

TISA

Executive Summary

December 2015



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Executive summary

Customers wishing to open savings or investments accounts with UK financial institutions have to undergo cumbersome identity verification processes. The TISA Digital Passport Working Group initiated a research project alongside GDS, Barclays, LV, L&G and EY-Seren to understand how a digital identity could entice users to save more and manage their money better.

A qualitative research project running from 11th November to 18th December 2015 uncovered the potential that a digital identity could provide in the context of savings. A carefully selected sample of 15 participants verbalised their thoughts whilst making use of two prototypes which used Digital Identity functionality in the account opening and account transfer processes.

The present research suggests that a Digital Identity can successfully support the identification process to open or transfer savings account. However the influence of digital identity on encouraging savings and management behaviours was limited. There are other factors which trigger the motivation to save. A Digital Identity makes the process easier, but does not initiate.

When Digital Identity was part of a unified customer journey for savings, the Digital Identity acted as a service empowering users to take control over their finances to make beneficial financial decisions. These findings are consistent with other studies (Mishra et al., 2013).

Furthermore, we investigated how consumers perceived the digital identity in the context of financial transactions. Our findings suggest that the involvement of the Government is generally positively perceived by instilling trust in the process. In addition providers making use of the Digital Identity could be regarded more positively compared to others who do not.

1.0 Hypothesis

*“If consumers had an **easy to use and trusted way** of opening a savings product and transferring their savings, using a digital identity, people would be inclined to **save more and manage their money better.**”*

For the purpose of this project we define the key terms as follows:

- Easy to use and trusted way [of opening and transferring savings] = The Digital Identity, either in its Government branded form or not;
- Save money: to put financial resources aside;
- Manage money better: to make beneficial financial decisions.

2.1 Method

Approach

- Qualitative research
- 3 rounds of user research
- Controlled environment
- Purposive sample of 15 participants
- Semi structured interviews
- Stimulus: prototype presenting two journeys
 - Opening a SIPP
 - Transferring an ISA



2.2 Target sample

Target sample:

- Number of participants: 5 + 5 + 5
- Nationality: May vary, but all are residents in UK
- Localisation: London
- Social class: Broad and inclusive
- Gender: Aim for an even spread
- Age – Aim for an even spread, covering all of the following age groups:
 - 20 to 29
 - 30 to 39
 - 40 to 49
 - 50 to 65

Other criteria - All respondents:

- Use online banking at least once, each 3 months.
- Have signed up for at least a new savings product in the past 12 months.
- Were responsible for the decision of acquiring that product.

Other criteria:

- None of the respondents are Barclays customers and 4 are LV customers.
- From all participants that have tried to sign up to more than one savings product in the past, at least:
 - 6 have succeeded
 - 6 have given up in the process
- From all participants at least 3 have moved a savings product in the last 3 years.

3.0 Research limitations

Page subtext

Qualitative vs. quantitative

For being qualitative the research enabled us to uncover issues and key topics, however, the sample size does not allow us to draw statistical conclusions.

Prototypes as stimuli

Artefacts were used as stimuli for the conversation only - the point of the research was to uncover users perception around key topics, not to evaluate the user experience of specific journeys.

Attitude vs. behaviour

Some discrepancies may exist between what people say they would do and what they actually do. We attempted to mitigate this by triangulating our questions.

Hawthorne effect

Participants took part to the research in a controlled environment, generally participants tend to perform better and be more efficient when they know they are observed (Hawthorne effect).

4.0 Theoretical background

Understanding how people save money

Several factors may influence the predisposition to save, such as education, when parents foster a “savings mindset” from an early age, by motivating their children to “earn” their pocket money and encouraging them to manage it (Brown and Tailor, 2016 - In print). Saving becomes engrained in one’s principles and personal economy management culture. Even in later ages, people are most likely motivated to meet the expectation to have savings (Brown and Tailor, 2016 - In print).

Other external factors might trigger the attitude to save, and these might come along at any life stage. Such life events might remind people of their potential vulnerability (Wood et al., 2012; Comfort et al, 2013), and might be related to illness or even death.

Other influential factors could be of a financial nature (Wood et al., 2012), for example when receiving an inheritance, a work bonus, when an investment reaches the end of its maturity cycle or a company sets a pension scheme.

Guven (2012) suggests that relate happiness with consumer behaviour and conclude that happiness is associated with a higher ability to save. The reason behind this principle, mostly relates to the lack of need for instant satisfaction, that quite frequently is the trigger to constant spending.

Saving is only possible if there is sufficient disposable income (Wood et al., 2012) to set those resources aside.

Wood et al. (2012) suggest that saving is a process constitute of five steps: trigger, initial discussion, research, options are presented and discussed, final decision.

The journey is in line with the Model of Intention, Adoption, Continuance (Cheung et al., 2013) which helps structuring consumer journeys.

We will make use of this framework to structure the research analysis.

5.0 Sprints overview

We ran three complementary sprints to uncover key issues, challenges and possible solutions.

Sprint 1



Sprint 2

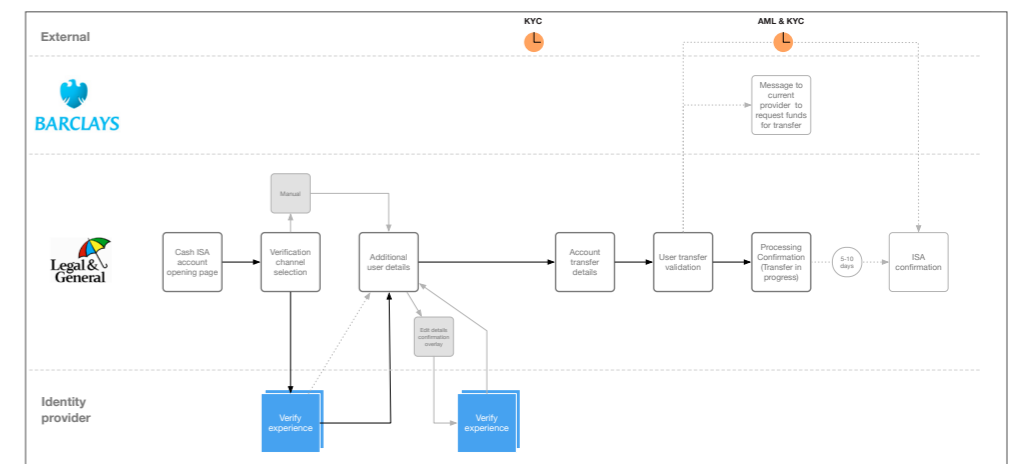
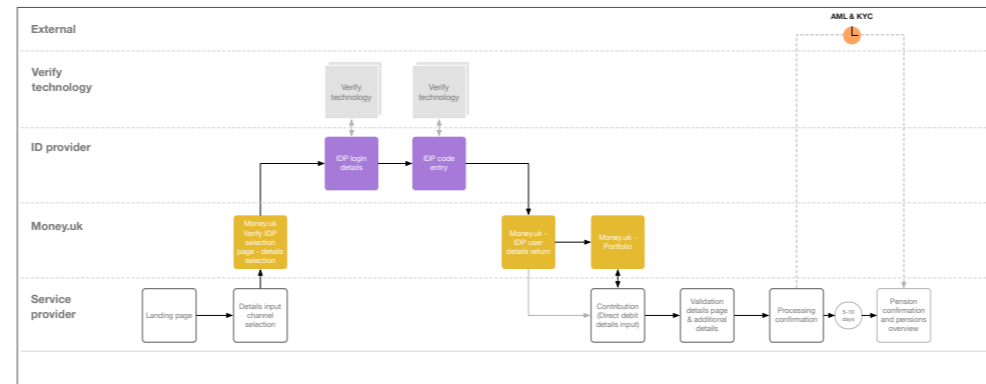
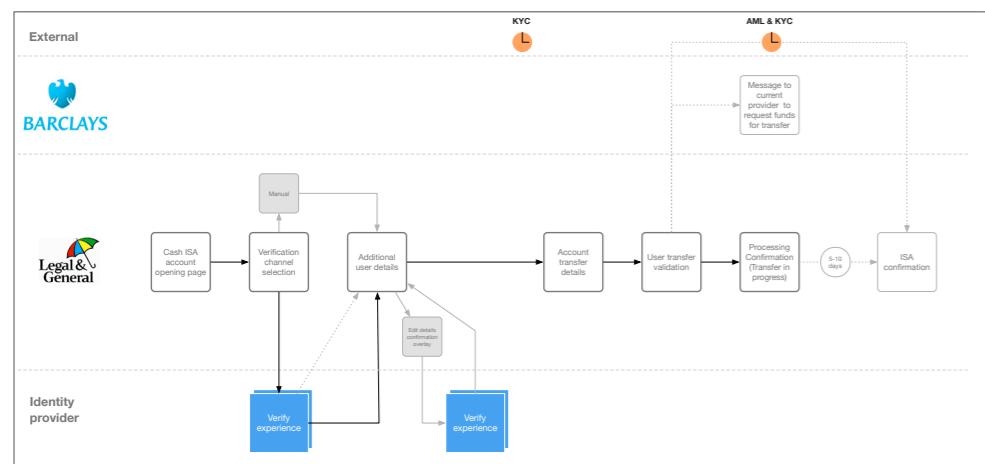
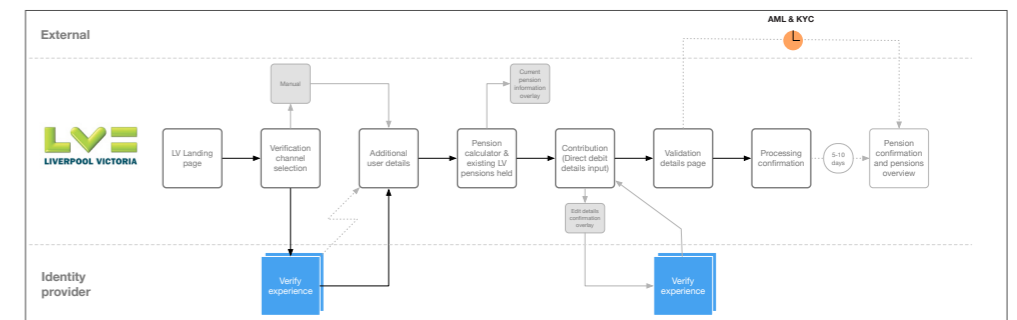
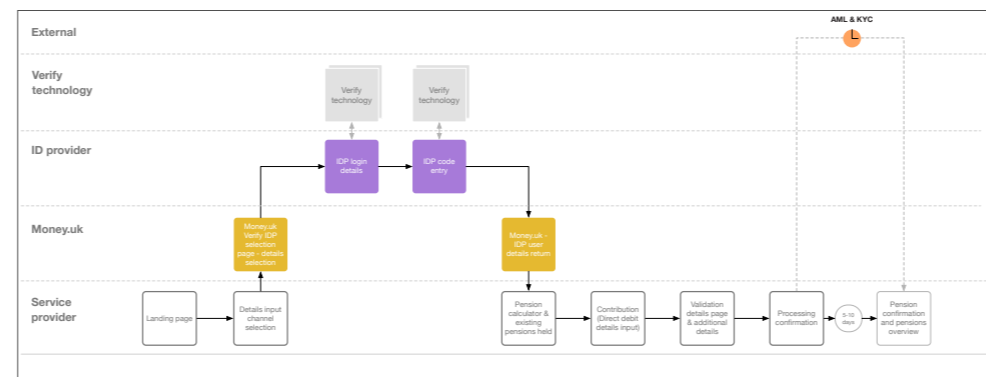
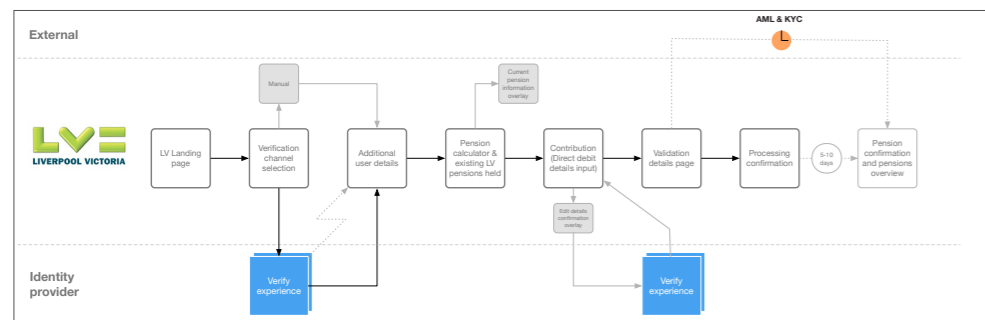


Sprint 3

Understand at a broad level, how the digital identity could influence how people save and manage their savings.

We evaluated an enhanced value proposition where the digital identity was associated to additional features requested by participants during sprint 1.

We researched further the role of the digital identity at the adoption stage of the customer journey, the point where users transact.



6.1 Attitude towards saving - Fieldwork research

We gathered participants' attitude towards savings throughout the pre-task semi structured interviews. We articulated the findings along the keys stages of the customer journey.

6.1.1 How do customers make choices?

When choosing and signing-up to savings products, customers go through four key steps. Despite the particularities of each personal context, these steps are consistent across the savings journeys we observed during the research, and are aligned with the documented Model of Intention, Adoption, Continuance (Cheung et al., 2013):

1. Awareness – Realising that there is the need to save.
2. Intention – Searching, understanding and choosing a savings product.
3. Adoption – Signing-up process.
4. Continuance – Managing existing savings products.



And how does the digital identity sit within this model?

6.1 Attitude towards savings

6.1.2 Awareness - Realising that there is the need to save.

Along the research interviews, we spoke to customers who:

- Are already saving all they can.
- Encounter financial difficulties, and find themselves without any remaining resources to set aside.
- Became aware of the need to save when their employer created their first pension scheme.
- Have an ingrained savings culture based on their parent's education.
- Are reminded of their vulnerability by an unexpected event.

An example of this last factor, came across with a participant who was strongly reminded about her vulnerability. This was a 60 year old woman whose husband (older than her) became ill and dependent. Their roles shifted and she started to be in charge of the household financial decisions. This made her aware of their real-life situation, and the fact that they would struggle financially in the upcoming years. They kept their habits as much as they could but still, their life style changed considerably. At the age of 56 she came back to work.

When their daughters asked “why don't you go on a cruise anymore? You used to go twice a year”, she couldn't find herself capable to reveal the real situation.

Open your Self Invested Personal Pension

Pension calculator

Use the calculator below to decide how much your monthly contributions will help you when you retire and how much you will still need to be comfortable.

Amending the options below will vary the amount that you can accumulate and therefore have available to you when you retire. You can see how only small change impacts the calculations for your pension

Your age is 36 years old

Target retirement annual income

£10k — £20k — £150k

£5.9k	£1.8k	£3.8k	£8.5k
State pension	Existing LV pension	New Pension	Shortfall

Monthly contributions: £5 — £150 — £500

Retirement age: 65 — 68 — 85

Age	36 years old	Your investment	£58,000
Years until retirement	32 years	Assumed Growth	£18,000
Annual contributions	£1,800	Total	£76,000
		Pension annual income	£3,800
		Pension monthly income	£316

* Investment Growth is assumed to be 2% for the benefits of this calculation.

Back Confirm

Existing LV pensions

LV pension from EY employment: £35,654

This indicates that annual income that you can expect from your pension based on the information that you have provided. If it does not meet your target income, you may need to adjust the options you have selected.

View more

6.1 Attitude towards savings

6.1.3 Intention - Searching, understanding and choosing a savings product.

- Participants have expressed that one of the key motivational elements to start saving is to define a specific personal goal. Examples could be:
 - “How much money I will actually have by the time I retire”
 - “I want to travel around the world for a “gap year””
 - “I want to buy a house”
- When participants already own savings products, they expressed a passive attitude that consisted in searching for new options each time a product was about to reach its maturity period.

Usually the search for a savings product is conducted by:

- Using comparison websites;
- Exploring other offers available in their current financial services provider;
- Receiving a proactive contact from an existing advisor.

When choosing a product, participants expressed difficulties understanding the products being offered. Therefore the possibility to have a face-to-face conversation with an advisor is key. This is sometimes one of the main attributes that consumers consider when choosing a financial service organisation.

Other challenges came across, such as:

- The fact that savings products might feel too intangible as opposed to property: “If I need money in the future I know I can sell one of my houses, and I will be OK”.
- The pre-conception that creating or transferring a savings product will be a complex process. This can lead to permanently postponing the activity..
- Saving for the retirement age is in most cases set as a soft goal, based on an ideal of “living well”, but without a specific financial goal attached to it - i.e. “I need to have 40K/year to live well”. Not having a clear tangible goal makes it difficult to reach the desired results.

What users need?

- To have information and understand the implications so that they can make an informed and well-thought decision. More autonomy.
- To be supported by recommendations to invest in new products or change their current ones, in case there would be a better option in the market.

6.1 Attitude towards savings

6.1.4 Adoption - Signing-up process

All participants expressed consistently across the different testing sprints that they only initiate the “sign-up” process once the decision has been made.

When signing-up to savings products we have come across different experiences and perceptions. It might be:

- A time consuming and laborious experience while proving one’s identity.
- A simple and straightforward process.

These differences depended mostly of each financial services own sign-up procedures and if the customer already had products with them.

One of the current challenges while signing-up to a saving products online refers to many customers dropping-out in the middle of the process. Several reasons came across strongly during the research sessions, such as:

- The hassle of confirming one’s identity through the Post Office. Even when sending scanned documents by email, if the image does not have enough quality it will be requested over and over again.
- Concerns about safety issues when sending the documents (either by post or email).

- Not having all the required documents or the information in it, is not updated.
- The need to clarify a specific aspects of the savings proposition.
- If by the end of the signing-up process they realise that the agreement is not what was initially promised.

What users need?

- To be in a trusted environment to share personal details.
- Have access to support and further explanation about the products.
- Be reassured that the transaction has worked out and it was not hijacked.

6.1 Attitude towards savings

6.1.5 Continuance - Managing existing products

- The majority of participants manage their savings products by checking financial services websites or App, then, they collate the information by creating their own spreadsheets or printed file systems.
- Once the information is stored, some participants have expressed to have a passive attitude towards their products, as they were mostly concerned to control the maturity cycles.
- There seemed to be a vision of each product separately, but not an holistic overview of all their products as a personal portfolio, which could diminish their awareness of their financial position or relative wealth .

What users need?

- Easy and quick access to the overview of the products - i.e. on an App.
- Seeing all savings in one place - gives the perception of being in control.
- Receive alerts, mostly to:
 - Avoid forgetting about a product.
 - Manage the mature period of each product.
 - Inform when rates change.

The screenshot displays the MONEY.UK financial portfolio dashboard. At the top, there is a navigation bar with 'MONEY.UK' and a 'Log out of MONEY.UK' button. Below this is a secondary navigation bar with tabs for 'Details', 'My financial portfolio', 'Notifications', and 'History'. The main content area is titled 'Portfolio' and includes a sub-header 'Your savings accounts'. It features two cards for Barclays accounts: 'Instant Cash ISA' with a balance of £11,234.00 and 'Everyday Saver' with a balance of £556.76. Below these is a section titled 'Your pension' with two cards for LVE (Liverpool Victoria) pensions: 'Pension from EY' and 'Self Invested Personal Pension'. The 'Pension from EY' card shows a contribution of £122.23 per calendar month, an assumed growth of 1.8%, and a mature date of 15/11/2040. The 'Self Invested Personal Pension' card shows a contribution of £150 per calendar month, an assumed growth of 2%, and a mature date of 15/11/2040. A 'Pending' status is shown for the Self Invested Personal Pension. Each card includes a 'More details >' link.

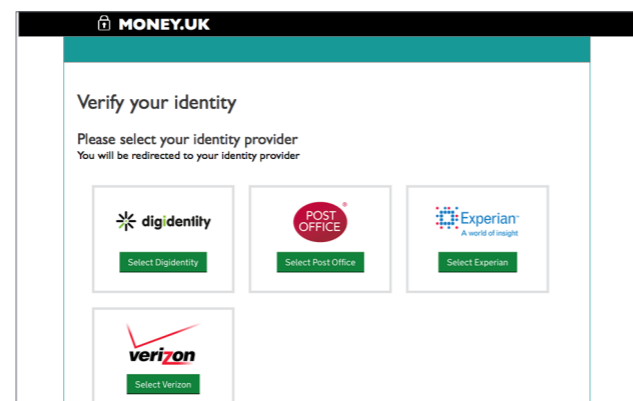
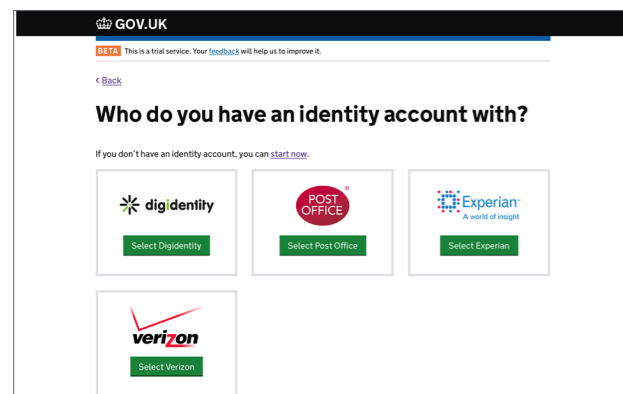
6.2 Perception of digital identity within financial transactions

We assessed the perception of the digital identity in two forms:

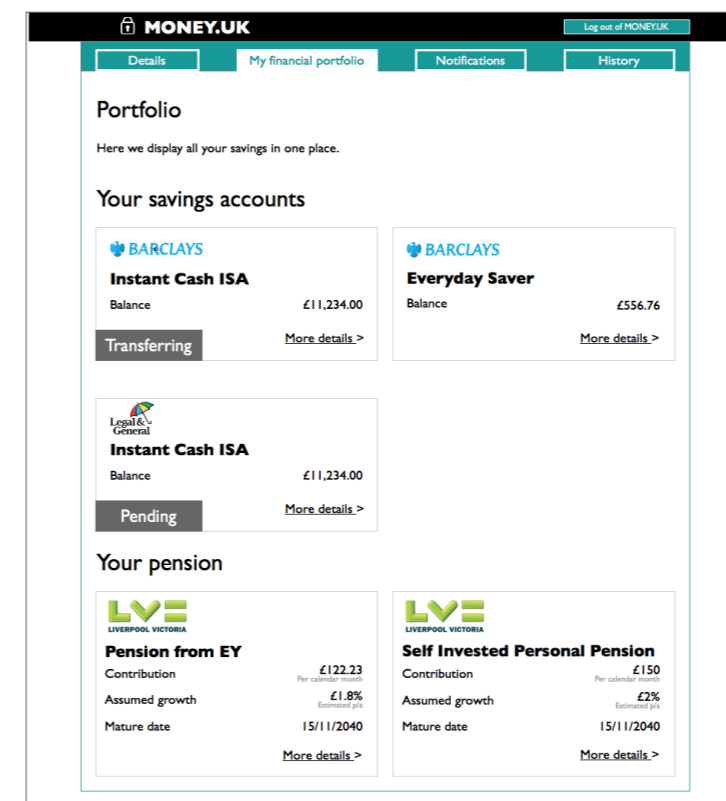
- As a government brand, using the current styling of VERIFY
- As a private commercial brand called 'Money.UK'

6.2.1 Brand perception and Trust

- The **government brand** was generally perceived as **safe** and **trustworthy**, but sometimes associated with possible **privacy issues**;
- Despite possible privacy concerns, participants seemed to **accept privacy issues** "They [the government] already know everything anyway"
- In comparison with the .GOV brand, the private brand 'Money.uk' was **less trusted**.
 - Initially the brand was perceived as safe and trustworthy because of its logo (padlock).
 - After questioning the issue further, participants admitted that they would not trust this brand as they never heard about it before;
 - They would be prepared to **trust a private brand provided that they know it**, for example if they saw the brand on TV.



- Trust would be built over repeated use. During this research, on first use, participants expressed concerns in transferring funds in excess of £10k. Some participants mentioned that it could take them up to a year to gain the confidence necessary to handle larger amounts.
- In the first week of research, participants expressed concerns over the **lack of feedback** after performing a transaction. These concerns were alleviated in the artefacts presented in the second week when participants had the opportunity to see the progress of their transaction on a third party site (Money.uk)



- Bringing a definite closure to the VERIFY experience was essential to create trust. This was achieved through a 'logout' call to action.

6.2 Perception of digital identity within financial transactions

Do providers who offer GOV.UK/Verify have any competitive advantage over other providers?

6.2.2 Do providers who offer VERIFY have any competitive advantage over other providers?

We tested the issue over two weeks.

- On equal offer terms, participants would **favour providers who make use of VERIFY** (Sprints 2 and 3)
- However, the affiliation with VERIFY would **not be an essential criterion in the selection of a provider**, other attributes have a stronger meaning for participants:
 - FSCS cover
 - Rate (and term, where applicable)

We expect the rate variation to be around 0.2% to induce a significant difference.

- Online convenience (opposed to brand that only offer branch services)
- Affiliation with VERIFY comes last

The screenshot shows the 'Savings' section of comparethemarket.com, specifically for 'Cash ISAs'. It displays a table of 20 results (out of 92) for 'Instant Access Cash ISAs'. The table columns are: Company, Interest rate (AER), Min/Max account balance, Access features, and buttons for 'APPLY NOW' and 'MORE DETAILS'. The providers listed are Punjab National Bank, Virgin Money, Coventry Building Society, and Ecology BS. Each entry includes a 'GOV.UK VERIFY VERIFIED' badge. A note at the top right states: 'Unfortunately this product doesn't qualify for Meerkat Movies or a toy'.

Company	Interest rate (AER)	Min/Max account balance	Access features	Buttons
Punjab National Bank Variable Cash ISA	1.65% variable rate	£1 to no limit	Internet: ✗ Telephone: ✗ Post: ✗ Branch: ✓	APPLY NOW > MORE DETAILS +
Virgin Money Defined Access E-ISA (Issue 2)	1.51% variable rate	£1 to no limit	Internet: ✓ Telephone: ✗ Post: ✗ Branch: ✗	APPLY NOW > MORE DETAILS +
Coventry Building Society Easy Access ISA	1.50% variable rate	£1 to no limit	Internet: ✓ Telephone: ✓ Post: ✓ Branch: ✓	APPLY NOW > MORE DETAILS +
Ecology BS Foundations Cash ISA	1.50% variable rate	£25 to no limit	Internet: ✗ Telephone: ✗ Post: ✓ Branch: ✗	APPLY NOW > MORE DETAILS +

6.2 Perception of digital identity within financial transactions

6.2.3 What data should VERIFY populate on behalf of users

Our research suggests that there is **value** in letting VERIFY populate data on behalf of users.

For example, in the first week of research, participants expressed an interest in automating most operations

“Awesome for me would be to press one button [and get everything done]” - (Participant)

Legal & General

TRANSFER AN ISA

YOUR DETAILS

Name Mr John Smith

Address 62 Paradise City Street
Grass-is-Greener
Paradise
PA8 4SE

Date of birth 15/11/1972

[UPDATE DETAILS](#)

NB – Your details will be used to run checks for money laundering purposes [More...](#)

PLEASE FILL IN THE FORM BELOW

WE REQUIRE MORE DETAILS TO SET-UP YOUR ISA

Mobile phone number

Email address

Nationality

Gender

Marital status

Occupation

N.I. Number

[BACK](#) [CONFIRM](#)

6.2 Perception of digital identity within financial transactions

6.2.4 Populating personal data

By default, VERIFY could return an individual's name, surname, date of birth and address.

Returning personal details to facilitate the data entry was considered as an essential aspect of VERIFY.

- In the condition where only default data was populated, **participants expected to see more of their details being populated**, such as their email address, gender or telephone number.
- In the condition where additional data was populated, **participants choose to not share their email address and phone number** with a third party, due to the concern of being contacted for marketing purposes. This could be due to the lack of clear explanation as to the purpose of the data collection.

The screenshot shows the MONEY.UK verification interface. At the top, there is a navigation bar with the MONEY.UK logo and four tabs: Details, My financial portfolio, Notifications, and History. The main content area displays a confirmation message: "Thank you, you are now verified." Below this, a heading states "The following details will be passed to Legal & General". A table lists the following details:

Name	John
Surname	Smith
Address	62 Paradise City Street Grass-is-Greener Paradise PA8 4SE
Date of birth	15/11/1972

Below the table, another heading states "We can share additional details required for your application". A sub-heading reads "Please select the details that we can share with Legal & General so you don't have to type them". A list of details is shown, each with a checked checkbox:

- Deselect all
- Email address: j.smith@gmail.com
- Nationality: British
- Phone number: 0207 7512 3684
- Mobile number: 0789 456 3112

At the bottom of the form, there are two buttons: "Back" and "Continue >".

6.2 Perception of digital identity within financial transactions

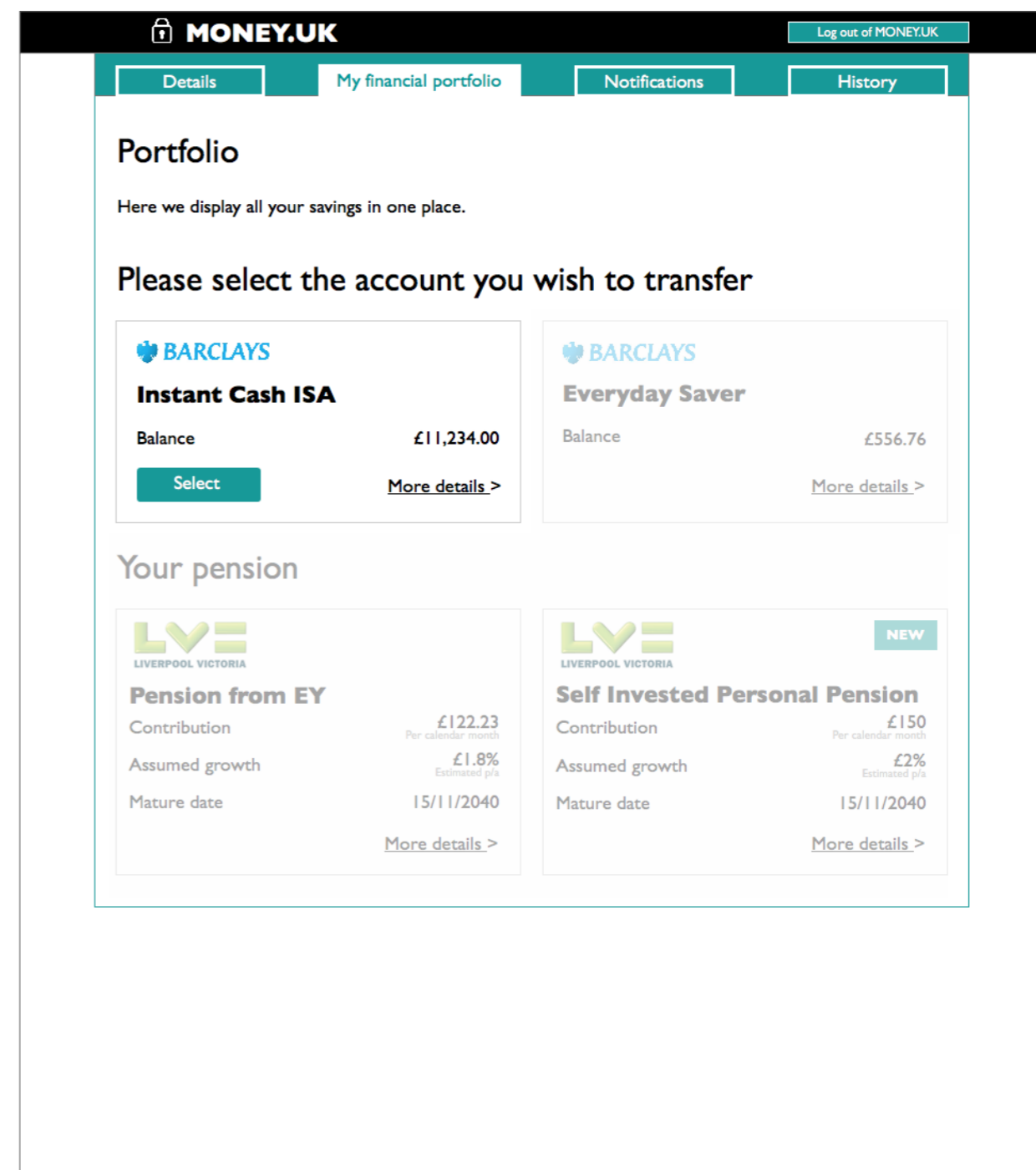
6.2.5 Populating account details

Addressing the need expressed in week 1 to rely less on users typing in their details, in week 2, the prototype presented a more automated process.

For example, in the context of an ISA transfer, users' account details held with third party financial organisations were retrieved to reduce the amount of data that a user would type in.

- Participants did not raise any concerns seeing such critical data being retrieved as this would enable them to transfer products without necessarily have all details at hand.
- The retrieval of savings account details was very positively perceived (as part of the Money.uk branding evaluated during the second research sprint only).

Further investigations should be carried to confirm that participants would accept to see their accounts being retrieved in the context of the .GOV branding.

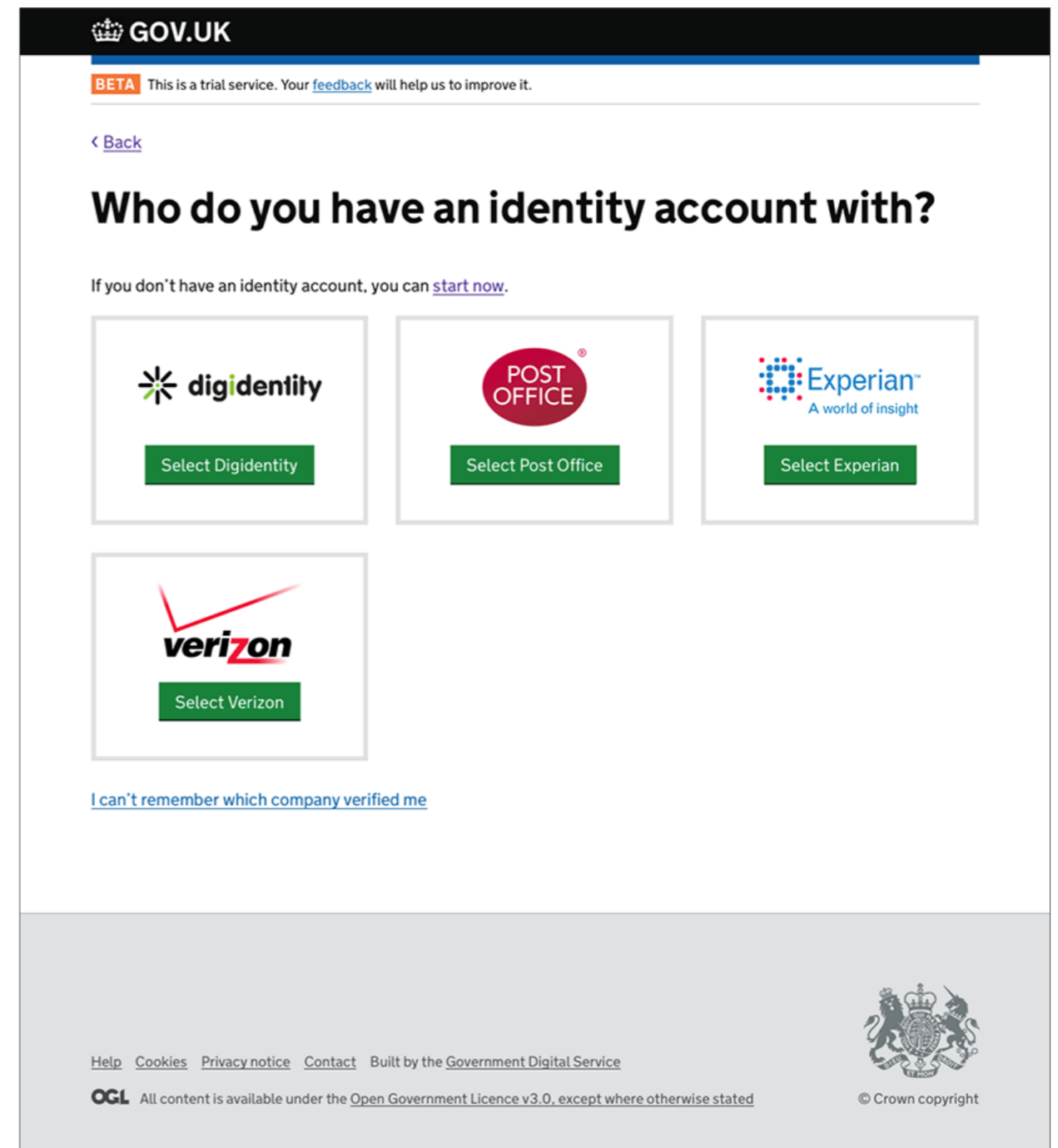


6.2 Perception of digital identity within financial transactions

6.2.6 Participants' perception of the Identity Providers

Identity providers were present in two contexts:

- Whilst making use of the digital identity, participants were exposed to the range of identity providers (Sprints 1 and 2)
- Whilst creating their own digital identity (Sprint 3) participants had to select the identity provider of their choice.
- The brands selected as identity providers are very important, especially when users register to Verify;
 - Unknown brands such as Digidentity did not seem to be trusted;
 - Experian very well known and trusted but was sometimes negatively perceived due to its debt recovery activities.
- **In the context of a registration to VERIFY** tested in the second week, participants were even more **unclear on the role of the Identity Providers**;
 - In the registration process, even if they understood the concept of identity providers, participants asked why they had to register with a third party to sign up with a financial institution.
 - The addition of a third party whilst signing up to verify was sometimes considered as cumbersome.
- Participants expressed that they would trust and sometimes **prefer financial institutions to act as Identity Providers** due to the relationship they already have with them and possibly the safety and security attached to these organisations.



6.3 Value of the GOV.UK digital identity

How do customers perceive the value of the GOV.UK digital identity within financial transactions?

Value of the digital identity whilst signing up with financial institutions

- Participants generally found the digital identity **useful** as it saved them from proving their identity through traditional means (for example sending a passport via post or visiting a branch).
- The Digital Identity was often compared to **PayPal**, because it acted as a third party enabling financial transactions whilst not passing all customer details. This association was **positive**.
- Some participants expressed that they **may need to use it in residual cases** because:
 - they would not have to prove their identity whilst taking up savings product from a provider they already have a relationship with;
 - In some cases, the financial entity did not require any document to be sent; some participants reported that they managed to complete applications online only with their National Insurance number.
- Even after experiencing the VERIFY signup process, most participants thought that **the digital identity was worth the 10 minutes spent registering** as they could re-use it later on.
- We investigated whether the **association between the Government and private finance companies** could be negatively perceived:
 - In most cases participants expressed that **the government was the legitimate entity to provide means of identification**;
 - In residual cases, participants expressed concerns in this association, mainly for **'responsibility'** purposes. (i.e. 'Who do I deal with in case of problems').



7.0 Would the Digital Identity entice people to save more?

For the purpose of this research we defined 'save more' as **accumulating financial resources** either more **frequently** or of a **higher value**.

In both cases, saving money is a journey made of multiple steps:

- **Awareness**, realising that there is a need to save money. This is usually triggered by an external event;
- **Intention**: looking for ways to achieve the goal
- **Adoption**: which is the transaction stage
- **Continuance**: where people reiterate the action

We evaluated the digital identity in two forms:

1. **The digital identity as a mean to prove one's identity** and to retrieve personal details to populate an online form (Sprint 1 and 3).

The user feedback received in week 1 led us to develop the prototype further and to add functionalities addressing the communicated needs.

2. **The digital identity as a companion service** enabling users not only to prove their identity, but also to support them along the customer journey steps (awareness, intention, adoption and continuance).

Open your Self Invested Personal Pension

Pension calculator

Use the calculator below to decide how much your monthly contributions will help you when you retire and how much you will still need to be comfortable.

Amending the options below will vary the amount that you can accumulate and therefore have available to you when you retire. You can see how only small change impacts the calculations for your pension

Your age is 36 years old

Target retirement annual income

£10k — £20k — £150k

£5.9k State pension | £1.8k Existing LV pension | £3.8k New Pension | £8.5k Shortfall

Monthly contributions: £5 — £150 — £500

Retirement age: 65 — 68 — 85

Age	36 years old	Your investment	£58,000
Years until retirement	32 years	Assumed Growth	£18,000
Annual contributions	£1,800	Total	£76,000
		Pension annual income	£3,800
		Pension monthly income	£316

* Investment Growth is assumed to be 2% for the benefits of this calculation.

Back Confirm

Existing LV pensions

LV pension from EY employment **£35,654**

This indicates that annual income that you can expect from your pension based on the information that you have provided. If it does not meet your target income, you may need to adjust the options you have selected.

View more

7.1 The digital identity as a means to prove one's identity

The interviews suggest that **there is no direct relationship between the Digital Identity as a pure identification mean and the saving behaviour.**

“I don't think that how much you save is dependent on what you fill online”
- (Sprint 3 - Participant 4)

“Having an easier or more complicated route to open an account would not make me save more” - (Sprint 3 - Participant 4)

“Having a digital identity has nothing to do with saving more [...] it is not related” - (Sprint 3 - Participant 5)

In this context, users reported that the following factors would make them save more:

- Being aware of existing products: a participant (Sarah - week 1) reported that she started becoming aware of the need to save for her retirement after being subscribed to a pension by her employer.
- Advice from a relationship manager in order to get assistance choosing the products suitable to their needs.

Extraneous factors such as ‘better rates’ or ‘having enough resources’ were also mentioned.

Legal & General

TRANSFER AN ISA

YOUR DETAILS

In order to open your ISA, we need to verify your identity. This can be done either two ways, using your GOV.UK Verify account or entering your details manually below.

SIGN IN WITH GOV.UK VERIFY

Use your verified digital identity with your chosen certified company to complete the transaction more efficiently.

- Its 10 days quicker to process your details
- No hassle sending documents to prove your identity
- Its secure and helps prevent identity theft

GOV.UK VERIFY

VERIFY YOUR IDENTITY

Or enter your details manually

FILL IN THE FORM BELOW

CONTACT DETAILS

Title

Forename

Surname

Address

Mobile phone number

Email address

7.2 The digital identity as a companion service

Based on the feedback received in the first sprint of research, we developed a prototype with additional features:

- Instead of GOV.UK, participants were directed to an independent site (Money.uk) to identify themselves and benefit of additional features;
- The additional functionalities included:
 - The storage of additional data which could be passed to a provider whilst signing up or transferring a product;
 - A portfolio showing their savings accounts across several financial institutions;
 - Users could immediately see the progress of their transactions in the portfolio;
 - When making a transfer, the portfolio enabled users to find and select the product they wanted to transfer (instead of typing its account details)
- After experiencing the digital identity as a companion service, some participants reported that they would save more because:
 - The portfolio enabled them to be **aware of their current position and act upon it.**

“[I would save more] because I can see what I have and what I am going to have” (Week 2 - Participant 5)

“You have a clear overview of all your financial products in one page” “The portfolio thing, I like that bit, I love that bit really, I see all the providers in one place” (53:32)

- Participants expressed a **sense of achievement** and **fun** when adding new savings products to their portfolio.
- In addition, **seeing the progress** of their transactions gave participants **reassurance.**
- Participants also requested additional features such as:
 - Seeing the history of their transactions
 - Receiving notifications when preferential rates come to an end (in order to enable them to switch products)

These findings are consistent with previous academic research: Mishra et al. (2013) suggest that spreading savings across several accounts could reduce people’s savings rate, and argue that a software providing aggregate reporting could help reduce vagueness and enhance savings.

Limitations:

- Showing current savings may help people realise that they need to save, however, **this does not enable users to self-serve** (i.e choosing the product which is right for them);
- Participants found the **identification process lengthy**, even on a second use. They wanted to access the service as simply as they would access their banking app (for example using an experience similar to TouchID on mobile).

8.0 Managing savings

Would the Digital Identity help people to manage their savings better?

For the purpose of this research we define ‘manage better’ as having the **access to the necessary information** and having an **understanding of the different financial products**, in order to make **financial decisions benefiting themselves**.

We evaluated the digital identity in two forms:

1. **The digital identity as a means to prove one’s identity** and to easily sign-up for a savings product, having access to the information that related exclusively to the product they intended to obtain (Sprint 1 and 3).

The user feedback received in week 1 led us to develop the prototype further and to add functionalities addressing the communicated needs.

2. **The digital identity as a companion service** enabling users not only to prove their identity, but also to have a consolidated view of all their savings products and to perform transactions across different financial services companies (Sprint 2).

8.1 The digital identity as a mean to prove one's identity

Participants have expressed that the sign-in process has no impact in how they manage the products.

Nevertheless, they mentioned that the **following factors have an impact** in their ability to manage their savings products:

- Being able to discover all the products they own.
- Having a system to collate all the information in one platform/ document.
- Controlling the maturity cycles and rates.
- Being aware of the best offers in the market.
- Understanding the products and all their implications.

Lloyds
LIVERPOOL VICTORIA

Open your Self Invested Personal Pension

Your details

In order to open your Self Invested Personal Pension (SIPP), we need to verify your identity. This can be done either two ways, using your GOV.UK Verify account or entering your details manually below.

Sign in with GOV.UK Verify

Use your verified digital identity with your chosen certified company to complete the transaction more efficiently.

- It's 10 days quicker to process your details
- No hassle sending documents to prove your identity
- It's secure, and helps prevent identity theft

GOV.UK VERIFY

Verify your identity

Or enter your details manually

Fill in the form below

Contact details

Title

Forename

Surname

Address

Mobile phone number

Email address

8.2 The digital identity as a companion service

After experiencing the digital identity as a companion service, most participants reported that **they would better manage their savings products**.

Although **not covering all the needs** (i.e. achieving a better understanding of the products), it enables participants to:

- Pulling information across financial services and **collating all products in one page** - It brings clarity regarding the invested amounts and helps to optimise savings (Week 2 - Participant 1 - 00:36).
- **Receiving alert messages when:**
 - The preferential rates come to an end.
 - A maturity cycle of a product is reaching the end.
 - There are new and interesting offers in the market.
- Performing transactions between financial services on one platform only. That flexibility, along with the digital identity would make the transactions easier, quicker and more dynamic, bringing down barriers that currently make users constantly postpone some pending financial transactions.

“I know that I have two pensions that I should bring together, but I am not doing anything with them because it seems like it will be more of a hassle to me”.
(Week 2 - Participant 5 - 35:40)
- Having an immediate feedback on savings product status: i.e. “pending”. It brings reassurance regarding the success of a transaction and users feel more in control of their processes.

A better understanding of the products plays a key role regarding the product management, and would still need to be addressed. Potentially by added information, “virtual advisors” and adding customer support systems to the platform.

The screenshot displays the MONEY.UK financial dashboard. At the top, there is a navigation bar with 'MONEY.UK' and a 'Log out of MONEY.UK' button. Below this is a secondary navigation bar with tabs for 'Details', 'My financial portfolio', 'Notifications', and 'History'. The main content area is titled 'Portfolio' and includes the text 'Here we display all your savings in one place.' Below this, there are three sections: 'Your savings accounts', 'Your pension', and 'Your pension'. Each section contains two product cards. The 'Your savings accounts' section shows two Barclays accounts: 'Instant Cash ISA' with a balance of £11,234.00 and a 'Transferring' status, and 'Everyday Saver' with a balance of £556.76. The 'Your pension' section shows two LVE (Liverpool Victoria) pension products: 'Instant Cash ISA' with a balance of £11,234.00 and a 'Pending' status, and 'Self Invested Personal Pension' with a contribution of £150 per calendar month and an assumed growth of 2%.

9.0 Conclusions

After running three complementary sprints of user research facilitated by a prototype iterated according to the feedback of the sessions, we conclude the following:

- **As an individual component the digital identity on its own does not directly influence consumers' behaviour** to either save more or manage their savings better; however, **it can facilitate the transactional process** (*adoption*) by reducing the challenge of the identification process, in situations where it exists.
- **As part of a wider companion service proposition, the digital identity acted as an enabler**, allowing users to access a wider range of services supporting the customer journey, especially at the stages of:
 - awareness (when users realise they need to save),
 - adoption (by facilitating the transaction) and
 - continuance (by enabling users to monitor their progress).
- The research revealed that **users found difficult to understand the savings products they needed** (self serve). This selection process lies at the intention stage of the consumer journey.

None of the solutions evaluated supported this feature. We would suggest to investigate ways to educate and enable consumers to find and compare savings products, either as an external or internal service integrated to the digital identity as a companion.

10.0 References

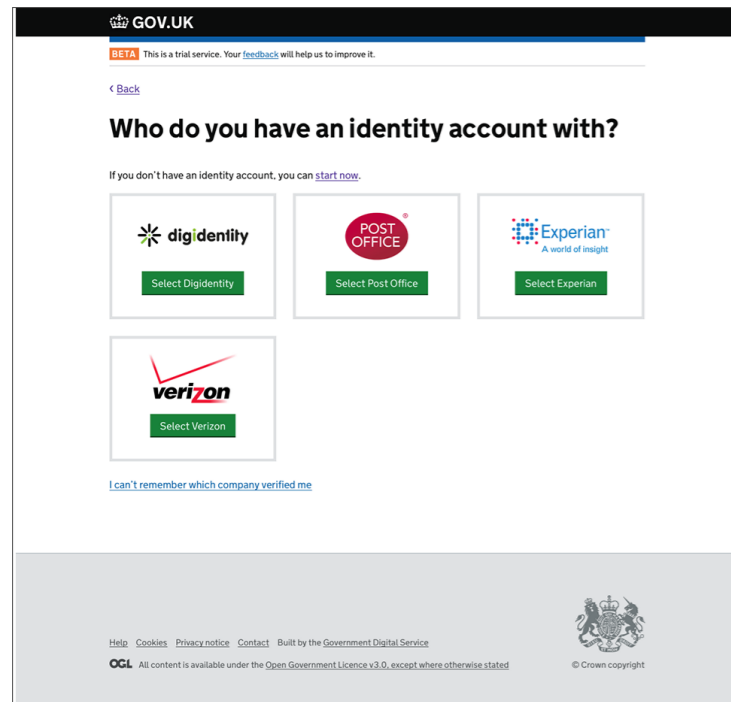
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11.0 Appendix

MIAC	How the tested components support the savings journey?			
	Awareness	Intention	Adoption	Continuance
Verify	-	-	★★★★	-
Pension Calculator	★★★	★★★★	★	-
Portfolio	★★★★	★	★★★★ For transfer only	★★★



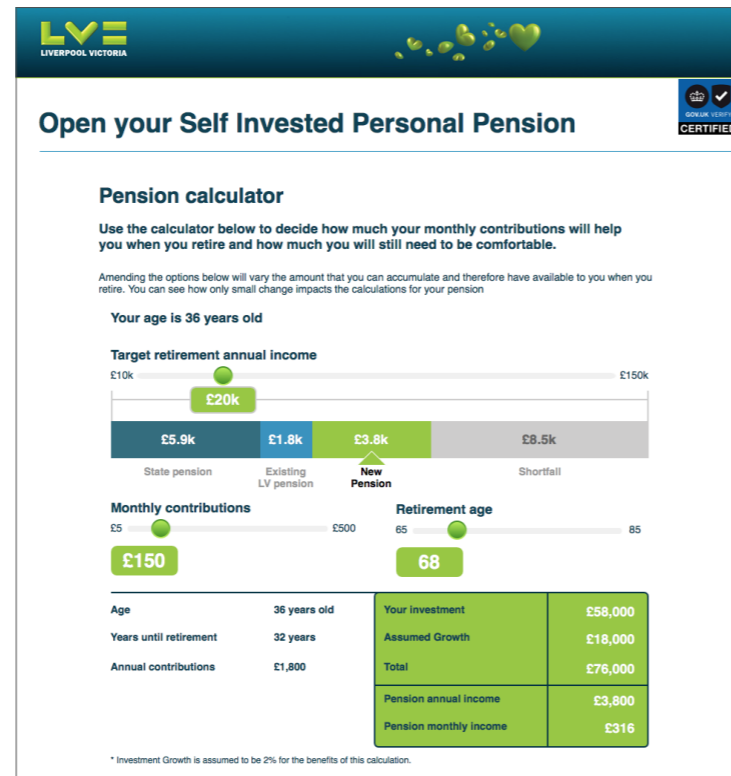
11.0 Appendix



Verify

Supports in:

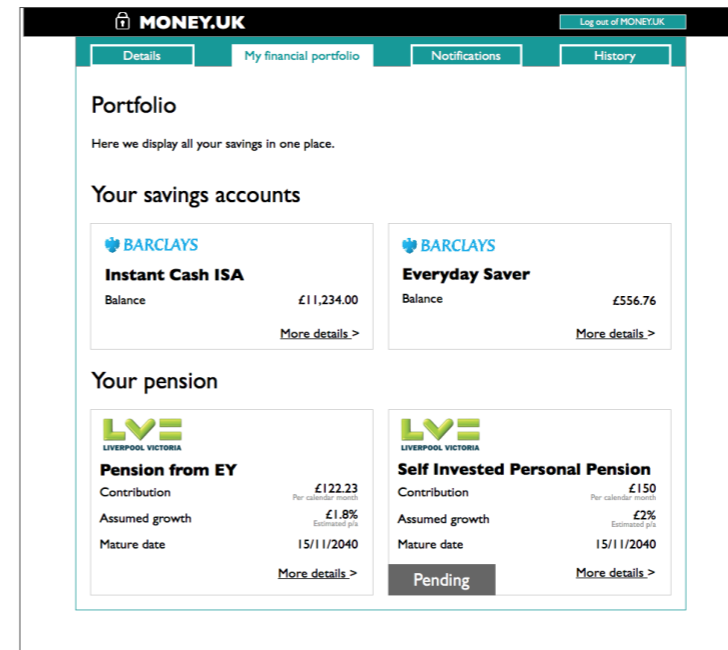
- Storing additional data, which could be passed to a provider whilst signing up or transferring a product.
- Saving time while authenticating the ID.
- Filling-in data (perceived value if there are more pre-populated fields besides: address, name and date of birth).



Calculator

Supports in:

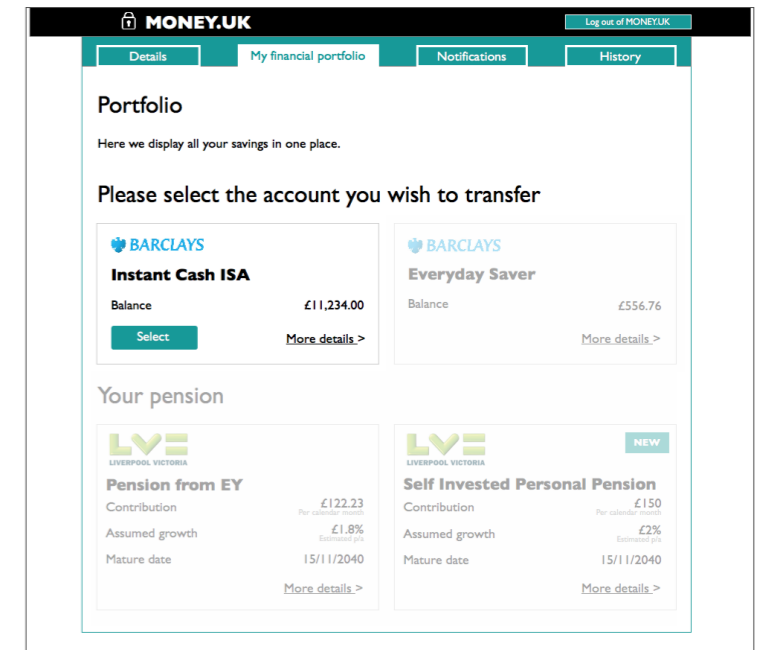
- Allowing an overview of the savings products.
- Allowing choosing the target objective. Acts as a planning tool.
- Giving the conception of what one can afford.
- Understanding the product, based on the information breakdown.
- Understanding the product, based on simple graphics. Other pensions' information is considered to be complex and difficult to read.



Portfolio

Supports in:

- Showing savings accounts across several financial institutions, enabling users to be aware of their current position and act upon it. Easier to realise how much one has across the whole portfolio.
- Making a transfer: the portfolio enabled users to find and select the product they wanted to transfer (instead of typing its account details). Facilitates transfer transactions between financial services.
- Seeing the progress of their transactions in the portfolio, right after making the transaction.
- Expected tips and alerts regarding interesting new offers coming out to the market.
- Expected alerts regarding maturity cycles of current products.



11.0 Appendix

Mapping of barriers, motivations, triggers along the savings journey.

	Awareness	Intention	Adoption	Continuance
	<i>I realise that I need to save</i>	<i>I am looking to save</i>	<i>I sign-up</i>	<i>I manage my savings product / I keep on saving</i>
Barriers	Perception that the "government will provide" during the retirement age.	Lack of ability to understand the products that are being offered, mostly pensions.	The hassle of confirming one's identity through the post - you have to go to the post office or scan and send it. Sometimes the scan is not ok and they request the document over and over again).	When rates change.
	General awareness of the need to control the products they currently hold, but people do not of how much they will get by the time they retire - short or medium-term approach.	Savings products might feel too intangible as opposed to property: "If I need money in the future I know I can sell one of my houses, and I will be OK".	Concerns about safety issues: sending the documents.	Passive attitude towards current savings products.
	External factors act as triggers to save (that may happen at any time in life - may even come when it is already late to save enough) as opposed to an intrinsic awareness of that need.	Pre-conception that creating or transferring a savings product will be a complex process. This leads to users permanently postponing the transfer.	Time consuming: i.e. having to wait to validate the identity; filling forms.	Having easy and quick access, login and identifications are sometimes cumbersome.
		Saving for the retirement age is set as a soft goal, based on an ideal of "living well", but without a specific financial goal attached to it - i.e. "I need to have 40K/year to live well". The ability to save also depends on having enough resources to do so; it may not be possible to set aside any money at all, or the one that may be set aside is already in a savings product.	The agreement was not what was initially promised. Not having all the required documents; the information on the required documents is not updated.	
Motivations	Feeling independent and self-sufficient.	Setting a personal goal (i.e.: how much money I will need when I retire; I want to travel around the world during 1 year).	Signing-up for a product with the company with which a user already has a relationship, this does not require users to identify themselves.	Easy and quick access to the overview of the products - i.e. Check daily on an App.
	Seeing how current savings grow - it is found to be somehow "addictive".	One of the current savings product reaches its maturity.	Finding a "good deal".	Seeing all savings in one place gives the perception of being in control.
	Engrained awareness about the need to save, most likely coming from a cultural and/or educational referent, i.e. parents.			
Triggers	Seeing my actual wealth makes me realise that I need to save more for my retirement.	Comparison websites.	The decision is already made, before the "sign-up" process is initiated.	Seeing all my savings in one place and their growth is addictive, I feel like I am winning.
	Gathering information about all the products currently owned on one piece of paper: having an overview.	Offers/ information about products from a company where the user is already a customer.		
	Personal circumstances (becoming responsible for elderly relatives, etc.); a company pension scheme. Pro-active contact from an existing advisor			
Needs	Set clear objectives.	Need to be in a position to save i.e. have enough money.	Need to be in a trusted environment to share personal details.	Keep track of savings on a regular basis (frequency changes according to user profile and type of products they own).
	Design a strategy to meet the objectives. The results should be tangible and achievable.	Check and compare all the products on the market (interest, access).	Need for support and further explanation about the product.	Easy and quick access, anytime - growing interest on using Apps.
	Access to an updated overview of all current products and a projection of the end result, compared with their objectives.	What matters while choosing savings products: • Interest rate - for all • Easy access - for some that have several products. some should be available in case of an unexpected event • The return • Potential penalties in case the respondent wishes to leave earlier • Protection/coverage in case there is an incident with the FS entity or their product.	After transacting, need reassurance that the transaction has worked out and it was not hijacked.	Receive alerts, mostly to: • Manage the mature period of each product. • Inform when rates change. • Avoid forgetting about a product.
		Need to have information, understand the implications and make an informed and well thought decision - need to have a period to think, mostly in long term commitments, like pensions. Receive recommendations to invest in new products or change their current ones, in case there would be a better option in the market.	Need to have a tangible confirmation of the transaction - i.e. an email and the possibility to download documents to the computer - matching each one's home-made organisation systems.	
VERIFY Needs supported			Saves time while authenticating the ID.	
			Perceived as secure.	
			Quicker to fill-in data (perceived value if there are more pre-populated fields besides: address, name and date of birth).	
			Less prone to mistakes. If information is pre-populated, avoids typos. After the first use it is considered to be a quick and easy authentication method.	
VERIFY Areas for improvement			First use is confusing.	
			The form is sometimes perceived as vulnerable.	
			Needs clarity on who is responsible for what, in case there are any kind of incidents during a transaction that is supported by Verify.	
			Benefits such as: speed, ease and safety to verify identity are not add value for all users. When signing-up with Financial Services organisation with which the user has already a relationship with, the ID is already validated.	
CALCULATOR Needs supported	Acts both as an overview of savings products, but also as a planning tool.	Allows to choose target objective. Not only an overview, but also a planning tool.		
		Gives the conception of what one can afford.		
		The information breakdown is highly appreciated.		
		Visually easier to understand than other pensions' information, which is complex and unclear to read - too many complicated graphics.	Sliders to adjust parameters added the perception of "flexibility" to the tool.	
CALCULATOR Areas for improvement	Only shows products with that company.	Needs to have further details, i.e. taxes.		
		Still requires further explanation for less savvy users.		
Component - PORTFOLIO	Gives an overview of all products - easier to realise how much one has across the whole portfolio.	Expected tips and alerts regarding interesting new offers coming out to the market.	Facilitates transfer transactions between financial services	Up-to-date view of all products - to see my money grow makes me feel like I am winning, it's addictive.
		Expected alerts regarding maturity cycles of current products.	Helps finding the savings products that one owns.	

Thank you

Executive Summary

December 2015



EY seren