

LAB: Vulnerable Customers Qualitative Research Findings

Prepared by Ignition House

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Background to the study

LAB and City, University of London, are working jointly to probe the likelihood that vulnerable customers in digital journeys can be identified with a significant degree of accuracy from their online kinetic and choice interactions.

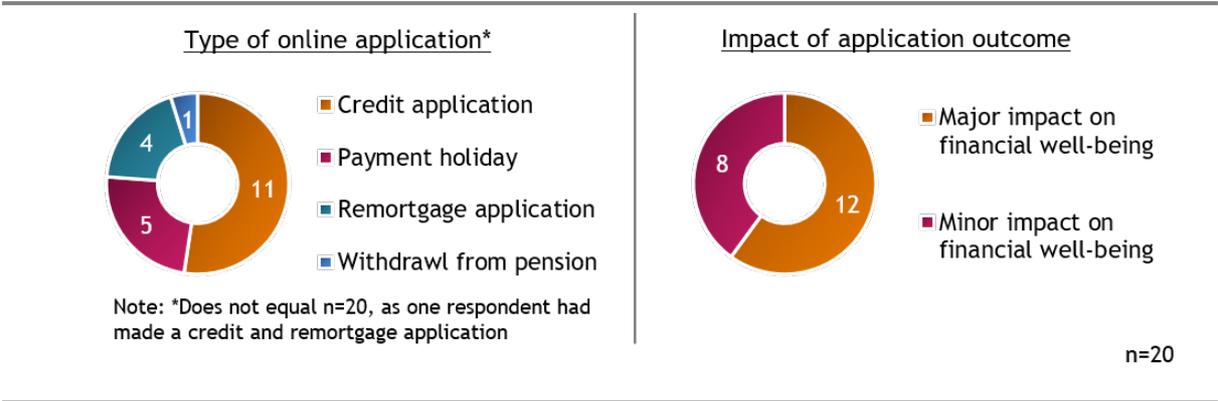
The project, sponsored by Innovate UK, is based on a mixed methodology. The qualitative research reported here explores in detail how respondents feel about the recent online financial services journeys they have made, and gathers insights on the proposed metrics for the quantitative element. The forthcoming quantitative element will produce robust, representative data to explore whether the online behaviour of vulnerable consumers undergoing such journeys is significantly different from that of their non-vulnerable counterparts.

Qualitative research methodology

Twenty respondents were free-found by Ignition House using a panel of specialist market research recruiters. All respondents were selected on basis that they exhibited one or more characteristics of vulnerability (as defined by the Financial Conduct Authority) and that they had made an online application themselves (without the use of a broker or other adviser) for selected financial services products within the last three months. All were screened to ensure that the application was of importance to their financial well-being. The types of online applications targeted were:-

- applying for a payment holiday for a credit card, loan, or mortgage
- applying for a new credit card or loan, or increasing existing limits
- applying or a mortgage or -re-mortgage on a primary residence
- Withdrawal or total encashment from a DC pension (over 55s only)

Figure 1: Type of application and impact of the decision on financial well-being



Interviews typically lasted between 30 and 45 minutes and were conducted by an Ignition House Director. The moderator used a funnel approach, moving from broader topics to more specific

questions during each session. To stimulate discussion, practical projective techniques such as word associations were used to access respondents' behaviour and reveal their underlying emotions.

The crux of this project is to explore whether emotional states have an impact on kinetic interactions in the context of making an online application. This is not a straightforward task for the moderator or respondent, as the movements may be subconscious and subtle and therefore not easily recalled. LAB, in conjunction with City University, suggested a range of movements for us to assess. We used a deliberative process to build upon this initial list, testing any additional findings arising from our conversations with remaining respondents to see if they could recall experiencing something similar. We found that this deliberative process often triggered respondents to think more deeply about their own experiences.

Figure 2: Type of movements hypothesized by LAB and City University



As the interview explored the reasons behind their application, and their emotional state and physical behaviour as they completed the online process, a three-month cut-off was selected to strike the appropriate balance between cost-effectively sourcing respondents and ensuring that they would have a good enough recall of the process they went through.

At the time the interviews were conducted the Market Research Society was not permitting face-to-face sessions due to the risk of CV-19 infection. All discussions were therefore recruited to be held online, although a couple of discussions reverted to telephone due to poor respondent internet connectivity or an inability to follow the instructions to access the online meeting room.

Our respondents typically exhibited multiple characteristics of vulnerability

Data from the FCA’s Financial Lives Survey 2017 gives the incidence rates of types of vulnerability amongst the UK population. Ignition House used this information to set quotas to ensure that we had a good representation by type of vulnerability by age and the type of online application amongst our 20 qualitative respondents.

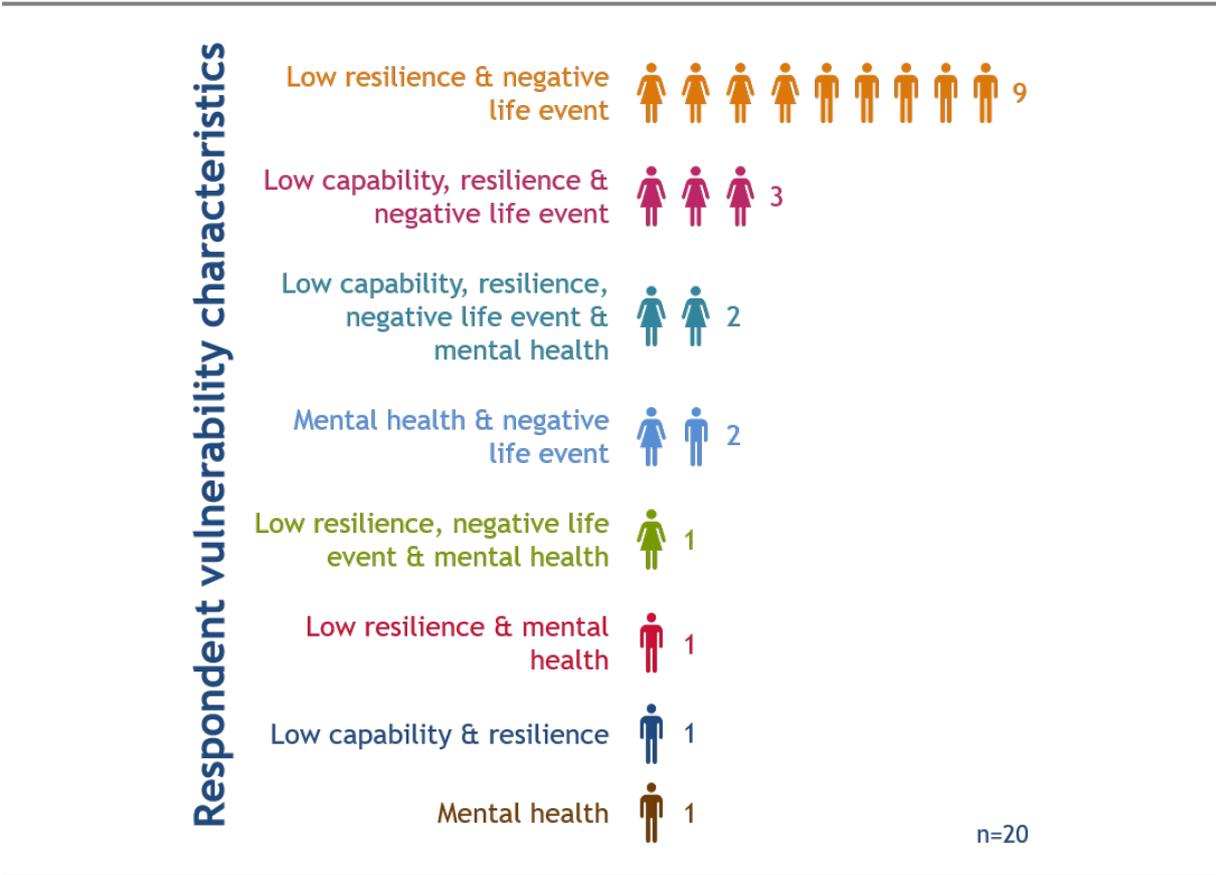
Table 1: Incidence rates of drivers of vulnerability amongst all UK adults

Group	18-34	35-54	55-64	65+	Total
<i>Low capability</i>	21%	15%	14%	17%	17%
<i>Negative life event</i>	17%	22%	21%	14%	19%
<i>Low resilience</i>	31%	26%	21%	40%	30%
<i>Mental health condition (mental health condition now, regardless of type or impact)</i>	19%	15%	9%	8%	14%
<i>Any driver of vuln</i>	49%	47%	47%	60%	50%

Source: Financial Lives Survey 2017

Our respondents typically exhibited multiple characteristics of vulnerability. There were common correlations between low financial resilience and low financial capability.

Figure 3: Drivers of vulnerability amongst our respondents

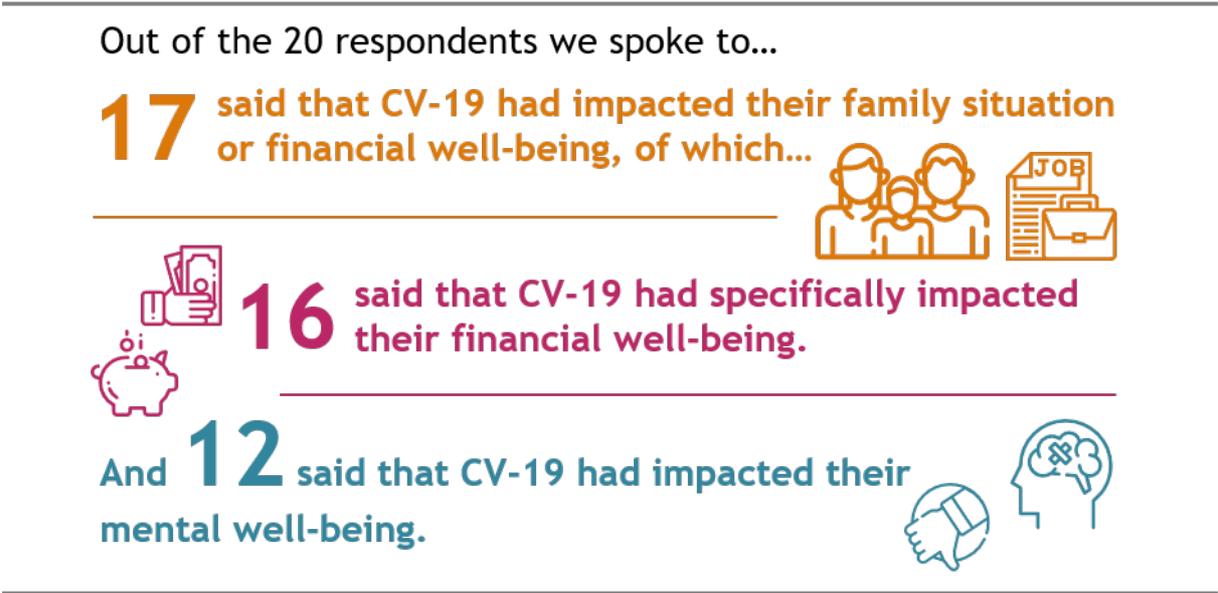


CV-19 has had an impact on both financial and mental well-being

To get a good understanding of their emotional state at the time of the application (which in turn would be triggering any kinetic movements) respondents were asked to spend some time thinking about the background to their claim, the triggers for taking the decision, and the impact this decision would have on their general financial situation.

Our research took place between the 1st and 10th of October 2020. At this time, the furlough scheme that had been in place since March 2020 was due to come to an end on 31st October 2020. Firms affected by the shutdown had started to announce closures and redundancy programmes. This general mood of job insecurity and uncertainty was reflected by our respondents. CV-19 had pushed some into financial difficulties for the first time, and for others, it had made their already tenuous financial position even worse.

Figure 4: How respondents have been impacted by CV-19



Most did not feel very optimistic about their financial situation, reporting concerns that there would be fewer jobs available, that their reduced hours were unlikely to improve, and that they would continue to experience child care issues while the restrictions remained in place. All of which were impacting their financial well-being.

“I was furlough for 3 months and on full pay. Then when I come back on the first of August we all had to re-apply for our jobs again. One of the girls got made redundant, which sadly helped out for everyone else’s’ jobs, but then I was just getting two days of work with less hours. To get help from the government they like you to work least 16 hours. So at the moment, I’m still waiting to hear back from Universal Credit. It’s just been a bit of a roller coaster of emotions.” – Female, Age 35-54, Low Resilience & Negative Life Event, Credit Application

“I applied for a credit card purely because I wasn’t going back to work until September... it was a decision made during Covid, it was just to have something to fall back on in case I needed it.” – Female, Age 18-34, Low Capability, Low Resilience & Negative Life Event, Credit Application

“I work part-time in retail and during Covid everything just completely changed in my life... it’s had a huge impact. Just before lockdown, my partner lost his job as well and because of Covid we now find that we are really struggling.” – Female, Age 18-34, Low Capability, Low Resilience & Negative Life Event, Payment Holiday

Beyond general issues with job insecurity, several respondents had had CV-19 themselves or had had family members who had been badly affected. For those already dealing with stressful life events, CV-19 often felt like the final straw.

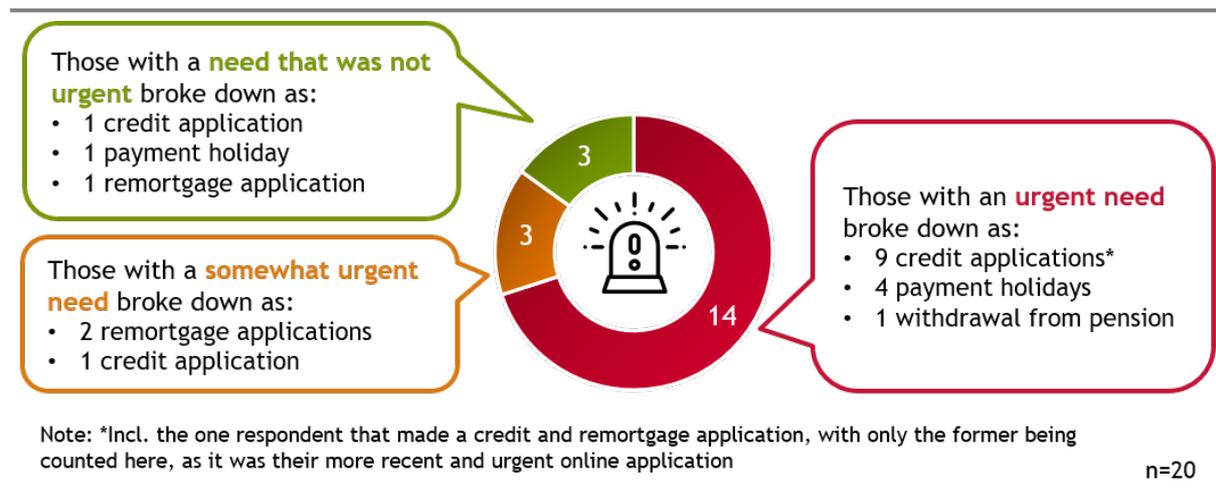
"I had Covid in June and had to self-isolate for two weeks and then I went back to work and had to reduce my hours because I was so exhausted and unwell... I normally do a lot of overtime. So Covid has done a few things that I am really not happy with. Stress has gone up, the fact that I am struggling to pay bills and with the budget being very tight at the moment... Which is why I thought 'I'm going to have to cash-in one of my pension pots.'" – Female, Age 55-64, Low Resilience & Negative Life Event, Withdrawal from Pension

"I worked all my life until last November when my husband died very suddenly and unexpectedly and at the same time my employer sacked me...it was quite traumatic because my whole life changed overnight. And since then I've been in different part-time jobs, just trying to fill my time because I'm so lonely. So I do things like Track and Trace, walk peoples' dogs, clean people's houses... anything to fill my time, to be honest. It's just been a really traumatic year and then Covid on top of all of that..." – Female, Age 55-64, Low Capability, Low Resilience, Negative Life Event & Mental Health, Credit Application

Triggers for making the claim varied by type of application

We observed that the triggers for our respondents making an online credit application were usually due to an urgent need for money, whereas mortgage applications and payment holidays were typically more precautionary measures.

Figure 5: Urgency of their need driving their online application



New credit applications were generally speculative and sometimes impulsive

Those seeking new credit were usually driven to do so by an (unexpected) event, such as a broken bed that needed replacing, a broken boiler or car repairs, or additional ‘lumpy’ spending which is foreseen but cannot be accommodated within the current household finances, for example, needing new school uniforms or planning for Christmas. Some had had bad experiences with credit in the

past, for example with IVRs, and were wary about getting the same position again - but felt they had to make the application as they had exhausted all of the alternatives.

"The loan was to pay a few bills around the house and car insurance had come up and it got to be a little too much with me losing the job. I was expecting money to be coming in, but it never came... Honestly, I asked a few people for money in the past. I didn't want to ask them again and the first few people that I asked didn't want to give it, so I just resolved to take the loan. I had never taken a loan out before, but I had to this time, unfortunately... Bills were coming up and there was no other way of getting any money." – Male, Age 18-34, Low Resilience & Negative Life Event, Credit Application

"To be honest, there are three different things I applied for: one was a loan for a new boiler, one was for a new mobile phone and one was just for a Debenhams credit card. Our boiler had broken and the new one was a big £2.8k. So because of my financial situation, I felt I'd be better off to pay it off monthly rather than empty my bank account...Sso it was more out of necessity. I had no other option." – Female, Age 55-64, Low Capability, Low Resilience, Negative Life Event & Mental Health, Credit Application

Decisions to apply for new credit were usually quick and made without reference to their spouse or partner. There was very limited searching for the best deal. Quick google searches using keywords such as "best rate", "quick decisions", or "no impact on credit rating" were the norm. One respondent reported that she had been triggered to apply by clicking on a pop-up advert on Google.

"I tried to get a new credit card because I needed to buy a new uniform for my daughter. I already have a couple of credit cards but I was online, looking at Google or something, and it came up as an advert, so I just thought, 'I'll apply for that' and did it." – Female, Age 35-54, Low Resilience & Negative Life Event, Credit Application

"I used Google and just typed in 'short term loans'. A few obviously popped up on the screen and actually, I just clicked on the first one and actually just went for it." – Male, Age 18-34, Low Resilience & Negative Life Event, Credit Application

Respondents were often aware that they had a poor credit history and were very worried about whether or not their application would be successful. Credit decisions were therefore usually more impulsive, and more speculative.

"I had a loan in the past and I've made a few applications for one in the past year – not successfully, as my credit rating has not been great. I was quite uneasy about [my application], but I knew it was needed at the time." – Female, Age 35-54, Low Capability, Low Resilience, Negative Life Event & Mental Health, Payment Holiday

"I'd been thinking about it for a bit, I was a bit nervous, you know, thinking about if it didn't come through... I was very anxious." – Female, Age 35-54, Low Resilience & Mental Health, Credit Application

Mortgage applications were more considered and better researched

In contrast, mortgage applications were more considered, often taking several weeks or months to research and involved partners, spouses, and close family in the process. Our respondents felt that this was a big decision that could have a large impact on their financial well-being if they chose the wrong product, and were, therefore, more inclined to take their time to find the right deal. When explicitly probed, there was a recognition that they would behave very differently when taking out credit, and that this behaviour would be more aligned to that observed in our credit sample. The difference here was simply that the mortgage is a large expenditure, they were scared of being tied into paying more than they needed to for several years, and they had underlying concerns about losing both their home (and their largest asset) in the worst-case scenario.

“We did shop around, researched things here and there... looked at a few comparison websites. We talked to our current mortgage provider and then looked again online and it was NatWest that came up with the best fixed-rate and so we decided to go with that one.” – Male, Age 35-54, Low Resilience & Negative Life Event, Remortgage Application

“I definitely searched around... I spent a lot of time, a big chunk of time looking because it’s probably the biggest purchase you will make. There were different options and a lot of suppliers with similar interest rates and I wanted to go for the one with the smallest fee and best on our bank balance as possible.” – Female, Age 35-54, Low Resilience & Negative Life Event, Mortgage Application

Mixed triggers for taking a payment holiday

Some were applying as a ‘safety net’ in case they needed it as the financial impact of CV-19 started to bite, some were already struggling and needed some breathing space to cope with day-to-day expenses.

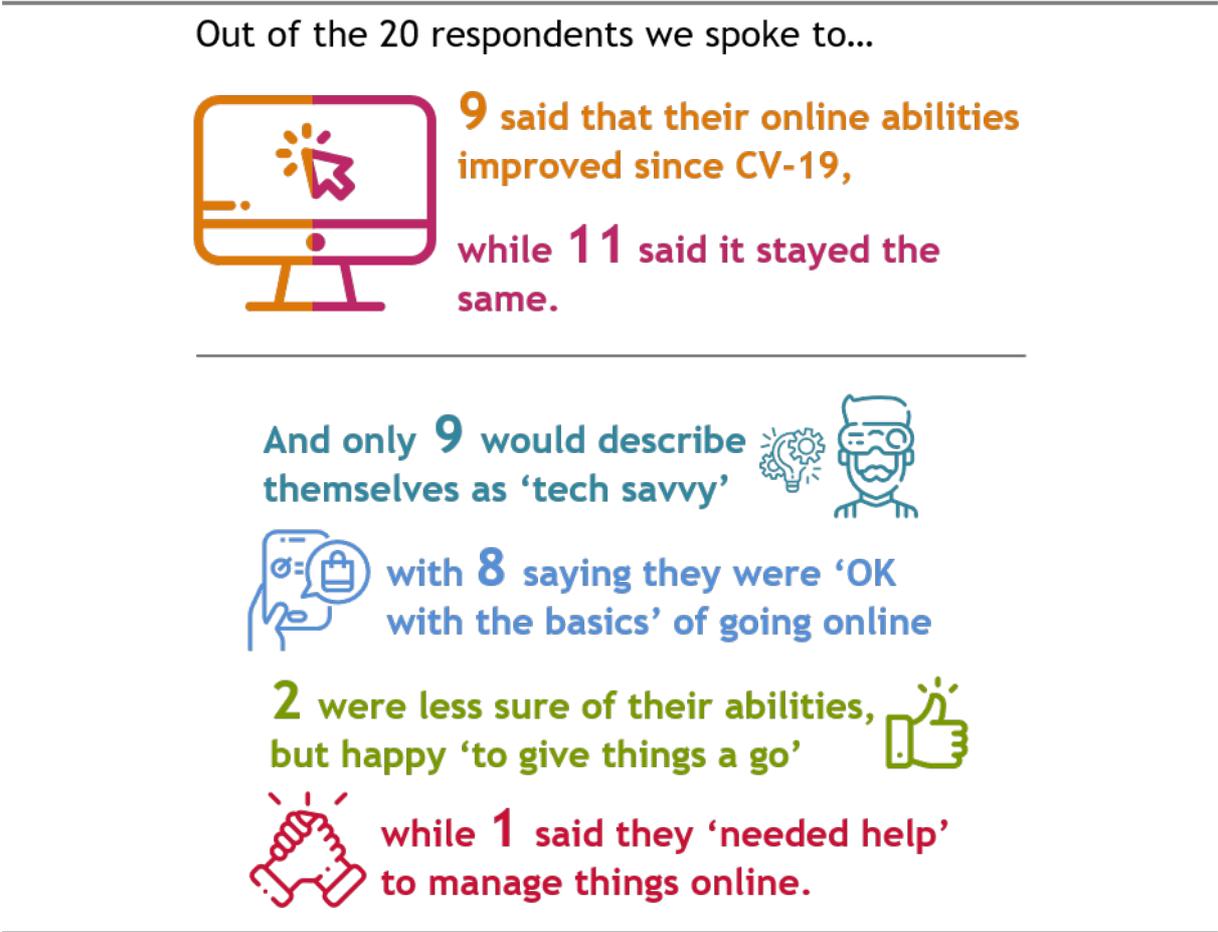
“It’s a safety net. There was no desperateness about it when Covid came. Like the rest of the country I thought it would be three months and after that things would get better. And then it became obvious it would be six months ... and now the Government is saying, ‘It’s going to be a bumpy Christmas.’ So it was kind of a reaction to being self-employed and not knowing how things would turn out.” – Male, Age 55-64, Low Resilience & Negative Life Event, Payment Holiday

“I wasn’t able to keep up with the payments and was told that you can apply for a payment holiday... so I just went online that night and then was told I need to speak to someone as well... I knew the situation wasn’t going to get better and it was something I had to do or I wouldn’t have been able to make the payments.” – Female, Age 55-64, Low Capability, Low Resilience & Negative Life Event, Payment Holiday

CV-19 has resulted in more online activity, but few would describe themselves as ‘tech-savvy’.

We spent some time in our sessions exploring how comfortable our respondents were with online activities, to see whether we could see any links between this and their recalled kinetic movements during the application process.

Figure 6: Online ability of respondents



Most were comfortable with basic online activities, such as shopping or banking - the exception being the over 55 respondents. CV-19 has been driving up their general online ability and many have been trying new things, such as Zoom calls with friends and family, working remotely from home, and online grocery shopping, however few would describe themselves as “tech-savvy”.

“I’ve always done things like that online; I’ve always bought my car insurance through sites like comparethemarket, online banking, and all that kind of stuff. “ This was the first time we’ve done our mortgage online, we usually go into the actual bank for that.” – Male, Age 35-54, Low Resilience & Negative Life Event, Remortgage Application

"I would normally do things online anyway. I'm not the best when speaking to people... I hate speaking to people on the phone [about financial matters], I'd rather just have an automated response. It's just easier to go online." – Male, Age 35-54, Low Capability & Low Resilience, Credit Application

"I don't use computers to do financial things. I mean, I'm good with computers and stuff, but I've always been old school... I don't even do online banking. I've always preferred to speak to someone face to face." – Male, Age 55-64, Negative Life Event & Mental Health, Credit Application

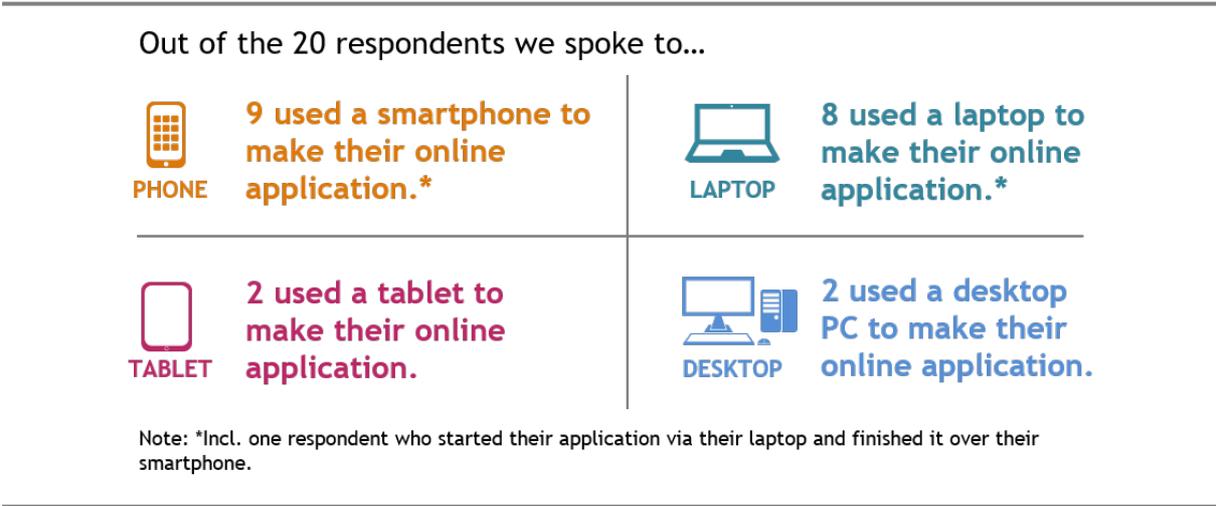
Choice of device varied by the type of application, but the most vulnerable only had access to a phone

We observed that the type of device used varied by the type of decision. In our sample, there was a preference for laptops/tablets for the more 'difficult or 'complex' mortgage application as the bigger screen was felt to reduce the propensity to make an error, it was easier to read the 'small print' and the process could be shared with a partner.

"I think choosing the laptop was more because of the application. I would not usually go with the laptop, for most other banking facilities I'm comfortable using apps on my phone, but I certainly felt more comfortable with the mortgage application being filled out on my laptop. I just feel more comfortable with the keyboard in front of me." – Male, Age 18-34, Mental Health, Remortgage Application

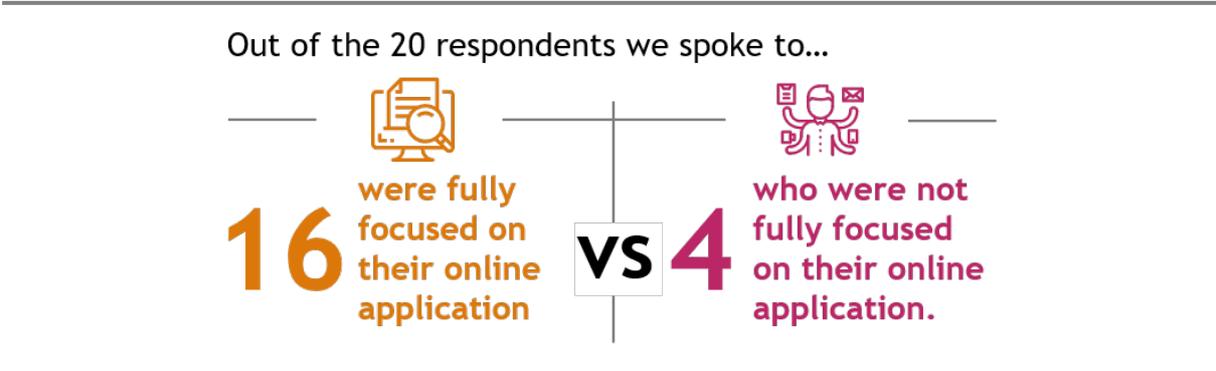
Credit applications and payment holidays were perceived to be more straightforward and therefore more suited to a phone or tablet. That said, we observed that the most vulnerable consumers were using phones as they had no access to a laptop or PC. This finding is particularly pertinent for City and LAB to consider when framing the quantitative element of this research programme.

Figure 7: Type of device used to make the online application



The vast majority of respondents were completing their application at home and were fully focused on the task at hand. The exceptions were the most vulnerable credit applicants, who were making speculative applications in the early evening, and who were distracted by general family life.

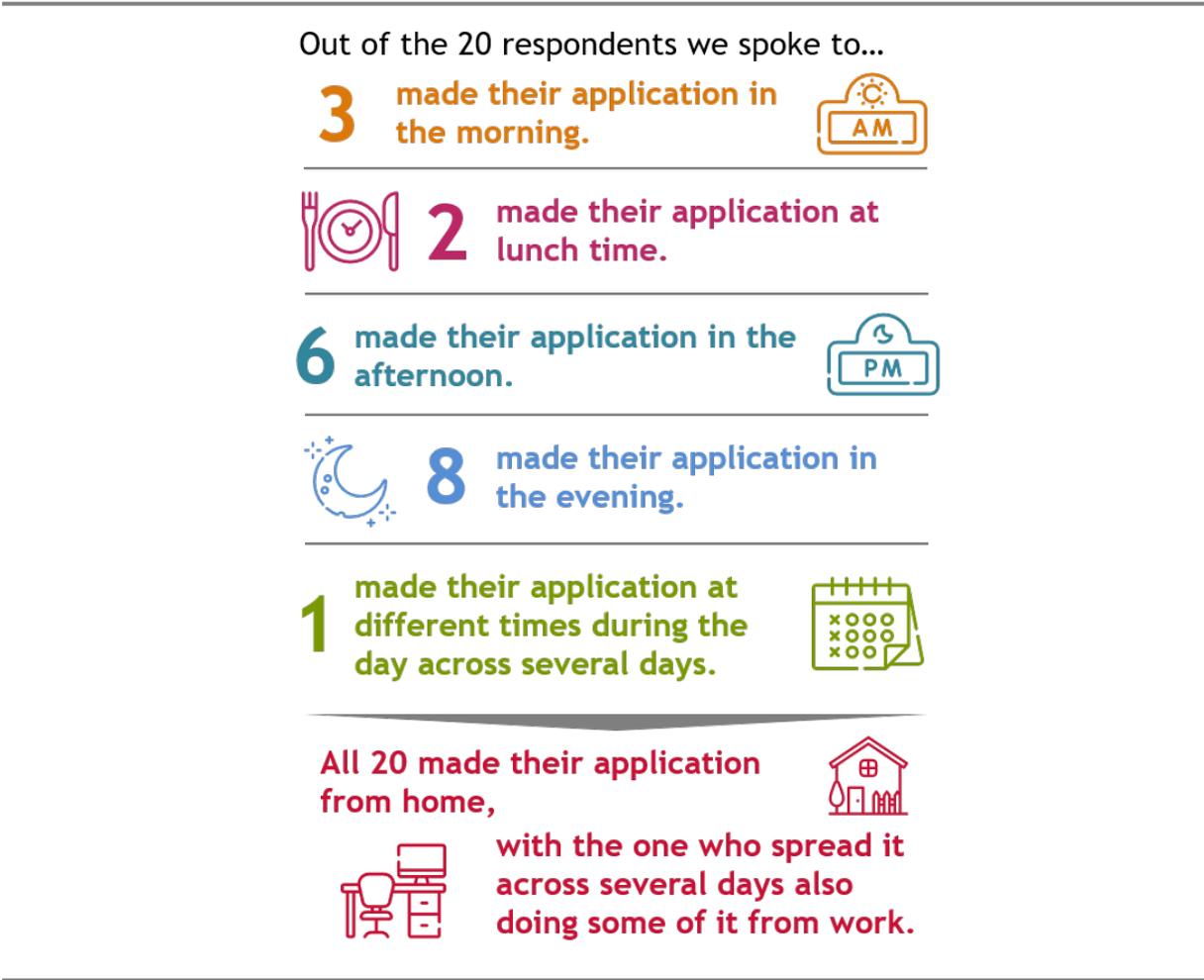
Figure 8: Their level of focus on the application



None of our respondents made their application outside of ‘normal hours’

We were keen to explore whether vulnerability had any impact on when online applications are made. Based on our observations, we did not find any evidence that our respondents were filling out their applications at ‘unusual’ times.

Figure 9: Time of day they made their application and the location they made it from



That said, those with specific mental health conditions were more likely to report tackling difficult tasks, such as financial decisions, in the late morning when they had more focus. This observation may be worth further exploration.

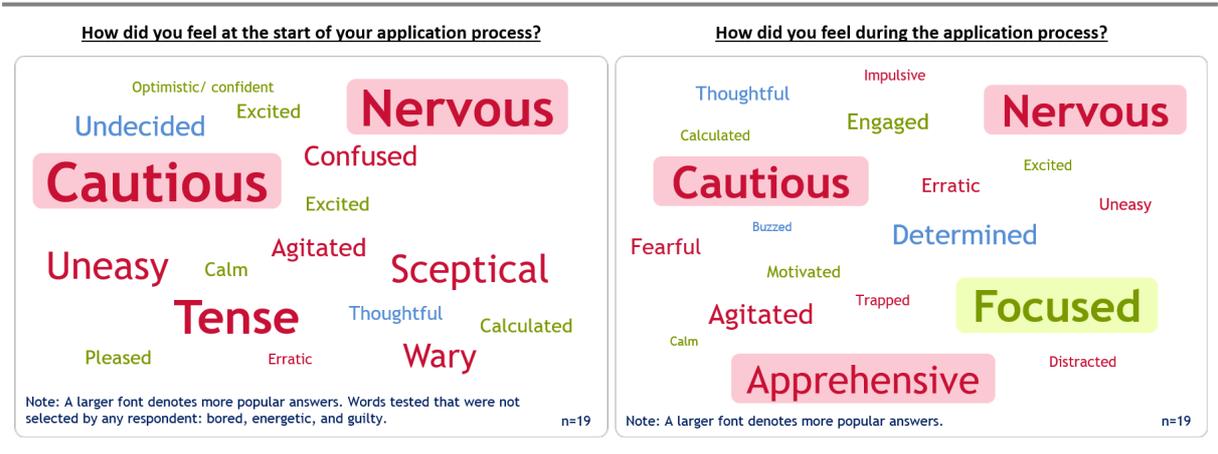
“It was probably after lunch, say about 12 or 1 o’clock, if anything. I’m not really with it when I first get up, cause I’m on quite a bit of medication. So, I sort of need the first hour or two to just to get myself going before I do anything.” – Female, Age 35-54, Low Capability, Low Resilience, Negative Life Event & Mental Health, Payment Holiday

Respondents commonly described themselves as cautious, nervous, tense, apprehensive, focused, and agitated as they filled out their application

A word circling exercise was used to tease out how respondents were feeling at three different stages of the application process - before they started, during the application, and when they submitted their online form. The moderator prompted each respondent to ensure that any missing words were captured.

The most frequently mentioned words - cautions, nervous, tense, and agitated - all suggest that respondents experienced levels of intense feelings and potential stress while they are filling out their online application.

Figure 10: How they felt at the start and during the application process



Within our limited sample size, we specifically looked to see if there was any difference in their current financial situation, the urgency of the need driving the application, and the type of application. It appears that negative emotions were experienced across the board; by those who were ‘struggling’, as well as those who were ‘just about managing’, and those who had an urgent need, as well as those who had a less urgent need driving their application.

Looking at the words used as they progressed through their application in more detail:

- All respondents picked words with negative connotations when describing how they felt at the start of their application process.
- There were only 9 mentions of words that are associated with positive emotions - calm (2 mentions), excited (2), pleased (2), calculated (2), optimistic/ confident (1)) and these came exclusively from respondents who described themselves as ‘tech-savvy’, suggesting that a ‘high stakes’ online application may seem less daunting as technical ability increases.

There was a lot of indecisiveness and hesitation before they were ready to submit

The decision to submit the application form was often very difficult, and this was especially so for the credit respondents who were reluctant to take out credit but who saw no other option (as they were often wary of what will happen to their credit rating, they were concerned about their ability to pay back the money and were not very optimistic that their application would be accepted) and for mortgage applications (due to the perceived negative impact of making a mistake).

"I did contemplate it for a little while. I kept saying to my partner, can we afford doing this and he said yes we can. It took a while to press the send button." – Female, Age 35-54, Low Resilience, Negative Life Event & Mental Health, Credit Application

"The moment before submitting was definitely a sick-feeling one. And my mom was controlling the mouse at that point and going 'Should I proceed? Should I proceed?', we were hesitating like that for quite a while." – Male, Age 18-34, Low Resilience & Negative Life Event, Remortgage Application

"When I got to that point the voice in my head said, 'Is this definitely correct?! Are you sure you want to do that?! Is it definitely a hundred percent honest?!' Those sorts of things and so I was tempted to go over my equations again and again... I went back and checked things at least four or five times." – Male, Age 18-34, Mental Health, Remortgage Application

"Before I submitted it, I did check it again. I checked it a few times before I pressed the submit button." – Female, Age 18-34, Low Capability, Low Resilience & Negative Life Event, Payment Holiday

In terms of their physical behaviour, we commonly heard that such respondents would be reviewing the full application 2-3 times- and sometimes as many as 5-6 times- before plucking up the courage to submit.

"Yeah, before I submitted it, I went back through it, had a look, and made sure I put all the details in and put everything of why I was contacting them into the form correctly...to make sure I got everything correct before then sending it. I read through it like three times to correct my mistakes and then sat back, read it all properly. And then I submitted it." – Female, Age 35-54, Low Resilience & Negative Life Event, Payment Holiday

"I looked through it probably two or three times at least... something that would take a normal person five or ten minutes took me about half an hour." – Female, Age 35-54, Low Capability, Low Resilience, Negative Life Event & Mental Health, Payment Holiday

Once the final decision had been made to 'just do it', respondents commonly described hovering over the submit button for 10-15 seconds before taking a deep breath and hitting the submit button harder than normal.

"I think I hovered there for a few minutes and then took a deep breath and did it." – Female, Age 35-54, Low Resilience & Mental Health, Credit Application

"I think I was done at that point. I was more hesitant when I was going through all the questions. So, when it came to the submission, I was like, let's just do it now." – Male, Age 18-34, Low Resilience & Negative Life Event, Credit Application

"I didn't think about it, I just wanted to get it over with and send it right away." – Female, Age 55-64, Low Capability, Low Resilience, Negative Life Event & Mental Health, Credit Application

Once the form had been submitted, they were often emotionally drained, relieved, and felt a little guilty.

Figure 11: How they felt at the end of the application process



We observed a link between these emotions and kinetic movements

Respondents often found it challenging to recall any specific unconscious physical behaviours during their application and the often 'heightened' stress situation they were in. They generally found it much easier to recall how they felt at the time and some probing was required by the moderator to understand how their emotional state might have manifested itself physically.

Out of the 18 respondents we questioned about this (two had been unsuccessful in their online application and switched to doing it over the phone), just one respondent reported no negative emotions and therefore no physical manifestations of stress. The remaining 17 could either immediately recall some sort of physical reaction or remembered it when specifically prompted

throughout various points in the interview. Recall of a physical manifestation of their feelings was particularly the case amongst those making unwanted, but necessary, credit applications.

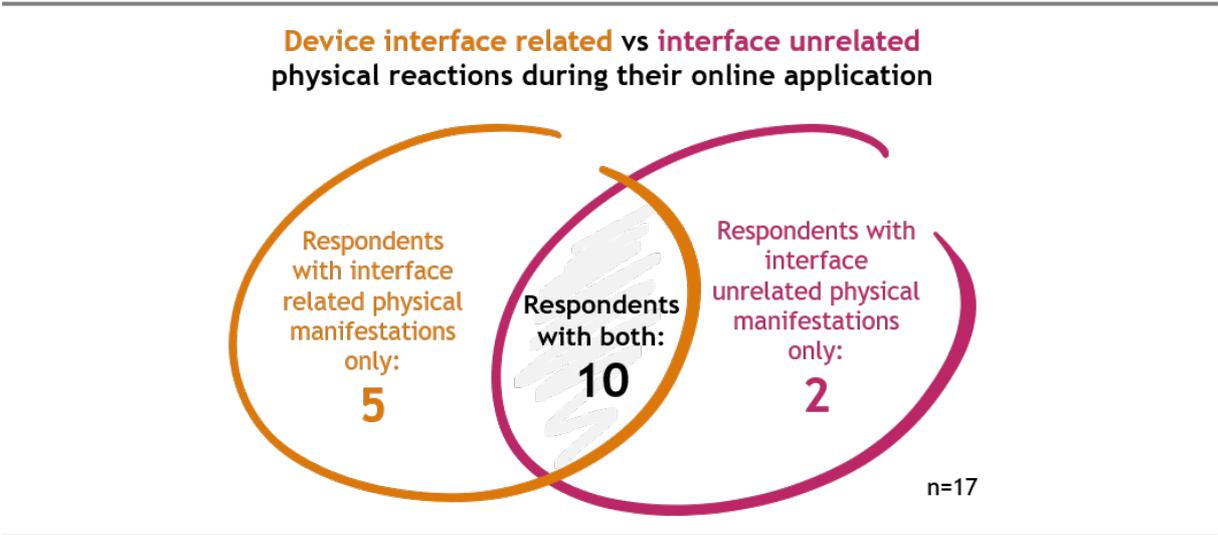
In addition to the types of movements hypothesized by LAB and City (see Figure 2) several physical movements emerged during the conversations. These types of physical manifestation can be segmented into those that are device/interface-related, meaning they have an immediate impact on the way the respondent interacted with their application, and into general physical manifestations of stress.

Figure 12: Physical manifestations that are interface and not directly interface related

Physical manifestations that are...	
 Interface related	 Not directly interface related
Long(er) pauses during application	Leg jigging/ wobbling
Long(er) pauses before submission	Fidgeting with hands/ fingers
Cursor 'hovering' above questions/ answer boxes	Deep breathing
Slower than normal typing speed	Getting up & moving around
Slower than normal reading speed	Increased heart rate
Not using autofill	Sweating
More double-checking of answers than normal	Lip biting
Using cursor as reading guide/ track reading	Fiddling with/ repeated touching of the face
Re-entering numbers (gaming system)	Sweaty hands/ fingers
Erratic mouse movements	General sweating
Skipping through sections	Shaking
Speedy ticking of T&Cs/ warning messages	
More erratic & faster typing than normal	
Making more mistakes than usual	
Harder than normal mouse clicking	
Scrolling up and down a lot	

Out of these 17 respondents, 15 recalled one or more of the physical manifestations directly related to their device interface, while 12 reported one or more physical reactions that are not directly interface related. There was a sizable overlap between the two; with most respondents manifesting both types of physical reactions. The graphic below summarizes our findings. Case studies in the Appendix give further, detailed information.

Figure 13: Overlap of device interface related and unrelated physical reactions



Mapping emotions against behaviours provides insight to help shape the quantitative element of the research programme

To help LAB and City frame the next stage of the research, we have mapped these physical manifestations against the emotions experienced by the respondents while filling out their online application.

**Emotions experienced by respondents during their online application
and their potential device-interface related physical manifestations**

	Type of behaviour	Number of mentions	Detailed behaviour	Emotions connected to that type of behaviour (number of mentions)																	
				Focused	Cautious	Apprehensive	Nervous	Determined	Agitated	Uneasy	Thoughtful	Engaged	Fearful	Impulsive	Erratic	Motivated	Trapped	Calm	Distracted	Excited	Calculated
				Physical manifestations of emotions related to the interaction with their device while filling out their application																	
Pausing	10	Long(er) pauses during application	7	6	4	6	4	3	3	3	3	4	3	1	1	1	1	1	1		
	2	Long(er) pauses before submission	1																	1	
Deliberating	1	Cursor 'hovering' above questions/ answer boxes							1			1		1				1			
	5	Slower than normal typing speed	3	2	3	2	1	1	1	2		1					1		1		
	3	Slower than normal reading speed	5	3	1	3	2	2	2		2	1	1								
	2	Not using autofill	1	2	2	1	1	1	1	1	1										
	1	More double-checking of answers than normal	1	1	1		1	1													
	1	Using cursor as reading guide/ track reading	1	1						1	1				1	1					
	1	Re-entering numbers (gaming system)						1													
Manic	5	Erratic mouse movements	4	4	3	1	3	3	2	2	1		2	1	1	1					
	1	Skipping through sections	1	1		1	1		1				1								
	1	Speedy ticking of T&Cs/ warning messages*				1	1			1							1		1		
	1	More erratic & faster typing than normal			1		1	1					1	1							
	1	Making more mistakes than usual			1		1	1					1	1							
	1	Harder than normal mouse clicking			1	1						1			1						
	1	Scrolling up and down a lot			1	1		1				1				1		1			

Note: *Pension withdrawal

n=15

**Emotions experienced by respondents during their online application
and device-interface unrelated physical manifestations**

	Type of behaviour	Number of mentions	Detailed behaviour	Emotions connected to that type of behaviour (number of mentions)																
				Focused	Cautious	Apprehensive	Nervous	Determined	Agitated	Uneasy	Thoughtful	Engaged	Fearful	Impulsive	Erratic	Motivated	Trapped	Distracted	Excited	Buzzed
Potential physical manifestations of stress not related to their device interface/ the way they are filling out the application	Pausing/ deliberating	5	Getting up & moving around	4	2	3	2	1	3	1	1	2	2	1	1					
		1	Deep breathing	1	1	1			1	1	1									
	Manic	3	Leg jiggling/ wobbling	3	3	2		1	2	1	2	1			1	1				
		3	Fidgeting with hands/ fingers	1		2	2		1			1	2				1	1	1	1
		2	General sweating	1		1		1	2			1	1	1	1					
		2	Sweaty hands/ fingers		2	1	2	1			1			1	1					
		2	Shaking		1	1	2		1				1		1	1	1	1		
		1	Increased heart rate	1					1			1	1							
		1	Lip biting			1	1						1			1				
		1	Fiddling with/ repeated touching of the face			1	1						1			1				

n=12

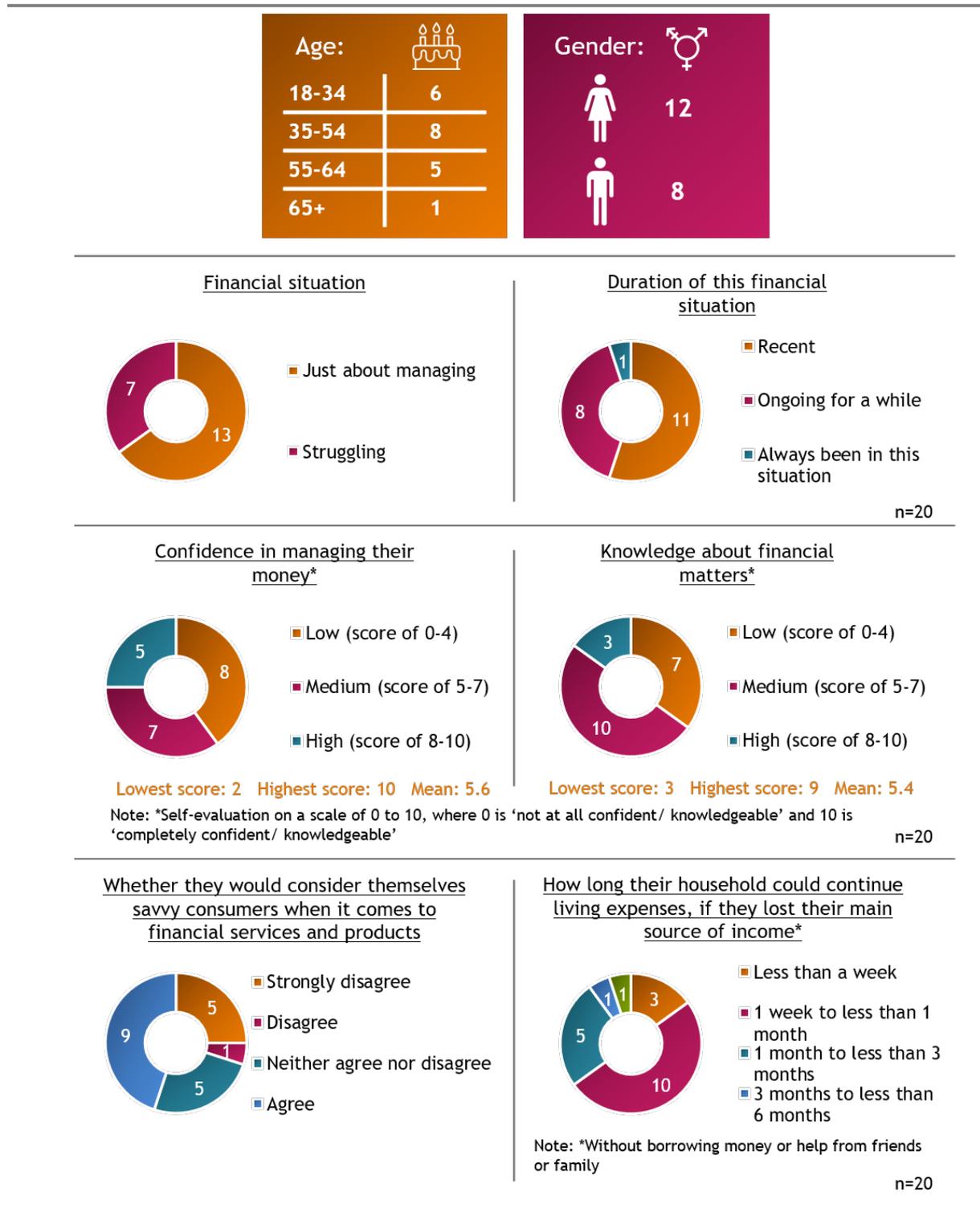
Conclusions

This exploratory research provides some powerful insights into the emotional state of those exhibiting characteristics of vulnerability as they fill out online applications for financial services products.

Early indications from this research support the view that there are that there may be physical markers that can be tested to try to identify whether potentially vulnerable customers are materially different from the 'norm'. Whilst recall of physical movements in this type of research can only be indicative, it nevertheless provides a useful baseline. The next phase of the research is a large-scale exercise, which will mimic these emotional states and robustly test respondent's unconscious physical reactions.

General respondent characteristics:

Figure 14: Respondent Characteristics



Case studies

Christine



- **Age:** 44
- **Type of application:** Credit application
- **Type of vulnerability:** Low resilience & negative life event
- **Financial situation:** Recently started struggling
- **Ability to deal with financial services online:** OK with basics

**Confidence
managing money**

5

OUT OF 10

**Knowledge of
financial matters**

5

OUT OF 10

Their situation

Christine works in benefits, has two children and a terminally ill partner. Her hours have recently gone down and her partner cannot work and so they are struggling financially.

CV-19 has made things worse for Christine and she is still waiting to hear back from Universal Credit about whether she will receive any benefits. And she applied for a credit card, as her daughter needed a new school uniform

Application

- **Level of urgency:** Urgent
- **Had help:** No, filled out application on her own

Device used



TABLET

How they felt during application process:

Erratic Uneasy

Fearful Distracted

Any physical manifestation:

Yes, cursor hovering above questions/ answer boxes, and procrastinating about entering information and physically tensing up.

Christine’s credit card application was impulsive; it was something that ‘had been on her mind for some time’, but was triggered to make a speculative application when an advert popped up offering her a credit card, while she was using Google online.

This was not the first time she has applied for credit, so she had a good idea of what to expect from the application. She did worry that she might be off worse because of it in the long run, but felt like there was no other option to get any money.

While filling out the application, she lied about her partner and his terminal illness, as she thought she would be rejected if she told the truth. She was distracted by her children while making the application and was worried that she would be rejected. As she went through the application she felt herself tensing up physically and entering information much more slowly than she normally would – especially on any questions where she lied about her partner. In the end her application was rejected.

Arvid



- **Age:** 33
- **Type of application:** Remortgaging
- **Type of vulnerability:** Low resilience & negative life event
- **Financial situation:** Recently started to just about manage
- **Ability to deal with financial services online:** Good, tech savvy

Confidence
managing money

4

OUT OF 10

Knowledge of
financial matters

6

OUT OF 10

Their situation

Arvid works teaching science and ICT in a school, which he has been doing for around six years. He lives with his partner and their two children, one of which is three and the other was just five weeks old at the time of the interview. He has another child that is 13 and does not live with him or his current partner.

They have recently slipped from being comfortable to 'just about managing', due to the combination of having a new-born and CV-19. He is still working full-time, but CV-19 means he is having to work longer hours for the same amount of pay.

Application

- **Level of urgency:** Somewhat urgent
- **Had help:** No, filled out application on his own

Device used



How they felt during application process:

Agitated **Focused** **Determined**
Cautious **Apprehensive**

Any physical manifestation:

Yes, slower than normal typing, a lot of double and triple checking, constant leg jiggling and potentially some erratic mouse movements.

Arvid made a mortgage application to remortgage with his mother, who is the guarantor. The application was triggered by wanting to adjust the repayment terms to match their current financial situation.

The application took Arvid a long time and was made in stages, with the help of his mother. While they spoke to a number of brokers and providers over the phone, they made the application for the mortgage product they decided on online because that was the only way on offer. While Arvid is tech-savvy, his mother, who is 53, would have preferred to be able to do it in-person or over the phone. They made the application over several days from home and his mother's office.

This led to added stress about the online application, as Arvid felt this was a big decision anyway and then was more nervous about it because his mother was nervous about doing it online. They repeatedly double and triple checked everything, describing the process as a 'weight to get things right and not make a mistake'. This manifested in a lot slower typing than usual, going through the form again and again, as well as a constant leg wobble and potentially in erratic mouse movements.

Before submitting the application they also hesitated for quite a while, at which point he described feeling physically sick until they got each other 'over that edge' and submitted the application. In the end the application was approved.

Sidra



- **Age:** 30
- **Type of application:** Payment holiday
- **Type of vulnerability:** Low resilience, capability & negative life event
- **Financial situation:** Recently started struggling
- **Ability to deal with financial services online:** OK with basics

Confidence
managing money

6

OUT OF 10

Knowledge of
financial matters

5

OUT OF 10

Their situation

Sidra works part-time in retail and CV-19 'has completely changed her life'. She lives with her partner and does not have children. Before CV-19 she and her partner felt they were doing OK, but now find themselves struggling. During lockdown her partner lost his job and she had to reduce her hours further and constantly worries about losing her job too.

She feels as though they will be struggling financially for a while, at least until her partner manages to find a new job.

Application

- **Level of urgency:** Urgent
- **Had help:** Yes, discussed and did it together with her partner, as well as speaking to her cousin about it

Device used



How they felt during application process:

Uneasy **Focused** **Determined**
Cautious **Nervous** **Impulsive**

Any physical manifestation:

Yes, going through the form and T&Cs more slowly than usual, while also skipping through sections, pausing to discuss it with her partner, and possibly some erratic mouse movements .

Sidra's partner came across the news that it was possible to apply for payment holidays, which triggered them to look into the possibility with Sidra's mortgage. She found that this was an option in her online mortgage account and generally found the forms easy and straightforward, but felt unsure about the implications of what she was doing. She still does not feel like she fully understands what she signed up to, even after having read the T&Cs.

Without the money to make their mortgage payment, Sidra felt that she had no other option that to apply for the payment holiday. She understands that interest still applies during this period and wishes she wouldn't have needed to make the application. Not having done this kind of thing, she also spoke to her provider over the phone for reassurance about how best to apply (via post or online).

She found herself taking her time during the application, because it 'was a huge deal' and to make sure she was answering everything correctly. She took some long breaks to speak and go through things with her partner. While she double checked everything, she also skipped through sections that she didn't understand initially. She tried to read the T&Cs fully before submitting her application, but still feels worried she might 'have missed something' and could end up losing her house. This mainly manifested itself in 'just moving the mouse around'.

Anita



- **Age:** 55
- **Type of application:** Withdrawal from pension
- **Type of vulnerability:** Low resilience & negative life event
- **Financial situation:** Recently started struggling
- **Ability to deal with financial services online:** Good, tech savvy

Confidence
managing money

4
OUT OF 10

Knowledge of
financial matters

4
OUT OF 10

Their situation

Anita is still working, currently at Waitrose, and lives with her adult daughter who is doing an apprenticeship. She had just gone through a divorce, receiving the final paperwork two days before her interview.

She has recently started struggling because of CV-19. She caught it herself over the summer and had to isolate for two weeks, and reduce her hours afterwards as she was still not feeling well. Anita has now found herself struggling to pay bills and turned to her pensions as an alternative to increasing her hours again.

Application

- **Level of urgency:** Urgent
- **Had help:** No, filled out application on her own

Device used



How they felt during application process:

Calm **Focused** **Thoughtful**
Excited **Nervous** **Determined**

Any physical manifestation:

Yes, going through some of the questions more slowly than normally, and then speeding through 'the tick box exercise' of the T&Cs and pension access warning messages.

Anita had three pension pots and she cashed one in fully, as it was the one with the smallest amount (just under 7k). She is aiming to save her largest pension pot as income for when she fully retires.

She felt that this was the easiest way to make sure she could pay her bills and put food on the table, and as Anita is comfortable managing financial matters online she found the process of filling out the forms to cash in her pension 'pretty easy', but was upset at not being able to save it 'for later'.

Anita found the requirement to verify her identity the most stressful part of the online application, as she did not want to post her Irish passport to the provider, being worried 'that anything could happen with Brexit'. Otherwise she read all the questions very carefully, as she feels that's 'important when dealing with money' and probably more slowly than usual, she also double checked all her entries before submission, but sped through all the tick boxes she had to acknowledge. In the end her claim went through and she still has some of the money in her savings account.

Anita believes she would have been a lot more anxious, nervous and 'generally negative' had this been about a bigger sum of money, causing a greater physical reaction than it had.

Kamala



- **Age:** 40
- **Type of application:** Payday loan application
- **Type of vulnerability:** Low capability, low resilience, mental health & negative life event
- **Financial situation:** Has been struggling for a while
- **Ability to deal with financial services online:** Low, but happy to give things a go

Confidence
managing money

5

OUT OF 10

Knowledge of
financial matters

5

OUT OF 10

Their situation

Kamala used to work as a nurse, but has not been working for a while on health grounds. She is single and lives with her 16 year old child, who has just started college.

She struggles with her physical and mental health in regular intervals and has found that CV-19 has made that situation worse. She has been struggling financially for quite a while, and has found that she has spent a little less due to having to shield during the pandemic. She admits that she's 'not great with finances' and prefers not to take on credit, as that has got her 'into trouble' in the past.

Application

- **Level of urgency:** Urgent
- **Had help:** No, filled out several applications on her own

Device used



How they felt during application process:

Agitated **Apprehensive** **Nervous**
Fearful **Distracted** **Trapped**

Any physical manifestation:

Yes, scrolling up and down a lot more than usual, brushing forefinger and thumb together (nervous tick) and physical shaking.

Kamala made 'a couple of applications' to payday lenders and was turned down on most due to her bad credit history. She made the applications as she needed a new bed for her daughter, as well as 'some stuff around the house'.

She spent about a week in turmoil over whether to make these applications, worrying about the repayment commitment. She had some experience with previous applications and knew what to expect. Nonetheless, she felt very uneasy about her decision and only went through with it because she had 'no other choice'.

She made the applications shortly after lunch, as she needs some time to 'get going' in the mornings and feels she 'isn't quite there' due to the medication she is on. Kamala is not sure whether she was acting impulsively, due to her mental health conditions.

She describes feeling 'sickly' and having 'the butterflies' and became quite confused 'in a warped sort of way' while going through the application. This manifested itself physically in scrolling up and down more than usual to check that the application would not cost her anything if she got rejected (this had happened to her in the past), general shaking with stress and the brushing together of her finger and thumb, which is something she does as a kind of tick in stressful situations.

Reggie



- **Age:** 38
- **Type of application:** Remortgaging
- **Type of vulnerability:** Low resilience & negative life event
- **Financial situation:** Has been just about managing for a while
- **Ability to deal with financial services online:** OK with the basics

Confidence
managing money

8

OUT OF 10

Knowledge of
financial matters

3

OUT OF 10

Their situation

Reggie works as a general manager at a leisure club. He lives with his partner and together they have a two-year-old daughter.

He feels that they are just about managing 'month to month', occasionally having enough to 'save little bits here and there'. He was on furlough for seven months and had been looking for a better paid job to move into. He feels lucky that he managed to find something better during CV-19, as well as being able to spend more time with his daughter while he'd been on furlough.

Application

- **Level of urgency:** Somewhat urgent
- **Had help:** Yes, filled out the application with his partner

Device used



How they felt
during application
process:

Focused
Calculated

Any physical manifestation:

Yes, although he reportedly did not experience any negative emotions while going through the application, he was nervous, cautious and worried about it going wrong at the start of the process, which manifested itself as a lengthy hesitation before submitting the application and slower typing.

Reggie's remortgage application was triggered by the end of the fixed rate mortgage they had been on. Originally, they went to see their provider – a high street bank – in-person, but didn't think that they had been offered a good rate, which prompted them to shop around.

Reggie and his partner used online comparison sites and found that another high street bank 'came up with the best deal'. And although Reggie is not that confident online and with technology, he found the application process online 'quite easy'.

While making a choice was making him feel 'cautious and a bit nervous, as it's a big, big thing to do and it's a lot to read through online', but did not experience any negative emotions while actually making the application – he felt confident about their choice having shopped around.

He did type more slowly and carefully than normal to avoid making any mistakes. When it came to submitting the application, he went through it all again, even though him and as partner had double-checked it together. After which him and his partner had 'a bit of a moment about it', checking with each other whether they 'were sure and wanted to do this' and then made the submission.