



Vulnerable customers

The Financial Conduct Authority are formalising their expectation on the treatment of, and expected outcomes for vulnerable customers. The financial services industry is beginning to take action but is confronted with the scale of the challenge and wide range of issues they will encounter on what is a complex and emotive issue. Supporting vulnerable customers effectively requires a culture that permeates throughout the organisation with board level support and a fundamental re-think of the role of front-line employees.

The scale of the challenge



1 in 8 provide unpaid care

1 in 6

people over 80 with dementia
43% not formally diagnosed



100k

divorces in the UK each year



In any year
1 in 4

adults experiences at least one mental disorder



500k

pass away each year, leaving millions coping with bereavement



Just under
HALF

adults have a numeracy age of 11 or below



Factors influencing vulnerability

Disability

A physical or mental condition that impairs decision making

Capacity

Low knowledge or confidence with finances

Health

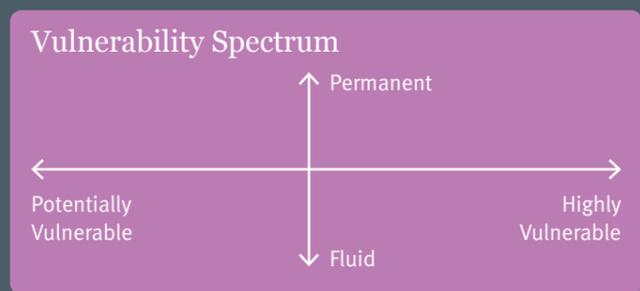
Physical health impacts our mental well-being

Life Events

Major life events such as divorce, bereavement, redundancy and more

Resilience

The inability to absorb a drop in income or rise in outgoings



“The FCA must set clear expectations of how financial service providers should treat vulnerable consumers under its definition, through the guidance it plans to publish.”
Treasury Select Committee

Breaking the vulnerability perception

The boundaries of vulnerability do not end at the elderly widow, suffering with a cognitive disability

“Vulnerability can be obvious or hidden, permanent or temporary and is related to individual context.”
Financial Conduct Authority



50% or 25.6m
UK Customers show one or more characteristics of vulnerability

60%
In adults over 65

Regulatory and political landscape

What can be done

Data Portability
Systems that can record and share identified vulnerabilities

Voice and speech analytics
Tools detecting speech, behavioural and emotional patterns

Collaboration
Sharing data and best practice across competitive silos

AI
Analysing more transactions for deeper insight and patterns

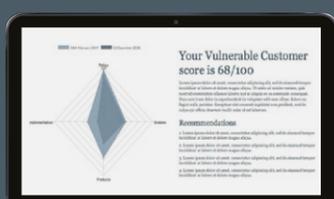
Charity Partners
Partnering with charities for training and best practice

Culture
A Vulnerable Customer First approach with support from the top down

Process
Non-linear processes that can flex to vulnerability needs

Trust
Trust in front-line staff to act autonomously in customer interest

How to assess Vulnerable Customer capability



Altus have developed a Vulnerable Customer self-assessment tool which will help firms assess the maturity of their Vulnerable Customer capability 24/7. The output is a Vulnerable Customer score with recommendations and insights to improve it, based on weighting factors. The tool will permit users to see their score vs. historical assessments to visualise their progress.

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