

Measuring customer empowerment

This section sets out proposed customer level indicators for assessing customer empowerment. These are a ***preliminary list to be further developed by the Working Group*** and then field tested. Currently all proposed measures are based on customer perception. Indicators are proposed in relation to the dimensions of customer empowerment – choice, voice, respect and control.

The Working Group has highlighted three levels that should ideally be captured:

- Capacity/capability/knowledge
- Attitude/confidence/intentionality
- Behaviour/experience

In addition, operational performance measures may be used as proxies.

Choice

Question	Response				
<i>Capacity to make effective choice</i>					
Do you have information about multiple financial services available in the market?	<input type="checkbox"/>				
	Well informed				No information
Do you have information about the products and services and their terms on offer from ABC?	<input type="checkbox"/>				
	Well informed				No information
Do you know how to get more information about financial services?	<input type="checkbox"/>				
	Well informed				No information
Do you understand the differences between the loans, savings or other products from MFI, banks and moneylenders?	<input type="checkbox"/>				
	Understand				Don't understand

Are you able to compare prices and terms offered by different MFIs, banks, etc.?	<input type="checkbox"/>				
	Can compare				Unable to compare
Do you understand the risks involved in borrowing and believe they are offset by the benefits?	<input type="checkbox"/>				
	Understand				Don't understand

Attitude/confidence/intentionality	<ul style="list-style-type: none"> Are you confident that you can select the products or services that are right for you?
Behaviour/experience	<ul style="list-style-type: none"> I am able to access all of the products and services available from FSPs. Choosing between a provider or between products and experience is a stressful experience. I can rely on FSPs to give me access to the products and services that they have on offer. % of customers/potential customers who compared product features before purchasing % of customers satisfied that understand product features
Operational proxies	<ul style="list-style-type: none"> Numbers of customers accessing specific products (segmented by group) Customer retention rate Conversion rate of customer enquiries/marketing contacts into sign-ups Disclosure of key features, benefits and risks % of customers not progressing with first use within 3 months % of customers who cancel product/service during cooling off period

Respect

Capacity/capability/knowledge	<ul style="list-style-type: none"> I have the right to be treated with respect and dignity. I understand my rights as a consumer and what I should expect from FSPs. I am alert to avoid financial scams and able to identify and resist high-pressure sales tactics.
Attitude/confidence/intentionality	<ul style="list-style-type: none"> Confidence that will be treated with respect and am not discriminated against.
Behaviour/experience	<ul style="list-style-type: none"> All customers receive the same respect and dignity regardless of their status or transaction size Customer effort score or measure of waiting times used to monitor respect for customers' time Customer satisfaction score
Operational proxies	<ul style="list-style-type: none"> Conversion rate of customer enquiries/marketing contacts into sign-ups

Voice

Capacity/capability/knowledge	<ul style="list-style-type: none">• I know my rights and responsibilities as a financial services consumer, how to exercise them, and where to complain when problems arise.
Attitude/confidence/intentionality	<ul style="list-style-type: none">• I feel that my views will be listened to and taken into account if I engage with my provider.
Behaviour/experience	<ul style="list-style-type: none">• I have access to staff who have time and an interest to hear and understand my needs and experience.• I am able to discuss my financial needs with my provider and choose products and terms that suit me.
Operational proxies	<ul style="list-style-type: none">• Numbers and pattern of customer feedback and complaints.

Control

Capacity/capability/knowledge	<ul style="list-style-type: none">• The products and services on offer to me are affordable.• I am aware of the consequences of poor financial decisions and motivated to try to avoid them.
Attitude/confidence/intentionality	<ul style="list-style-type: none">• The products and services on offer to me help me better manage my financial life.
Behaviour/experience	<ul style="list-style-type: none">• I know how to budget, follow a household financial plan and monitoring progress towards my goals.• I use financial services to achieve future goals.• I have a savings goal and I use financial services to build my assets.• Financial services help me manage my money and build more predictability into my financial life.• I know my financial limits and how to stay within them.• I am in control of my use of financial services; financial services do not control me.• I have confidence that if I make a mistake using my financial services my provider will help me to sort this out and I will not be penalised.• I have confidence that if I experience an unforeseen change in circumstances my provider will work with me to give me space to solve my problems.• I use financial services to help me reduce my exposure to the unexpected.• Products/services meet with customer expectations

Operational proxies	<ul style="list-style-type: none">• Numbers of customers using specific products (segmented by group)• Numbers of dormant or inactive accounts.
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