6% of those who left full-time education at 15 or earlier have a 10 – 20-year mortgage, against 15% of the most highly educated.

Lastly, we should note the good match between income levels and proportions of respondents with mortgages:

<u>Income:</u>	<u>Proportion with a mortgage (10-20 years):</u>
“- - “	2%
“_ “	5%
“+”	13%
“+ + “	19%

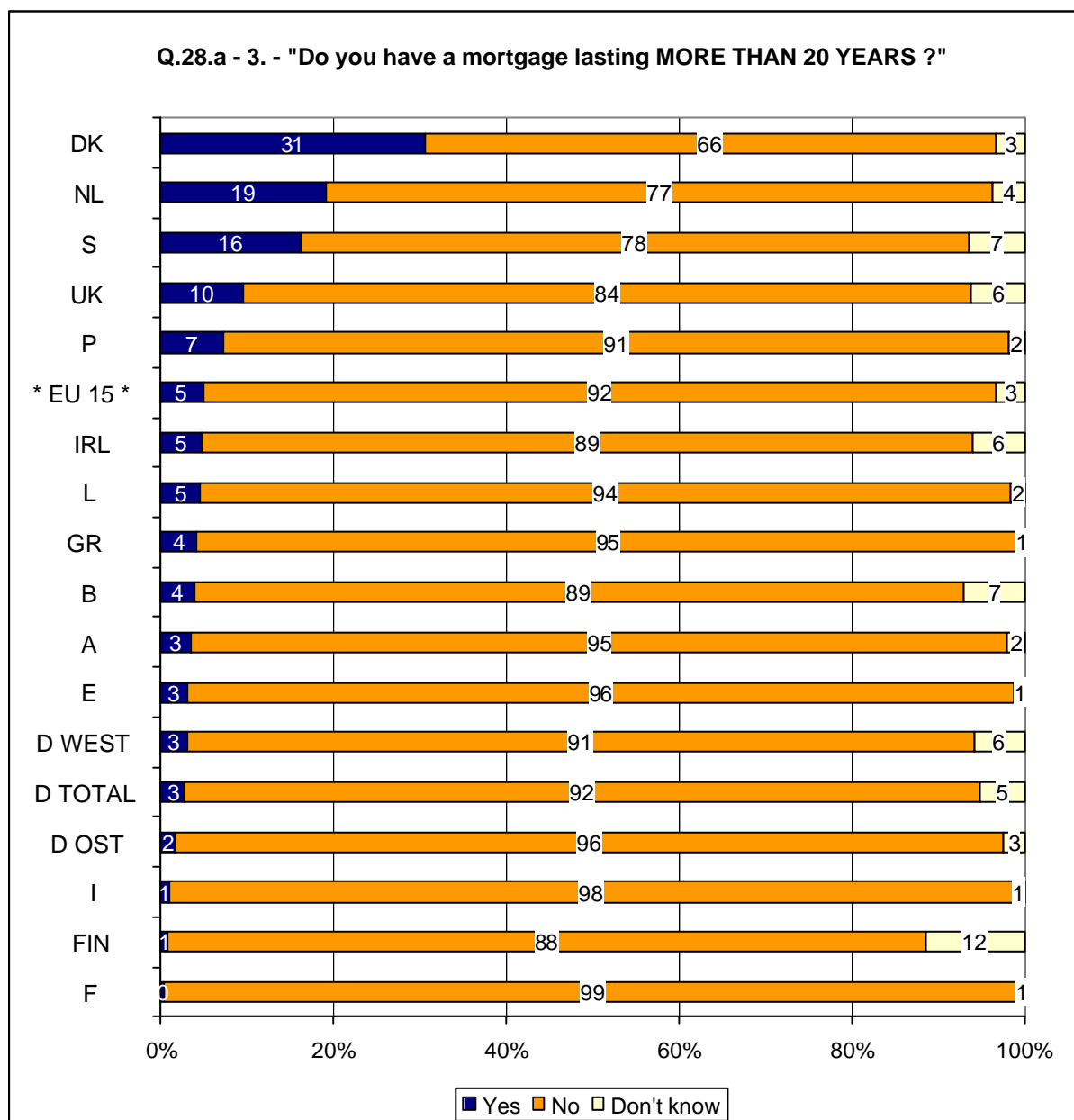
See graph, next page



5.3. Mortgage lasting more than 20 years

a. Europe-wide figures

A little fewer than 5% (4.8%) of Europeans have a mortgage lasting more than 20 years.



b. Analysis by country

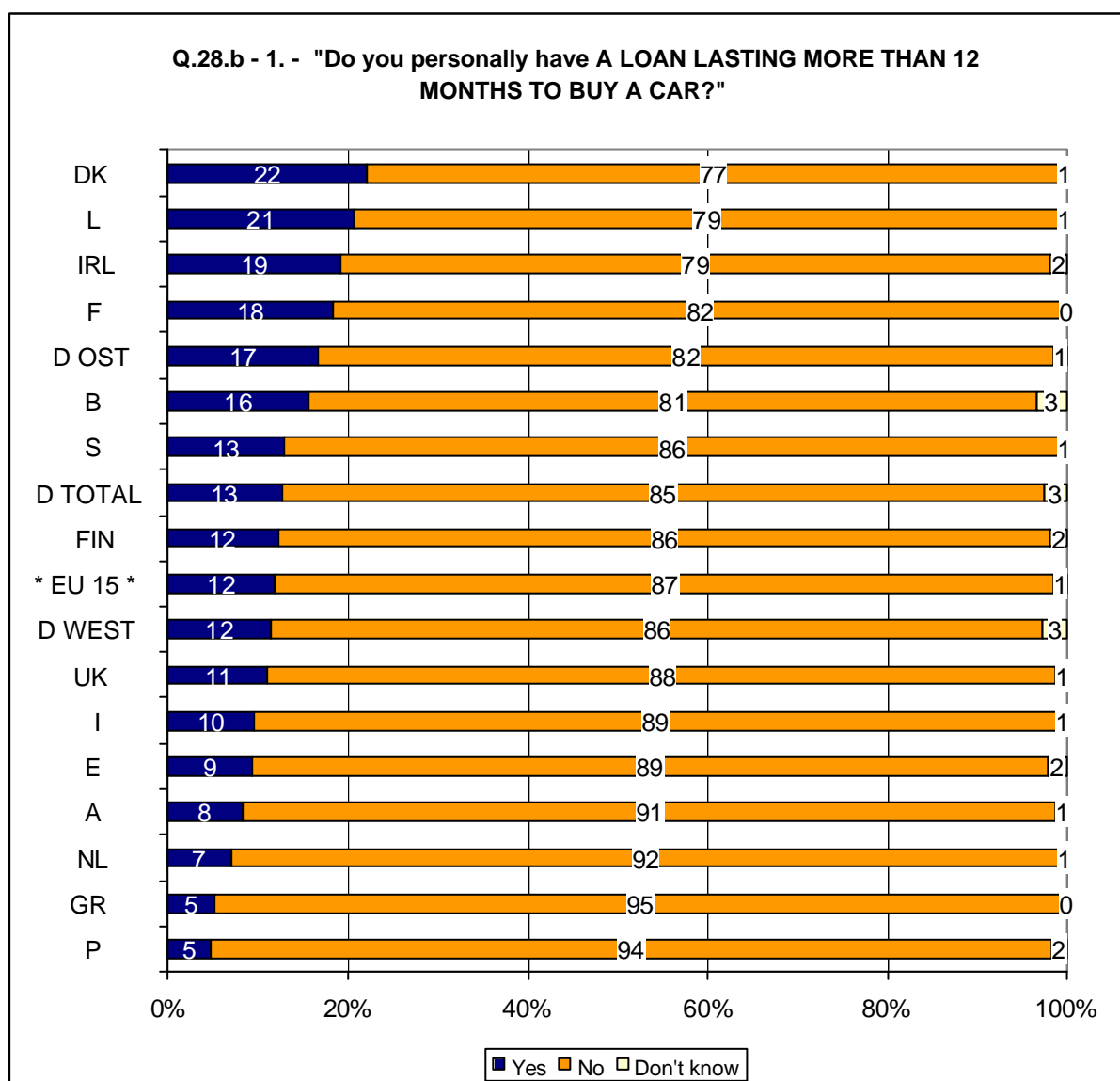
The above graph indicates a clear divide between one group of four countries where at least 10% said they had a mortgage loan longer than twenty years (United Kingdom: 10%; Sweden: 16%; Netherlands: 19%; Denmark: 31%) and the rest, where this percentage ranges from 7% (Portugal) to 0.4% (France).

6. Loans

6.1. Loan for the purchase of a car

a. Europe-wide figures

Around 12% of the European population has taken out a loan lasting more than twelve months for the purchase of a car.



b. Analysis by country

The analysis of replies from each country enables us to distinguish three groups:

- countries within 5 points of the European average (12% of “yes” replies): this group ranges from the Netherlands (7%) to Belgium (16%)
- France (18%), Ireland (19%), Luxembourg (21%) and Denmark (22%) with the highest percentages
- Greece and Portugal (5%) with the lowest.

c. Analysis by social or demographic category

Looking at the graph below, we see that there are two groups, one on either side of the European average (“EU15”: 12%):

- first, those involved in gainful activity: managers (22%), “other white-collar workers” (20%), manual workers (18%) and the self-employed (16%); these are the social or occupational categories most likely to take out a loan or other finance for the purchase of a car lasting more than 12 months
- then the others: the unemployed (10%), house persons (9%), retired people (3%) and, last of all, students (1%)

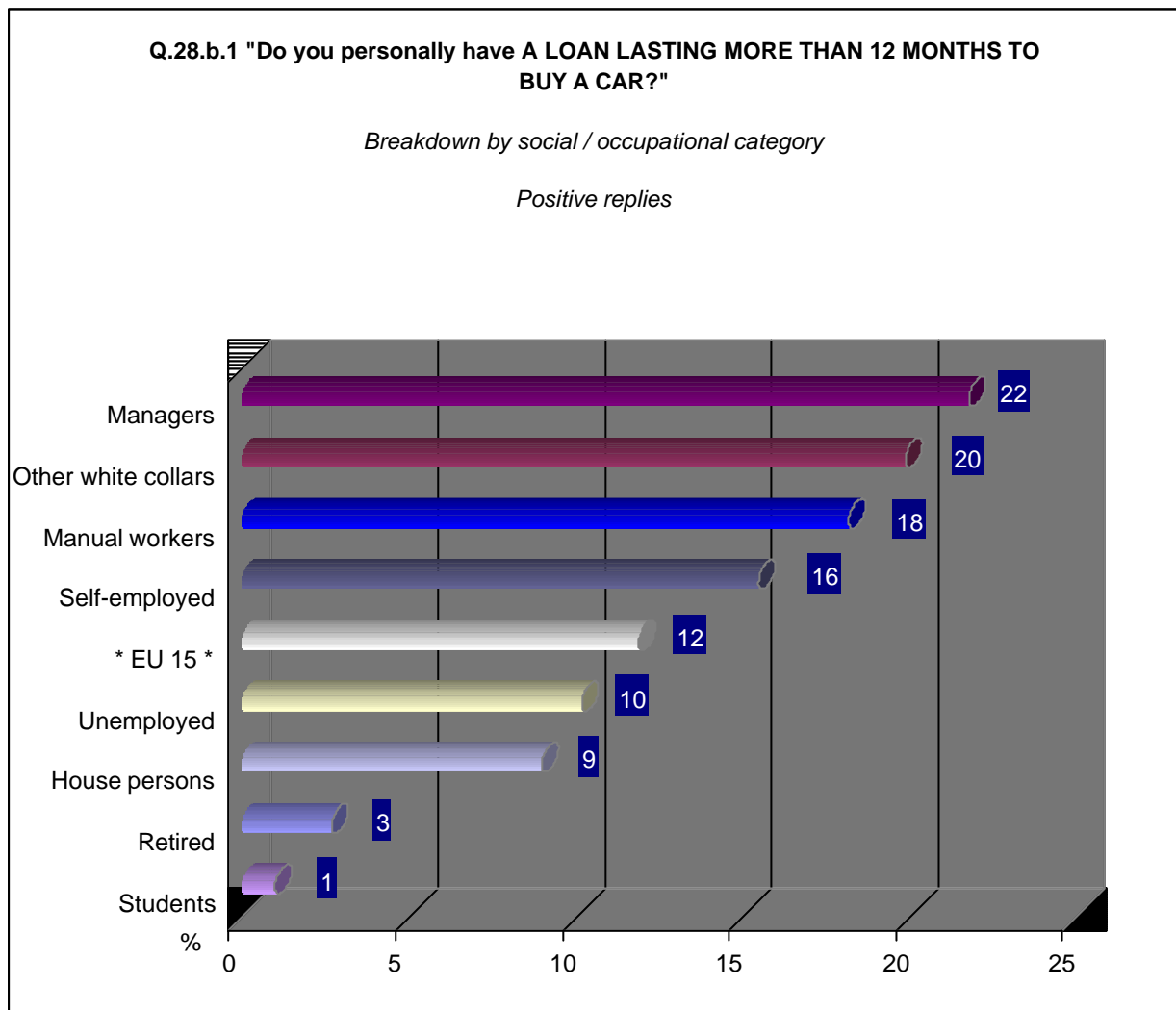
Here the gender factor plays a part, since some 14% of men (against 10% of women) say they have a car purchase loan. Of course, age matters as well: the 25-39 year-olds show the highest proportion (19%, against 7% for the 15-24 year-olds and only 5% for those aged 55 and over). In the same way, the level of education also makes a difference: the figure for those who left full-time education at or before 15 is 7%, while that for the most highly educated is 17%.

Finally, there is a good match between income and the proportion of respondents using this kind of finance:

Income: % with a loan or other finance for the purchase of a car:

“- - “	6%
“- “	12%
“+”	17%
“+ + “	18%

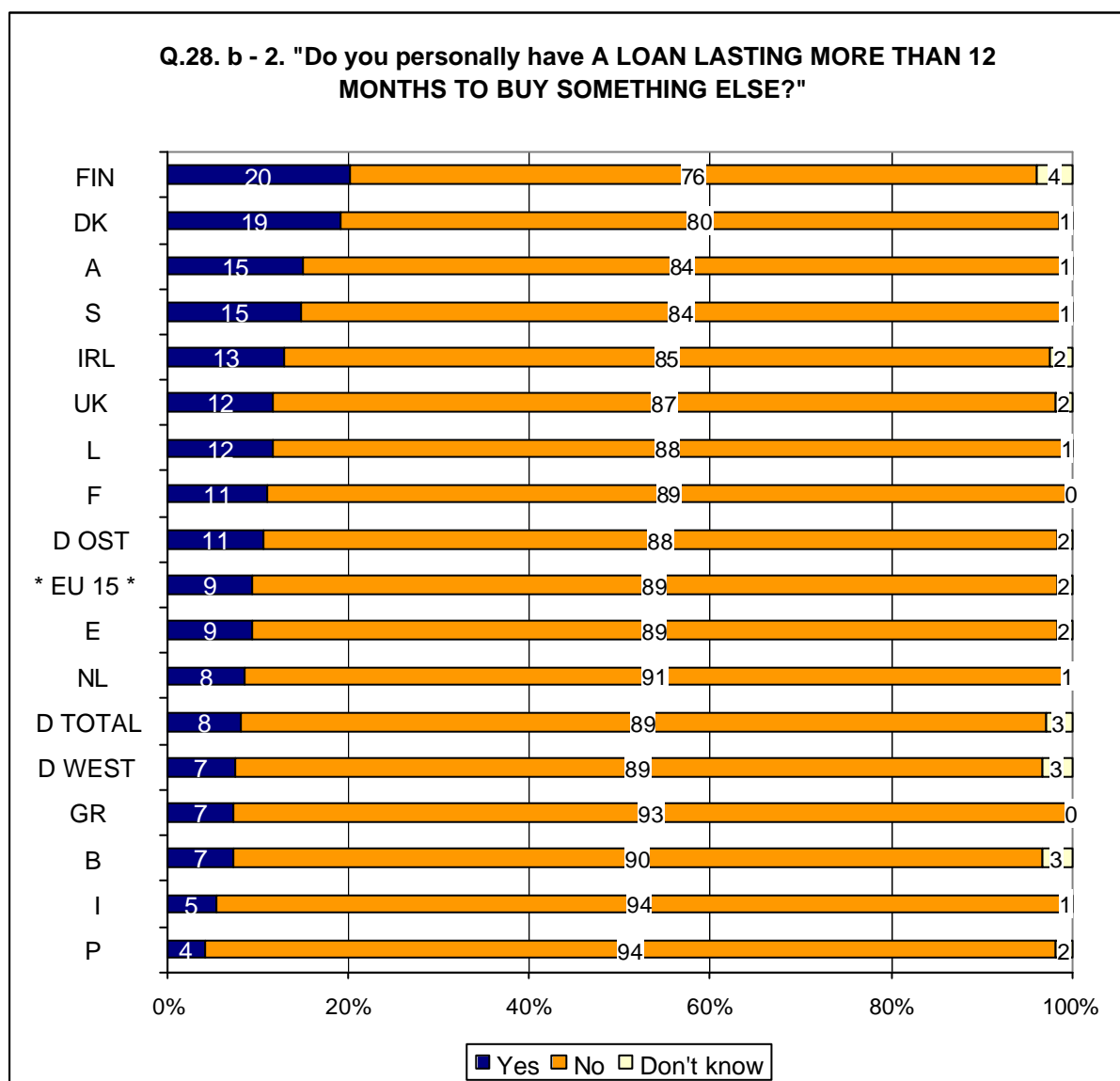
See graph, next page



6.2. Loan or other finance for the purchase of something else

a. Europe-wide figures

Almost one European in ten (9.2%) has taken out a loan or other form of finance (lasting more than twelve months) for the purchase of some item other than a car.



b. Analysis by country

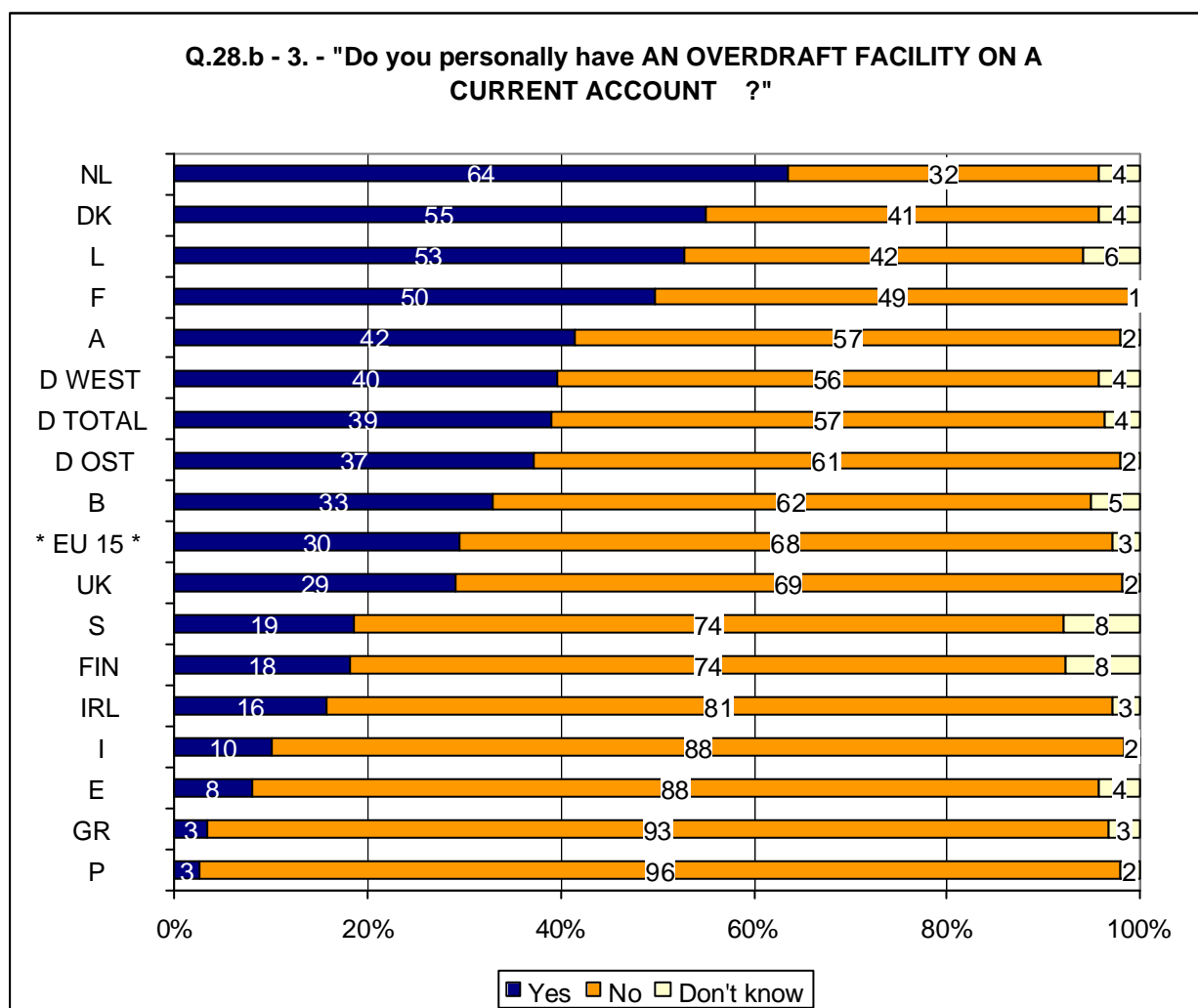
These are the northern European countries where the percentages of “yes” replies are highest: Sweden (15%), Denmark (19%) and Finland (20%); we might also add Austria (15%).

Apart from this leading group, other countries’ figures are within about 5 percentage points of the European average (9%): from Portugal (4%) to Ireland (13%).

6.3. Arranged overdraft on a current account

a. Europe-wide figures

The final question reveals that 30% of Europeans have an arranged overdraft on their current account (resembling one form of loan, often on hard terms).



b. Analysis by country

In four countries, half or more of the respondents have an arranged overdraft on their current account: France (50%), Luxembourg (53%), Denmark (55%) and Netherlands (64%). Quite unlike the situation in these countries, where this type of authorised overdraft is usual, is that of the four southern European countries where 10% or less of respondents have such a form of finance: Italy (10%), Spain (8%), Greece (3%) and Portugal (3%).

EUROBAROMETRE QUESTIONNAIRE 56.0 / ENGLISH

Now let's talk about another topic: Financial Services.

Q.14. For each of the following statements, please tell me if you tend to agree or tend to disagree?

READ OUT	TEND		DK
	TO AGREE	TO DISAGREE	
1. Banks give enough information about management of bank accounts	36	2	3
2. Having a bank account is very expensive	37	2	3
3. It is very difficult to win in a dispute with a bank	38	2	3
4. Buying on credit is more useful than dangerous	39	2	3
5. You never know beforehand how much it is going to cost to borrow money	40	2	3
6. You can borrow as much as you like, there are no real checks	41	2	3
7. The problem of borrowing more than you can pay back does not exist in (OUR COUNTRY)	42	2	3
8. Financial institutions clearly explain the way their mortgages work and the risks involved	43	2	3
9. It is very difficult to compare the conditions linked to different mortgage options	44	2	3
10. It is very difficult to win in a dispute with insurance companies	45	2	3
11. With insurance policies, you never know in advance how well you are covered	46	2	3

EB54.0 - Q.24 - TREND

Q.15. In your opinion, in general, does (NATIONAL) legislation ensure or not...?

READ OUT	YES	NO	DK
2. The protection of consumers' rights	48	2	3
3. A possible recovery action against banks and insurance companies	49	2	3
4. Security when making a transaction	50	2	3
5. The protection of confidential information	51	2	3

EB54.0 - Q.25 - TREND

Q.16. Each member state has its own consumer protection standards. Do you think that these standards should be harmonised in the European Union, or not? (IF YES) Totally or in part?

No.....	52	1
Yes totally.....		2
Yes, in part.....		3
DK.....		4

EB54.0 - Q.26 - TREND

Q.17. The opening up of markets and technological developments such as Telephone Banking (NATIONAL EQUIVALENT), the Internet, etc. allows us increasingly to use remote banking and financial services. In your opinion, does the current (NATIONAL) legislation ensure or not...?

	READ OUT	YES	NO	DK
1. The transparency of financial information		53 1	2	3
2. The protection of consumers' rights		54 1	2	3
3. The protection of confidential information		55 1	2	3
4. Security when making a transaction		56 1	2	3
5. A possible recovery action against banks and insurance companies		57 1	2	3

EB54.0 - Q.27 - TREND

Q.18. The marketing of financial services in the market implies continuously introducing new technologies. In your opinion, is it necessary or not to take measures in the European Union to protect consumers in the use of these new technologies? (IF YES) Totally or in part?

No.....	58	1
Yes, totally.....		2
Yes, in part.....		3
DK.....		4

EB54.0 - Q.28 - TREND

Q.19. In your opinion, are there obstacles preventing consumers from using financial services anywhere in the European Union? (IF YES) Which ones? (SHOW CARD - READ OUT - MULTIPLE ANSWERS POSSIBLE)

No, no obstacles.....	59	1,
Yes, lack of information.....		2,
Yes, bad information.....		3,
Yes, too risky.....		4,
Yes, necessary to have large amounts to invest.....		5,
Yes, difficulties due to distance.....		6,
Yes, poor legal protection in the event of problems.....		7,
Yes, language problems.....		8,
Others (SPONTANEOUS).....		9,
DK.....		10,

EB54.0 - Q.29 - TREND

Q.20 a) Which one of the following means of payment do you prefer to use to pay for an important purchase in (OUR COUNTRY)?
By important purchase, I mean a purchase of at least (EQUIVALENT OF 100 EUROS IN DOMESTIC CURRENCY).
(SHOW CARD - ONE ANSWER ONLY)
b) And what means of payment do you prefer to use to pay for an important purchase in another member
country of the European Union? (SHOW SAME CARD - ONE ANSWER ONLY)

READ OUT	a) IN (OUR COUNTRY)	b) IN ANOTHER MEMBER COUNTRY
1. Cash	60 1	61 1
2. Electronic purse (APPROPRIATE NAME IN EACH COUNTRY - EXAMPLE: (B) CARTE "PROTON")	2	2
3. Cheque	3	3
4. Credit card (SUCH AS: EUROCARD/MASTERCARD, VISA, AMERICAN EXPRESS, OR DINERS) or debit card (APPROPRIATE NAME IN EACH COUNTRY: (B) BANCONTACT/ MISTERCASH, (UK) SWITCH CARD, (DK) DANKORT, ETC.)	4	4
5. Bank transfer	5	5
6. Postal transfer	6	6
7. Other form of payment (SPONTANEOUS)	7	7
8. DK	8	8
9. Never bought anything in another member country (SPONTANEOUS)	-----	9

EB54.0 - Q.30a&b - TREND

Q.21. a) (IF CODES 1,2,3,4,5 OR 6 IN Q.20.a) For which reasons do you prefer to use this means of payment in (OUR COUNTRY)?
(SHOW CARD - MULTIPLE ANSWERS POSSIBLE)
b) (IF CODES 1,2,3,4,5 OR 6 IN Q.20.b) Why do you prefer to use this means of payment in another member country of
the European Union? (SHOW SAME CARD - MULTIPLE ANSWERS POSSIBLE)

READ OUT	a) IN (OUR COUNTRY)	b) IN ANOTHER MEMBER COUNTRY
1. Because the price is good	62 1,	63 1,
2. Because it is easy	2,	2,
3. To avoid the risks of a dispute	3,	3,
4. To avoid the risk of loss or theft	4,	4,
5. To avoid being attacked	5,	5,
6. For safety reasons, for example because there is a confidential code (EQUIVALENT IN EACH COUNTRY, FOR EXAMPLE PIN, PIN CODE, CODE SECRET, ETC.)	6,	6,
7. Other (SPONTANEOUS)	7,	7,
8. DK	8,	8,

EB54.0 - Q.31a&b - TREND

ASK ALL

Q.22. Have you ever made payments, by telephone, by computer (FR: by Minitel), by Internet, etc.? (IF YES) Have you ever made such payments using a card with a confidential code (EQUIVALENT IN EACH COUNTRY, FOR EXAMPLE PIN, PIN CODE, CODE SECRET, ETC.), or not?

No.....	64 1
Yes, already paid this way BUT WITHOUT a card using a confidential code.....	2
Yes, already paid this way WITH a card using a confidential code.....	3
DK.....	4

EB54.0 - Q.32 - TREND

IF "NO", CODE 1 IN Q.22

Q.23. Why have you never made such payments this way? (SHOW CARD - READ OUT - ONE ANSWER ONLY)

I do not have a payment card.....	65	1
I have never had the opportunity to.....		2
I do not think it's safe.....		3
I am not interested in paying that way.....		4
I can't remember my confidential code (EQUIVALENT IN EACH COUNTRY) (SPONTANEOUS).....		5
Other (SPONTANEOUS).....		6
DK.....		7

EB54.0 - Q.33 - TREND

ASK ALL

Q.24. a) Would you be ready to use a pre-paid card, an electronic purse such as (EG.: (B) CARTE "PROTON", APPROPRIATE NAME IN EACH COUNTRY) to pay for a minor purchase in (OUR COUNTRY), such as a newspaper or a loaf of bread?
b) And when you travel in another member country of the European Union?

READ OUT	YES	NO	DOES NOT EXIST (SPONTANEOUS)	DK	
a) In (OUR COUNTRY)	66	1	2	3	4
b) In another member country of the European Union	67	1	2	3	4

EB54.0 - Q.34 - TREND

Q.25. a) Do you have a savings account, that is a deposit account which pays interest but does not have a payment card or a cheque book, with...? (IF "YES", GO TO NEXT ITEM)
b) (IF NO) Why not? (SHOW CARD WITH SCALE - ONE ANSWER ONLY)

READ OUT	IF NO					
	YES	NEVER HAD ONE	CLOSED BY MYSELF	CLOSED BY INSTITUTION	OTHER/DK	
1. a bank	68	1	2	3	4	5
2. a savings bank (APPROPRIATE NAME IF EXISTS IN THE COUNTRY)	69	1	2	3	4	5
3. a building society (APPROPRIATE NAME IF EXISTS IN THE COUNTRY)	70	1	2	3	4	5
4. the post office	71	1	2	3	4	5

EB54.0 - Q.35 - TREND

Q.26. a) Do you have a current account, that is an account with a payment card or a cheque book, with...?
(IF "YES", GO TO NEXT ITEM)
b) (IF NO) Why not? (SHOW CARD WITH SCALE - ONE ANSWER ONLY)

READ OUT	IF NO					
	YES	NEVER HAD ONE	CLOSED BY MYSELF	CLOSED BY INSTITUTION	OTHER/DK	
1. a bank	72	1	2	3	4	5
2. a savings bank (IF EXISTING IN THE COUNTRY)	73	1	2	3	4	5
3. a building society (IF EXISTING IN THE COUNTRY)	74	1	2	3	4	5
4. the post office	75	1	2	3	4	5

EB54.0 - Q.36 - TREND

Q.27. Do you have a...?

	READ OUT	YES	NO	DK
1. cheque book		76 1	2	3
2. credit card (VISA, EUROCARD/MASTERCARD, AMERICAN EXPRESS, DINERS)		77 1	2	3
3. another type of bank card (COUNTRY SPECIFIC NAME - EXAMPLE: (B) BANCONTACT, (DK) DANKORT, (AUT) BANKOMAT, ETC.)		78 1	2	3

EB54.0 - Q.37 - TREND

Q.28. a) Do you have a mortgage lasting...?

	READ OUT	YES	NO	DK
1. less than 10 years		79 1	2	3
2. 10 to 20 years		80 1	2	3
3. more than 20 years		81 1	2	3

EB54.0 - Q.38.a - TREND

Q.28. b) Do you personally have...?

	READ OUT	YES	NO	DK
1. a loan lasting more than 12 months to buy a car		82 1	2	3
2. a loan lasting more than 12 months to buy something else		83 1	2	3
3. an overdraft facility on a current account		84 1	2	3

EB54.0 - Q.38.b - TREND

STANDARD EUROBAROMETER 56.0 TECHNICAL SPECIFICATIONS

Between August 22 and September 27 2001, the European Opinion Research Group, a consortium of Market and Public Opinion Research agencies, made out of INRA (EUROPE) and GfK Worldwide, carried out wave 56.0 of the standard Eurobarometer, on request of the EUROPEAN COMMISSION, Directorate-General Press and Communication, Opinion Polls.

The Standard EUROBAROMETER 56.0 covers the population of the respective nationalities of the European Union Member States, aged 15 years and over, resident in each of the Member States. The basic sample design applied in all Member States is a multi-stage, random (probability) one. In each EU country, a number of sampling points was drawn with probability proportional to population size (for a total coverage of the country) and to population density.

For doing so, the points were drawn systematically from each of the "administrative regional units", after stratification by individual unit and type of area. They thus represent the whole territory of the Member States according to the EUROSTAT NUTS 2 (or equivalent) and according to the distribution of the resident population of the respective EU-nationalities in terms of metropolitan, urban and rural areas. In each of the selected sampling points, a starting address was drawn, at random. Further addresses were selected as every Nth address by standard random route procedures, from the initial address. In each household, the respondent was drawn, at random. All interviews were face-to-face in people's home and in the appropriate national language.

<u>COUNTRIES</u>	<u>INSTITUTES</u>	<u>N° INTERVIEWS</u>	<u>FIELDWORK DATES</u>	<u>POPULATION 15+ (x 000)</u>
Belgium	INRA BELGIUM	1031	27/08 – 24/09	8,326
Denmark	GfK DANMARK	1001	22/08 – 24/09	4,338
Germany(East)	INRA DEUTSCHLAND	1024	25/08 – 24/09	13,028
Germany(West)	INRA DEUTSCHLAND	1023	25/08 – 24/09	55,782
Greece	MARKET ANALYSIS	1001	03/09 – 24/09	8,793
Spain	INRA ESPAÑA	1000	31/08 – 21/09	33,024
France	CSA-TMO	1002	27/08 – 27/09	46,945
Ireland	LANSDOWNE Market Research	1002	27/08 – 24/09	2,980
Italy	INRA Demoskopoea	998	22/08 – 24/09	49,017
Luxembourg	ILRes	609	25/08 – 24/09	364
The Netherlands	INTOMART	1047	25/08 – 24/09	12,705
Austria	SPECTRA	1093	25/08 – 24/09	6,668
Portugal	METRIS	1000	30/08 – 25/09	8,217
Finland	MDC MARKETING RESEARCH	1023	28/08 – 27/09	4,165
Sweden	GfK SVERIGE	1000	28/08 – 27/09	7,183
Great Britain	INRA UK	1041	22/08 – 24/09	46,077
Northern Ireland	ULSTER MARKETING SURVEYS	305	29/08 – 19/09	1,273
	TOTAL NUMBER OF INTERVIEWS	16162		

For each country a comparison between the sample and the universe was carried out. The Universe description was derived from Eurostat population data or from national statistics. For all EU member-countries a national weighting procedure, using marginal and intercellular weighting, was carried out based on this Universe description. As such in all countries, minimum gender, age, region NUTS 2 were introduced in the iteration procedure. For international weighting (i.e. EU averages), INRA (EUROPE) applies the official population figures as provided by EUROSTAT in the Regional Statistics Yearbook (data for 1997). The total population figures for input in this post-weighting procedure are listed above.

The results of the Eurobarometer studies are reported in the form of tables, datafiles and analyses. Per question a table of results is given with the full question text in English, French and German. The results are expressed as a percentage of the total. The results of the Eurobarometer surveys are analysed and made available through the Directorate-General Press and Communication, Opinion Polls of the European Commission, rue de la Loi 200, B-1049 Brussels. The results are published on the internet server of the European Commission: <http://europa.eu.int/comm/dg10/epo>. All Eurobarometer datafiles are stored at the Zentral Archiv (Universität Köln, Bachemer Strasse, 40, D-50869 Köln-Lindenthal), available through the CESSDA Database <http://www.nsd.uib.no/cessda/europe.html>. They are at the disposal of all institutes members of the European Consortium for Political Research (Essex), of the Inter-University Consortium for Political and Social Research (Michigan) and of all those interested in social science research.

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

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

**STANDARD EUROBAROMETER 56.0
CO-OPERATING AGENCIES AND RESEARCH EXECUTIVES**

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